

The Effect of Sales Promotion Strategy on Online Fashion Shopping Behavior among Employee of Sahawan Sdn Bhd

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Abstract

Purpose: Online shopping especially in the fashion category, have been one of the fastest growing market in the world. Different brands have been using different sales promotional strategy to stimulate customer purchasing behavior towards any product. The purpose of the study was to identify the effect of sales promotion strategy on online fashion behavior among employees of Sahawan Sdn. Bhd. The data was obtained through self-administered by using convenience sampling.

Design/methodology/approach: This research adopted quantitative methods to collect primary data needed for analysis. The variables were tested in SPSS 20.

Findings: The findings of the study revealed positive effect of coupon, discount, and free delivery on customer's online fashion shopping behavior.

Research limitations/implications: Besides time, sample size can be one of the limitation to this research.

Practical implications: This study will give marketers a clear insight on how to tailor their sales promotional effort based on the employee's behavior or preferences. Therefore, the marketer will know how to meet the needs according to this specific type of target groups.

Keywords: Online Shopping, Sales Promotion, Consumer Behavior

Introduction

In Malaysia, almost 21 million people have access to the internet and the number might increase by the end of 2017. Selling products or services online can actually help business to reach new market and achieve sales and revenue. It also provides a good opportunity for these businesses to really understand their target customers. Besides that, they are also able to achieve the expectations and requirement of their existing and new customers (Harn, Khatibi, & Ismail, 2006).

Online shopping has become increasingly popular because customers are able to save time, have more selection and have more information about the products or services available (Harn, Khatibi, & Ismail, 2006). 91% of online users in Malaysia shop online (Wong, 2013). One of the most successful online business is online fashion shopping. Online fashion is a unique and highly attractive market that gives customers better shopping experiences. The range of products available and attractive prices also act as significant factors that come into a role when customers decide on buying product (Mughal, Mehmood, Mohi-ud-deen, & Bilal, 2014). With online fashion websites like Zalora, FashionValet, and Poplook, are few names that are well established that are known by the online fashion buyer. However these online fashion's product offering and services are slightly similar to one another thus creating some serious competitiveness among each other (Zhenxiang, & Lijie, 2011). This has resulted in several sales promotional tools being employed by the brands to help them succeed in the process to sustain and grow customers.

Sales promotion is a promotional activity that gives some type of incentive to intermediaries or customer to encourage immediate sales (Roach, n.d.). Marketers need to spend a lot from their budget to sales promotion. Therefore, marketer needs to understand and learn customer's behavior towards sales promotion so they will be able to cater to their preferences.

Customer buying behavior however is the process when an individual search, selects, purchase, use and dispose of goods and services (Grimsley, n.d.). There were few inconsistent results in the previous researches. Previous study stated that coupon that was offered to the customers would be the reason for them to purchase a product (Ahmad, Mehmood, Ahmed, Mustafa, Khan, & Yasmeen, 2015). However another study had found that coupon does not affect customer's behavior towards purchasing a product (Yang, 2009).

A previous study conducted by Ahmad, Mehmood, Ahmed, Mustafa, Khan, and Yasmeen (2015) focused on shoppers in Bahawalpur City which aim to understand the relationship between sales promotion and consumer buying behavior. The study had found that a large percentage of sales are made on promotion. Research conducted by Darko (2012) implied that Sales promotion plays a significant role in influencing the consumer decision process during purchase. The targeted respondents were the customers of Vodafone and other networks in the Tema Metropolitan Assembly in Region of Ghana and the objective was to study the impact of sales promotion towards the consumer buying behavior in the telecom service industry. However, a study on sales promotion has never been implied on an online fashion shopping behavior among employees in any geographical location in Malaysia. Marketer should understand different group of customer behavior towards online fashion shopping to help predict the future growth of their business.

Literature Review

Online Fashion Shopping Behavior

Customer's online shopping behavior and purchasing experience reflects their attitude and reaction towards the online fashion websites (Seock, 2003). Social media has contributed a high visits to online fashion stores. In Malaysia, 50% of customers buy fashion products from online local site and 27% buy fashion products from foreign site (Wong, 2013). The most popular online fashion website in Malaysia is Zalora which has 1.2 Million numbers of visits. Other popular fashion websites include Nile, Poplook, and Fashionvalet (Wong, 2015).

Sales Promotion

Sales promotion strategy is very important when it comes to acquiring and retaining customers. It can be used to gain more sales from the customers and giving them opportunity to try new products. Other than that, sales promotion strategy is also used to add an extra value to a

product in order to stimulate customer purchasing and selling effectiveness (Awunyo-Vitor, D., Ayimey, E. K. & Gayibor, R. A. (2013)).

Sales promotion aims at having a direct impact on the customer's purchasing behavior (Chaharsoughi & Hamdard, 2011). The core purpose of this paper is to study the effect of sales promotion on online fashion shopping behavior among employees of Sahawan Sdn. Bhd. which also represent the customer's online shopping behavior. Coupons, discounts and free delivery are some of the sales promotion that the websites used to attract more customers to purchase their goods.

The promotion might be beneficial for those who are concerned about price savings (Chandon, Wansink & Launrent, 2000). Sales promotion will enhance the desire for the customers to purchase products that offers better value for money. It will also help to create awareness of a product and also the demand for it. The sales promotion strategy is important for marketers to achieve high volume of sales and capturing a high level of customer's loyalty.

Online customers will constantly look for the best price and learn about the product features before even purchasing it. Sales promotion gives opportunity to businesses to attract more customers repeatedly to their page. Furthermore, online businesses will able to increase the value of a product by reducing the cost or providing additional benefits to it (Malik, & Sachdeva, 2015). Sales promotions can be used by businesses to create a long term customer relationships which can help them to improve their sales. Promotion acts as a communication where the businesses send messages to its audiences to inform or influence them towards their products (Bhandari, 2012).

Coupons

Coupon is one of the sales promotion strategies that are used by the marketer. It can be defined as voucher or certificates which the customers are eligible to obtain product at a cheaper price (Chaharsoughi & Hamdard, 2011). The price will be marked down only when customers use the coupon. Marketer use coupon as a way to improve the communication between their customers and it is best used when marketer trying to get customers to try a product for the first time.

The promotion is ended once the coupon code expired and the price of the product will return to its actual price. This type of promotion helps marketer indentify, influence and measure their customers purchasing behavior. By saving a lot of money from each transaction customers will gain a high level of satisfaction. Customers who purchase products by using the coupon would have a high possibility of purchasing the same brand in the future (Chaharsoughi & Hamdard, 2011). 91% of the customers who use coupon are more likely to buy from the same brand again and 74% use coupon because they are very useful and convenient (Marketingcharts.com, 2010).

Wayne (2002) found that coupon can help a brand to achieve greater sales. For example one of the successful online fashion shopping sites, Zalora, provides coupon that the customers can use before proceeding with the transaction. The total of customer's transaction will be deducted. In a recent survey conducted by Shoppu, 57% of Malaysia online customers favor coupon discount as the sales promotion technique (Shoppu, 2016). Coupon can make customers switch from other brands which indicate that they are influenced by the coupon offered (Mughal, Mehmood, Mohi-ud-deen, & Bilal, 2014).

Discount

Discount exists only for a short time influence more people to buy the product. Discount actually motivates people to come to visit store and therefore influenced their purchase decision (Salvi, 2013). Discount is part of promotional strategy that aims to create product exposure, retain customer loyalty and generate higher sales volume (Pride & Ferrel, 2000). Businesses

that have similar product qualities will use discount as one of their strategies to differentiate their brand with competitors (Lin, & Lin, 2007). When a potential customer experiences a product discount, it will immediately stir up their purchase intention in a short period of time. Discount often vary in price that is normally displayed next to its original price for comparison purpose.

Discount gives opportunity to customers to obtain products that they desire a much lower price therefore businesses have the opportunity to satisfy customer's need and attracting their loyalty (Lin, & Lin, 2007). Product discount are offered during festive seasons or on special events. For example, during Christmas season, company offers customer products with affordable price to encourage people to buy their products as gifts to their family or friends. In a Raya Survey conducted by 11street, it shows that 94% out of the total respondents will purchase Clothes and Fashion products during the special festive season. Therefore, customers are able to purchase desired products at a very affordable price and this will increase customer satisfaction level thus the company will be able to retain them.

The discount is normally advertised on the main page of the website to alert the customers about the promotion that they have (Berter & Blomqvist, 2010). In FahionValet's Website, they have a section where they display discount products from different brands and categories. It will be easier for the customers to search for discounted products according to their preferences.

Free Delivery

Free delivery is another type of promotional strategy that companies used to attract customers to purchase more products. It is one of the key drivers in making customer's satisfy with their purchase. Besides that, free delivery is one of the most effective sales promotion strategies for online businesses. (Yang, Essegaier, & Bell, 2005). 17% of Malaysian online customer preferred free delivery compared to other promotional tools (Shoppu, 2016).

The popularity of online shopping in Malaysia has brought a high demand for logistic providers where one of the leading logistics providers Pos Malaysia reported at least 24,000 parcels are being processed every day and the figures are expected to increase the next few years (Ecommmercemilo, 2016). Customers tend to purchase more when they receive free delivery (Lewis, 2006). Some company offers free delivery when customers exceed the amount set by the company. Online fashion websites usually offers free local delivery such as FashionValet. However, Zalora provides free delivery for purchases that are above RM75. Customers that pay more for their total purchases will have more possibilities to receive free delivery (Knowledge@Wharton, 2006). Walmart offers customers a Shipping Pass Program where customers only have to pay \$49 per year for free delivery service and receive their items in just two days. Customers can just purchase their ideal items from their smart phone and not worry about the delivery charges (Kusek, 2016).

The free delivery promotion is often placed on the main page of the website to be noticed by the customers. Online businesses use free delivery as a tool to stimulate customer's intention to purchase more items. Free delivery increase the customers purchase quantities and can be used to attract more customers thus, higher sales for the business (Yang, Essegaier, & Bell, 2005). Customers are into free delivery because it is easier for them to compare the online transaction processes between different online fashion websites. Online fashion websites that offers high delivery fees will tend to push customers away from their websites (Knowledge@Wharton, 2006). Furthermore, online businesses apply delivery charges to avoid customers from purchasing small quantities of items which can be costly for the businesses.

Framework Used

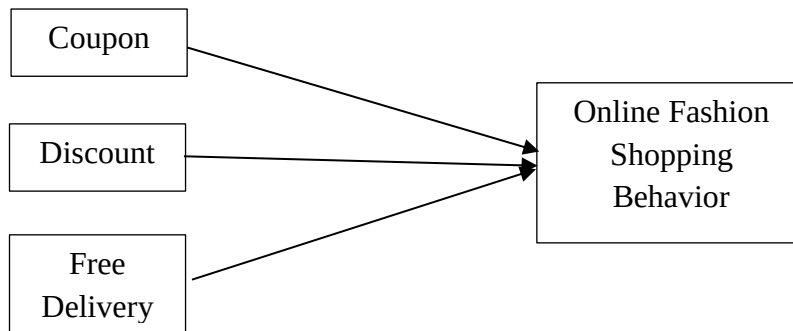


Figure 1: Conceptual Framework

Figure 1 shows that the variables used for this study. The independent variables are; coupon, discount and free delivery and the dependent variable is online fashion shopping behavior. These factors are tested in this research as per the framework.

Method

The design of this research paper is an exploratory study and using the quantitative research approach. The quantitative approach can be used to test the objective by understanding the relationship between the variables (Creswell, 2013). The given questionnaire has been adapted from Ahmad, Mehmood, Ahmed, Mustafa, Khan, & Yasmeen (2015). Moreover, the study involves cross-sectional study which the data will be collected in a one-shot study and represent the current situation (Olsen & St George, 2004). Furthermore, the research will be conducted in a non contrived setting as the research will be conducted in a natural environment. The study focused on hypothesis testing in order to identify the relationship between the variables and the data collected will be further analyze and explained.

The data collected in this study will be analyzed in SPSS 20. Pearson's correlation refers to the measurement of strength of the linear relationship between two variables (Adler, & Parmryd, 2010). Therefore, it is appropriate to use Pearson Correlation coefficient for hypotheses testing to test the relationship between the independent variables which are coupon, discount, and free delivery with the dependent variable which is online fashion shopping behavior. The result will help to determine whether the hypotheses will be either accepted or rejected. The level of significance is at $p < 0.05$. If the result is $p < 0.05$, Null hypotheses (H_0) is rejected and accept Alternative Hypotheses (H_a). In contrast, if $p > 0.05$ H_0 is accepted and reject H_a . The strengths of correlation are explained in the table 3.1 as suggested by Lind, Marchal, & Wathen (2007).

Findings

Reliability Test

The total number of questionnaire for the variables in this study is 30 questions which include online fashion shopping behavior, coupon, discount, and free delivery. Cronbach's Coefficient is used to measure the reliability of the different variables which normally ranges from 0 to 1. According to Nunally, the coefficient that is equal to or greater than 0.7 is considered acceptable and has a good reliability (1978). However, if the coefficient falls lower than 0.7, the variables cannot be accepted and considered as not reliable (Sekaran, 2003). The reliability of each variable is tested by using SPSS Version 20 and the results are explained as follow:

Table 1: Reliability Statistics for Online Fashion Shopping Behavior

Cronbach's Alpha	N of Items
.718	9

Table 1 shows the reliability analysis for the online fashion shopping behavior. It shows that the Cronbach's Alpha for this variable is 0.718 which is greater than 0.7. Therefore, the variable result is considered as acceptable and reliable in the process of developing the research.

Table 2: Reliability Statistics for Coupon

Cronbach's Alpha	N of Items
.772	7

The statistic result in Table 2 shows that Coupon generated a reliability score of 0.722 which is more than 0.7. This indicates an acceptable reliability measure for Coupon as one of the variable in this research.

Table 3: Reliability Statistics for Discount

Cronbach's Alpha	N of Items
.868	7

The Cronbach's Alpha for Discount shown in Table 3 is 0.868 which is greater than 0.7. Hence, the score is considered as a good result. This shows that Discount is reliable as part of the variables chosen in this study.

Table 0: Reliability Statistics for Free Delivery

Cronbach's Alpha	N of Items
.901	7

The Table 4 above shows the reliability statistics for Free Delivery. The reliability coefficient for the variable is 0.901, which is more than 0.7. It indicates that Free Delivery has achieved excellent reliability and considers as very reliable which further supports the process of completing this research.

Pearson Correlation Analysis

Correlation coefficient helps to identify the strength of relationship between two or more variables. Correlation refers to the degree where two variables are closely related. The correlation score between +1 and -1 represents a positive or negative correlations, whereas a value of 0 means that the variable has no relationship and it is completely independent. There are three hypotheses in total which is used to test the relationships between the independent and the dependent variables (Saunders, Lewis, & Thornhill, 2000). The results achieved for coupon, discount, and free delivery towards online fashion shopping behavior from the Pearson Correlation analysis are shown in Table 5.

Table 5: Pearson Correlation Analysis between Independent and Dependent Variables

		Coupon	Discount	Free Delivery	Online Shopping Behavior
Coupon	Pearson Correlation	1	.273*	.501**	.420**
	Sig. (2-tailed)		.014	.000	.000
	N	80	80	80	80
Discount	Pearson Correlation	.273*	1	.372**	.262*
	Sig. (2-tailed)	.014		.001	.019
	N	80	80	80	80
Free Delivery	Pearson Correlation	.501**	.372**	1	.316**
	Sig. (2-tailed)	.000	.001		.004
	N	80	80	80	80
Online Shopping Behavior	Pearson Correlation	.420**	.262*	.316**	1
	Sig. (2-tailed)	.000	.019	.004	
	N	80	80	80	80

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

From the table above, hypotheses testing can be concluded as the following:

H1: There is a significant relationship between coupon and online fashion shopping behavior among the employees of Sahawan Sdn. Bhd.

Based on the result given, the p-value obtained was much smaller than alpha value of 0.05 which is $p = .0001$. This shows that the null hypothesis is rejected and the alternative hypothesis is accepted. The correlation coefficient obtained was 0.420 which indicates that the strength of the relationship is moderate. Therefore, coupon and online fashion shopping behavior has a positive and moderate relationship.

H2: There is a significant relationship between discount and online fashion shopping behavior among the employees of Sahawan Sdn. Bhd.

Next is to identify the relationship between discount and online fashion shopping behavior among the employees of Sahawan Sdn. Bhd. The p-value obtained ($p = 0.019$) was less than the alpha value of 0.05 hence, the null hypothesis is rejected. Furthermore, the correlation coefficient obtained was 0.273. Therefore the correlation between discount and online fashion shopping behavior is positive and low relationship. It indicates that as the values of one variable increase, the other variable decreases.

H3: There is a significant relationship between free delivery and online fashion shopping behavior among the employees of Sahawan Sdn. Bhd.

Lastly is the study of relationship between free delivery and online fashion shopping behavior. As depicted in Table 4.10, the p-value obtained was 0.004 which is smaller than alpha value of $p = 0.05$. Thus, alternative relationship was accepted. Moreover, the correlation coefficient generated was 0.316 which indicates a low relationship. Therefore, the correlation between free delivery and online fashion shopping behavior is weak positive relationship. As the online fashion shopping behavior increase, the value on free delivery decreases.

Discussion and Conclusion

This study can be applied as guidelines or reference to the marketers to develop future sales promotion strategies in the future. Therefore, the results of this study can be implied by marketers which would be beneficial to them. Based on the findings, marketers will have a clearer view on the effect of each sales promotion strategy on online fashion shopping behavior. By understanding the customer online fashion shopping behavior, businesses can create much more effective marketing or promotion program for their customers.

Based on Nanyang Siang Pau online shopping behavior survey (2016), there are some respondents who have never yet experienced online shopping as they have high preferences towards shopping in physical stores. Therefore, the marketers can apply the sales promotion strategies namely coupon, discount, and free delivery which are highly suitable in attracting first time shoppers or visitors. Thus, sales promotion strategy can help marketers to attract more customers as this will make the customers feel they are getting a good buy from the online fashion shopping websites.

At least half of the respondents were female. The number of female Internet users are increasing compared to the previous early years of the Internet. More female are getting used to the Internet which helps them to achieve greater confidence level in purchasing products online. 70% of sales are being made by female. This shows that female online shoppers have more tendency towards investing their money and time than males. In contrast, men would prefer to do their shopping quickly by having a specific start and finish (Bae, & Lee, 2011).

Each of the independent variables secured p-value less than the alpha value which is 0.05. This conveys that there was significant relationship between Coupon ($r = 0.420$, $p < 0.05$), Discount ($r = 0.262$, $p < 0.05$), and Free Delivery ($r = 0.316$, $p < 0.05$) with Online Fashion Shopping Behavior among the employees of Sahawan Sdn. Bhd. Based on the correlation coefficient score, coupon achieved a score of 0.420 which describes as a moderate and positive relationship towards online fashion shopping behavior among the employees of Sahawan Sdn. Bhd which means high level of coupon strategy will have an effect on the online fashion shopping behavior. The findings is supported by previous study, online coupons can increases the conversion rate, reduce the possibility to abandon shopping cart, and most importantly, improves brand loyalty (Oliver, & Shor, 2003). The result was consistent with Chaharsoughi & Hamdard (2011) as customers who use coupon will likely repurchase from the same brand again. Therefore, coupon is an appropriate sales promotion strategy which can be implied by the marketers to attract more customers.

Besides, discount has a positive effect on online fashion shopping behavior among Sahawab Sdn. Bhd.'s employees. This has been proven by Salvi (2013) which stated that discount promotion can influence customers to visit store which then affect their purchasing decision. Thus, the marketers should focus on providing discount promotion as part of their promotion strategy.

Lastly, free delivery has a positive effect towards the online fashion shopping behavior towards employee of Sahawan Sdn. Bhd. There is a significant relationship between the two variables. According to Lewis (2006), higher delivery fees will reduce the number of store visits with reduced number of orders. The study had also found that free delivery is the most effective

strategy when it comes to customer acquisition. By focusing on free shipping policy, marketer may have a high chance of acquiring and retaining large number of customers.

The sales promotion strategies suggested in this research were coupon, discount, and free delivery. Based on the findings, there was a significant relationship between coupon, discount, and free delivery. In conclusion, all of the proposed variables have a positive effect towards the online fashion shopping behavior among the employees of Sahawan Sdn. Bhd. Other factors such price and quality had also play a vital role in the employee's online fashion purchasing behavior. Furthermore, the study identified coupon as the most significant variables that have the most effect on the behavior of online shoppers among Sahawan Sdn. Bhd.s' employees. Therefore, in order for the online fashion shops to increase sales of their products, brands need to deeply understand their customer's shopping behavior hence, developing a well-organized and effective sales promotion strategy.

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Entrepreneurial Intention among Business Students of the Lebanese International University (LUI)

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Abstract

Purpose: Entrepreneurship has become an emerging phenomenon in the recent decades. Researchers have focused on students' entrepreneurial intention and the factors affecting their willingness to become entrepreneurs. The main purpose of this research is to investigate the relationship between students' family background, personality traits and entrepreneurship education with their entrepreneurial intentions.

Design/methodology/approach: This research adopted quantitative methods to collect primary data needed for analysis. 200 set of questionnaires were distributed online to business students in the Lebanese International University – Yemen, Sana'a campus. Three independent variables (family background, personality traits and entrepreneurship education) and one dependent variable (students' entrepreneurial intention) were tested in SPSS 23.

Findings: The results can be used for future research in related areas.

Research limitations/implications: The sample size is considered too small can be one of the limitations.

Keywords: Entrepreneurial Education, Entrepreneurship, Entrepreneurial Intention

Introduction

As many researchers agreed, entrepreneurship involves the innovation, valuation and utilization of opportunities to create new demand, business models, and markets that formerly had not existed through the coordination of efforts (Mbhele, 2012). Entrepreneurship is becoming an important factor in the development of countries as well as their economic growth (Dhaliwal, 2016). It is viewed to be vital to a growing economy. Entrepreneurs have an important role in creating opportunities for themselves and for others as well and therefore contributing to reduce unemployment rates in a country. Kritikos (2014) has emphasized in his article that entrepreneurial activities can positively influence the performance of a country's economy by introducing new businesses, markets, models and methods into the marketplace and by increasing efficiency and competition among entrepreneurs.

In developing countries, prosperity and poverty is linked in recent times to the entrepreneurial nature in their economies (Lingelbach et al., 2005). According to a survey conducted by the MENA Startup Ecosystem- Statistics and Trends (2016), the number of startups in the Middle East is growing, in which, more than 64% of working-age respondents are likely to start their

own business rather than to be employed whereas 70% of them have already taken their first steps to launch their own business during the past 5 years.

According to several factors, finding a job becomes a major difficulty facing fresh college graduates that limit them to make the most of their education (Abel et al., 2014). Michael Elwell (2013), in her article, has emphasized that this problem can be solved through preparing undergraduate students to start their own business and encouraging them to be self-employed. In this regard, it is believed that the environment provided by educational institutions has an impact on the beliefs, values, attitudes, behaviors and decisions made by students (Díaz-Casero et al., 2012).

