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JOB SATISFACTION AMONG LOCAL YOUTH IN PENINSULAR MALAYSIA TOWARDS CAREER IN OIL PALM PLANTATION

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ABSTRACT

The rapid expansion of oil palm plantation in Malaysia in 1990, 2.03 million hectares to 5.73 million hectares in 2016 (Malaysia Palm Oil Board 2017) caused required high labour intensive in this sector. .More than 78 % of labour (Azman 2014) in these sectors mainly came from Indonesia, Bangladesh and Philippines and most of the local youth refused to make oil palm plantation as a career due to the working environment compared to manufacturing sector which more conducive. Hence, this contributes instability and unsustainability in oil palm industry due to more dependence on foreign labour. The negative perception of local youth on nature of work and social status as a 4D job (Difficult, Dangerous, Dirty and Demeaning) made this working in oil palm plantation is the last choice of job among those who were still working and already left from oil palm plantation (Zaki et al., 2015). Thus the objective of this paper is to explore the level of job satisfaction among local youth which still working and those who left in Peninsular Malaysia and analysing the factors contribute to their satisfaction level. The purposive randomised sampling among the 271 local youths aged ranging from 16 to 40 years old which was considered as youth category in Malaysia. The Partial Least Square was used to analyse the satisfaction and happiness level among this category of this group. The result found those who left from working in plantation sector showed more significant value compared to those who are still working. This showed the construct reflects the satisfaction level if the plantation sector fulfilled the intrinsic factors of job satisfaction and happiness.

Keywords: Local Youth, Oil Palm, Job Satisfaction, Partial Least Square

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1.0 INTRODUCTION

Oil palm industry is a major contributor in the export of Malaysian agriculture. As of 2016, total planted oil palm in Malaysia is about 5.73 Million (MPOB 2017). The rapid expansion in this sector contributed job opportunity due to labour intensive. At present most of the labour in plantation were filled by the foreign labour. Based on Azman (2014), only 22 % were local workers, and 78 % were foreign labour from Indonesia, Philippines and Myanmar. This scenario contributed negative impact if too dependence on foreign labour especially Indonesian during Eid Festival when they took long leaves. During the festive season, the sector declined 60 % of the fresh fruit bunch production of oil palm (Faizah, 2010). The total of 42,707 of labour shortage were reported in 2010 (Ramli *et al.*, 2011). This contributes negative impact if oil palm industry and cannot be sustained if still depend on foreign labour especially Indonesian workers (Mohammad Amizi *et al*., 2016).

Most of the plantation workers especially local youth those who work in plantation and still working in plantation left this work and migrated to the urban area and work in the manufacturing sector and servicing sector which more conducive. Based on Kabita (2014), most of the Indian local youth work in oil palm plantation left the plantation and shifted the job in servicing sector. In addition most of Indian local youths left the plantation pursue the higher education in urban area. Thus this study provides the recommendation to oil palm industry based on the result analysis within this two groups of local youth which still working and those who left from this job. This will assist the industry to sustain especially those who are still working in oil palm plantation based on level of job satisfaction.

2.0 METHODOLOGY

Research using surveying through questionnaire was applied as the core methodology to acquire the raw data from the selected respondents based on a purposive randomised sampling technique those who are still working and left the job in oil palm plantation sector. 271 respondents ranging from 16 to 40 years old were selected from a local youth from Peninsular Malaysia which located in states of Peninsular Malaysia and staying within the location 5 kilometres radius within the plantation area. Based on the study by Houghton (1993), the distance affects the availability of labour market within the industry. From the 271 respondents, 193 respondents still working in the oil palm plantation and 78 respondents left the job in oil palm plantation. All the data were coded based on a questionnaire and then entered into a Statistical Package for Social Sciences (SPSS) software. To analyse the factors affecting the happiness of the workers working in the plantation sector by applying Partial Least Square (PLS) used Smart PLS Software. The Figure 1 showed model assumes the dimension of job satisfaction among the respondents who are still working and left the job in oil palm plantation and the causal factors which influenced

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the job satisfaction between two groups of respondents. Table 1 showed the construct measurement indicated in this model.

