DETERMINANTS OF EDUCATOR JOB SATISFACTION IN PRIVATE HIGHER EDUCATION PROVIDERS

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IN PRIVATE HIGHER EDUCATION PROVIDERS

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A dissertation submitted in partial fulfillment of the requirements for the degree of Corporate Master in Business Administration

Faculty of Economics and Business
UNIVERSITI MALAYSIA SARAWAK
2010
I certify that I have supervised and read this study and that in my opinion it conforms to acceptable standards of Scholarly presentation and is fully adequate, in scope and quality, as a research paper for the degree of Corporate Master in Business Administration.

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I hereby declare that this result of my own investigations, except where otherwise stated. Other sources are acknowledged by footnotes giving explicit references and a bibliography is appended.

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ABSTRACT

The purpose of this research is to identify potential factors that can contribute to educator job satisfaction in the context of private higher education providers in Kuching, Sarawak. Questionnaire has been distributed to 5 private colleges in Kuching. Results of questionnaire with 76 sample of educators indicated that internal motivators contribute more to job satisfaction, if compare to external motivators. There are six internal and 6 external motivators identified in this research. Descriptive, factor analysis, Pearson correlation and regression analysis were used in this study. In addition, limitation of the research and some recommendations for future research were made.
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CHAPTER ONE

INTRODUCTION

1.0 Introduction

Private higher education providers have been growing rapidly and are now recognised as a strong contributor towards meeting Malaysia’s need for human capital development. At the same time, the expectation on public institutions of higher education to be the engine of innovation and creativity is rising. Quality and value for money are two issues among the many emerging issues relating to the transformation of Malaysian higher education system. Private higher education institutions (PHEIs) are drive through offering quality education services and meet the bottom line of student recruitment. On the other hand, the public sector used to have less pressure in financing their operation and could focus on providing quality education. This is because public sectors are financed by the central government and they have more funds in running the operation of higher education sector.

The private institution of higher learning is playing an equally important role with the public universities to offer quality higher education and attract foreign students to Malaysia who contribute some RM50 million in direct earnings to Malaysia annually (Uda Nagu, 2007). Education sector has been seen as a business opportunity. It acts as a mean in preparing students for an occupation in business or a business-related field, or a teaching profession in academic world. Improved educational standards underpin every development index, from infant mortality to birthrate to family health to employment to GDP. Moreover, quality education at this affordable pricing would likely attract larger numbers of foreign students, who could be charged higher fees, as it is the global practice, turning education into yet another window of foreign exchange earnings.
In the context of higher education, many studies have focused on students as “customers”, and their research in general attempted to evaluate the level of satisfaction or dissatisfaction among students in relation to educational programs (Comm and Mathaisel, 2000). Some of these studies in addition to others, however, tend to neglect the most important role that can contribute to higher quality of education, namely educator. It is undeniable that educator’s work satisfaction can contribute to high quality of teaching delivery. In the literature, while there have been several studies that examined employee satisfaction, very few have investigated educators and their work satisfaction within their organizational setting (Ward and Sloane, 1998). It was argued that employee satisfaction is equally important as customer satisfaction (Oshagbemi, 1997a). Hence, in education sector, educator work satisfaction can play important role towards better education quality offers to students (Comm and Mathaisel, 2003).

Job satisfaction is described as an attitude that individuals have about their jobs. It is an extent to which one feels positively or negatively about the intrinsic and or extrinsic aspects of one’s job (Bhuian & Menguc, 2002; Hunt et al., 1985). Job satisfaction has been an interesting construct for researchers in understanding employee behaviors and attitudes. It is an important work-related attitude in work force research for several reasons (Boles et al., 2003). First, satisfaction with the job is directly related to organizational commitment (Brown & Peterson, 1993). Second, job satisfaction is either directly (Netemeyer et al., 1990) or indirectly (Brown & Peterson, 1994) related to an employee’s turnover intentions.

In this study, the researcher is interested to understand potential factors that can influence an educator’s decision to stay with their organization. Particularly, this research attempts to
identify the internal and external factors that can contribute to job satisfaction from the educator perspective and their intention to stay with the organization. Studies related to educator job satisfaction within their organizational setting are still under-developed in the literature as compared to that on customer or employee satisfaction of other business sectors. This study aims to contribute to address this literature gap.