Recently, researchers have focused on the factors that determine and affect the entrepreneurial intentions among undergraduate students (Peng et al., 2012). Most of them focused on entrepreneurs' personal characteristics while others considered the external factors as an essential determinant of intentions to be self-employed. Few studies focused on the basic psychological factors that affect the entrepreneurial intention (Khuong & An, 2016).

According to a study conducted on the Middle East countries, Yemen scored the highest rate of emerging entrepreneurial activities that is actively involved individuals who are looking for business location, employees, money or writing a business plan (Rosinaite, 2013). This research aims at investigating the relationship between the entrepreneurial intention of Yemen undergraduate students and their family business background, personal traits and entrepreneurship education provided at universities.

For long time, Yemen has suffered from high rates of unemployment and serious developmental issues due to the high growth of population, and the higher demand for social service and job opportunities (Alkhazzan, 2014). According to the World Bank Report (2018), Yemen has scored the highest rates of unemployment among the Middle East and North Africa countries in which the youth unemployment rate reached 31.50% in 2017. Economists in Yemen have stated that there is a slow economic growth cycle that has led the per-capita income to be stagnated and unemployment to be at higher levels, especially amongst the youth. In fact, there are many efficient graduated students who have completed their degree still unemployed (Alkhazzan, 2014).

Due to the severe situation that the country is going through, Tamene Adugna (2014) suggested in her article that "financial institutions, development organizations and governments should prioritize youth education, training, job creation, entrepreneurship incubation and technology to increase youth employment". By encouraging and motivating the youth to participate in making decisions practice and establishing entrepreneurial activities, sustainable employment opportunities can be created and restrain unemployment problems among the youth (Adugna, 2014).

Moreover, unemployment problems among graduates have become a major concern to be researched. Regarding this issue to be reduced, graduates may choose to be self-employed (Weini et al., 2012). Noticeably, there are some students who are likely to become entrepreneurs; however, most of them are might not be aware of the available career options to them (AES, n.d.). One of the options is to become an entrepreneur and be self-occupied. From this point, researchers had been encouraged by students' intentions to become self-employed to investigate the factors that affect this intention (Liñán & Fayolle, 2015). By having an understanding and awareness of these factors, entrepreneurial activities can be enhanced through high entrepreneurial intentions among undergraduate students and therefore better economic growth.

Literature Review***Family Background***

In their article, Matthews & Moser (1996) have specified that “the most salient factor for entry into an entrepreneurial career remains the parental role model”. According to the findings from previous studies, it was found that there is a link between family members influence and the intention for and creation of new businesses (Ranwala, 2016). It has been argued that entrepreneurs are strongly related to and influenced by their families and highly depend on their support in continuing their entrepreneurial activities (Bird, 2014). Besides that families are the foundation for the most entrepreneurial teams that exist, previous researchers have argued that the most potential of having entrepreneurial actions are found within the family itself (Nordqvist & Melin, 2010).

A study has found that the family can be considered in the early stages of new ventures creation as an important source for guiding, providing information, creating social contacts, giving moral support, advising as well as funding (Edelman et. al., 2016). However, the lack of consideration by researchers paid to the role of families played in entrepreneurship and new venture creation has led to less focus on its importance. This has been explained by Aldrich and Cliff (2003) in their study that this can be a result of the structure in the academic institutions in which family is separated from business in different colleges or departments and not considered in practice.

It has been agreed that role models, such as parents, may have a great influence on individuals' career path decisions. Also, role models may increase the tendency to become an entrepreneur and self-employed. As a result, this will positively affect entrepreneurial intentions and enhance entrepreneurial activities (Bosma et al., 2011). However, other studies argued that role models may have an effect on entrepreneurial intention only if they influence an individual's mind-set and ability to be successful in starting a new business. It has been also recognized that role models (or family background) can influence intentions in some way through their effect on the individuals' career preference intentions i.e. attitude, subjective norms, and perceived behavioral control (Karimi et al., 2013).

Entrepreneurial families can be defined as those who are known for their entrepreneurial activities and inherited business ownership. An entrepreneurial family consists of –at least- one parent who is self-employed and owns a business. Individuals who were born in an entrepreneurial family have the opportunity to get a realistic career sample of self-efficacy by learning from their parents who are considered as role models (Chlosta et al., 2010).

Researchers who focused on entrepreneurship said that there is a long-standing relationship between students' intention on career choice and the parents' occupation background, in which students whose parents are entrepreneurs are more likely to become self-employed (Durst & Sedenka, 2016). In other studies, it was found that family background can be a key aspect that motivates students toward entrepreneurial activities and provides the necessary experience (Mustapha & Selvaraju, 2015).

Personalities Traits

Various number of previous studies have argued that personality traits approach (or trait theory) indeed cannot simply be ignored since it provides many promising paths for future research and studies (Zhao et. al., 2010). Other studies conducted on entrepreneurship stated that an individual's personality trait can be considered as an important factor to entrepreneurial intention (Soomro & Shah, 2015). Therefore, personality must be paid more attention when conducting a research and treated as a vital element of any multidimensional model of new venture creation and entrepreneurship (Karimi et. al., 2015).

According to previous studies, personality traits are considered to be the most indicators that determine entrepreneurial intention of individuals and influence business start-up in a country

(Nga & Shamuganathan, 2010). It was found that personality traits have stronger effect on entrepreneurial intention than work values (Espíritu-Olmos & Sastre-Castill, 2015). It was proven by previous researchers that a person with high willingness to take risk, greater internal locus of control and high-level need for achievement will lead to more intention to become an entrepreneur (Zain et al., 2010).

Personality traits of an individual such as need for achievement, tendency to take risks, acceptance of ambiguity, and an internal locus of control are believed to be more entrepreneurial and can lead to entrepreneurial activities (Altinay et. al., 2012). Elements of personality traits (i.e. locus of control, need for achievement, risk tolerance, and entrepreneurial alertness) are at different levels from one to another and can have a positive impact on individuals' entrepreneurial intention (Karabulut, 2016).

A study conducted by Harun Sesen (2012) confirmed that students' personality has greater impact on their entrepreneurial intentions than other factors such as environmental or social factors. Other studies showed empirical results that there is a positive correlation between individual factors and entrepreneurial intention, in which personality traits can have an effect on the level of entrepreneurial interest showing positive relationship (Nga & Shamuganathan, 2011). Mendoza and Lacap(2015) conducted a study on business major students and observed that students with unique and creative personality traits enjoy higher level of entrepreneurial intentions.

Entrepreneurship Education

It has been recognized that encouraging entrepreneurship is vital to help in creating employment and growing economy. Particularly, it was emphasized that entrepreneurship education is one of the main tools to enhance entrepreneurial intention of potential entrepreneurs (Liñán et al., 2010). Besides personal traits and inherited factors, entrepreneurial intention should be nurtured by external factors. A study has been conducted to evaluate entrepreneurial intention showed that education and past knowledge have positive and notable influence on entrepreneurial tendency and behavior (Denanyoh et al., 2015).

Entrepreneurship education can change the attitudes of students and increase their tendency towards starting their own businesses. In fact, this can't be achieved unless the entrepreneurship education is concerned with learning that lead to facilitated entrepreneurship, and the knowledge must be transformed in a way that provide a solution either to market place problems or employment issues (Keong, 2008). It has been argued that entrepreneurial education which focuses on building skills, behaviors and attitudes required by the marketplace is the foundation for creating a suitable and conducive environment to encourage entrepreneurial activity(Mehtap, 2014).Higher education institutions in several countries nowadays are taking education and training into consideration to encourage entrepreneurship and entrepreneurial behavior (Bakotić & Kružić, 2010).

According to Turker and Selcuk (2008), there is a significant role of education in increasing entrepreneurial intention, in which, the knowledge and motivation for entrepreneurship that a university provides could increase the likelihood of young people to be self-employed. In the light that entrepreneurship education should respond to the increasing demand and interests existing in the marketplace, programs shall be a mix of action-oriented learning that enhance experience, problem solving and innovation rather than focusing on the creation of new ventures by common options like entrepreneurship enterprises or family businesses. Adopting such programs will ensure better enterprising skills and activities (Küttim et al., 2013).

Regarding the Middle East region, researchers agree that universities can play an essential role in enhancing entrepreneurial skills among students (Salem, 2014). In order to increase students' skill and talent level and to effectively equip them to contribute to "the knowledge-based" economy, the curriculum and content of entrepreneurship education should be planned around

competitiveness, innovation, networking, self-realization, communication and economic growth (Salem, 2014). However, according to the World Economic Forum, there are only 17 universities in the MENA area that have entrepreneurship centers and only 5 of them offer entrepreneurship major (WEF, 2011).

Entrepreneurial Education

From an entrepreneurial perspective, entrepreneurial intention can be defined as the tendency towards starting a new venture (Krueger, 1993). The probability of starting a business in the future is determined by the entrepreneur's intention. According to several studies conducted on entrepreneurial intention, there are three main factors that affect entrepreneurial intention. First is the demographic profile of an individual like their age, gender, prior experience, and effect of family background. Second are personality traits including self-efficacy, self-confidence, independence, locus of control and tendency to take risk. Third are external factors such as education and environment (Uddin & Bose, 2012).

It was assumed that there is a strong relationship between entrepreneurial intention and real behavior. This was supported by the theory of planned behavior (TPB) that states that there is a relationship between attitude and behavior. From this point, it was suggested that there is a link between the intention to be an entrepreneur and the act of becoming one. As a result, individual's behavior is significantly explained by their intention (Ajzen, 1991). Fatoki (2014) was able to identify the primary assumptions of the theory of planned behavior which are: "human behavior is planned and therefore preceded by intention towards that behavior; human beings are rational and make systematic use of information available to them when making decisions; and intention predicts planned behavior".

Based on the TPB, Ahmed et al. (2010) have developed their research theoretical framework in which they emphasized that entrepreneurship is an outcome of various determinants such as innovativeness (i.e. personality traits), entrepreneurship education, family background and gender differences. Their results proved that there is a positive significant relationship between these factors and entrepreneurial intention of individual's.

In the Arab context, a study was conducted in Oman to investigate entrepreneurial intention among Arab students and the factors affecting it. The study found that universities and the entrepreneurial curriculum had the greatest influencers of students' entrepreneurial attitudes, ahead of role models and demographic variables (Al-Bakri & Mehrez, 2017). Another study in Kuwait revealed that social networking, risk tolerance, the need for achievement as well as self-efficacy play a significant role in the entrepreneurial intentions of young individuals (Elali & Al-Yacoub, 2016).

A survey was done among students in Jordan concluded that university students experience "lack of funding", "lack of technical know-how" and "economic/regional instability" as a major obstruction to becoming an entrepreneur (Mehtap, 2014). A recent study on the MENA countries found that socio-demographic factors such as gender, education, income and unemployment have a large and positive impact on entrepreneurial intention among youth with some variation from country to another in which Yemen scored 24% of entrepreneurial intention (Setti, 2017).

Theoretical Framework and Hypothesis Development

The Theory of Planned Behavior (TPB) is a continuation to the Theory of Reasoned Action (1980) that was developed by Fishbein and Ajzen to predict an individual's intention and involve it in a behavior as a result. This theory was aimed at providing explanation to the behavior that individuals have ability to exercise control over. In the proposed model by this theory, the main element is the intention to pursue a particular behavior in which such intentions are affected by some factors that increase the possibility that the behavior will exist

based on the amount of risks and benefits of the expected outcomes. This can show that people's intentions can be translated and transformed into real behaviors and actions as long as there is a sufficient level of control over their behaviors. Accordingly, intentions are supposed to be the predictors of behaviors in line with a control exertion (Ajzen, 1991).

The Theory of Planned Behavior (TPB) indicates three different aspects of intention attitudes each of which perceived from current theory and previous evidence. The first two factors are the personal attitude towards the behavior outcomes and the perceived subjective (or social norms). Both reflect the perceived desirability and tendency to perform the behavior. The third factor is the perceived behavioral control. It reflects the individuals' thoughts and beliefs that the behavior is personally controllable and is related to the personal situational competence. The theory model then suggests that these attitudes are further tested (Ajzen & Fishbein, 1980). Where phenomena are relatively rare, it would be useful to understand intentions. In dealing with behaviors that have a low rate of existence such as starting a new venture, studying intentions will offer noteworthy visions into fundamental methods (Ajzen, 1991). In other words, studying intentions gives valuable understandings into new venture creation, even deprived of observing actual occurrence. Therefore, it has been argued that intentions-based models provide a great tool to entrepreneurship scholars (Krueger & Carsrud, 1993).

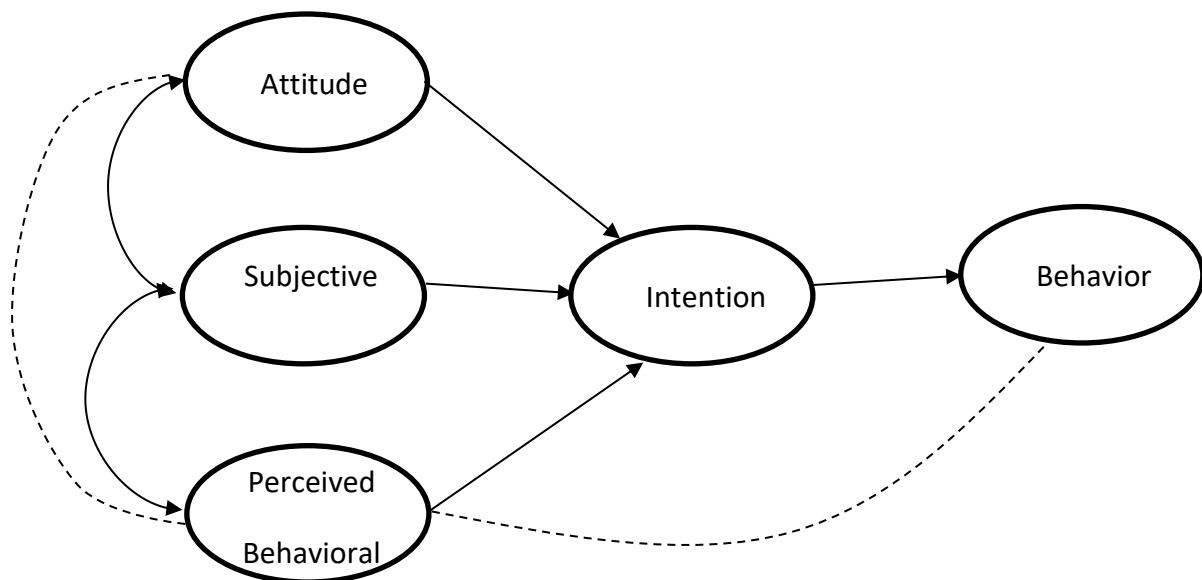


Figure 2: Theory of Planned Behavior Framework

Conceptual Framework

As the researcher is unable to foresee intention based on unexpected events, Theory of Planned Behavior is adopted for this research since it may be applied to voluntary behaviors. The model above is used as a reference for this research. It is based and adapted from the Ajzen's TPB and which will investigate the relationship between the three factors (i.e. family background, personality traits and entrepreneurship education) with the entrepreneurial intention of undergraduate students. These factors are tested in this research as per the framework.

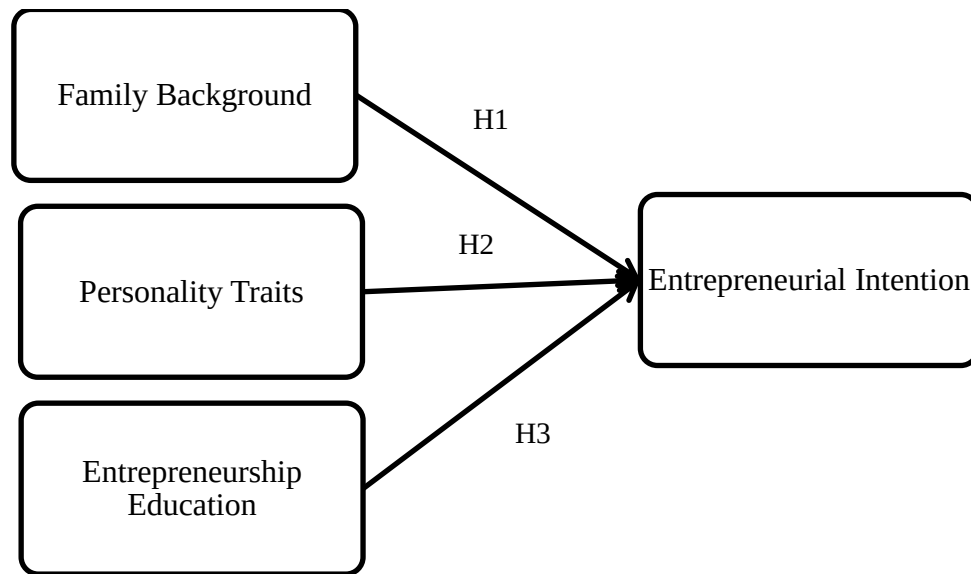


Figure 3: Conceptual Framework

Hypothesis*Hypothesis 1*

- H0: There is no significant relationship between family background and entrepreneurial intention.
- H1: There is a significant relationship between family background and entrepreneurial intention.

Hypothesis 2

- H0: There is no significant relationship between personality traits and entrepreneurial intention.
- H2: There is a significant relationship between personality traits and entrepreneurial intention.

Hypothesis 3

- H0: There is no significant relationship between entrepreneurship education and entrepreneurial intention.
- H3: There is a significant relationship between entrepreneurship education and entrepreneurial intention.

Method

This research chooses the descriptive, cross-sectional research design to investigate the relationship between the independent variables i.e. family background, personal traits and entrepreneurship education with the dependent variable i.e. entrepreneurial intention among business undergraduates in the Lebanese International University (Yemen-Sana'a branch). This research design examines and explains the variables and their relationships at a point of time and gives a clear description of the sample's demography (Campbell, 1963).

The research approach is a quantitative method (survey method) as questionnaires have been distributed to business undergraduates in LIU to draw conclusions regarding the factors influencing their entrepreneurial intention. The method used in the research context was through data collection, analysis and interpretation of results.

Findings

The following table shows the Pearson Correlation Coefficient between each independent variable; Family Background (FB), Personality Traits (PT), Entrepreneurial Education (EE) and the dependent variable; Entrepreneurial Intention (EI). Also, it shows the P-value for each variable represented by the Sig. (2-tailed).

Table 1: Correlations Summary

		FB	PT	EE	EI
FB	Pearson Correlation	1	.187**	.087	.143*
	Sig. (2-tailed)		.008	.222	.043
	N	200	200	200	200
PT	Pearson Correlation	.187**	1	.409**	.565**
	Sig. (2-tailed)	.008		.000	.000
	N	200	200	200	200
EE	Pearson Correlation	.087	.409**	1	.415**
	Sig. (2-tailed)	.222	.000		.000
	N	200	200	200	200
EI	Pearson Correlation	.143*	.565**	.415**	1
	Sig. (2-tailed)	.043	.000	.000	
	N	200	200	200	200

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

From the table above, hypotheses testing can be concluded as the following:

The table shows that the correlation coefficient between family background (FB) and entrepreneurial intention (EI) is 0.143 with p-value of $0.043 < 0.05$. Thus, null hypothesis (H₀) is rejected. There is a slight positive relationship between family background and entrepreneurial intention. Students with high family background have greater entrepreneurial intention in which an increase in the family background increases students' entrepreneurial intention.

The table shows that the correlation coefficient between personality traits (PT) and entrepreneurial intention (EI) is 0.565 with p-value of $0.000 < 0.01$. Thus, null hypothesis (H₀) is rejected. There is a moderate positive relationship between personality traits and entrepreneurial intention. Students with strong personality traits have higher entrepreneurial intention in which the increase of personality traits strength do significantly increase students' entrepreneurial intention.

The table shows that the correlation coefficient between entrepreneurship education and entrepreneurial intention is 0.415 with p-value of $0.000 < 0.01$. Thus, null hypothesis (H₀) is rejected. There is moderate positive relationship between entrepreneurship education and entrepreneurial intention. Students with strong entrepreneurship education have greater entrepreneurial intention in which the increase in entrepreneurship education level do significantly relate to the entrepreneurial intention of students.

Overall, there is a positive and a significant relationship between the independent variables and the dependent variable, in which indicates that the independent variable influences business undergraduates in LIU towards their intention to become entrepreneurs. The increase or decrease in independent variable do significantly relate to increase and decrease of the dependent variable.

Discussion and Conclusion

Future researchers are encouraged to conduct researches on a larger sample size of respondents (only 200 respondents participated in this research) as well as sampling location to get a better representation of the entire undergraduates' opinion among private and public higher education institutions throughout Yemen and to obtain research outcomes with higher accuracy. Moreover, undergraduates from all faculties should be taken into consideration (only students from faculty of business were targeted in this research) to get better insight into entrepreneurial intention.

This research was based on quantitative methodology using questionnaires as a mean to collect primary data. Future researchers are encouraged to adopt mixed data collection methods besides to questionnaires like interviews. By adopting such qualitative methods, the chance of questions to be misinterpreted by respondents is reduced because the interviewer will clarify the question. Also, more opinions will be obtained from different points of views through interviews.

In this research, there are only three variables were tested namely; Family Background, Personality Traits and Entrepreneurship Education. Future researchers can include other variables such as prior business experience, attitudes towards the behavior, subjective norms, social media influence and perceived behavioral control. Also, other dimensions of personality such as desire to be independent and innovativeness can be included to get better results in a comprehensive aspect (Altinay et al., 2012).

Finally, future researchers should conduct a longitude research to observe the entrepreneurial behavior and how it is linked to the intention as suggested by the Theory of Planned Behavior (Ajzen, 1991). This can bring evidence and assurance through consistent results on the relationship between entrepreneurial intention of students and the actual entrepreneurial activities in reality and that the intention can lead into real actions.

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A Study on the Job Satisfaction among Professional Service Providers

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Abstract

Purpose: According to the Eleventh Malaysia Plan (2016) Strategy Paper 18 on Transforming Services Sector, legal services consist of 25.4% of the professional services sub-sectors and accounting services consist of 15.5% of the professional services sub-sectors. They are the largest professional service sub-sectors in Malaysia. These groups of human talents are served as the backbone in sharing a professional corporate image to the public and society. However, there is lack of understanding on how these groups of professional workforce significantly influence organisational work about, as extensive past studies have only been done on middle level managerial employees. This paper examines how top level decision makers shape their work commitment towards organisations.

Design/methodology/approach: This study adopted a quantitative research approach to investigate the determinants of organisational commitment of top level decision makers in professional services firms in Malaysia. Numerous advanced statistical analysis, such as moderation, have been applied to enhance the empirical findings of this study.

Findings: The results highlighted that, firstly, senior decision makers demonstrated a low level of commitment in professional service firms with aggressive organizational culture. Secondly, male professionals showed a high level of commitment in organizations with constructive organizational culture. Thirdly, the professionals working in accounting firms would have much lower level of organizational commitment in organizations with aggressive organizational culture.

Practical implications: The empirical result of this study suggested that aggressive organizational culture should be avoided in professional service industries. Unhealthy work practice, such as work competition, abusive work-related authority should be avoided to retain human talent

Originality/value: To the best of our knowledge, this is the first paper that investigate the organisational committee of senior decision makers in the professional service industries in Malaysia.