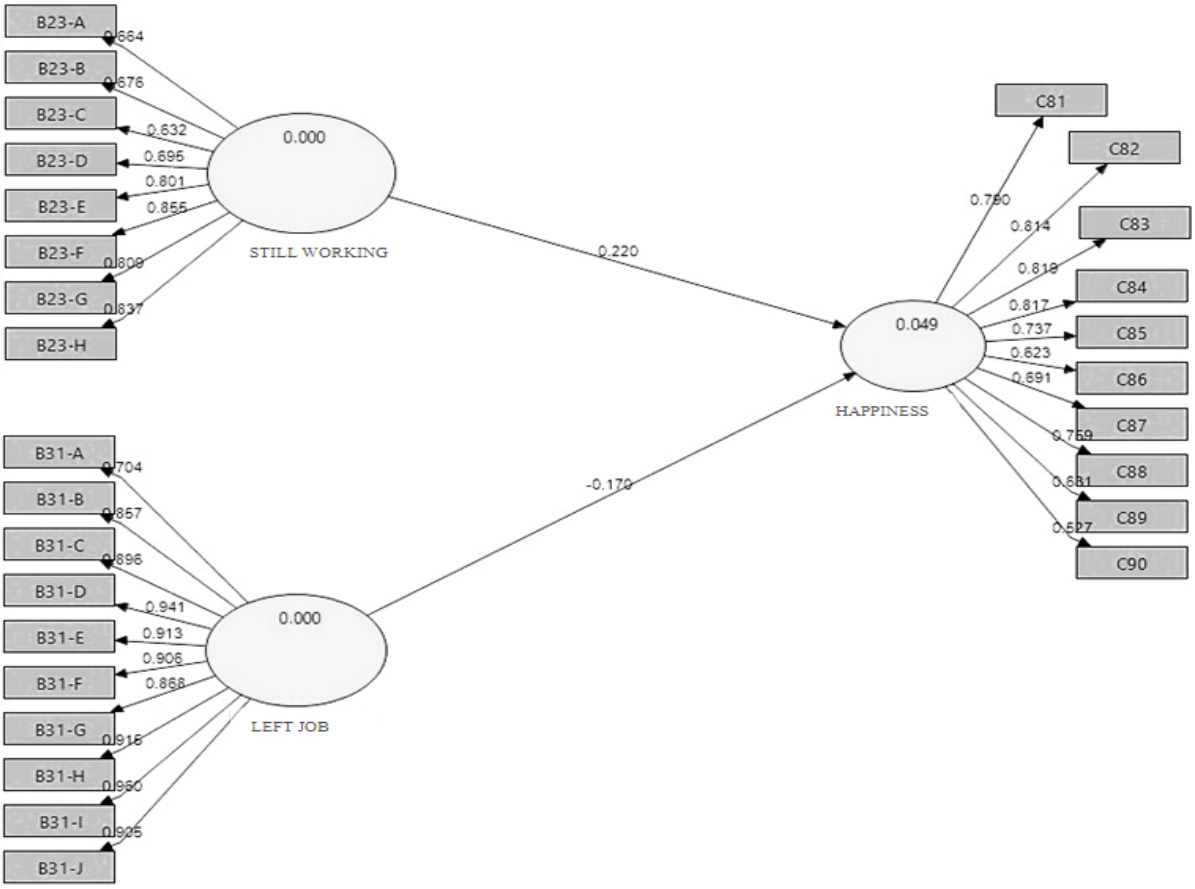

Figure 1: Model of factors influence the job satisfaction among the local Youth which participated career in Oil Palm Plantation

Table 1: The construct measurement

Construct	Items	Codes
Still working on Plantation	Causal Factors still working in Plantation	
	1. No suitable Job	B23-A
	2. No Qualification	B23-B
	3. Near Working Place	B23-C
	4. Provided Facilities	B23-D
	5. Do not want to stay away from family	B23-E
	6. Social Influence	B23-F
	7. Not interested in working in the city	B23-G
	8. No Choice	B23-H
Left Job from Oil Palm Plantation	Causal Factors Left Job from Plantation	
	1. Uncertain Income	B31-A
	2. Future not Guaranteed	B31-B
	3. Social Influence	B31-C
	4. No Entertainment	B31-D
	5. Transfer to Manufacturing Sector	B31-E
	6. Transfer to government sector	B31-F
	7. Transfer to private sector	B31-G
	8. Plantation Policy unattractive	B31-H
	9. Fighting among Colleagues	B31-I
	10. Others	B31- J
Job Satisfaction	1. I feel happy to work in the oil palm plantation sector	C81
	2. Working on the farm gives me satisfaction.	C82
	3. I will continue to work in oil palm plantation sector	C83
	4. I would invite and influence friends/family to work in the plantation sector	C84
	5. I am willing to work overtime at the farm	C85