1.1 Roles of Public and Private Higher Education Providers

Higher education in the academic and professional grounds is provided by a) public-funded higher educational institutions that include public universities, polytechnics, community colleges and public colleges; and b) private-funded higher educational institutions that include private universities, private colleges and foreign university branch campuses.

Public higher education providers are mainly government funded. Their main role is in providing education services to students on the goal for achieving human capital development. It is responsible for the training of manpower both academics and non-academics, the courses offered by the respective universities, and the setting up of new faculties as well as new universities. From the latest announced 10th Malaysia Plan in June 2010, public university is encouraged to generate its own income through its education programs, research, commercialization, and consultations. Public universities are expected to seek their own alternative sources of funding from the private sector or their alumni. This is intended to ensure greater collaboration of universities with industry to improve the quality and relevance of their teaching and research.
On the other hand, private higher education providers in Malaysia are owned and established by private corporations headed by renowned Chief Executive Officers (CEOs). All private education providers are profit-making business. These providers are invited and granted college and university status by the Malaysian Minister of Higher Education, empowered under the Private Higher Educational Institutions Act 1996. They can confer the award of Diploma to Bachelor degrees and other higher qualifications.

MAPCU (Malaysian Association of Private Colleges and Universities) registered 18 March 1997 stands as Malaysia’s most prestigious grouping of private higher education institutions with memberships from major well established private colleges and universities in Malaysia (MAPCU, 2009). Private higher education is and will keep expanding. One obvious reason these private institutions survive and fare quite well along the public ones is because they follow the market flow and demand. They offer popular courses with average entry requirements with the sole aim of covering the maintenance cost if not financial profit. Moreover, they attract the pool of students that are unable to get into public university. This significantly contributes to the growth of private higher education providers.

1.2 Differences between Public and Private Higher Education

The first difference is cost incurred. The cost of a public education is the first thing that most people take into consideration when examining the difference between a private and public education providers. Public education providers are funded by the state, and are much less expensive then private education providers, which rely on funding from alumni and private donors in order to remain open. Public education providers get a lot of funding from taxes, which means they are cheaper than private education providers. Private education providers charge the
full price of tuition to everyone, although many have large endowments that they use to make generous financial aid packages.

Admission requirement is the second differences. While both types of education providers have certain admission standards and criteria, public education providers traditionally have a less stringent set of admission requirements then private education providers. Smaller class sizes, lower student-to-teacher ratio, and prestige, often resulting in a significant disparity between the number of private university applicants and the numbers of students accepted are among the features concerned with private education providers.

Curriculum emphasis contributes to the third differences between education providers. Both public and private education providers provide a wide range of courses, majors, and degree paths for students to focus on. Private education providers can do whatever they want, of course within reason if they want to be accredited. Public education providers may have an elected or government appointed board of directors that make major decisions.

Other differences would be student to teacher ratio. Public education providers are typically large in size in terms of population. For some students, this diversity can help them to meet new people and gain exposure to different cultures and learning styles. For others, the lack of individualized attention can be a hindrance when it comes to their academic performance. For students who require individualized attention and the opportunity for one-on-one learning, a private education provider may be the better option.
1.3 Research Objectives

1.3.1 General Objective

To identify potential factors that can contribute to educator job satisfaction in the context of private higher education providers in Kuching, Sarawak

1.3.2 Specific Objectives

1.3.2.1 To identify what are the internal and external motivating factors that contribute to educator job satisfaction

1.3.2.2 To identify whether the internal motivating factor has significant relationship with educator job satisfaction

1.3.2.3 To identify whether the external motivating factor has significant relationship with educator job satisfaction

1.4 Hypothesis

Two hypotheses will be tested in this study. They are listed below:

Hypothesis 1: Internal factor (motivator) has a relationship with educator job satisfaction

Hypothesis 2: External factor (motivator) has a relationship with educator job satisfaction

1.5 Problem Statement

The higher education industry is very valuable for research as this sector is playing a key role in improving productivity and occupational skills, engaging many academics and students and has abundant links with industrial and community activities as well as enhances the nation's ability to compete in a volatile global knowledge economy (Tight, 2003; Humphreys & Hoque, 2007).
While committed academics are the key towards the successful private education institution in Malaysia (Humphreys & Hoque, 2007) and since academics have a high need for support and recognition, there is very little empirical studies thus far which have been conducted to examine the job satisfaction and intention to stay and hence enhance the level of affective commitment of academics using the academics working with the private institutions of higher learning (Rowley, 1996; Capelleras, 2005; Joiner and Bakalis, 2006).