Keywords: Organisational Committee, Organisational Culture, Professional Service Firms

Introduction

The professional services firms in Malaysia witness remarkable growth in recent years. These firms channelize skills, talents and abilities through the services provided by its professional team members (McAleer & McHugh, 1994). The performance of these firms are influenced by several factors, namely organizational culture, leadership style and organizational commitment. The growing significance of professional services firms demand appropriate investigation of all the factors and their effect on the performance of these firms.

Therefore, this research is designed to analyse the effect of organizational culture and leadership style on organizational commitment in professional service firms in Malaysia. It delves into the relationships between organizational culture and organizational commitment, moreover it also explores the relationships between leadership style and organizational commitment. The research further examines how these relationships are mediated by job satisfaction, as well as how the relationships are moderated by age, gender and type of industry. This study is conducted in view that strategic human resource management plays an important role to achieve and maintain competitive advantage of companies, this is especially true in professional service firms, where human capital is the main source of competitiveness. The main suppliers of these firms are the professionals with specialised knowledge and skills to carry out their jobs.

For the purposes of this research, two specific professions are selected, namely lawyers and accountants that are registered with their respective professional bodies (the Malaysian Bar Council and the Malaysian Institute of Accountants).

Literature Review

Researches have shown that the significant effect that age has on both job satisfaction and organizational commitment varies by the areas of interest. In a study conducted by Lau et al.(2015) in Malaysia, it is shown that respondents' age range and working experiences play a significant role in contributing to the job satisfaction employees have with their salary and wage. Out of the 184 research participants, a majority of them are in the age range of 25-34. These young respondents have the tendency of not have enough relevant working experiences. As a result, they fall into the lower income bracket. However, the spending power of this younger employees is comparatively higher than the other employees from different age groups, ranging up to 55-year-old and above. This group of employees will then perceive that the job satisfaction from their salary and wage must be fulfilled to meet their ever-increasing cost of living, satisfying both their wants and needs. As long as their salary satisfaction is fulfilled, they have the tendency to have high organizational commitment. This phenomenon has then led to proving that the claim on age plays a significant role on job satisfaction is supported (Lau et al., 2015).

Lau et al.(2015) also went on to stipulate that age difference has also contributed to the research conclusion on the lack of significant relationship between job satisfaction from supervision at work and organizational commitment. Close to 78% of the research participants are of age between 25 and 34. Due to the young age, most of the employees which fall within the range are fresh graduates.

In China, Wang et al.(2016) examined the relationships among job satisfaction, organizational commitment, and turnover intention of employees while taking into account two factors, age and working experiences. There were 105 valid respondents participated in this research, out of which 69.5% of them were aged 35 or younger.

A research study carried out by Azeem & Akhtar (2015) investigated the relationships between variables age and tenure with job satisfaction and organizational commitment among public sector employees in Saudi Arabia. In the study, 210 employees answered the survey composed of questions from job descriptive index (JDI) and organizational commitment questionnaire.

The researches discussed above presented minor discrepancy between the effect of age differences on the job satisfaction and/or organizational commitment. While some researches argued that certain age group does have significant effect on some facets of job satisfaction, it is generally acceptable to pursue the research on all levels of age groups.

In examining the relationship between job satisfaction and organizational commitment, gender has been taken into consideration as one of the moderating variables. The different nature on how male and female perceive job satisfaction and/or organizational commitment can make a difference in the results of the research.

A research conducted in Saudi Arabia examining how job satisfaction affect organizational commitment among hospital employees has taken gender difference as the moderating variable for their study (Azeem & Altalhi, 2015). The said research hypothesized that there will be a positive relationships between job satisfaction and organizational commitment.

Another similar research was conducted to examine the effect of gender in affecting the relationship between job satisfaction and organizational commitment among salesperson (Macintosh & Krush, 2014). Researchers hypothesized that there is a positive relationship between job satisfaction and organizational commitment and that this relationship is moderated by gender, such that it is stronger for men than for women. Results showed a positive and significant relationship between job satisfaction and organizational commitment which supported the hypothesis.

Research done on the effect of gender differences on organizational commitment showed similar results as the previous research when looking at only a single variable (Khalili & Asmawi, 2012). This research hypothesized that there is a significant difference between affective commitment, continuance commitment and normative commitment in male and female employees. The moderating effect of gender has yielded different results when examining the variables, job satisfaction and organizational commitment separately and combined. It is interesting to note that the relationship between gender and the variables were insignificant when tested separately but when two variables combined, it showed that gender does affect the relationship between job satisfaction and organizational commitment.

In the health care industry, several researches have been done and results supported the positive relationship between job satisfaction and organizational commitment. A research conducted to nursing faculty demonstrated the reliability of the research model (Gutierrez et. al, 2012). A cross-sectional correlational design was used with 1,453 participants responded to the survey. The survey consisted of 18-item revised three component model (TCM): affective commitment, continuance commitment and normative commitment tool and 6-item global job satisfaction instrument. Results showed that global job satisfaction has a significant and positive relationship with organizational commitment among nursing faculty.

In another research done in the health care industry, it examined the relationship between job satisfaction and organizational commitment among personnel in two Turkish hospitals. For job satisfaction, the sub-components measured are appreciation, communication, co-workers, fringe benefits, job conditions, nature of work, organization, organizational policies and procedures, pay, personal growth, promotion opportunities, recognition, security and supervision.

For another research done in the insurance industry, it yielded similar results (Fu & Deshpande, 2013), the data was collected based on 476 respondents from insurance company. Researchers hypothesized that job satisfaction has a significant direct effect on organizational commitment using structural equation modelling.

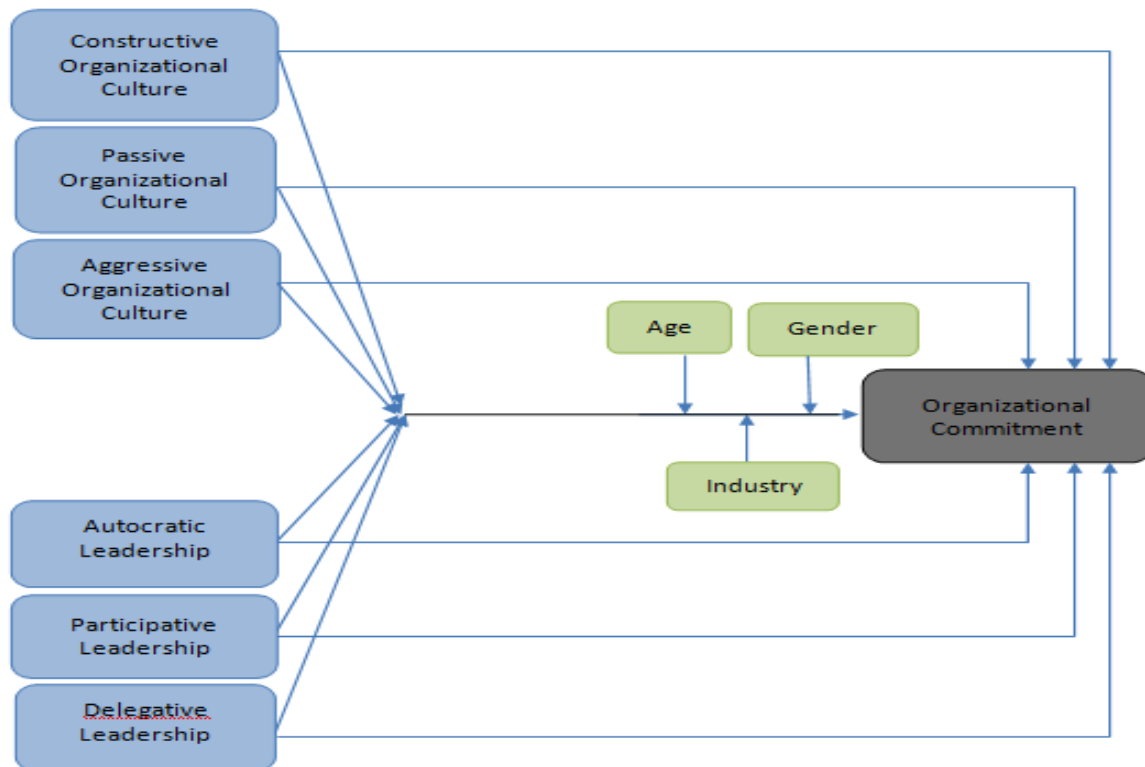
In a similar research done for education industry in Turkey measured the effect of job satisfaction on organizational commitment among secondary teachers (Yucel & Bektas, 2012). Job satisfaction was the independent variable and it was measured using job satisfaction survey (JSS) designed by Spector (1985). A total of 36 items were taken from job satisfaction survey,

which include the following sub-category: pay, promotion, supervision, fringe benefits, contingent rewards, operating conditions, co-workers, nature of work and communication. From the literature review above, it is clear that there is a significant relationship between job satisfaction and organizational commitment in different industries, such as the healthcare industry and education industry.

For the purpose of this research, organizational culture and leadership style have been identified to have effect on organizational commitment. The following research questions were developed on the basis of the gaps in existing body of knowledge. These research questions are as follows:

- 1) Does age, gender or type of industry have a moderating role between the relationship of organizational culture or leadership style with job satisfaction and/or organizational commitment?

This research discusses that organizational commitment in professional service firms is influenced by different types of organizational culture and different styles of leadership. This research also discusses the moderating role of age, gender and type of industry for the relationships with job satisfaction and/or organizational commitment.



Data and Methodology

In this research, quantitative survey questionnaires (Likert type rating scale) will be sent to participants by hand, courier or by email. 6-point Likert rating scale is chosen because even number of ratings in the scale would cause the respondents commit to either the positive or negative end of the scale. This would prevent respondents to sit on the fence and giving a neutral answer choice.

The questions used in hard copies survey form and online survey form would be identical. The questionnaires are forwarded to professionals based on publicly available records of lawyers and accountants (websites of the Bar Council and Malaysia Institute of Accountants).

Guided by the factors stated by Owens (2002), following are the justification for proposing quantitative method for this research:

- 1) The expected response rate: For a respondent to complete the survey questions, it would take approximately 10-15 minutes. If the survey is taken by using online form, the response rate would be higher. Link to the online form would be sent to the respondents by email. With the necessary follow up by email or telephone calls by the researcher, the expected response rate is about 10%.
- 2) Cost constraints: This is a thesis for education purpose and there is no financial assistance for such research. Due to the geographical consideration that lawyers and accounts are based in different parts of Malaysia, quantitative survey is more suitable than qualitative method (which would usually be done by face to face interview and requires travelling to venue at convenience of the respondents).
- 3) Time constraints: The researcher targeted the data collection to be completed within 2-3 months. Quantitative method aimed to reach the mass section would be more suitable for this research. Fixing suitable time for face to face interviews with lawyers and accountants may take much longer time in order to fit the schedule of the parties.

The participants selected for this research will be from the lawyers and accountants currently practising in Malaysia. The total number of lawyers under the Malaysian Bar is more than 16,524 (Malaysian Bar Council, 2017) and the total number of accountants under the Malaysian Institute of Accounts is approximately 33,626 (Malaysian Institute of Accountants, 2017). Survey questionnaires will be sent to these two groups by publicly available information of the respondents from the Malaysian Bar Council's website or Malaysia Institute of Accountants' website.

Using the sample size calculator at Raosoft (2016), the recommended sample size is 382. Preferably the sample ratio between these different quotas is almost equal. That means the target is to get half lawyers and another half accountants. For practical reason, there is no target selection for age group or gender group because the sample's age or gender group is not able to be identified from the information available from the public database.

Results and Finding

Reliability of data

To ensure reliability of data for this research, Cronbach's Alpha for the questionnaires is calculated. As shown in Table below, Cronbach's Alpha for all 39 questions is 0.892, which is higher than the accepted level of 0.7 discussed above.

Table 1: Reliability statistics for the research

Reliability Statistics	
Cronbach's	
Alpha	N of Items
.892	39

The following discussion divides the questionnaires into respective variables. As shown in Table below, Cronbach's Alpha value for all 12 questions for organizational culture is 0.698.

Table 2: Cronbach's Alpha for organizational culture

Reliability Statistics	
Cronbach's	
Alpha	N of Items
.698	12

As shown in Table below, Cronbach's Alpha value for all 12 questions for leadership style is 0.808.

Table 3: Cronbach's Alpha for leadership style

Reliability Statistics	
Cronbach's Alpha	N of Items
.808	12

As shown in Table below, Cronbach's Alpha value for all 10 questions for job satisfaction is 0.914.

Table 4: Cronbach's Alpha for job satisfaction

Reliability Statistics	
Cronbach's Alpha	N of Items
.914	10

As shown in Table below, Cronbach's Alpha value for all 5 questions for organizational commitment is 0.916

Table 5: Cronbach's Alpha for organizational commitment

Reliability Statistics	
Cronbach's Alpha	N of Items
.916	5

1.1 Validity of data

The result of factor analysis in Table showed that all items related to organizational culture are significantly contributed by the related sub dimension. As all loading factors are above 0.4, all these items are applied for path analysis.

Table 6: Outer Loading for organizational culture sub dimension based on measurement model

	Component		
	CULTURE Constructive	CULTURE Passive	CULTURE. Aggressive
CULTURE.Constructive1	0.869		
CULTURE.Constructive2	0.878		
CULTURE.Constructive3	0.729		
CULTURE.Constructive4	0.778		
CULTURE.Passive1		0.662	
CULTURE.Passive2		0.726	
CULTURE.Passive3		0.827	
CULTURE.Passive4		0.817	
CULTURE.Aggressive1			0.873
CULTURE.Aggressive2			0.876
CULTURE.Aggressive3			0.807
CULTURE.Aggressive4			0.749

The result of factor analysis showed that all items related to leadership style are significantly contributed by the related sub dimension, except for delegative leadership question 4 “In most cases, people prefer minimum level of instruction from the leader”, which has loading factor of 0.247. This item will be removed from analysis.

As all other loading factors are above 0.4, all these items (except for the excluded item above) are applied for path analysis.

Table 7: Outer Loading for leadership style sub dimension based on measurement model

	Component		
	LEADERSHIP Autocratic	LEADERSHIP Participative	LEADERSHIP Delegative
LEADERSHIP.Autocratic1	0.661		
LEADERSHIP.Autocratic2	0.646		
LEADERSHIP.Autocratic3	0.852		
LEADERSHIP.Autocratic4	0.808		
LEADERSHIP.Participative1		0.885	
LEADERSHIP.Participative2		0.928	
LEADERSHIP.Participative3		0.907	
LEADERSHIP.Participative4		0.877	
LEADERSHIP.Delegative1			0.858
LEADERSHIP.Delegative2			0.719
LEADERSHIP.Delegative3			0.835
LEADERSHIP.Delegative4			0.247

The result of factor analysis in showed that all items related to job satisfaction are significantly contributed by the related sub dimension. As all loading factors are above 0.4, all these items are applied for path analysis.

Table 8: Outer Loading for job satisfaction sub dimension based on measurement model

	Component	
	JOB SATISFACTION	
JS1	0.663	
JS2	0.688	
JS3	0.770	
JS4	0.753	
JS5	0.775	
JS6	0.802	
JS7	0.856	
JS8	0.763	
JS9	0.680	
JS10	0.757	

The result of factor analysis in Table showed that all items related to organizational commitment are significantly contributed by the related sub dimension. As all loading factors are above 0.4, all these items are applied for path analysis.

Table 9: Outer Loading for organizational commitment sub dimension based on measurement model

	Component
	ORGANIZATIONAL COMMITMENT
OC1	0.860
OC2	0.840
OC3	0.888
OC4	0.866
OC5	0.872

Moderator analysis

Age

The first moderating variable in this research is age. The variable age is divided into two categories: Group 1 for respondents below 36-year-old and Group 2 for respondents of 36-year-old and above. There are 243 respondents in Group 1 and 78 respondents in Group 2. Table below show the results of PLS-MGA for age.

Table 10: PLS-MGA results for moderator variable –age

	Path Coefficients diff Moderator Age Group1(below 36 y/o) – Moderator Age Group2 (36 y/o and above)	p-Value Moderator Age Group1 (below 36 y/o) vs Moderator AgeGroup2 (36 y/o and above)
CULTURE Aggressive ->job satisfaction	0.064	0.703
CULTURE Aggressive->organizational commitment	0.227	0.016
CULTURE Constructive ->job satisfaction	0.031	0.605
CULTURE Constructive ->organizational commitment	0.173	0.085
CULTURE Passive ->job satisfaction	0.132	0.106
CULTURE Passive->organizational commitment	0.017	0.566
Job satisfaction ->organizational commitment	0.156	0.920
LEADERSHIP Autocratic ->job satisfaction	0.022	0.594
LEADERSHIP Autocratic ->organizational commitment	0.081	0.210
LEADERSHIP Delegative->job satisfaction	0.086	0.796
LEADERSHIP Delegative ->organizational commitment	0.107	0.110
LEADERSHIP Participative->job satisfaction	0.005	0.486
LEADERSHIP Participative ->organizational commitment	0.006	0.523

Table 11: Moderator variable (age) difference in path coefficient

	Path Coefficients Original Moderator Age Group1(Below 36 y/o)	Path Coefficients Original Moderator Age Group2 (36 y/o and above)
CULTURE Aggressive -> Job Satisfaction	-0.109	-0.045
CULTURE Aggressive -> Organizational Commitment	-0.048	-0.275
CULTURE Constructive -> Job Satisfaction	0.380	0.410
CULTURE Constructive -> Organizational Commitment	0.103	-0.070
CULTURE Passive -> Job Satisfaction	-0.008	-0.140
CULTURE Passive -> Organizational Commitment	0.054	0.071
Job Satisfaction -> Organizational Commitment	0.514	0.670
LEADERSHIP Autocratic -> Job Satisfaction	0.229	0.252
LEADERSHIP Autocratic -> Organizational Commitment	0.047	-0.034
LEADERSHIP Delegative -> Job Satisfaction	0.095	0.180
LEADERSHIP Delegative -> Organizational Commitment	0.021	-0.085
LEADERSHIP Participative -> Job Satisfaction	0.228	0.224
LEADERSHIP Participative -> Organizational Commitment	0.214	0.220

The absolute differences between the group specific path coefficients and the p-values of the differences for moderator variable of age.

There is a significant difference in the group specific path coefficients reported for aggressive organizational culture and organizational commitment relationship ($p=0.016$). The difference between Age Group 1 -0.048 and Age Group 2 -0.275 is 0.227 for the aggressive organizational culture and organizational commitment relationship. This means that the senior professionals (with age 36-year-old and above) would have much lower level of organizational commitment in organizations with aggressive culture.

Other than the said relationship, there is no significant difference between the age groups for the other path coefficients in this model estimation.

Gender

The second moderating variable in this research is gender. The variable gender is divided into two categories. Group 1 for male respondents and Group 2 for female respondents. There are 124 male respondents in Group 1 and 197 female respondents in Group 2. Table below show the results of PLS-MGA for gender.

Table 12: PLS-MGA results for moderator variable –gender

	Path Coefficients diff	
	ModeratorGender (Male) – ModeratorGender (Female)	p-Value ModeratorGender(Male) vs ModeratorGender(Female)
CULTURE Aggressive->job satisfaction	0.055	0.719
CULTURE Aggressive ->organizational commitment	0.142	0.940
CULTURE Constructive->job satisfaction	0.091	0.791
CULTURE Constructive->organizational commitment	0.197	0.049
CULTURE Passive ->job satisfaction	0.110	0.873
CULTURE Passive ->organizational commitment	0.040	0.326
Job satisfaction ->organizational commitment	0.141	0.889
LEADERSHIP Autocratic ->job satisfaction	0.083	0.177
LEADERSHIP Autocratic ->organizational commitment	0.045	0.675
LEADERSHIP Delegative->job satisfaction	0.057	0.765
LEADERSHIP Delegative ->organizational commitment	0.062	0.773
LEADERSHIP Participative->job satisfaction	0.048	0.330
LEADERSHIP Participative ->organizational commitment	0.020	0.433

Table 13: Moderator variable (gender) difference in path coefficient

	Path Coefficients Original Moderator Gender (Male)	Path Coefficients Original Moderator Gender (Female)
CULTURE Aggressive -> Job Satisfaction	-0.140	-0.085
CULTURE Aggressive -> Organizational Commitment	-0.193	-0.051
CULTURE Constructive -> Job Satisfaction	0.334	0.425
CULTURE Constructive -> Organizational Commitment	0.190	-0.007
CULTURE Passive -> Job Satisfaction	-0.086	0.024
CULTURE Passive -> Organizational Commitment	0.089	0.049
Job Satisfaction -> Organizational Commitment	0.449	0.590
LEADERSHIP Autocratic -> Job Satisfaction	0.282	0.199
LEADERSHIP Autocratic -> Organizational Commitment	0.000	0.045
LEADERSHIP Delegative -> Job Satisfaction	0.072	0.129
LEADERSHIP Delegative -> Organizational Commitment	-0.079	-0.017
LEADERSHIP Participative -> Job Satisfaction	0.257	0.209
LEADERSHIP Participative -> Organizational Commitment	0.255	0.235

The absolute differences between the group specific path coefficients and the p-values of the differences for moderator variable of gender.

There is a significant difference in the group specific path coefficients reported for constructive organizational culture and organisational commitment relationship ($p=0.049$). The difference between Gender Group 1 (male) 0.190 and Gender Group 2 (female) -0.007 is 0.197 for the constructive organizational culture and organisational commitment relationship. This means that the male professionals would have much higher level of organizational commitment in organizations with constructive culture.

Other than the said relationship, there is no significant difference between the gender groups for the other path coefficients in this model estimation.

Industry

The third moderating variable in this research is type of industry. The variable industry is divided into two categories: Group 1 for lawyers and Group 2 for accountants. There are 182 lawyers in Group 1 and 139 accountants in Group 2. Table below show the results of PLS-MGA for industry.

Table 14: PLS-MGA results for moderator variable –industry

	Path Coefficients diff	p-Value
Moderator Industry (Lawyers) –	Moderator Industry (Lawyers) –	Moderator Industry (Lawyers) vs
Moderator Industry (Accountants)	Moderator Industry (Accountants)	Moderator Industry (Accountants)
CULTURE Aggressive ->job satisfaction	0.233	0.004
CULTURE Aggressive ->organizational commitment	0.183	0.028
CULTURE Constructive ->job satisfaction	0.074	0.735
CULTURE Constructive ->organizational commitment	0.168	0.903
CULTURE Passive ->job satisfaction	0.143	0.940
CULTURE Passive ->organizational commitment	0.117	0.877
Job satisfaction ->organizational commitment	0.110	0.192
LEADERSHIP Autocratic ->job satisfaction	0.089	0.176
LEADERSHIP Autocratic ->organizational commitment	0.027	0.401
LEADERSHIP Delegative ->job satisfaction	0.025	0.374
LEADERSHIP Delegative ->organizational commitment	0.042	0.705
LEADERSHIP Participative ->job satisfaction	0.012	0.544
LEADERSHIP Participative ->organizational commitment	0.083	0.253

Table 15: Moderator variable (industry) difference in path coefficient

	Path Coefficients Original Moderator Industry (Lawyers)	Path Coefficients Original Moderator Industry (Accountants)
CULTURE Aggressive -> Job Satisfaction	-0.030	-0.263
CULTURE Aggressive -> Organizational Commitment	-0.063	-0.245
CULTURE Constructive -> Job Satisfaction	0.341	0.415
CULTURE Constructive -> Organizational Commitment	0.007	0.175
CULTURE Passive -> Job Satisfaction	-0.087	0.056
CULTURE Passive -> Organizational Commitment	0.031	0.148
Job Satisfaction -> Organizational Commitment	0.566	0.456
LEADERSHIP Autocratic -> Job Satisfaction	0.285	0.196
LEADERSHIP Autocratic -> Organizational Commitment	0.046	0.020
LEADERSHIP Delegative -> Job Satisfaction	0.135	0.110
LEADERSHIP Delegative -> Organizational Commitment	-0.047	-0.005
LEADERSHIP Participative -> Job Satisfaction	0.190	0.202
LEADERSHIP Participative -> Organizational Commitment	0.261	0.178

Table below indicate the absolute differences between the group specific path coefficients and the p-values of the differences for moderator variable of industry. There is a significant difference in the group specific path coefficients reported for two relationships, namely (i) aggressive organizational culture and job satisfaction ($p=0.004$); and (ii) aggressive organizational culture and organisational commitment ($p=0.028$).