	6. I intend to encourage children to get involved in the plantation work	C86
	7. I will always make sure that all levels of society understand and respect plantation work	C87
	8. I am willing to motivate youth to engage in plantation sector	C88
	9. I feel this is the only work that suitable with my soul	C89
	10. I feel incoherent if I'm on the farm for an extended time.	C90

3.0 RESULTS

Based on Table 2 shows Cronbach's Alpha of each construct in a measurement model were showed all constructs are more than the threshold values which more than 0.7. The result of Cronbach's Alpha shows positive internal consistencies on the studied components of every studied component since the estimated values of coefficient alpha were higher than the standard index of reliability test which is 0.6 (Nunnaly, 1978). Hence, this indicates that all of the constructs have higher levels of reliability. This shows that there was consistency among the of these two group of local youths used in the study of job satisfaction level to work in oil palm plantation and it can conclude that the study based on constructs the items in the questionnaires is fit for this objectives.

Table 2: Internal Consistency Reliability: Cronbach's Alpha

Construct	Cronbach's Alpha
Job Satisfaction Dependent Variable	0.9063
Left Job Independent Variable	0.9701
Still working Independent Variables	0.8900

Average Variance Extracted (AVE) for the measurement model construct. AVE was equivalent to the communality of each of the construct. Table 3 shows AVE's values for satisfaction construct, left job construct and still working construct in table 3 indicates that all the AVE's values are greater than 0.5. Thus reports that the construct explains more than half of the variance of its items was reliable.

Table 3: Average Variance Extracted (AVE) of Each Construct

Constructs	AVE
Satisfaction	0.5286
Left Job	0.7904
Still working	0.5633

The Fornell-Larcker is a second criterion to assess discriminant validity. As shown in Table 4, the square root of AVE for each construct is showed in the diagonal box. The square root of AVE's for each construct are 0.7270, 0.8890 and 0.7505. These values indicate that this measurement model is free from discriminant validity problem. Hence can be proceeded to structural model assessment on job satisfaction of these two group.

Table 4: Fornell-Larcker

	Job Satisfaction	Left Job	Still Working
Satisfaction	0.7270		
Left Job	-0.0857	0.8890	
Still working	0.1555	0.3810	0.7505

The Variance Inflation Factor of this study showed all the constructs in the structural model should be less than 5.0 (Hair *et al.,* 2014) All the values in this Variance Inflation Factor are ranged from 1.2097 to 1.3910 for happiness, left the job and still working. Thus, all constructs are free from collinearity problem**.**

The path coefficient values for respondents who were still working and respondents who left the job were 0.2204 and -0.1701 respectively. Both of the constructs showed the t-values of 2.5817 and 1.1471. From this Table 5 showed that left the job's constructs is not significant compared to the constructs that still working. The construct contains insignificant t-value for the respondents who are left the job. This indicates that left the job's construct does not give an impact towards happiness construct.

Table 5: Path Coefficients

	Path Coefficients	t-Value	Significant
Left Job -> Job Satisfaction	-0.1701	1.1471	Not Significant
Still working -> Job Satisfaction	0.2204	2.5817	Significant

The level of prediction accuracy of the structural model was determined by the coefficient of determination (R^2) value was showed R^2 value 0.0488. This meant that only 4.88% of the model

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was explained by still working constructs and left the job to construct towards job happiness construct. This showed the relation between the construct with job happiness was weak. However, there is no guarantee that the value of the Coefficient Determination is indicating that the indicator on Goodness of Fit. Similarly, there is no guarantee that low R^2 values show weak relationships since changes in dependent variables mostly influence statistics. This usually occurs in studies involving social sciences (Hair *et al*., 2014).

4.0 CONCLUSION

This study showed the local youths in Peninsular Malaysia those still working in oil palm plantation will make oil palm plantation as permanent career if the plantation industry fulfilled their needs. In addition the local youth which still working in plantation will influenced friends and relatives to work in oil palm plantation. Based on significant result on job satisfaction level these local youths will be more productive compared to foreign labor due to willing to work long hours. The local youth which left the plantation willing back to work in oil palm plantation if the plantation industry policy and fringe benefits more attractive. The modernization and urbanisation in oil palm plantation can be increased the job satisfaction level among the local youth to work in oil palm plantation.

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