Since there are seldom any research that focus on educator’s satisfaction in private higher education sectors. Therefore, this research tries to close this gap by looking on the factors (internal and external) that contribute to educator’s satisfaction in private higher education institutions and examine whether job satisfaction has any impact on intention to stay.

1.6 Empirical Setting

This research will focus only at educators in Kuching’s Private Higher Education Providers, specifically focuses on Colleges in Kuching. Kuching has 18 private colleges registered under Ministry of Higher Education (MOHE, 2010), such as SEGi College Sarawak, Sunway College Kuching, PTPL Sarawak, INTI College Sarawak, and Twintech College Sarawak (Wikipedia, 2010). Besides that, there are also few of other private colleges such as Stamford College, Taylor’s College, and International College of Advanced Technology Sarawak (ICATS). Since the population of educators in Kuching is unknown, therefore, researcher estimates there are a minimum of 100 educators in Kuching. Hence 100 questionnaires will be distributed to colleges in Kuching. The researcher found difficulty in getting the exact number of educators in Kuching, specifically focuses on college educators in
Kuching. Emails to MAPCU, calling to Education Department in Kuching have no proper reply on the numbers of educators in Kuching.

1.7 Significance of study

First, this study provides further empirical evidence and helps to identify the educators’ internal and external job satisfaction in relation to intention to stay in private higher education institution. This shall ease the management of private higher education sectors to provide better welfare in accordance to their satisfaction. The researcher selected the teaching profession because educators have been consistently identified as a group experiencing high stress at work (Sigler and Wilson, 1988).

In addition, this research attempts to address the literature gap where theories and concepts are coming from western researchers and therefore, the researcher conduct this research to identify is whether what western researchers mentioned that internal motivators if compare more to external motivators contributes towards educator’s job satisfaction.

According to Wilson and Rosenfeld (1990), one major reason for conducting research on job satisfaction is that positive or negative attitudes effects towards work form largely many behaviors in the organizations (Koustelos, 2001). When internal and external motivators of educators are identified, this shall help the Malaysian Higher Education system to identify their intention to stay and job satisfaction with the private higher education system. The government can then formulate better policies and regulation to private higher education providers in
strengthening the education policy based on educators' satisfaction as their satisfaction link towards the quality of teaching they provide.

Lastly, the results and findings of this research would ease future researchers to identify in detail on the overall job satisfaction, employee satisfaction and commitment to the organization. As consequences, this shall help to improve the benefits and welfare provided to the educators and hence fulfills the organizations view where organizations strongly desire job satisfaction from their employees (Oshagbemi, 2003). Satisfied employees and job satisfaction has been found to significantly influence job performance, absenteeism, turnover, and psychological distress (Andrisani, 1978; Davis, 1992; Spector, 1997).

1.8 Conclusion

Therefore this research examines the factors that contribute to job satisfaction and intent to stay among educators in private higher education institution in Malaysia as it relates to job satisfaction. This paper is therefore, presented in the following five sections. Section one discusses the introduction of the research; section two discusses the literature review. Section three describes the research methodology used in the study and section four presents the findings and discussion and lastly section five present the conclusion and recommendation for the research.

1.9 Definition

a) Educators- Also known as academician, teacher, lecturer that provides teaching experience to the students

b) Private higher education providers-involve private colleges level of higher education in Kuching, Sarawak
c) Job satisfaction- describes how content an individual is with his or her job.

d) Internal (intrinsic) motivators-are rewards that the individual provides for himself or herself.

e) External (extrinsic) motivators- are those rewards that are provided to the individual by someone else (Tyagi, 1990; Steen & Porter, 1991).
CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter, review will be done on the theories and concepts that have been done by theorists, as well as studies and research done by previous researchers. This chapter presents the various researchers ideas and theory regarding educator’s job satisfaction and motivating theories. The roles of private higher education providers are also included. Lastly, the research gap is being identified.