The difference between Industry Group 1 (lawyers)-0.030 and Industry Group 2 (accountants)-0.263 is 0.233 for the aggressive organizational culture and job satisfaction relationship.

The difference between Industry Group 1 (lawyers)-0.063 and Industry Group 2 (accountants)-0.245 is 0.183 for the aggressive organizational culture and organizational commitment relationship.

This means that the professionals working in accounting firms would have much lower level of job satisfaction and organizational commitment in organizations with aggressive culture, as compared to professionals working in law firms.

Other than the said relationships, there is no significant difference between the industry groups for the other path coefficients in this model estimation. Table below summarizes the moderating effect for this research.

Table 16: Summary of PLS-MGA moderator variables

	Moderator Variables		
	Age	Gender	Industry
CULTURE Aggressive ->job satisfaction	-	-	*
CULTURE Aggressive ->organizational commitment	*	-	*
CULTURE Constructive ->job satisfaction	-	-	-
CULTURE Constructive ->organizational commitment	-	*	-
CULTURE Passive ->job satisfaction	-	-	-
CULTURE Passive ->organizational commitment	-	-	-
Job satisfaction ->organizational commitment	-	-	-
LEADERSHIP Autocratic ->job satisfaction	-	-	-
LEADERSHIP Autocratic ->organizational commitment	-	-	-
LEADERSHIP Delegative ->job satisfaction	-	-	-
LEADERSHIP Delegative ->organizational commitment	-	-	-
LEADERSHIP Participative ->job satisfaction	-	-	-
LEADERSHIP Participative ->organizational commitment	-	-	-

* Significant difference in path coefficients between the moderator variable categories

Conclusion

This research investigated the effect of organizational culture and leadership style on organizational commitment, specifically in professional service firms in Malaysia. The researcher reviewed the scholarship of theories surrounding organizational culture, leadership style, job satisfaction and also organizational commitment. The theoretical framework of this research was then developed after review of the existing literature to investigate the variables and the effect they have towards organizational commitment.

At this juncture, it is important to revisit the topic discussed in the beginning. That is the research problem - “What is the effect of organizational culture and leadership style on organizational commitment in professional service firms (specifically law firms and accounting firms) in Malaysia?”

This research seeks the answer to the research problem in determining the effect of organizational culture and leadership style on organizational commitment. This research identifies crucial factors leading to organization commitment, specifically in law firms and accounting firms in Malaysia.

As for moderator variable of age, there is significant difference in the relationship between aggressive organizational culture and organizational commitment. Respondents from Group 1 (below 36-year-old) has path coefficient of -0.048 whereas Respondents from Group 2 (36-year-old and above) has path coefficient of -0.275. This means that the more senior professionals would have much lower level of organizational commitment in organizations with aggressive organizational culture.

Senior members of profession shall be managed with respectful manner. Aggressive culture such as people looking for mistakes for others at work, use of authority of their position in order to push for outcome, people turning job into contest, people facing disciplinary actions for small mistakes and shall be avoided, especially for this group of professional. This is consistent with the professional pride the members of profession hold. From the findings, the younger members of profession are more willing to accept to work under such aggressive culture. Perhaps this is due to the fact that they are relatively new and still learning the ropes of the profession.

As for moderator variable of gender, there is significant difference in the relationship between constructive organizational culture and organizational commitment. Respondents from Group

1 (male) has path coefficient of 0.190 whereas Respondents from Group 2 (female) has path coefficient of -0.007. This means that the male professionals would have much higher level of organizational commitment in organizations with constructive organizational culture.

Male members of profession would work better under such environment. Constructive organizational culture where people help others to grow and develop, people use good human relations skills, people work on self-set goals at work, people emphasize quality over quantity shall be promoted. Although there is negative path coefficient of -0.007 for female professionals, it is opined that professional service firms should still promote constructive organizational culture because the value is relatively smaller compared to the overall positive relationship between constructive organizational culture and organizational commitment of 0.278. Further, the positive relationship between constructive organizational culture and organizational commitment are supported by literature discussed above such as Tsai (2011), Tong et al. (2015), Asiedu (2015) and Bigliardi et al. (2012).

As for moderator variable of type of industry, there is significant difference in the relationships between (i) aggressive organizational culture and organizational commitment (Respondents from Group 1 (lawyers) has path coefficient of -0.063 whereas Respondents from Group 2 (accountants) has path coefficient of -0.245); and (ii) aggressive organizational culture and job satisfaction (Respondents from Group 1 (lawyers) has path coefficient of -0.030 whereas Respondents from Group 2 (accountants) has path coefficient of -0.263). This means that the professionals working in accounting firms would have much lower level of organizational commitment in organizations with aggressive organizational culture.

As both industries have negative path coefficient between aggressive culture with job satisfaction and organizational commitment, the researcher proposes the similar recommendation as above that aggressive organizational culture shall be avoided. Aggressive culture such as people looking for mistakes for others at work, use of authority of their position in order to push for outcome, people turning job into contest, people facing disciplinary actions for small mistakes and shall not be practiced.

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Theoretical Issues and Struggles of Malaysian Scholars in Social Media Research

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Abstract

Purpose: This study traced the theoretical aspects of social media research on Malaysian users from 2004-2015 to reflect on the current research trends. Additionally, this paper also sought to explore on the perspectives of Malaysian scholars on the theoretical stature of social media research in the nation, focusing on the challenges and issues that they faced.

Design/methodology/approach: The mixed methodology approach was selected, utilizing both content analysis and in-depth interview. In the first phase, the paper content analyzed research publications in Malaysian journals and doctoral dissertations that were conducted in Malaysian universities to assess the theoretical application and patterns among scholars. In-depth interviews were also conducted on social media scholars to understand the issues and struggles that arises resulting to underdeveloped theoretical footings.

Findings: The results implied social media research in Malaysia was still in formative stage but increasing yearly. Most scholars applied theories in their studies to reach their research objectives. Particularly, most theories were cited as theoretical framework, mere reference or compared between theories. Sadly, although the theoretical presence is seen among Malaysian scholars, the conceptualization and expansion of theories is still scarce. Among the struggles discussed by scholars were lack of theoretical advancement due to wide usage of existing theories that were considered more relevant for their research, lack of credible scholars, no affiliation amongst scholars, lack of facilities, poor education system and incompetency in English. Henceforth, the theoretical issues arise illustrate the need for a more solidified and elaborated theoretical understanding for the betterment of social media research in the country.

Theoretical implications: We provide the theoretical trends of social media research that can be a guide for the extension and construction of theories to generate better ideas and concepts. The framework of analysis of this study can also be utilized by other researchers that wish to explore on theoretical stature in research, and can be compared with the review of prior literature from Western trends analyses.

Practical implications: With the adequate understanding on theoretical issues and trends, the findings are expected to be valuable for the media industry and government organizations especially in policy making as well as the execution of brand strategies.

Originality/value: This research will contribute to the gap of knowledge by further understanding the importance of solid theoretical foundation in research and development. In addition, this study is more robust when compared to previous literature as it not only looks into the status of social media research through occurrences, but it also highlighted on the challenges scholars faced in the process of theoretical construction and advancement.

Keywords: Social Media, Theoretical Trends, Malaysia, Mixed Methodology

Introduction

In the recent years, the fast development and adoption of social media has attracted interests among mass communication scholars. People nowadays are actively embracing this new communication technology to stay connected with others online. In social media, people are able to create and send their messages, share ideas and exchange information (Mustafa & Hamzah, 2011) through various forms including text messages, audios, videos, pictures and more. In Kaplan and Haenlein's (2010) study, they identified six different types of social media applications such as blogs and microblogging, social networking sites, content communities, collaborative projects, virtual social world and virtual game world. Furthermore, statistics showed as of October 2018, 2.2 billion users are active on Facebook, 1.9 billion watches YouTube, 1.5 billion use Whatsapp, 1 billion socialized on Instagram and 335 million people tweets on Twitter (Statista, 2018). These numbers project that social media is one of the most engaging media online.

In September 2016, Malaysia is ranked in eighth place (62%) for having active accounts on top social network in the world (We Are Social, 2016). People are actively using social media to communicate with others. In particular, Facebook is the top social media in the nation with 97.3% users, followed by Instagram (57%), YouTube (48.3%), Google+ (31.3%), Twitter (23.8%), LinkedIn (13.3%) and other lesser known social networking sites (0.7%) (MCMC, 2018). Hence, these statistics demonstrated there is a widespread use of social media in Malaysia, opening up numerous research opportunities for scholars.

However, there are many persistent believes that with the rapid development of social media, several aspects of communication and media has also changed along the process (Khang, Ki & Ye, 2012). Idid (2014) agreed with the assumption, highlighting the importance to understand the adoption and diffusion of social media in Malaysia. He believed the "concepts of media audience, effects of media, space of communication and time have changed" (Idid, 2014, p.14). Explicitly, social media has revolutionised the communication discipline from mass communication to interactive digital communication (Littlejohn & Foss, 2008), as it is more multi-directional, allowing more control for the users to exchange user generated content (Chaffee & Metzger, 2001). Wei (2008) also connoted the same notion as social media users are no longer passive media audiences, they are now active and more engaging prosumers (Khang *et al.*, 2012). Social media can influence the receiver and the receiver may also contribute to media content in making decisions and affecting the sender. From this instance, social media users have more power in receiving and changing the media messages. This new communication technology also changes the users' communication patterns and habits, media content consumption and the impact of the media on the users. Consequently, social media have slightly different influence from the traditional mass media such as newspapers, magazines, radio and television.

In the early emergence of new media, scholars have applied existing mass communication theories to understand the phenomenon (Landow, 2003; Bolter, 2003; Scolari, 2009).

Particularly, a theory is referred to as a set of ideas or concepts that helps to explain, understand and interpret the interconnections of certain issues that occurs consistently (Keyton, 2006; Baran & Davis, 2012). Theories let researchers to be more organised by guiding them to the right direction in explaining the interconnections and relationships of a certain phenomenon (Miller, 2005; Potter & Riddle, 2007). However, as the new media progressed, Weaver (2000) and Scolari (2009) contend that the existing concepts and theories were considered still useful for the new communication technology, but there was a need for expansion and refinement of theories to suit to the new approaches of the new media. Similarly, Baran and Davis (2012, p. xvii) also supported the notion by saying, “theories was in ferment as new perspectives challenged long-standing assumptions.” This position implied that existing mass communication theories are challenged, paving way to the contribution of theoretical expansion and developments to further explain and understand the new aspects of social media. It is within this theoretical context that many scholars are turning their heads toward understanding the social media issues. In Malaysia, social media research is increasing exponentially, consistent with the evolution of this technology. Through literature, wide array of focus were explored including on issues such as usage, perception and attitude; social or political issues; effects on users and society; impression management and friendship performance; comparison with other media; threat or privacy issues and more (Bidin & Mustaffa, 2012; Ahmad, Hassan & Hussein, 2012; Mustafa, 2014; Rekhraj & Jayasainan, 2014; Hamid, Ishak & Yusof, 2015; Destiana & Salman, 2015; Ishak & Ghani, 2015). Nonetheless, although social media research is showing an upward trend in the communication field, we still lacked in understanding the issues and concerns regarding the theoretical development in Malaysia.

Literature Review

Theoretical patterns in mass communication research

Past studies illuminated that within the development of mass communication research, theoretical construction and advancement was one of the major problems among scholars. In 1998, DeFleur conducted a study on the milestones of communication research, illustrating only few theoretical perspectives were commonly employed. Years later, Kamhawi and Weaver’s study (2003) on theoretical patterns of mass communication research revealed only 30.5% of studies applied a theory, and another 9% seems to imply a theory. These studies then suggest for more theoretical integration and construction for future mass communication studies.

In 2004, Bryant and Miron scanned the research trends in communication theory for 44 years, analysing communication and media journals. Findings entailed theoretical presence in the communication studies were low at only 32% from the 1,806 articles examined and found 26 most used theories in communication research. Moreover, their research also found how the cited theories were utilised in communication research, where most of the articles examined were only referring to a theory (48.03%), followed by theoretical framework (26.13%), comparing theory (7.9%) and critiquing theory (4.31%). The theoretical construction among communication scholars was rare including proposing a theory (3.16%), testing a new theory (2.58%), integrating theories (2.01%) and expanding theories (1.87%) (Bryant & Miron, 2004). They also extended their theoretical assessment by scanning through current (2001-2004) articles from *Communication Research*, *Mass Communication & Society* and *Media and Psychology* journals. Results showed cited theories were mostly applied as mere reference (45%), followed by theoretical framework (23%), theoretical construction (18%) and critique of theory (14%). To conclude their assessment, they perceived that the interactive new media such as the Internet is revolutionising the traditional mass communication model, denoting the need to explore further on the trends of mass communication research related to Internet usage.

Theoretical patterns in Malaysia's mass communication research

In Malaysia, scholars are also facing comparable problems concerning theoretical contribution to the mass communication field. Past research trends analyses portrayed theoretical contribution is still inadequate as scholars are rarely conceptual in their mass communication studies (Hassan & Salleh, 1990, Merican, 2005; Idid, 2014). Hassan and Salleh (1990) found an alarming theoretical trend from undergraduate theses and staff's research in Universiti Putra Malaysia and Universiti Kebangsaan Malaysia. Theoretical application among scholars was low and mostly adopted from Western ideologies. As such, they argued that Malaysian scholars should be more open to other concepts than only employing the Western concepts and theories. Another Malaysian scholar also agreed with the notion (Merican, 2005) where he stated most of the mass communication studies in Malaysia were led by the European and American ideologies, particularly in concepts and theories. While it is good to adopt existing theories from the West, Merican (2005) also believes that investigating on a certain phenomenon in the perspective of the country's culture is also important to understand our society's communication patterns and habits. Hence, the study suggested for more comprehensive research that offers specific theories to suit the country's cultural settings. Moreover, Merican (2005) also noted that theoretical development among scholars in the country was still low and call for more conceptual research in the future.

In 2014, Idid traced the changes in Malaysia's development in communication and media from 1971 until 2014 by focusing on academic activities in universities. In terms of academic activities, he mentioned most communication programs were borrowed from American models, where these programmes were assisted by American scholars and universities. Moreover, most of the early communication academicians in Malaysia received their education and ideologies wholly or some were partially from universities in America, Britain or Australia. Additionally, Idid (2014) also looked through academic content in conferences such as *Seminar Penyelidikan Komunikasi 1991*, *MENTION 2011* and *MENTION 2013*. He found several most preferred theories in Malaysia's mass communication research. Yet, one core problem was noticeable, which is the little work on the development of framework or theoretical perspectives among scholars (Idid, 2014). Thus, the scholar recommends for more research that are theory-based in improving the status of the Malaysian communication landscape. Besides, Idid (2014) also pointed out on how communication was affected by the technology of social media. He believed the new landscape needed new perspectives to be paralleled with the changes of the new media.

Theoretical patterns of new media and social media research

Mass communication is increasingly arbitrated by social media for personal, business, educational and entertaining use. Hence, the adoption and influences of social media on users are perceived to some extent different than traditional media (Scolari, 2009). With its more interactive and transactional process, many scholars believed it has revolutionised communication from mass to interactive digital (Khang *et al.*, 2012; Li & Thang, 2012), changing the communication patterns, habits and behaviours of the users. In social media, users are more engaged and active, generating immediate and responsive communication between users. Due to this evolution, mass communication theories are also further developed and extended to understand the role of this new media and its effects on the users. Past studies also showed that with the development of new media and social media, some of the existing mass communication and media theories may not be applicable with the aspects of the new communication technology, implying a need to examine the theoretical patterns among scholars (Scolari, 2009).

Past studies have assessed on trends of theoretical and methodological application in communication research related to Internet (Kim & Weaver, 2002) and research patterns of

social media studies (Khang *et al.*, 2012). These research scholarships depicted theoretical conversations and development in social media research were still infrequent and a concern among scholars. Most scholars employed existing mass communication theories to explore on the adoption and influence of social media on users (Kim & Weaver, 2002; Zhou, 2006; Khang *et al.*, 2012). In 2002, Kim and Weaver reviewed the theoretical and methodological patterns of communication research about the Internet from 1996-2000 and found theory driven papers were limited to 96 articles from 561 papers. Among the theories that were mostly researched on were uses and gratifications, information processing, diffusion or adoption theory, dependency theory, hegemony theory, media use patterns, personal relations, agenda setting and persuasion.

After social media became mainstream, there were a few studies that scanned through the research scholarship to see research patterns and trends in social media studies. In 2012, Khang, Ki and Ye studied research trends of social media studies in advertising, communication, marketing and public relation disciplines (1997-2010). In terms of theoretical application, about 40% of the sample referred to particular concepts or theories, a little higher number than the past theoretical analyses (Kim & Weaver, 2002; Cho & Khang, 2006). Results also mentioned that the theory-driven studies were mostly adopting or replicating existing theories. The most prevalently used theories include social information processing theory, uses and gratifications, relationship management theory, agenda setting, framing and diffusion of innovation. The practice of constructing new theories or suggesting other frameworks to understand the new media phenomena is still limited. Henceforth, this study recommends that future research should make more attempts in developing new concepts, ideas or theories to comprehend the social media issues better.

There were also few attempts made by Malaysian scholars to investigate on the issues in research concerning social media. The research was conducted on selected journal articles related to Twitter, wikis and YouTube (Alias, DeWitt, Siraj, Kamaruddin & Daud, 2013; Alias, Sabdan, Abdul Aziz, Mohammed, Hamidon & Jomhari, 2013; Alias, Razak, elHadad, Mat Noh, Kunjambu & Muniandy, 2013). So far, these studies were only on examining the topical, issues category, sampling, methodological and analytical trends of research. They still lacked in understanding the theoretical trends of social media research in the country.

Years later, Rahman, Hassan, Osman and Waheed (2017) looked deeper into the research patterns of social media studies in Malaysia (2004-2015). Results showed that papers on social media research were increasing exponentially, paralleled with the trend of social media usage in Malaysia. It identified the methodological approach, theoretical application, topical, social media type and research developmental phases of social media studies in the nation. Different from past theoretical analyses, this study emphasised theoretical presence among Malaysian social media scholars was slightly higher (62%) than the Western scholars (27-40%) (Rahman *et al.*, 2017). However, the research also denoted Malaysian scholars still lack cultivating and extending theories to understand new communication technology. In consequence, the study recommends for other studies to look into how cited theories are used in research and encourages scholars to apply and advances their theoretical footings in foreseeable future.

Framework of Analysis

From the past literature above, we can see that there is a definite pattern of systematic content analyses of mass communication research, new media or social media research. The studies have focused on specific variables for the theoretical aspects of research such as presence of theory, type of theory and uses of theory. With these variables, a framework of analysis was generated as a guideline to determine the theoretical trends in social media research, such as understanding the theoretical presence, theory type and theoretical usage in the research. In this current study, we would first look into how cited theories in social media research are utilised

before further understanding the scholars' perspectives on the theoretical development and stature of social media research in the country.

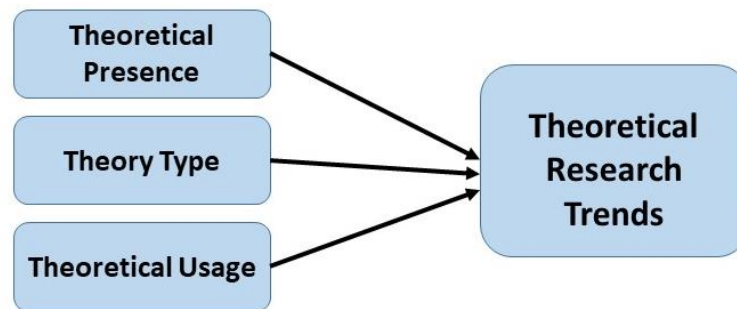


Figure 1: Framework of Analysis

Intrinsically, this current study aims to explore the perspectives of Malaysian scholars on the status of theoretical development in social media studies. The following question is addressed: RQ1: How are the cited theories utilised in social media research among Malaysian users? RQ2: What are the theoretical issues and challenges that Malaysian scholars faced in theory development for social media research?

Method

Content Analysis

This present study utilized a mixed methodology of quantitative and qualitative approaches to reach its research objective. Specifically, content analyses and in-depth interviews were conducted by employing the purposive sampling. The quantitative content analysis was used to identify the theoretical trends of social media research in Malaysian academic journals related to communication, media, social sciences and humanities that were segmented in the Malaysian Citation Index Website (Malaysian Citation Index, 2015) that was provided by the Ministry of Education Malaysia (MOE) and Malaysian Citation Centre (MCC). Additionally, this study also identified the trends of theoretical citation from doctoral dissertations related to social media from universities in Malaysia that offer PhD in Communication and Media. Past studies lamented that scholars explored on research trends in the field of mass communication and social media utilised content analysis as it is organized, unobtrusive and able to trace where the discipline was and where it is going in the future (Kim & Weaver, 2002; Bryant & Miron, 2004; Bryant & Cummins, 2007; Khang *et al.*, 2012; Zhang & Leung, 2014). The sample was drawn from 2004 until 2015 as 2004 was the year that marks social media penetrating as one of the mainstream media tools (Boyd & Ellison, 2007; Khang *et al.*, 2012). The unit of analysis is the full-length article or thesis on social media research, counting each article or thesis that mentioned the context of research for frequencies.

Based on the ranking in the Malaysian Citation Index Website (Malaysian Citation Index, 2015), this study selected 21 communication, media, social sciences and humanities related journals in Malaysia. For the communication and media discipline, the following journals were selected: *Malaysian Journal of Communication*, *Malaysian Journal of Media Studies*, *Global Media Journal-Malaysian Edition*, *Journal of Language and Communication*, *The Journal of the South East Asia Research Center for Communication and Humanities (SEARCH)*, *Journal of Media and Information Warfare* and *Journal of Human Development and Communication*. In the field of social sciences and humanities, this study 14 journals were utilized including *Journal of Malaysian Studies*, *International Journal of Asia Pacific Studies*, *The Asian Journal*

of Humanities, eBangi (Journal of Social Sciences and Humanities), AKADEMIKA (Jurnal Sains Kemasyarakatan dan Kemanusiaan), SARJANA, JATI: Journal of Southeast Asian Studies; PERTANIKA (Journal of Social Sciences & Humanities), Universiti Tun Abdul Razak e-Journal, Voice of Academia, International Academic Research Journal of Social Sciences and Journal of International Studies.

For the selection of doctoral dissertation samples, this current study explored through the database of Malaysian Thesis Online (MyTo) to find the theses related to social media on Malaysian users. The results of the search would include title, year, author and university. Then, we would searched the online libraries of the university to find the mentioned theses' title or any other research concerning social media on Malaysian users from 2004 until 2015. For theses available online, we would then download for data collection process. But, if there are no online versions of the dissertations, we would then proceed with visiting the physical libraries of the universities to go through their repository for further data collection. In Malaysia, a total of 21 universities have offered doctoral programs pertaining to media and communication, namely Universiti Malaya (PhD of Media Studies); Universiti Sains Malaysia (Doctor of Philosophy, Communication); Universiti Kebangsaan Malaysia (Doctor of Philosophy, Communication); Universiti Putra Malaysia (PhD in Mass Communication or PhD in Human Communication); Universiti Utara Malaysia (Doctor of Philosophy, Communication); Universiti Teknologi MARA (PhD in Communication or Doctor of Philosophy of Information and Media Warfare); Universiti Teknologi Petronas (PhD in Social Science and Humanities – Journalism Communication and Media Studies); Universiti Malaysia Perlis (PhD in Social Science, Communication – Media Studies); International Islamic University Malaysia (PhD in Communication); Monash University (Doctor of Philosophy – Communications and Media Studies); University of Nottingham (PhD in Modern Languages and Cultures – Media); Infrastructure University Kuala Lumpur (PhD in Communication); Open University Malaysia (Doctor of Philosophy, Communication); International University of Malaya-Wales (Doctor of Philosophy, Professional Communication); Asia eUniversity (PhD in Arts – Media Studies); Universiti Sains Islam Malaysia (Doctor of Philosophy Communication); Universiti Teknikal Malaysia Melaka (PhD in Technical Communication – Media and Communication); University Malaysia Sarawak (Doctor of Philosophy, Communication Studies); Curtin University Sarawak Malaysia (PhD in Media, Culture and Communication); University Malaysia Sabah (PhD in Communication) and Universiti Malaysia Terengganu (PhD in Communication – Human Communication/Organizational Communication).

The selection of articles or dissertations were based on relevant keywords in the abstract sections such as: “new media”, “social media”, “social media usage or adoption”, “social media effect or impact”, “online social network”, or a particular social media (i.e. Twitter, YouTube, Facebook, Flickr, Instagram, wiki, others) and it must be on Malaysian users.

Measure

Based on the framework of analysis from prior literature of mass communication and social media related trends analyses (Bryant & Miron, 2004; Khang *et al.*, 2012), this present study traced the following theoretical trends of social media research in Malaysia: *uses of cited theories in social media research.*

Theoretical Usage in Social Media Research

This paper scans how the cited theories were used in the academic journals or doctoral dissertations and its frequency. Adopted from the framework of Bryant and Miron (2004), we coded this measure by looking through the theory-driven articles or dissertations and classified

them according to (1) *using a theory as mere reference*, (2) *using theory as theoretical framework*, (3) *comparison of two or more theories*, (4) *critiquing a theory or theories*, (5) *proposing a new theory*, (6) *testing a new theory*, (7) *combining two or more theories* or (8) *extension of theory*.

In-depth Interview

Furthermore, this current paper also utilised qualitative research approaches to achieve its research objective. In specific, in-depth interviews were executed on a purposive sampling by recruiting social media scholars in Malaysia as informants. As past studies have looked into theoretical application and usage in social media research in Malaysia (Rahman *et al.*, 2017), this paper intends to understand the challenges and theoretical issues that our Malaysian scholars have to go through in research. The informants were selected based on the following criteria: experience (the expertise and number of years scholars have been in the academic field of communication and media), publication (the number of publications on social media or new media that they possess) and availability of the scholars to participate in this study.

In selecting the informants, we highlighted the importance on the scholars' expertise and skills in mass communication and social media studies. In spite of that, scholars were also selected centred on the number of years they have been in the academic field, which were obtained from their curriculum vitae. They should possess at least three years of experiences in the field. Secondly, informants were also chosen due to the number of publications they have on social media or new media related to communication discipline including in research papers, journal articles, books, newspapers and other types of media. Lastly, the number of informants is based on the saturated data obtained from the data collection as well as based on the availability of these experts in participating the interview process.

A total of six informants from Klang Valley, Negeri Sembilan and Penang were interviewed for this study. All of the informants were communications and social media scholars from universities in Malaysia. The number of samples collected is reasonably adequate to fulfil the research objective due to the saturation of responses in the analysis. An interview guideline with open-ended questions based on the research questions were designed for the interview. The in-depth interviews were then transcribed verbatim and analysed using thematic analysis - a method that is best used to determine, examine and report themes and patterns within the data collected (Braun & Clarke, 2006). Similarly, King & Horrocks (2010, p. 150) also lamented that "themes are recurrent and distinctive features of participants' accounts, characterising particular perceptions and experiences that can be seen relevant to the research question".

Inter-coder Reliability

The research applied Cohen (1960) *kappa* (K) to obtain the reliability of the content analysis. A total of 10% of the 92 journal papers and 10% of the 16 doctoral theses were measured by the first author and a postgraduate student as the second coder. Both journal papers and PhD dissertations content analyses have achieved an average inter-coder reliability of .88 vs. .95. The two coders had independently analyzed randomly selected social media papers and dissertations, and the agreement was 100%. The inter-coder reliability coefficients was .70 vs. 1.0 for uses of cited theories in research. In regards to the reliability of the in-depth interview, this study pre-tested the interview guidelines that were conceptualized. Specifically, we pre-tested on the first two informants to determine suitability and relevancy of questions asked in achieving the research objective. Results showed the questions are indeed relevant, thus, we also extended the interview protocol with more probing questions to seek for the issues and challenges that scholars endured in theoretical development for social media research.

Findings and Discussion

Social Media Research in Malaysia

From the 3014 articles published in the Malaysian journals related to communication, media, social sciences and humanities from 2004 until 2015, 92 (3.1%) articles were on social media. A total of 13 social media related studies were omitted because these papers portrayed audiences from other countries such as Australia, India, Indonesia, Italy, the Middle East, the Philippines, Singapore and Somalia. After the decrease of data, this study discovered theoretical trends of 79 social media related articles that were on Malaysian users (See Table 1). The results exhibited the Malaysian Journal of Communication and PERTANIKA were leading venues for Malaysian social media publications. Aside from that, it can also be concluded that social media research were published in communication and media journals than other disciplines.

Table 1: Frequency of social media publications on Malaysian users

Journal Name	Frequency of articles on social media research from 2004-2015	Percentage (%) (n=79)
Malaysian Journal of Communication	24	30.3
PERTANIKA	11	13.9
Malaysian Journal of Media Studies	9	11.4
eBangi	7	8.9
Journal of Media and Information Warfare	7	8.9
Global Media Journal-Malaysian Edition	7	8.9
Journal of Malaysian Studies	5	6.3
AKADEMIKA	3	3.8
SEARCH	2	2.5
Voice of Academia	2	2.5
Journal of Language and Communication	1	1.3
Journal of Human Development and Communication	1	1.3
	79	100

Apart from that, from the data collection of 21 universities that offered PhD programs in Communication and Media, only 16 doctoral theses were on social media. However, two of those theses were excluded as they were from PhD in Language and Social Sciences. In addition, two more theses were considered disqualified as the sample of this study as they focused on Indonesian and Sudanese social media users. Henceforth, a sum of 12 doctoral dissertations were considered the sample of the content analysis (See Table 2). Findings specified Universiti Putra Malaysia and Monash University consist of the most frequency of social media research on Malaysian users. These results further implicate that the stature of social media research development in Malaysia is at formative level as the low numbers of studies were apparent between 2004 and 2015. Correspondingly, Khang *et al.* (2012) also showed the same numbers where only 5.5% publications were concerning social media from 1997-2010. With the advent of social media and its increasing usage yearly among Malaysians

in daily lives as well as in the academic field, this pattern of research is understandable as scholars still needs more room to understand the new phenomenon. Nonetheless, we anticipate that the numbers will keep on rising in going along with the innovative measures of social media penetration in the country.

Table 2: Frequency of social media dissertations on Malaysian users

University	Frequency of PhD theses on social media research from 2004-2015	Percentage (%) (n=12)
Universiti Putra Malaysia	4	33.3
Monash University	4	33.3
Universiti Malaya	2	16.8
Universiti Sains Malaysia	1	8.3
International Islamic University Malaysia	1	8.3
	12	100

Theoretical Presence in Social Media Research on Malaysian Users

In this current study, theory is defined as a set of system that explains and understands a specific phenomenon. From the results, a total of 62% of the 79 published papers related to social media are theoretically-based, followed by 38% of the studies did not mentioned any theoretical application in their studies. In the content analysis of PhD dissertations, all of the 12 theses on social media are also theory-driven. In contrary, past studies showed that lack of theoretical applications among the Western scholars were evident with only 27-40% are theory-driven (Kim & Weaver, 2002; Khang, Ki & Ye, 2012). In Malaysia, theoretical presence of Malaysian mass communication research were also limited, especially in the construction of theories or concepts (Hassan & Salleh, 1990; Merican, 2005; Idid, 2014). Consequently, we can designate that social media studies on Malaysian users were mostly driven by theories or concepts, illustrating a promising pattern in theoretical application.

Theoretical Usage of Cited Theories in Social Media Research on Malaysian Users

In fulfilling the research questions of this study, we adopted the variables presented in Bryant and Miron's (2004) study on examination of theory in mass communication research, which include usage of theory as: (1) theoretical framework, (2) mere reference, (3) comparison of two or more theories, (4) critique of two or more theories, (5) propose new theory, (6) test a new theory, (7) combining two or more theories, and (8) extension of theories. The findings illustrated that both content analysis of journal publications as well as doctoral dissertations depicted that most extensive number of cited theories were used as theoretical frameworks for social media research (42.9% vs. 50%) (See Figure 1), followed by merely referencing to specific theories, concepts or models (38.8% vs. 33.3%), comparison of theories (6.1% vs. 16.7%) and critique of theories (4.1% vs. 0%). Evidently, there is an apparent lack of theory building or conceptualization among Malaysian scholars. The results project that journal articles uncovered theoretical advancement aspects such as integration of theories (4.1%), testing new theory (2%) and expansion of a theory (2%). There was still no significant paper on the proposal of new theory to understand the social media phenomenon in Malaysia, revealing that theory development were still short among scholars.

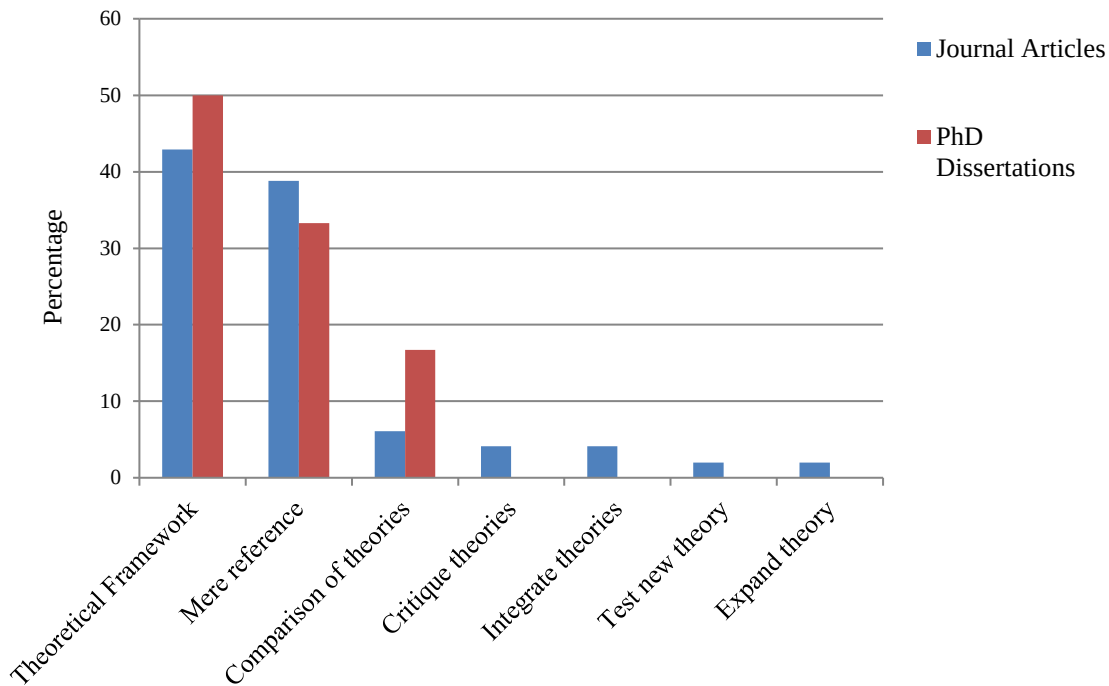


Figure 1: Uses of references to theories in Malaysian journals and PhD dissertations

Results from the thematic analysis also discussed on the theoretical usage of cited theories of the Malaysian social media scholars. Scholars said that they usually expand theories in their studies by adding in new concepts or variables to existing theories. These new variables were usually to represent the Malaysian culture, religion, values and social media knowledge. Apart from that, scholars also likes to combine theories by integrating two or more theories from the same field or outside of their disciplines to address the social media phenomenon. In addition, scholars exude that they conduct comparison research to differentiate one theory with another to identify the differences of those theories in explaining the social media phenomenon from different angles of perspectives and ideas. Scholars also employed cited theories as theoretical framework to guide or even challenge the critical assumption of their study. Mere reference was also obvious as some scholars expressed concerns towards the practice of lip service among their students in research as they deter from explaining further on the framework, process or solutions of the problems.

It is a common misconception among scholars that the theoretical status in Malaysia is considered stable; because, if we look more closely, the absence of developing concepts and framework was raised. Theoretical construction is still uncommon among Malaysian scholars as only a few studies were working on integrating and expanding theories. Malaysian scholars still need improvements in theory building such as testing, unifying, extending or conceptualising new concepts or theories for social media issues. This theoretical problem is expected as theoretical development is a major concern in the academic world, especially in communication discipline. Theories are seen important for any research as when studies are atheoretical, the research is considered directionless (Wei, 2009). Although social media phenomenon is considered new in Malaysia, this current study found several issues that scholars faced in theoretical development. Among the struggles that scholars faced leading to underdeveloped theoretical footing are wide usage of existing theories, lack of credible scholars, no teamwork amongst scholars, lack of facilities for theoretical advancement, poor education system and lack of proficiency in English.

Wide usage of existing theories

Results illuminated that one of the main reasons to underdeveloped theoretical footing in social media research was established theories were deemed suitable for their studies. Many believed even though there were noble theories to explain the social media occurrences, but not all of the new concepts were applicable to fulfil their research objectives. Thus, in this premise, they remained using existing theories to explain and ground their research development.

Furthermore, informants also mentioned that new theories need to be validated and established by providing substantial evidence on existing theories in the field cannot explain the social media phenomenon. To clarify these important attributes, new concepts or theories need to go through rigorous processes for conformity that might take a long period of time in research. On this basis, many scholars prefer to use the existing ones so that their research can be conducted on time and smoothly. Informants also perceived that most of the old theories in communication have evolved according to the new communication technology, henceforth, they felt that the existing theories was still relevant for their studies even with the convergence of broadcasting technologies, Internet and social media.

Nevertheless, in terms of understanding the social media occurrences, another informant indicated that while existing mass communication theories was still applicable for social media studies, she also believed that existing theories cannot embody the whole process of social media. In particular, she said,

“...social media content involves human story telling with a foundation within informational and persuasive communication to facilitate storytelling (Facebook wall, Twitter feeds, LinkedIn endorsements, etc). Mass communication theories cannot represent entirely the phenomenon of social media since social media involve and bring together participant in large social networking site and sharing of information and media content personally, selectively and exclusively.”

Henceforth, it can be implied that although scholars felt most of the existing theories were applicable to explain social media issues, we must also consider in conceptualising more robust concepts and theories to further understand the social media phenomenon that may not be clarified by the established theories. The findings coincided with previous studies on theoretical conversations for social media. According to Weaver (2000, p. 14), for the existing theories to remain useful and applicable in new media environment, theories should be improved with other new concepts or theories. Scolari (2009) also denoted the same sentiment where he mentioned for scholars to understand the new communication technology, previous concepts and theories should be remodelled and refined to be relevant with the new approaches of social media (Landow, 2003; Bolter, 2003). The limited effort of theoretical development among scholars in Malaysia is a concern because it may deter future scholars in understanding the social media environment.

Moreover, the frequent uses of established theories for social media related research ignites questions into whether these existing theories from Western perspectives are suitable to explain the social media environment in Malaysia. Dissanayake (2009) connoted mass communication theories are mostly dominated by the Western concepts and ideologies and these theories might not be the right theory for Asian culture. Past studies showed that a theory's function is to be applicable for any culture (Littlejohn & Foss, 2008), but in order to better understand the use and influences of social media towards a certain society, theories should be extended to remain heuristic and focused. Theories should include new concepts or ideas that are relevant to other cultural experiences according to the complex environment of a certain society. Thus, with the conceptualisation of varied theories, incorporating more of social media and our culture's

concepts in future social media endeavours, better understanding can be achieved for new communication technology.

Lack of credible scholars

In the analysis, many appeared to suggest the credibility of scholars was a concern in Malaysia, signifying issues on the expertise and skills of scholars, degradation of standards and quality, theoretical identification of scholars and scholars as followers or leaders. Firstly, informants specified communication landscape in Malaysia has insufficient experts who were competent in teaching creation of theories and social media research. Specifically, there were numerous departments of communication in the nation and wide turnout of students, but Malaysia still lacked in offering skills, knowledge and expertise. This country has only a handful numbers of Professors in communication and media, thus, limiting the broadening of knowledge in conceptualisation of ideas and theories. The results mentioned above is similar with the issues contend by Idid (2003, p. 49) as he said, "...we do not have sufficient people who conducting research to come out with theories. Or the other reason that we do not have many people who are academically qualified to conduct research and to come out with theories". Thus, it can be denoted that to improve theoretical development to be on par with the Western scholars, Malaysia needs scholars with extensive knowledge and experience in social media studies and theory making. Highly knowledgeable scholars such as Professors in communication and media can help to lead other scholars in the field. The setting up of standards and quality of these experts will subsequently influence other scholars to follow through.

Additionally, degradation of standards and quality among scholars was one of the contributing factors to lack of improved theories. This was due to systematic problems such as education background, particularly, poor theoretical training including theoretical comprehension, usage and conceptualisation. Most scholars were trained with certain established theories, leading to the same set of theoretical application. On top of that, some informants felt it was difficult to educate students on theoretical usage and construction. Students were able to present the theory, but there were not enough critique of variables and concepts. The same was said by another scholar as he mentioned,

"So, in this case, many actually and even the scholars in this field try to, if they can't modify. I mean they try, but not even looking at the development of the new theory, but the modification of the existing theory also I think we don't really know how to do it or how to conduct."

Besides, findings found another issue which was the lack of identification of scholars with particular theories. When compared with Western scholars, Malaysian scholars were rarely known to be identified with a specific theory. For example, Rogers is identified with diffusion of innovation theory and McComb and Shaw for agenda setting theory. However, in Malaysia, scholars were only identified according to their fields. There were no indications of which scholar that we can relate to a certain theory. In other words, we need more scholars who can be identified with a theory akin to scholars from the West.

In relation, results also asserted Malaysian scholars were not leaders, but followers. Quite simply, our academicians and scholars lacked in ideas as they practice imitative inertia. One of the informants defined imitative inertia as when people do things by following others. What is certainly clear was scholars usually employed Western theoretical grounds and ideologies to understand communication and social media events. The same sentiment was relayed by another informant where he mentioned using Western references for his research. He believed this is a common practice among Malaysian scholars where most theoretical usages were Western dominated.

The findings above implied that there was a lack of robust theoretical approach that can be used for different cultural settings for Malaysian social media users. Apparently, scholars were more familiar with Western theories and conceptualisations of more ‘local’ theories have been ignored. Previous literature portrayed the same results, as Hassan and Salleh (1990), Idid (2003) and Merican (2005) pointed out that only few Malaysian scholars expand or create theories with variables that were more related to local culture. In specific, Malaysian scholars have not given in-depth discussion to underlying assumptions and theoretical matters, and perpetually remain at employing Western theories, formulations and ideas in communication research, programmes and courses.

Interestingly, it can be concluded that ‘local’ theories can help us to better explain the patterns of usage and its consequences to social media users in light of Malaysian culture and context. Culture is referred as “(1) the relatively specialised lifestyle of a group of people, (2) that is passed down from one generation to the next through communication” (DeVito, 2016, p. 52). Culture comprise of values, belief, attitudes, languages, religions and more (DeVito, 2016). In our globalised world today, the increasing engagement in social media and shrinking of time and space between countries has brought us to cross-cultural interactions among social media users. Exclusively, Malaysia’s multi-ethnic society, vibrant customs and Asian norms and values also require extra attention on sensitive issues and intercultural awareness in communication. This issue is similar with past studies on Western communication models or theories that are not suitable for Eastern countries like Malaysia (Dissanayake, 1988). Dissanayake (2009) argued that theories must be able to look into Asian perspectives to embody the society, social structure and culture, as theories from the West might not be applicable to explain other cultural communication and social issues (Kim, 2002; Abdullah, 2010). Western society utilises low-context communication, while Asians practice high-context communication as we have more customs and taboos to adhere to (Hostede, 2011). Not only that, Malaysia is a collectivist culture that emphasises on preserving good impression and relationships with others (Hostede, 2011).

In specific, this study encouraged scholars to upgrade themselves by pursuing more fundamental research on theories and social media. Scholars should extend their own localised theories by incorporating concepts and variables that represent the Malaysian culture, than relying wholly on Western context in regards to social media. This is to better understand Malaysia’s social media environment as well as in uplifting the academic standards of our research to reach the international standards.

No teamwork amongst scholars

Furthermore, our communication and media scholars also lack in collaborating together. Most communication or social media scholars in the nation have no relationship with one another and remained apart. They lacked in sharing ideas or concepts in the development of theories. Indeed, there was no community of scholars that hold meetings to garner more knowledge, brainstorming of ideas or conceptualisation of theories collectively. However, success is attributable to the collaboration among scholars in Malaysia as united minds help in igniting ideas and building of theories. Thus, we need to bring scholars together through community of scholars as they play an integral role in nurturing efficient and knowledgeable researcher pertaining to social media issues. This can be accomplished with platforms such as associations and conferences or seminars. Associations and conferences whether local, regional or international are great venues for community of scholars to share ideas, innovate research and cultivate theories. Past studies also mentioned that Malaysian scholars have successfully presented empirical research utilising theories at a variety of conferences (Idid, 2003), but more serious theoretical engagements are needed to explain and describe the issues, including social

media phenomenon. Cultivation of theories is indeed necessary in advancing the validity and preciseness of Malaysian social media studies.