2.1 Role of Private Education Institution

Private Higher Educational Institutions (PHEIs) or better known as Institut Pengajian Tinggi Swasta (IPTS) in Malaysia have been playing a role as important as government-funded universities, that is public universities in the provision of tertiary education in Malaysia since the early 1980s.

In tandem with the Government’s emphasis on human capital development, the demand for higher education in Malaysia will surely grow as its population rises. According to the Malaysian Association of Private Colleges and Universities (MAPCU), there were some 450,000 students at private institutions of higher learning as at December last year. This accounted for slightly more than 50% of the total enrolment in both public and private universities and colleges (The Star, 2009). The private sector’s involvement in education over the last few decades has contributed drastically to the nation’s progress. “Private education has been absolutely central to the development, stability, and harmony of Malaysia for the past 25 years,” says Mark Disney,
Chief Operating Officer of Asia’s London Chamber of Commerce and Industry (LCCI), which provides vocational and business qualifications (Errol, 2009).

In this business world, the capacity shortfall in the public higher education system translates into market demand. It is seen as an opportunity to make money. It is the engine room for developing outward-looking graduates and it is the reason why Malaysia can legitimately call itself a regional educational hub. The public sector has become private sector competitor because the number of public universities and community colleges is increasing and it challenged the number of students recruited (Errol, 2009). Beforehand, the private sector played a corresponding role to the public sector. Recently, the public sector is challenging the private sector. MAPCU President Dr Parmjit Singh reminds us that it was the private institutions of higher learning in Malaysia that came up with the 1+2, 2+1 and 3+0 twinning degree programmes, thus providing Malaysians with more affordable options to study for degrees awarded by foreign universities.

The Malaysia education system since independence has been under the tight control of the central government, with private sector plays only a supporting role. Malaysia has a relatively large number of private higher educations. A variety of new privately owned institutions such as institutes, colleges, distance education centres and virtual universities (higher education programs delivered through electronic media) alongside the traditional universities have appeared. The contribution to education growth cannot be ignored and private higher education institutions (PHEIs) have played an important role in the higher education sector of developing countries.
In addition, Malaysia has gone through major reform in its education industry. A formal accreditation process has been set up by its government. Nevertheless, there is relatively high percentage of students studying in private higher educational institution.

Most private higher education institutions in Malaysia are teaching institution as they are lack of research allocation. Malaysia government should encourage good researchers from public universities to join private higher education institution and distribute a higher research funding across private higher education sector in order to make them active in research.

PHEIs have been preparing students for tertiary education at top universities worldwide since the 1970s. These private institutions offer a full range of internationally recognized pre-university programme. PHEI offers pre-university studies in Malaysia for upper secondary school leavers with SPM (Sijil Pelajaran Malaysia) qualifications. PHEIs provide a wide range of courses and award qualifications ranging from Certificate, Diploma to Degree. PHEIs' programmes are offered to different levels of students and will lead to the award of a Certificate, Diploma or Degree qualification. There are also a number of PHEIs that conduct postgraduate degrees at Master's and PhD levels.

The PHEIs in general consist of private colleges, private universities and universities colleges and branch campuses of foreign universities. Private colleges involve:

1) Pre-university programmes (internal and external qualifications)
2) Internal or self-designed certificate and diploma qualifications
3) Foreign university degree programmes in collaboration with partner-universities
4) External professional and semi-professional examinations

Over the years, there has been a phenomenal growth of private colleges and institutes in the country and one can also observe a lot of institutional and programme diversity amongst them. There are some private educations which are for profit and nonprofit institutions. Profit oriented has been set up by individual proprietors, private companies, government corporations and consortiums of companies. Non profits are usually set up by foundations or charitable organizations through community support.

The private higher education institutions also differ in the tasks they have chosen for themselves. Some of them offer wide range of programme in various fields of studies from pre-university to post-graduate level. Other private institutions specialize in areas of studies such as art and design, language, hotel catering, and so on. They rather find themselves niches but keep on competing between other colleges.

Besides institutional differences, there are also varieties of programmes offered by private colleges. The programme range from the pre-university to post-graduate level, and include academic, professional, sub-professional, technical and managerial courses in many fields of study (Lee, 1994).