Lack of facilities for theoretical advancement

Among other factors that limit our theoretical development was the lack of facilities in Malaysia. The results indicated our country has inadequate infrastructure, technology and methodology to ensure the success of social media studies and development of theories. Informants implied there was also a dire need to have our own technology in social media to suit Malaysia's culture, values and religion. The limited access to facilities has created a barrier for Malaysian scholars to grow along with Western research and development in social media technology, thus, obstructing the path for scholars to build ideas and concepts in research that is at the same level as the Western studies.

Poor education system

Results also portrayed poor education system in Malaysia has cultivated scholars who lacked in critical thinking, leading to underdeveloped theories. Since elementary and high school (whether national, Tamil or Chinese schools), Malaysian pupils are nurtured to understand and memorise to answer examinations provided by the education system. These students comprehend rote learning and lacked in giving out opinions, thus, less likely to do critical research. Therefore, this study found that it is imperative to look into this matter as every country needs to produce more intellectual and critical thinkers for a promising future. Nain and Kamal (1994) stated that for students to become more liberal, they need education that offers opportunities and freedom to be more radical doubt to understand the communication and media field. With more perceptive and sceptical students towards learning and education, greater theories can be cultivated.

Furthermore, Malaysia's communication and media education has grown throughout the years, however, the philosophical and theoretical foundations still remained scarce, creating ways for external factors and actors (i.e. government bodies, social policies, media industry) to influence the programmes. Idid (1994) stated courses should not be designed to meet the needs of the industry. Although most courses are combining both theoretical and practical aspects of communication for students, but, more focus can be seen on practical techniques and skills of communication such as how to write compelling advertisements or media releases, handle broadcasting equipments, organise campaigns and more (Kim, 2008). Rather than offering communication programmes that only help to produce marketable students, this study recommended education institutions to focus on garnering more fundamental research and increase intellectual depth on social, cultural and political context to build knowledge on social media and in constructing theories. It seems that the communication teachings and research of most education institutions in Malaysia were more focused on serving the industry. This issue was also mentioned in previous communication studies (Kim, 2008), where the scholar highlighted on communication students and academics lacked in critical research because they were nurtured with education that is formed to be more market driven to suit the industry. Kim (2008) also believed that students need to be more critical than just memorising notes and textbooks to answer examinations without understanding the reasons and thinking the outcomes of the communication phenomenon. Moreover, nurturing students to become more marketable is because they are expected to be in functionalism as media is to support the industry and government, than be critical to them (Kim, 2008). In conclusion, communication programmes should not be rooted in functionalism that is constrained to the demands of the industry or government bodies as it will only lead to little critical wondering and desire for rational truth. This situation also hinders scholars from developing greater concepts, models or theories to explain the social media environment.

The curriculum of Malaysia's communication programme should focus more on training students to be both practical and intellectual thinkers so that they become perceptive, creative and efficient. We believed that scholars from Malaysian education system should be more exposed to political, social, economic and cultural aspects to further deepen their knowledge and understanding. Like what Kim (2008, p. 85) said, "...we must first get away from a fixed mind set of uncritical acceptance of the way we do things in our department or program, and take stock of what our core values are, that is, what we perceive as being important for the field of communication, the community and the students we teach." With better education system, students can be more critical and independent to foster more theoretical construction. Hence, we need to expose students to theory making and analytical skills as early as we can, especially since undergraduate years to postgraduate level by incorporating in-depth courses on theoretical understanding, application and conceptualisation.

As such, we also need to start looking into the content and syllabus of undergraduate and postgraduate communication studies. To garner cultivation of local theories, the syllabus should be less Western dominated and more localised with case studies and perspectives that were more relevant to Malaysia's culture, values, religion and society. According to Nain and Kirton (1989), in the early years of media education in Malaysia, the system was based on US communication ideologies with adoption of mainstream American syllabus. According to Hall (1982), the basis of influence of the mainstream American communication studies was functionalism, where skills and techniques were taught, and less on questioning the social order or critical judgement on phenomenon. The notion was akin to Nain and Kamal's (1994) study on communication curricula in Malaysia. They stated our communication syllabus should lessen to "uncritically adopt concepts, theories and models of communication from the Western perspective" (Nain & Kamal, 1994, p. 2). Years later, Kamal (1997) still sees the influence of American influence in the communication curriculum of Malaysia's education institutions. He believed that with the mainstream syllabus from the US, communication syllabus in our country were also oriented to the market demands.

Lack of proficiency in English

Lastly, informants take issue that language incompetency was one of the challenges to theoretical development. For universities to be ranked in top tier rankings, the deliberations are based on publications and it was perceived that English was important in garnering recognition and publishing papers in renowned and high indexed journals. This is because most international journals are English oriented. Thus, Malaysia requires more scholars who are proficient and fluent in English, especially in academic writing. Malaysians should not be struggling in writing good articles because of inefficiency in English. Thus, we should further improve ourselves by writing and converse competently in English, whether verbal or non-verbal communication. We also need to be more familiar with the research conventions and usual practices of Western scholars.

Conclusion

In conclusion, the research has showed that even though theoretical application among Malaysian scholars are increasing in social media research, the stature on theoretical construction and engagements still need improvements as scholars seem to only adopt existing theories than unifying, expanding or creating theories. Specifically, findings demonstrated that there are several issues and challenges that scholars faced, leading to the underdevelopment of theories including usage of existing theories, lack of credible scholars, no teamwork amongst scholars, lack of facilities for theoretical advancement, poor education system and incompetency in English. Social media scholars should conduct more fundamental research and intensify efforts to adopt, test and distil underlying premises, new concepts and theories

for rich understanding on social media phenomenon. We must also de-westernise knowledge to suit to Malaysia's cultural communication. Henceforth, as a whole, this current research has provided keen insights on scholars' perspectives regarding the status of theoretical development in Malaysia's social media research.

Theoretically, this research contributes an understanding on the reasons to the underdevelopment of theories through the perspectives of Malaysian scholars in social media research. The issues and challenges identified in this paper can be used by students and scholars to overcome theoretical development problems in generating greater ideas, propositions and concepts. In terms of practical and policy implication, through the adequate perspectives and assessment on theoretical foundations in Malaysia, the insights can be used in formulating new policies regarding the usage, threat and issues on social media. The findings gathered can also be used for political involvement, national agenda and social movement in improving the setbacks of our market-driven communication studies and uncritical education system. Drawing on the results of this study, we are aware on some shortcomings and felt that the body of literature need to be further expanded with a more critical assessment on the theoretical development status in social media research. This study hopes that the findings have provided valuable insights regarding social media research and its theoretical issues among scholars in Malaysia.

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The Impact of Compensation System on Pay Satisfaction in the Banking Industry in Malaysia: A Proposed Framework

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Abstract

Purpose: The primary purpose of the research study is to determine the impact of compensation system on the pay satisfaction in the banking industry in Malaysia.

Design/methodology/approach: The research conducts systematic literature review to develop the conceptual framework for the research.

Findings: The conceptual framework about the impact of compensation system on the pay satisfaction in the banking industry in Malaysia is developed.

Research limitations/implications: The research is only conducted in the banking industry in Malaysia.

Practical implications: The research enables the readers to understand the impact of compensation system on the pay satisfaction in the banking industry in Malaysia.

Originality/value: The research is original work, it has not been done by other researcher.

Keywords: Compensation System, Pay Satisfaction, Banking Industry, Pay Determination Methods, Pay Structure

Introduction

There is much academic support for the view of employees as the most important asset for an organization in delivering good performance and high productivity. Sustainability and availability of the right employee at the right time and right place is essential to an organization's success. Employers in well maintained employees' relationship not only sustain competitive advantage but promote a positive organization culture through the retention of good employee at the workplace. Retention of good employees in an organization, is dependent on the role of compensation & benefits systems, as having a very strong significant effect on their work as well as pay satisfaction (Ghazanfar et al., 2011).

If employee are not satisfied or unhappy on their benefit and pay, they will not stay long in their workplace there is no incentive to do more or perform better to service the customer. Neither can he nor she provide the best service to the customers. Employees will feel motivated and stay longer with their employers who provide good compensations such like pay, wages, incentive, profit sharing, bonuses and also intrinsic rewards to their employee. Happy employee will always perform the best in an organization and stay longer in an organization.

In general, a satisfied employee will always provide the best services in an organization and always smile and happy when on the way going to work. Employees who working in banking industry especially customer service and tellers are the ambassadors of the bank. Their jobs are not only perform front line transactions with the customer but at the same time, they need to create a rewarding experience for their customers to capture their customer loyal with their service provided. This in turn can generate more profit to the bank from its various product offerings like deposit, loans, wealth products, credit card, personal loan and so on. Therefore, the compensation benefit is very important to the employee in banking industry, and the aim of this study is to investigate the impact of compensation system on pay satisfaction in the banking industry in Malaysia.

This research study is guided by four research objectives which are namely: to consider the impact of pay determinant on pay satisfaction in Banking Industry in Malaysia; to consider the impact of pay equity on pay satisfaction in Banking Industry in Malaysia; to consider the impact of pay structure on pay satisfaction in Banking Industry in Malaysia and to consider the impact of pay mix on pay satisfaction in Banking Industry in Malaysia.

Literature review

Overview of Banking Industry in Malaysia

In Malaysia, banking industry is one of the fast-growing industries among others. In banking industry includes financial institutions, non-banking financial intermediaries and also financial market. The banking industry can be clarified into commercial bank, retail banks, investment bank, finance companies, foreign bank representative office, discount house and offshore bank. However, commercial bank is the largest group and also the main player in Malaysia banking industry. They are engaging the full range of services such like provider of liquidity, insurance, monitoring of services and also producer of information (Santos, 2000). A total 27 commercial banks are operating in Malaysia which included local and foreign banks. Besides commercial local banks, total 19 banks are providing the same level of services in Malaysia. In October 1998, the Banking and Financial Institution Act (BAFIA) has served a framework in order to supervision of the banking system in Malaysia.

Overview of an Organization's Compensation System

Nowadays, all the organizations are facing a lot of competitive pressures; they are looking to do more with less manpower but with better quality. Compensation is one of the human resource management function that dealing with all types of reward individuals in exchange for performing organizational tasks, with all the outcome of the employees who are attracted to work, satisfied and motivated to do a good job for employer (Armstrong, 2008). With better quality outcome the sales volume, profits, innovation, and quality will improve, with double input-output exchange between an employee and employer (Belcher, 1997). Compensation plays a very important role for an organization and also employees as it is at the heart of the employment relationship (DeNisi and Griffins, 2008).

Different organizations have different type of compensation system offered to their employee. All these compensation system are created; produced and decided by organization's management and human resource department (Ivancevish, 2004). Most of the organization's compensation systems are based on pay philosophy. Compensation systems are divided into

two types which are internal equity structure and external equity structure. Internal equity structure is determining compensation uses a grid to ensure that pay are compensated based on employees' position positioned whether above and below the grid (Gomez-Mejia et al., 2012). In this pay scale, pay is determined on the specific responsibility to be performed for each position. Each level includes the minimum and maximum amount that outlined in the pay structure in an organization. Sometimes the skill level and experiences for an employee will take into the consideration in the pay scale structure.

On the other hand, external equity structure is determined based on market rate of pay for each position in the similar industry and pay on the structure will increases base on employees' level of experience and responsibility (Gomez-Mejia et al., 2012). A compensation system is also influenced by an organization's industry with different compensation system in different industries. Therefore, compensation system normally compare within the same industries. It is because the important of the pay to be competitive as employees tend to monitor the job market to look out for new employment opportunities that offer higher pay (Nelson and Spitzer, 2003). A compensation system comprises an employee's base pay, incentive and benefits. Base pay can be derived from a set salary or hourly amount whereby incentive and merit based pay are mainly base on employees' performance and effectiveness in their job. If they can perform well in their job indirectly can increase their earnings by reaching and exceeding performance target set by the company. Incentive compensation is one of the motivation tools to motivate employees to perform better at work and also a tool for retention employees. Normally this type of compensation is offer to the sales staffs who can sell more and at same time they can earn more money besides their base pay (Milkovich et. al, 2013).

Compensation is a set of rewards that organizations provide to individuals in return for their willingness to perform various jobs and tasks within the organization (DeNisi and Griffins, 2008). Compensation in any form is the most obvious extrinsic reward; it provides the carrot that most people want (Armstrong, 2008).

Besides the monetary compensation benefits which can retention employees, there is non-monetary indirect compensation benefits which organization can offer to their employees. Indirect compensation is one of the non-financial payments receive by their employees and this benefit is very important for the employees which can retention them to continuing working with the company (Dessler, 2008). Indirect compensation benefit included fringe benefits, employee services; supplementary compensation and supplementary pay are used.

"Indirect compensation benefits are elements of remuneration given in addition to the various forms of cash pay" (Armstrong, 2008). They also include items that are not strictly remuneration such as annual holidays. Management usually uses all these remuneration to promote its recruitment effort or influence the potential of employees joining their organization or coming to work for them, it can influence employees to stay longer with them such as "create greater commitment, raise morale, reduce absenteeism in general and improve the strength of the organization by instituting a comprehensive programme in this area" (Nelson and Spitzer, 2003).

Pay Determination Methods

The development of an inappropriate compensation plan may result in incurring unnecessary expenses through the employment of an inappropriate and inferior quality workforce resulting in high employee turnover (Dessler, 2008).

The most important relationship in organization compensation plan is between performance and reward, to attract, motivate and retain the good employees (Nelson and Spitzer, 2003; DeCenzo et al., 2007). There are several factors to consider within the design structure of the compensation plan, like "legal considerations, union influences, company policies and competitive strategic objective and lastly internal and external equity" (Dessler, 2008). In order

to understand how an organization determine their employee compensation plan, the main point is need to look at how the employee compensation plans are categorized, the factors that used to determine the compensation plans and the process to develop the compensation plans.

Job-based Approach

Compensation system can be categorized into a Job-based approach or a Skill-based approach. The Job-based approach involves paying employees for the jobs which they are assigned to regardless of their skills and possess (Dessler, 2008).

The advantages of Job-based pay, include simplicity of understanding and administration. Therefore with this approach, employees can easily predict their pay increment yearly (DeNisi and Griffins, 2008; Gomez-Mejia et al., 2012; Milkovich et al., 2013). The job-based approach normally rewards those employees based on years of tenure and there is less room for unfairness within their job scope and titles. Indirectly it can reduce discriminatory pay practices among the employees in an organization. However there is no incentive to gain new skills. This is turn may be frustrating for employees who perform well and at a higher level and see their colleagues with lower performance level getting similar pay with them.

Skill-based Approach

Skill-based pay is defined as rewards to the employees for acquiring skills (DeNisi and Griffins, 2008). The skill-based approach refers to the paying of individual based on the certified and accredited skills they hold with little consideration for the nature of work they do (Milkovich et al., 2013). Skill-based approach is a reward for those employees who learn a new skill and bring in new knowledge to the organization. Aggressive and self-motivated employees normally they prefer this approach which will lead them to focus on their career development. Besides, it also provides a structure to reward those employees who want to perform better. However the downside of this approach is competitiveness within job ranks resulting in conflict among colleagues with some earning more money but performing similar task in the organization. In order to develop skill-based approach in an organization, it may need time and additional cost for an organization in order to train and develop their employee (DeCenzo et al., 2007).

Pay Equity

Pay equity is a relational satisfaction employees receive from their pay and the contribution they provide to an organization. It can said that people will evaluate their own compensation by comparing their compensation with that of others' and their inputs to others' inputs (Gomez-Mejia, 2012). In other words, employees compare the alignment of their compensation packages with their job performance as compared to that of others. Any perception of inequity will result in negative motivational issues, resulting in reduced job performance and increased labor turnover. There two key factors to consider are internal versus external equity. Internal pay equity focuses on the employees who work within the same organization, holding comparable jobs, tenure and performance levels.

External equity on the other hand is determined based on market rate of pay for each position in the similar industry with level of experience and responsibility factored within. External pay equity also considers what other employees working in similar industry but in different organizations are being paid, for a similar job.

To determine the compensation plan, organization should look at the perception of the plan which must be fair to all concerned, allow some flexibility of the pay (fixed and variable) in reflective of individual performance, and having consideration of the individual skill versus the value of the job.

Pay Structure

There are five steps in order to determine a comprehensive employee's compensation plans which include "salary survey, job evaluation, grouping similar jobs into pay grades, pricing each pay grade and fine-tuning pay rates" (Armstrong, 2008).

Salary survey delivers knowledge of what other organization are offering within the job package to their employees, to evaluate external equity (Dessler, 2008). This allows benchmarking which is a process for organization to identify the rates of pay for employee in the market in order to do the comparable jobs (Armstrong, 2008). A good salary survey can provide details on wage rates for certain jobs through written questionnaire, using telephone survey, internet searching or newspaper advertisement. Sometimes, salary surveys are published by consulting firms, professional associations or government agents.

Job Evaluation

Job evaluation is a systematic way to determine the value or worth of a job in relation to other jobs within an organization; the purpose of the systematic comparison is to establish a rational pay structure like design a decent grade structure, jobs grade and managing job and pay relativities (Armstrong, 2008). This process involves comparing, individual effort required, job responsibility, and skills require in order ensure internal equity. This process leads to salary hierarchy as some complex jobs require high qualification and high responsibilities that will justify higher pay levels as compared to less demanding jobs (Dessler, 2008). Job evaluations are mainly based on jobs or roles within the job description (Armstrong, 2008).

Grouping Similar Job

"Job-grouping is grouping similar jobs into pay grades; it is the process of turning job evaluation results to pay grades". Pay grades cover the jobs which are nearly equal whether difficulty or importance by job evaluation (Dessler, 2008).

Pricing for each grade is seen from the wage curve shows the relationship between the value of a job and the wage paid for the job. On the other hand, fine-tuning pay rate involves the developing of pay ranges and correcting out-of-line rates (Dessler, 2008). Pay range is a level within a pay grade, which usually referring to the years of service.

Pay structures are the most important part in the compensation plan and a compensation plan framework that is well designed and maintained, can facilitate the implementation of the pay policy in an organization (Armstrong, 2008). It brings decisions on where the jobs should be placed in the organization hierarchy; define the pay for each level and pay progression for each scope; provide the basis to manage the relativities; pay equality achieved and lastly is the process to monitor and control the implementation of pay practice can be turn up.

Pay Mix

Pay mix can be defined as a ratio between the base pay and contingent pay at the target of performance. Direct financial rewards are tied to job responsibilities (Dessler, 2008). Direct financial rewards include wages, salaries, incentives, commissions and bonuses that strengthen employee welfare and provide financial stability to fulfil their material need. Direct financial rewards relate to basic pay and contingent pay.

Non-financial rewards are also factored into pay mix (DeCenzo, 2007). Employees also expect additional considerations which can enhance their lives and living cost. These desirable extras will not increase employee financial position, but indirectly can add attraction to their employees, into their work and focus on their job.

Basic Pay

Basic pay refers to the amount of pay that creates the rate for the job according to the grades of the job and the level of the skill required (Armstrong, 2008). Basic pay is normally shown in the form of normal rate and allowances (Armstrong, 2008). The normal rate included hourly, weekly, monthly or annually whereby the allowances included overtime, shift working or increased cost of living adjustment. There are two differentiates between salary and wage. Salary is an income which paid to an individual on their normal working performance or position hold in the organization. Meanwhile wages is to pay to an individual on the basis of time they work as hourly compensation (DeNisi and Griffins, 2008).

Several factors influence the base pay like legal (government regulations), union (staff labour relations), company policy (company strategic aims) and equity (internal and external/market comparisons) (Dessler, 2008). Base pay is to help an individual to achieve the internal and external equity in order to avoid de-motivation (Dessler, 2008). On top of that, high pay and attractive benefits in an organization will give the greater satisfaction to an individual (DeNisi and Griffins, 2008).

Benefits

Benefits as indirect financial and non-financial payments that offer by an employer to their employees and employee receive it for continuing working with their employment (Dessler, 2008). On top of that, benefits are indirect compensation given to their employees in term of form of plans instead of cash (Gomez-Mejia et al., 2012). Employees benefits are one of the non-financial rewards which organization offered to attract and retain their employees; besides, this kind of benefit is very important for an organization (DeCenzo et al., 2007). Such benefits can affect the decision of job applicants on whether to accept or decline employment offers. Benefits are items of value that an organization can offer to their employees besides of their wages, salaries and other forms of direct financial compensation (DeNisi and Griffins, 2008). Benefits are one intended to maintain or increase the quality of life for employees, like retirement plans, medical card, paid sick leaves, housing loan subsidy and purchase discounts (Bernardin, 2003; DeCenzo et al., 2007).

Different authors have different classifications on the employee benefits plan. Therefore, it has been classified widely according to different authors and the context of circumstance. The classifications of benefits divided into four basic types, which are Supplemental pay benefits, Insurance benefits, Retirement benefits and Personal Service and family-friendly benefits (Dessler, 2008). The Supplemental pay benefits provide to the employee by the times which is not worked. This kind of benefit included unemployment insurance, vacation and pay holiday, severance pay and supplemental unemployment benefits. While insurance benefits can be defined as a health care services which covered under the insurance plan such as workers compensation, group hospitalization, group term life, personal accident and disability insurance.

On top of that, retirement benefits are the benefits that payable to the employee of the pension scheme on retirement period or earlier withdrawal from service, including retirement pensions; retirement lump sums or gratuities; benefits (such as dependents' pensions) payable following the employee's death in retirement and periodic increases on all pensions whilst in payment. Personal service and family-friendly benefits is an additional benefit provided by an organization to their employee needs at one time or another. These benefits include food services, recreational and child and child-care opportunities, legal advice, credit unions, educational subsidies and counselling. All these benefit is to is to easier the employees to balance their work and family responsibilities It may also balance the pressure of work and family life.

All the benefits can be classified into seven categories, which are “Legally required benefits such as social security (DeCenzo et al., 2007). Unemployment insurance, Voluntary benefits, Retirement benefits, Survivor benefits, Paid time off, Insurance plans and Health insurance”. Whereby accordingly to (Cole, 2002) that employee benefits can be classified into three key categories which are “security benefits like pension and life insurance, work related benefits like subsidized meals and special training opportunities and finally status-related benefits like prestige car and entertainment allowance”. Besides, DeNisi and Griffins (2008) argue that even though majority of the above mentioned benefits are designed for the employees in an organization, however some of the organizations have to designed a cafeteria-style benefit plans to their employees in order for them to choose the benefits which is more suitable for them.

Recognition Benefits

“They are membership based offered regardless of performance levels as their absence contributes to employee’s dissatisfaction and increased absenteeism and turnover” (DeCenzo, 2007). “There is a trend that going on in today’s workplace, most of the employees want the respect from the bosses and organization; they want to be trusted when done a good job, they want autonomy to decide how best to do it; they want support even if they make mistake and they want to be appreciated when they do a good job” (Nelson and Spitzer, 2003). Employee benefits cannot enhance the employee’s productivity but it can be a powerful tools that attracting and retaining talent in an organization, and also for improving the employee’s quality of life and their dependents too (Cascio, 2010).

Recognition and performance are always linked to each other; this is because recognition can be indirectly motivating employees and it also can helps in providing practical feedback (Nelson and Spitzer, 2003). An effective recognition system can be divided into few characteristics such as contingency, being timely, frequency, informal and spontaneous, the right setting and context (personal touch), significance of provider and value to the recipient. Besides, Nelson also found out that for those organization seldom use of recognition as a tool for motivation their employees was attributed to six main excuses described as follows; “I don’t know how best to do it, I don’t feel it is important, I don’t have time, I might leave somebody out, others don’t value the recognition I give, the organization does not facilitate or support the initiative”.

Clegg and Birch (2002) also indicate that a simple recognition for employees’ success is very important and useful, it can be as simple as just pat on the employee’s back or Nobel prize given to them is consider one of the best motivation tools to them. Sometimes bosses just give a simple comment can have totally disproportionate effect on employee’s motivation and retention. Therefore, sometimes it is hard to believe but sometimes extra cash given to their employee does not motivate and retain as much as genuine recognition, the effect of recognition in an organization becomes weaker as the numbers of employees getting larger (Clegg and Birch, 2002). It is because the more personal or direct recognize is better and it is because the important that the person giving recognition is respected by the employee.

Contingent Pay

Contingent pay is a formal pay scheme that provides for the payments besides their base pay, linked to employee performance, competency, contribution or skill. Normally contingent pay can be applied to individual or teams, or it can be applied on an organization-wide basis. Contingent pay can be either consolidated within the pay range or non-consolidated which is in variable pay like cash bonus. Contingent pay can be related to services but it is more effective as a motivator to an employee in order for them to stay longer with their existing organization.

Contingent pay is a financial reward that related to an employee's performance, competence, contribution, skill or experience (Armstrong, 2008). It is normally come in the form of incentives, commissions, bonuses and merit pays (DeCenzo et al., 2007). Besides, trend towards performance-related-pay as the preferred rewards approach (Dransfield, 2000). Incentives are the financial reward paid to the employee who exceeds the goal set by an organization or production exceeds some predetermined standard (Dessler, 2008).

This reward is more on their employee's performance on their actual workflow. Therefore, performance based rewards use commissions, incentive systems, group bonuses or other forms such like merit pay plans. Majority of the people will think that contingent pay is the best way to retain employee in an organization, and this is the only extrinsic motivator that can create long term motivation and retention to an employee (Armstrong, 2008).

The majority of the employees think that they should be rewarded by an organization based on their performance, but pay-for-performance or incentive system reward employees based on how much an individual employee or the whole team of employees contribute to the organization overall performance (Gomez-Mejia, 2012). Thus organization should attract, retain and motivate employees in their organization, by offering rewards based on employee relative performance.

On top of that, different organizations have different incentives and recognition programs for individual employees, sales staff, team, and executives (Armstrong, 2008). Incentive and recognition programs given to an individual employee must be suitable for individual use like "Piece work plan, merit pay, merit pay options and incentives for professional". The incentive plan should be designed on different categories such like individual, group or organization wise performance (Bowen, 2000). An individual incentive is an incentives which is given to an individual employees who exceeds contribution to the organization's goal. Meanwhile group incentives refer to the output of the individual employees which is not measurable due to interdependency with other employee's tasks. An organization incentive is an incentive which is offer to all employees of the organization. Normally the employer will do a review meeting with the employee to discuss their work performance during certain period. Merit pay option is one of the incentives which is given to an employee as recognition on their performance without increase on their base salary.

Another incentive plan is offer is for professional employees such like system analysts and programmers, engineers, doctors, architect, economists and so on whose job functions involve learned knowledge to provide solutions (DeCenzo et al., 2007). These are competency-based compensation plans and recognition-based award. This reward is considered non-financial incentives such as "employee-of-the-year award, job well done card, star award card which are meant to give performance feedback.

Besides recognition- based award, incentives which can be offered to sales people in the form of sales commissions, straight salaries or combination of both to their employee in order to ensure the top line numbers or turnover (Dessler, 2008). Organizations also can give different forms of sales commission to their employee such like salary only, salary plus commission and salary plus bonus (Armstrong, 2008). He argued that the "salary only option" can be use in an organization where direct selling is more important than sales volume, to encourage customer service or after sales services rather than high push selling. However, salary plus commission method is more suitable for top sales employee who believe their sales can go up if the commission scheme is offered to them while a base salary is needed in order to attract employee to the job. Salary plus commission can motivate employee to focus in all aspects of their job function and not only focus on maximum the sales volume. This ensures that other goals which is in high margins for an organizations are achieved too.

Overall, commission only works well for those employees who have ability to sell the products to the customers but does not work for the staff who not involved in selling activities. Sales

commission is to provide a direct financial incentive to employees, to attract high performing employee and ensure selling cost are diversify directly with the volume.

Team-based incentive plans are designed to encourage and reward employees for specific group work that achieves an exceptional levels of professional performance. This type of incentive can motivate and retain employee to work collectively. Team or group incentives plans are offered to a team of employees for a specific group work and incentives are paid to this group of employees if their group exceeds the standard which set by an organization (Dessler 2008). The advantages of team incentives is to encourage a sense of cooperation and unanimity in the group, but the main disadvantage of team incentive plans is some of the employee may not get paid appropriately with effort put they put in to the work, therefore it may de-motivate top employee (Dessler, 2008). Besides, “team based approach may aid in performance measurement, the system may allow free-riding effects and social pressure may limit performance” (Gomez-Mejia et al., 2012).

Organization wide incentive plan is to reward employees on the basis of the success of the organization over a specified time period. These plans actually are to promote a culture of ownership by developing a sense of belongingness, cooperation and teamwork among all employees in an organization. Organization-wide incentive plans reward the employees for performance of an over-all companywide nature (Dessler, 2008). There are three basic types of organization wide incentive plans which are profit sharing, employee stock ownership (ESOP) and gain sharing plans. Profit sharing is a scheme that employer undertake to pay a particular portion of their organization’s net profit to their employees on fulfil with certain service condition. The purpose of profit sharing is to strengthen the loyalty employee who work with them with long term therefore employer offering them as an annual bonus. The profit sharing is given to the employees in term of cash or in the form of organization’s share. Employee stock ownership plan (ESOP) is a stock option plan implies the right of an eligible for the employee to purchase a certain amount of the organization’s stock but in the future agreed price.

Normally this plan is offered to those employees who fulfil certain criteria such like length of service in the organization, or contribution to their division. Gain sharing plan attempts to increase the discretionary efforts of employees. This enables to resulting cost savings incurred to be shared among the employees and the organization. This plan is a popular incentive program that includes a system to monitor the employee’s performance in the organization and distribute rewards when their goals are met, and focuses on employee involvement in order to increase their sense of ownership. The principle for this plan is that everyone will gain more if each of the employee acts in the interest of the group rather than in the interest of the self. Thus, gain sharing plan is to reward employee for working together. Gain sharing plan works because organization’s performance level easy to measure. The measureable metrics are included teamwork, quality, safety and attendance.

These organization-wide rewards can be call as Membership based rewards (Bowen, 2000). These rewards are paid on the basis of being a member of an organization. Means that basis of allocating rewards is employee's organizational membership. Hence, the rewards are go to employees irrespective of their performance. Whereby incentives for higher management like managers and executives are reward by recognizing their vital roles that managers play in the divisional and companywide profitability (Dessler, 2008). Therefore, employee may be reward in short-term incentives such like, annual bonus or long-term incentives like stock options plan.

Pay satisfaction

Pay satisfaction is an important indicator to assess the effectiveness of the organizations’ pay system reforms. Pay satisfaction is one of the main concerns to both employers and employees

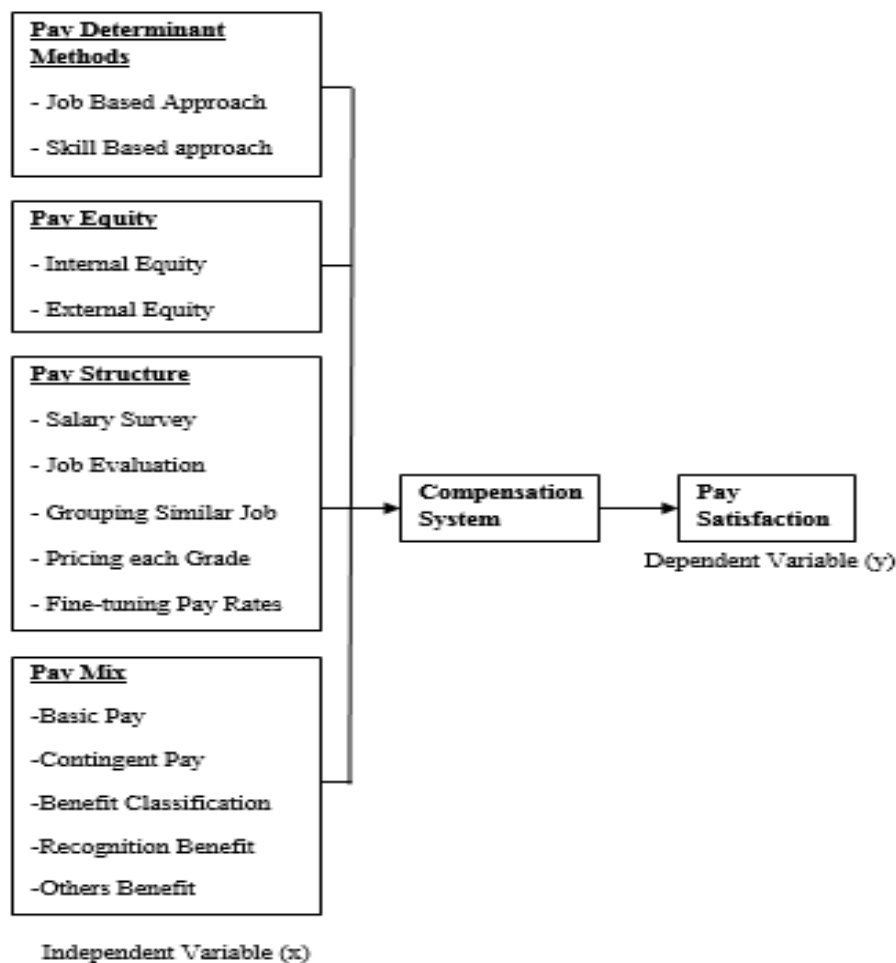
in an organization. Pay is very important for the employees because money is used to satisfy their living cost and economic needs in their daily life.

If employees are satisfied with their overall pay received from their organization, it can indirectly impact an individual's working attitudes and behavior. If employees' have dissatisfaction with their current pay received from their organization, it can decrease individual's commitment to the job (Armstrong, 2008). This in turn causes employers to be reluctant to provide higher pay to them, thus leading to a vicious circle causing brain drain and result in a talent crisis for an organization. Pay dissatisfaction can have important and undesirable impact on numerous employee outcomes (Ivancevich, 2004). Higher level of pay satisfaction can motivate employee to work harder in order to help the organization to increase the revenue and resources. Therefore, employee also can get appreciated and recognized by an organization.

The trend in contemporary organizations is a willingness to allocate a higher percentage in their budget in wages and benefits to their employee especially in service sectors like the Banking Industry, in order to provide higher pay to their employees as a means to and retain the productivity and capability of employees in their organization. On top of that, organization's reward system is strategic tool to align the employee's interest and also improve the organization's performance; therefore this is one of the strategic of pay system used by organization to motivate their employee (Lawler, 1971; Milkovich and Newman, 2002). As a conclusion, compensation systems not only guarantee employee's basic living standards, but also give them sufficient encouragement to exert their full capabilities and work longer with an organization; enhances the organization's economic efficiency, market competitiveness and reduce the turnover in an organization.

The above mentioned contents within the review therefore highlight a set of comprehensive factors that contribute to overall pay satisfaction within most organization, especially for those in critical service sectors like the banking industry. These rely to a great extent on the effective support and performance of their employees for achievement of their organization goals that exemplify the meaning of business success. A conceptual framework is therefore presented below that highlights the relationship between compensation factors and overall pay satisfaction.

Proposed Conceptual Framework



Source: Developed for the research

Conclusion

This conceptual paper enables the readers to better understand the four major perspectives of pay determinant methods, pay equity, pay structure and pay mix which can eventually contribute to the pay satisfaction to employees within the Banking Industry in Malaysia. This can be illustrated in the developed conceptual framework in the research. This paper thus provides a foundation to understand the conceptual framework and the relationship between the variables. The research reviews on the methods used to determine employee's compensation; follow by impact of direct financial payments affect employee's retention and finally the research reviews on the benefits that affect employee's retention.

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Corporate Transparency, Competitive Advantage and Firm Performance: Evidence from Public Listed Firms in Malaysia

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Abstract

Purpose: The purpose of this paper is to examine the mediating effect of competitive advantage in the relationship between corporate transparency and financial performance in Malaysia public listed firms.

Design/methodology/approach: The main purpose of this paper is to examine whether corporate transparency can create a source of competitive advantage to a company and consequently lead the company to superior financial performance. In other words, the corporate transparency is the independent variable while the competitive advantage is the mediating variable and finally the dependent variable is financial performance. Quantitative method, primary data and secondary data will be utilized to conduct this research. Questionnaires will be distributed to corporate senior management who are registered with Malaysia Institute of Accountants. Secondary data from annual reports and Datastream database will be analyzed also. SPSS and SmartPLS will be the primary statistical tools used.

Finding: There are researches that examine the relationship between corporate transparency and firm performance. However the mechanism that explain this relationship remain unclear. So it is the aim of this research to develop and test a theoretical model to investigate how competitive advantage mediates the impact of corporate transparency on firm performance.

Practical implications: This paper contributes significantly to the accounting literature in that it will help accounting regulators and policy makers in the Malaysia and other developing countries to formulate accounting regulations and the disclosure requirements in order to protect their stakeholders. It will also help to add value to many individuals, institutional investors and foreign investors to gain a better understanding of the transparency and quality of accounting disclosure in Malaysia.

Originality: There are existing researches that studied the effect of corporate transparency on firm performance. However the mechanisms that explain the effect remain unclear. This research will develop and test a theoretical model to investigate how competitive advantage mediates the impact of corporate transparency on firm financial performance. To my best knowledge, this is the first study that employs Resource Advantage Theory to be the theoretical foundation to posit that transparency or corporate disclosure create competitive advantage to the company and consequently lead to better firm performance.

Keyword: Corporate Transparency, Competitive Advantage, Firm Performance, Resource Advantage Theory, Malaysia

Introduction

Transparency is organization biggest untapped competitive advantage (Gorsht, 2014). Transparency in simplest terms means clear and unambiguous and no hidden agenda. 21st century has been described as the age of transparency especially in the corporate world (Kirby, 2012). The first and most important fact corporate leaders must understand and accept is that transparency is not an option. It is a reality that permeates every aspect of society. The investors wants management to provide more and better or transparent financial information so that they can make effective and qualified decision. For example, if a company discloses more information about which operation or which project generate more income and how they spend their resources, the investors will be more confident towards the company. This will then prompted investors to purchase the stock of the company and consequently the high demands will translated to higher share price. In other words a company's transparency policy can enhance financial performance of company (Soppe, Zijl & Bos, 2010; Chiang & He, 2003; Mitton, 2002; Diamond & Verrecchia, 1991).

Corporate transparency paves the way to business organizations to create higher customer satisfaction and value, higher customer attraction and eventually a good competitive position, i.e. if organizations voluntary disclose more or more transparent, customers favor those organizations. On the other hand, if organizations relatively less transparent, customers become dissatisfied and do not favor this organizations and eventually switch to those company that are more transparent. Moreover, only transparent market can create confidence and attractive to professional investors (Schulte, Rottke & Pitschke, 2005)

This research draws on recent developments in competition theory such as Resource Advantage Theory (R-A theory), termed a general theory of competition (Hunt & Morgan, 1995). R-A theory will be the theoretical foundation to posit that transparency or corporate disclosure create competitive advantage to the company and consequently lead to better firm performance. Recognizing the importance of corporate transparency and competitive advantage, it is vital to have a study to investigate whether good transparency practices will have any relationship with firm performance. According to Hassan, Abdul Rahman and Mahenthiran (2008), corporate transparency has insignificant relationship with firm performance in Malaysia. Thus the aim of this research is to investigate Hassan result and suggest that Malaysia is just like other countries worldwide that transparency is a important factor to improve firm performance. In other words, transparency is a driver of competitive advantage and by applying resource advantage theory to explain the better performance of companies.

Problem Statement

There is cost versus benefit when it comes to corporate transparency. Emerging markets such as Malaysia whereby the transparency level is low compared to developed countries United States, European countries. (Ball, Robin & Wu, 2003; Fan & Wong, 2002). In Malaysia, companies only disclose information to abide by regulations and laws (Muniandy & Ali, 2012). Trade secret for example is deemed to be very detrimental to any company if it is being disclosed to the public. Disclosing one company proprietary information might lead to threat from its competitors (Choi & Sami, 2012). However, if company choose to disclose other information such as corporate social responsibility and research and development, these will not bring any harm but may bring fame to the company. In other words there are information that are relevant to decision makers and will not cost damages to company when being disclosed to public. In addition disclosure of such information can be a tool for competitive advantage. In other words, how corporate transparency being a source of competitive advantage and lead the firm to superior financial performance.

Although the effects of corporate transparency on firm performance are well documented, the mechanisms that explain those effects remain unclear. This study will develop and test a

theoretical model to investigate how competitive advantage mediates the impact of corporate transparency on firm financial performance.

When theoretical assertions from R-A theory confirm that competitive advantage mediates the association between corporate transparency and firm performance (Hunt & Morgan, 1995), empirical evidence in the existing literature is limited. The desire to understand the role of competitive advantage in the relationship between corporate transparency and firm performance motivated this study.

Literature Review

Corporate Transparency

Corporate transparency and complete disclosure of information are regarded as the most pivotal issues in the area of corporate governance (OECD, 1999) and play very important roles in the quality of corporate governance. Bushman et.al (2004) defined corporate transparency as the joint output of a multifaceted system whose components collectively produce, gather, validate, and disseminate information to market participants outside the firm. Corporate transparency in this paper consist of 4 sub-indices: financial, governance, operational, and social transparency. In the literature, a variety of studies advocate for the use of disclosure as a central dimension or proxy for transparency (e.g., Bushman et al., 2004; Finel & Lord, 1999; Madhavan, Porter & Weaver, 2005; Nicolaou & McKnight, 2006; Pagano & Roell, 1996).

High transparency is recommended because it offers the promise of accountability (Choi & Sami, 2012) and contribute efficiency in resources allocation (Francis, Huang, Khurana, Pereira, 2009). Corporate transparency is important for the well functioning of capital market (Yeh, Chen & Wu, 2014; Schuster & O'Connell, 2006). Corporate transparency can solve the asymmetric information problems between managers and shareholders (Lobo & Zhou, 2001). Diamond and Verrecchia (1991) construct a theoretical model which shows that reducing asymmetric information by revealing information to the public reduces a firm's cost of capital. Information is needed for general public to assess company performance (Cheung, Jiang & Tan, 2010) and intrinsic value of company (Bhattacharya, Ecker, Olsson & Schipper, 2012). Most importantly, increased transparency can enhance the reputation of the company (Choi & Sami, 2012)

Business analysts will incur cost to acquire the information for coverage in media. Lang and Lundholm (1996) argued that voluntary disclosure or increased transparency will lower the cost of information acquisition for analysts and hence increases their supply of information. Corporate transparency enables financial analysts to create valuable new information such as superior forecasts, thereby increasing demand for their services

The cost of disclosure include transaction costs of disclosing and potential strategic disadvantage of disclosing company's proprietary information to its competitors (Choi & Sami, 2012) The risks of transparency are ranging from fiduciary duty, privacy regulations, tort liability, contracts which need to be taken into consideration during disclosing process (Lazarus & MacManus, 2006)

Today trend of entrepreneurship and globalization has increased the demand for valuable and reliable information of capital market (Healy & Palepu, 2001). These calls of transparency has been intensified since the 1997/1998 Asia Financial Crisis and also because of the collapse of worldwide corporate giant such as Enron, Xerox and Worldcom. The calls for transparency also extend beyond the corporate sectors to non-profit organization and public institutions (Choi & Sami, 2012).

Competitive Advantage

Porter (1985) defines competitive advantage along the three dimensions of cost, differentiation and focus (refer to figure 1). Porter's work suggests that being able to produce a strategy at a

lower cost than the competitors is one way to competitive advantage. Typically, this comes from large-scale organizations developing efficiency due to their repetitive experience of the tasks involved or using their power to leverage lower costs from suppliers. The other two routes to competitive advantage relate to the value seen by customers who either see specific attractive elements in the offering (differentiation) or feel that all their needs are being met in the best way by that competitor's offering (focus) (Henderson, 2011). It would be unusual to find an organization that competes on all three dimensions but most would hope to have competitive advantage from one or other dimension. In other words, if a firm can achieve the lowest of cost while disclosing the most corporate information, this means the firm is creating a competitive advantage for itself. Moreover, if a firm can differentiate itself from other competitors by disclosing more corporate information or disclosing corporate information which are not disclosed by its competitors, this is another source of competitive advantage.

The overall argument is that a company has a "competitive advantage" when its profit rate is higher than the average for its industry, and it has a "sustained competitive advantage" when it is able to maintain this profit rate over a number of years. The basic condition to gain a competitive advantage which must be satisfied is: the amount of value customers place on the company's goods or services must exceed the cost of production. In other words, the concept of value creation lies at the heart of competitive advantage (Porter, 1985).

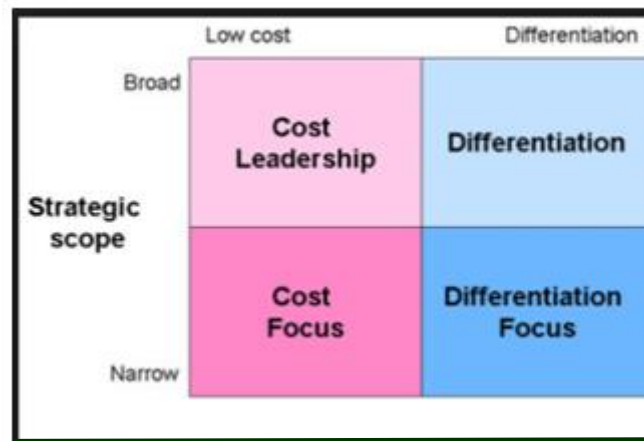


Figure 1: Porter's Generic Strategy
Source: Porter 1985

Firm Performance

In conducting studies of corporate performance, researchers have recommended using multiple measures. The first measure is return on assets. A firm's return on assets is an indicator of accounting profitability. It is computed by dividing the operating income by total assets. The second measure is growth in sales. It is computed by averaging out annual growth in sales. The third measure is Tobin's Q. Tobin's Q is defined as the firm's market value divided by the replacement cost of its assets (Tobin, 1969).

Underlying Theory

Resource-Advantage Theory

Theories explain and predict. Indeed, "Any construction that purports to be a theory must be capable of explaining and predicting real-world phenomena" (Hunt, 2002). In our case, one should expect that a theory of competition should satisfactorily explain the phenomenon of performance diversity among public listed firms in Malaysia. Resource advantage theory (R-A theory) is an evolutionary, process theory of competition that was first articulated in Hunt and Morgan (1995).

Hunt and Derozier (2004) propose that when firms have a comparative advantage in resources they will occupy market place positions of competitive advantage for some market segments. The key assumptions or premises of R-A theory are outlined in the Table 1 below (Hunt & Morgan, 1997).

Table 1: Premises of Resource Advantage Theory (Hunt & Morgan 1997)

P1	Demand is heterogeneous across industries, heterogeneous within industries, and dynamic.
P2	Consumer information is imperfect and costly
P3	Human motivation is constrained self-interest seeking
P4	The firm's objective is superior financial performance.
P5	The firm's information is imperfect and costly.
P6	The firm's resources are financial, physical, legal, human, organizational, informational and relational.
P7	Resource characteristics are heterogeneous and imperfectly mobile.
P8	The role of management is to recognize, understand, create, select, implement and modify strategies.
P9	Competitive dynamics are disequilibrium-provoking, with endogenous innovation

R-A Theory defines resources as both intangible and tangible (see P6 above), includes the following resources:

- . financial (cash resources, access to financial markets);
- . physical (e.g. plant, raw materials and equipment);
- . legal (e.g. trademarks, licences);
- . human (e.g. skills and knowledge of individual employees including their entrepreneurial skills);
- . organizational (e.g. competences, controls, policies, culture);
- . informational (e.g. knowledge from consumer and competitive intelligence);
- . relational (e.g. relationships with competitors, suppliers, employees and customers).

It is the unique set of resources displayed by a firm that could constitute a comparative advantage in resources that could lead to a position of competitive advantage for some market segments, resulting in superior financial performance (Hunt, 2002). R-A theory argues that each firm in the market will possess some resources that are unique, which could constitute a comparative advantage in resources that may lead to a position of advantage in the market. R-A theory expands the concept of resources to include such entities as organisational culture, knowledge, competencies (as in this research paper, corporate transparency is the organisation culture or policy). Therefore, according to Hunt and Morgan (1997) a comparative advantage in an intangible resource such as a new organisational culture or policy, can result in a market place position of competitive advantage. Thus, rewards flow to firms that successfully create new resources (e.g. culture or policy), which provide them with a powerful motivation to innovate.

Hunt and Morgan (1997) work also highlights relational resources as a source of comparative advantage (i.e. relationships with suppliers and customers) This view that a firm's relationships with its customers is an important basic resource that can lead to a competitive position in the market place is regarded as another feature of R-A theories' explanatory success. If a firm is very transparent, it will build a long and lasting relationship with its shareholders or customer. This is an example of relational resources.

Morgan and Hunt (1994) explore further their work on relationships as a resource and propose the relationship based competitive advantage concept. They argue that Relationship Marketing

(RM) should only be practiced when it offers, or contributes to, a company's strategy for achieving a sustainable competitive advantage. These relationship based competitive advantages drive the success of RM.

As in this research study, corporate transparency is a type organization culture or policy so it fits into R-A theory of organisation resources. Moreover once a company being transparent, this provide ample information for shareholders to make decision, and consequently build up an everlasting trustful relationship between the company and its shareholders. This is termed relational resources as in R-A theory.

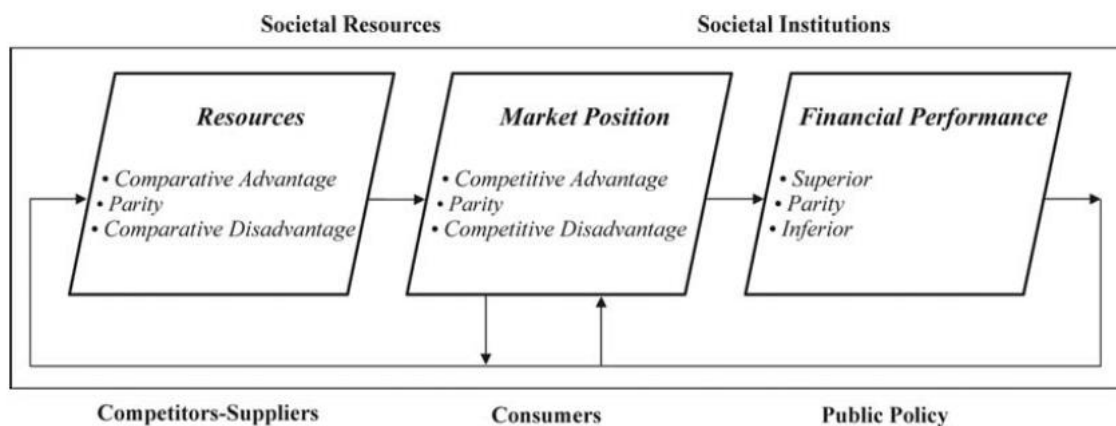


Figure 2: Schematic of Resource Advantage Theory of Competition

Source: Hunt and Morgan (1997)

Based on Resource Advantage Theory, corporate transparency influences competitive advantage which in turn affects firm performance. In other words, competitive advantage mediates the relationship between corporate transparency and firm performance. According to Baron and Kenny (1986), mediating variables is the third variable that explains the indirect relationship between independent and dependent variables. In addition, they assumed a mediator variable must be significantly related to dependent and independent variables. Therefore, this study predicts that corporate transparency will influence competitive advantage which in turn affects firm performance.

Independent Variable (Corporate Transparency)

Corporate Transparency is the independent variable in this research paper. Corporate transparency is defined as the joint output of a multifaceted system whose components collectively produce, gather, validate, and disseminate information to market participants outside the firm (Bushman, Piotroski and Smith, 2004). Corporate transparency are then divided to four sub-indices namely financial transparency, governance transparency, operational transparency, and social transparency.

Dependent Variable (Firm Performance)

Firm performance is the dependent variable in this research paper. Three measures will be used. They are return on assets, growth in sales and Tobin's Q.

Mediating Variable (Competitive Advantage)

There is a mediating variable in this research paper which is competitive advantage. Competitive advantage is defined as is an advantage that a firm has over its competitors, allowing it to generate greater sales or margins and/or retain more customers than its competition.

Hypothesis Development

Based on Resource Advantage Theory, corporate transparency influences competitive advantage which in turn affects firm performance. In other words, competitive advantage mediates the relationship between corporate transparency and firm performance.

According to Baron and Kenny (1986), mediating variables is the third variable that explains the indirect relationship between independent and dependent variables. In addition, they assumed a mediator variable must be significantly related to dependent and independent variables. Therefore, this study predicts that corporate transparency will influence competitive advantage which in turn affects firm performance. Thus the following three hypothesis are formed

H₁: There is a positive relationship between corporate transparency and competitive advantage.

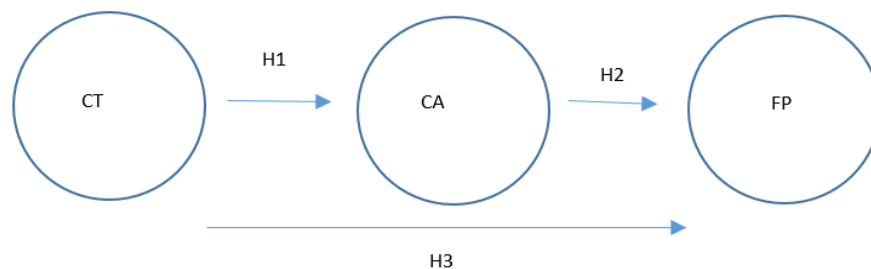
H₂: There is a positive relationship between competitive advantage and firm performance.

Based on agency theory, corporate transparency can reduce agency cost and information asymmetry, this eventually enhance company performance. Consequently the following hypothesis is formed.

H₃: There is a positive relationship between corporate transparency and firm performance.

Proposed Theoretical Framework

Based on the above discussed hypothesis, the following theoretical framework is proposed:



CT = Corporate Transparency

CA = Competitive Advantage

FP = Firm Performance

Solutions and Recommendations

In order to test whether corporate transparency can create a source of competitive advantage to a company and consequently lead the company to superior financial performance, quantitative method, primary data and secondary data will be utilized. Questionnaires derived from existing literature will be constructed and then distributed to corporate senior management who are registered with Malaysia Institute of Accountants. Annual reports both soft and hard copy will be used to gather information as well. SPSS and SmartPLS will be the primary statistical tools used.

Future Research Direction

This research is going to categorize corporate transparency into financial transparency, governance transparency, operational transparency, and social transparency. Future research is

recommended to study which category among these four types of transparency is most vital for effective decision making.

Conclusion

There are many researches that conducted study of the effect of corporate transparency on firm performance. Moreover the result is mixed which means that there is significant and insignificant relationship between the corporate transparency and firm performance in the existing literature. However the mechanisms that explain those effects remain unclear.

Hence this research is focused on the effect of a mediator, competitive advantage, on the relationship between corporate transparency on firm performance. Hence, corporate transparency is the independent variable while the competitive advantage is the mediating variable and finally the dependent variable is financial performance.

Using resource advantage theory, this conceptual paper posits that how corporate transparency as a relational capital and organizational capital that provide a source of competitive advantage and this source of competitive advantage lead the firm to superior performance.

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The Effect of MFRS Implementation on Auditor Independence: Malaysian Evidence

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Abstract

Purpose: This study aims to examine the impact on relationship between auditors' independence and earnings management among the listed firms who received unqualified audit report in the period before and after MFRS convergence is in line with the current development of the regulatory reporting framework in Malaysia.

Design/methodology/approach: The data of this study is based on the population of the main market of Malaysian public listed companies in periods of 2010-2011 [pre MFRS] and 2013-2014 [post MFRS] resulted in 1,380 firm-year observations. The external auditor characteristics and audit firm size data are extracted from annual report available on Bursa Malaysia website, and the other data which are accounting based is downloaded from DataStream. A multiple regression model is utilised to test the hypotheses.

Findings: There are non-significant results in positive direction in pre MFRS period suggests that there is no sign of dilution of auditor independence in pre MFRS. On the other hand, there are significant results in negative direction in post MFRS period have indicated that there are auditor independence dilution subsequent to the implementation of MFRS. Collectively, these results endorse that there is auditor independence dilution following the implementation of MFRS.

Originality/value: This study extends the current literature on the effect of MFRS implementation on auditor independence and specifically it attempts to address the gaps in the literature with respect to the implementation of MFRS in Malaysia. Further, this study provides additional evidence on auditor independence in-fact in an emerging market (an under-researched area), Malaysia has highly competitive auditing market.

Keywords: MFRS, Auditor Independence, Dilution, Earnings Management

Introduction

Regulators in Malaysia have taken some initiatives to enhance financial reporting and auditor independence. In 2012, Malaysian Accounting Standards Board (MASB) set Malaysian accounting standards to be fully convergent with International Financial Reporting Standards (IFRS). Few studies suggest that IFRS decreases the chance in managing earnings due to its underlying concepts which require extensive disclosure and promote transparent financial information (Iatridis, 2010; Dimitropoulos, Asteriou, Kousenidis, & Leventis, 2013; Nouri & Abaoub, 2014). On the other hand, a qualitative research revealed that after accounting standards convergence with IFRS (known as Malaysian Financial Reporting Standards,

MFRS), auditors faced numerous pressures including time, independence expectations from stockholders and professional bodies, at a time when auditors include themselves in accounts preparation, all these have posed them challenges in preserving their independence position (Ahlström & Brandin, 2014). These findings suggest that there are mixed results of the impact for implementation of new set of accounting standards, namely IFRS, also known as MFRS in Malaysia. Independence is an essential trait of external auditors (Antle, 1984), and lacking of auditor independence does not only cause the audited financial statements to lose their value and credential, it can also lower the financial statements' quality and contributes to events of accounting fraud among companies.

Literature Review

IFRS Full Convergence with IFRS

2012 was Malaysia's the first year to fully converge with IFRSs and the Malaysians' corporations need to comply with IFRS framework, which is renamed and known as MFRS in Malaysia (Azmi, 2012). This new MFRSs/IFRSs framework applies to all non-private entities (except for transitioning entities) for accounting periods starting on or after 1 January 2012 (PricewaterhouseCoopers, 2012). "Transitioning entities shall be required to apply the MFRS Framework for annual periods beginning on or after 1 January 2017 and transitioning entities comprise entities that are within the scope of MFRS 141 Agriculture and/or IAS Interpretation 15 Agreements for the Construction of Real Estate (under MFRS 15 Revenue from Contracts with Customers), including the parent, significant investor(s) and joint venture(s)" (MASB, 2014). In 2015, MASB through its press release has an announcement to defer adoption of MFRS 15 Revenue from Contracts with Customers by a year, the effective date to implement this standard will be for annual periods beginning on or after 1 January 2018 following the deferment decision made by International Accounting Standards Board (IASB) on 22 July 2015 (MASB, 2015). This deferment decision is mainly due to IASB has some amendments plan toward IFRS 15 in order to enhance the clarity and to incorporate some practical measures of the standard (PricewaterhouseCoopers, 2012).

The new MFRSs issued by MASB are equivalent to IFRSs issued by IASB word-by-word and MFRSs have the same effective dates as IFRSs (KPMG, 2011). The overall adoption concept of MFRS is spelled out within MFRS 1, First-time Adoption of MFRSs where it requires the entities to report the first MFRS financial statement retrospectively as if MFRS has been applied by the entity since its establishment, except for certain mandatory and regulatory grounds (PricewaterhouseCoopers, 2012).

There are few studies conducted in Malaysia pertain to effect on implementation of MFRS. Malaysian banks have lesser earnings management under MFRS reporting in comparison with FRS reporting (Ugbede, Lizam, & Kaseri, 2016). On the other hand, Ahlström & Brandin (2014) found that Malaysian auditors face challenges in preserving their independence after the adoption of MFRS.

There are many studies conducted outside Malaysia discovered that implementations of IFRS [equivalent to MFRS] have improved the financial reporting quality. A research conducted in Greece shows that the implementation of IFRS cause the listed companies to manage earnings in the first year to shed the significant effect of IFRS transition cost but the earnings management activities is significantly reduced in the subsequent year (Iatridis & Rouvolis, 2010).

Similarly, a study on UK corporations found that adoption of IFRSs decreases the earnings management scope, which reflects in their timely loss recognition (Iatridis, 2010). Another study conducted in France proves that mandatory implementation of IAS/IFRS leads to reduced earnings management activities among listed companies with good corporate governance in place (Zéghal, Chtourou, & Sellami, 2011). Further, earnings management among European

Union banks have significantly decrease in the period of post IFRS (Leventis, Dimitropoulos, & Anandarajan, 2011). However, a research based on non-financial corporations in 11 European Union's countries shows earnings management activities have increased subsequent to the implementation of IFRS in Europe (Callao & Jarne, 2010). The empirical evidence show there is a mix findings pertain to the effect of IFRS/MFRS on financial reporting quality.

Auditor Independence in Malaysia

The subject of charging client low audit fees caused by the practice of "low balling" has been a key auditing industry challenge for a long time as a result of stiff competition in the Malaysian auditing market (Teck & Ali, 2008). It is common knowledge of low auditing fees in Malaysia (Lopez, 2010; Raj, 2011; Choong, 2012); as compared with other regional countries. Malaysia's audit fees were at par with the Philippines, where the market is simpler than Malaysia and lower than its counterparts, namely Thailand and Indonesia (Teck & Ali, 2008; Choong, 2012; World Bank, 2012). This situation encourages the auditor to offer non-audit services (NAS) to their clients as it yields better margin in comparison with the statutory auditing services (Hillison & Pacini, 2000). According to a US study, nearly half of the 3,074 companies who pay their auditors more consulting fees than their statutory audit fees (Reynolds, Deis, & Francis, 2004).

Hoitash, Markelevich, and Barragato (2007) who conducted their study in the US suggested that economic bonding [related to audit quality] between the auditors and their customers from whom they derived both audit and NAS fees. A study in US found there are some trace of a statistically significant positive relationship between auditor's income [includes audit, NAS and unspecified NAS fees] and accounting restatements [reflects lower financial reporting quality] (Kinney, Palmrose, & Scholz, 2004). Similarly, a US research shows that there is a positive link between the ratio of non-audit fees to total fees paid to the auditor and the absolute value of discretionary accruals (Larcker & Richardson, 2004). More specifically, Abbott, Parker, and Peters (2006) found that audit fees reduce [increase] with income decreasing [income increasing] earnings management in the legal risk perspective. On the same notion, a Malaysian study on public listed companies shows that NAS fees has a positive relationship with earnings management (Bamahros & Wan-Hussin, 2015).

Gap Identification

The adoption of IFRS can enhance comparability of financial statements between different financial markets to support the development of the financial markets becoming global. The research in Malaysia on the impact of implementation MFRS are still limited. Ahlström and Brandin (2014) discovered that auditor faces obstacles in safeguarding their independence after the implementation of MFRS in Malaysia in their study based on qualitative method involving 12 auditors and they are the auditors to small medium enterprises and listed companies. Ugbede et al. (2016) found that Malaysian banks have lesser earnings management under MFRS reporting in comparison with Financial Reporting Standards (FRS) reporting. Hence, our attempt to examine the auditors' independence in the period before and after MFRS convergence is in line with the development of the current regulatory reporting framework are timely.

Hypothesis Development

It is expected that these new set of accounting standards will bring accounting quality to a higher mark, which decreases the opportunity to manage earnings (Iatridis, 2010). MFRS reduces earnings management among the eight Malaysian commercial banks (Ugbede et al., 2016). A number of studies in other jurisdictions show that implementation of IFRS [equivalent to MFRS] improve the financial reporting quality. Adoption of IFRS among listed companies

in Greece proved to reduce earnings management, more timely loss recognition and provide more relevant accounting value in comparison with applying local accounting standards (Dimitropoulos et al., 2013). On a similar vein, the implementation of IFRS among Indonesian manufacturing public listed firms have shown decrease in earnings management to provide more transparency (Soenarno, 2016). Further, a research on French listed firms suggests that post-IFRS has lesser earnings manipulation, even in the economic crisis period (Nouri & Abaoub, 2014). A global study found that mandatory IFRS adoption improves the earnings quality in a country with stronger investor protection regime (Rajgopal & Venkatachalam, 2011).

On the other hand, a studies on 11 European countries documents that earnings management have increase after the implementation of IFRS (Callao & Jarne, 2010). Likewise, an Australian research found that accounting quality does not significantly improve after the adoption of IFRS in Australia (Bryce, Ali, & Mather, 2015). Further, Ahlström and Brandin (2014) found that auditors face obstacles in safeguarding their independence after the implementation of MFRS in Malaysia as they were also highly involved in preparing the financial statements. With due consideration of Malaysia, where it is a unique audit market, has limited literature on auditor independence and Ugbede et al. (2016)'s finding [Malaysian study] is confined to the financial sector, therefore Ahlström and Brandin (2014) view of implementation of MFRS is adopted. Hence, this leads us to predict that the external auditor is less independent in the period after the implementation of MFRS. Based on the earlier empirical findings discussed above, the following hypothesis is developed.

H1: The negative relationship between auditor independence and earnings management is more prevalent after the full convergence of MFRS.

Model Specification

$$EM [\text{pre or post MFRS}] = \beta_0 + \beta_1 EAIND_{it} + \beta_2 CSIZE_{it} + \beta_3 CRISK_{it} + \beta_4 AFSIZE_{it} + e_{it}$$

Where:

EM	=	absolute value of earnings management
EAIND	=	external auditor independence [measured by natural logarithm of audit fees, ratio of non-audit fees to total fees and natural logarithm of total fees]
CSIZE	=	client size
CRISK	=	client risk
AFSIZE	=	audit firm size

Research Design and Data Analysis

Data and population

This study uses quantitative method to investigate the impact of MFRS implementation on auditor independence in mitigating earnings management. The data of this study is based on the population of the main market of Malaysian public listed companies in periods of 2010-2011 [pre MFRS] and 2013-2014 [post MFRS] resulted in 1,380 firm-year observations. The external auditor characteristics and audit firm size data are extracted from annual report available on Bursa Malaysia website, and other financial data are downloaded from DataStream. This research covers all the listed companies in the main market of Bursa Malaysia which exclude: [i] banking, insurance and finance industry; [ii] companies with qualified audit opinion [as qualified audit report has already signaled by the independent auditors of the existence of accounting issues]; [iii] any industry lesser than 10 companies in a particular sample year will also be omitted as required by the earnings management accrual model (Peasnell, Pope, & Young, 2000); and [iv] agriculture and construction industries [determent of adoption of MFRS]. This study utilises Kasnik (1999) accruals based models as its proxies for earnings management. The data will be presented in the form of descriptive statistics,

correlation, and multiple regression for relationship and results.

Empirical Results

Table 1: Descriptive Statistics

Panel A						
Variable	Observations	Mean	Min	Max	Median	Std Dev
EANAF (RM)	1,380	102,888.10	0	7,923,000	13,000	471,854.80
EAFR	1,380	0.1390265	0	0.9380983	0.082850	0.1591357
EAAF (RM)	1,380	316,752.20	8,000	12,400,000	147,243	719,336.80
EATF (RM)	1,380	419,640.30	8,000	20,300,000	170,300	1,098,559
CSIZE (RM'000)	1,380	1,415,682	20,573	111,000,000	250,340	6,470,895
CRISK	1,380	0.365270	0.009054	1.455167	0.361042	0.180874
AFSIZE	1,380	0.533333	0	1	1	0.499068
DAKasznik	1,380	-0.003486	-0.41184	0.614144	-0.005312	0.077847
Panel B						
Variable	Dummy = 1		Dummy = 0		Total	
AFSIZE no. of observations (%)	763 (53.33)		644 (46.67)		1,380 (100)	

EANAF = non-audit fees; EAFR = non-audit fees to total fee ratio; EAAF = audit fees; EATF = total fees [audit and non-audit]; CSIZE = total assets; CRISK = total liabilities divided by total assets; AFSIZE = is 1 if big-4 and 0 if otherwise; DAKasznik = discretionary accruals using Kasznik (1999).

Table 1 depicts the descriptive statistics for the dependent and independent variable. The mean value for the dependent variable [DAKasznik] is -0.003486, which is close to the DAKasznik average value of -0.0001 by an Indonesian study (Siregar & Utama, 2008). The average amount of non-audit fees and audit fees are RM102,888 and RM316,752 respectively. The average value of non-audit fees is close to RM94,180 as reported by Bamahros and Wan-Hussin (2015). The average total fees is RM419,640.30 while the average client size is RM1,415.68 million. The mean for non-audit fees to total fees ratio and client risk ratio are 0.13902 and 0.36527 respectively. About 53.33% of the client are audited by big-4 auditors.

Table 2: Correlation Results

	EAFR	lnEAAF	lnTotal_ Fee	AFSIZE	LnCSIZ E	CRISK	DAKasz nik
EAFR	1.0000						
lnEAAF	0.0969* **	1.0000					
lnTotal_ Fee	0.3338* **	0.9697* **	1.0000				
AFSIZE	0.2195* **	0.3629* **	0.3889* **	1.0000			
LnCSIZ E	0.1860* **	0.7847* **	0.7861* **		1.0000 0.3780* **		
CRISK	0.0813* **	0.3275* **	0.3310* **	0.0417		1.0000 0.3159* **	
DAKasz nik	0.0382	-0.0362	-0.0237	-0.0137	0.0363	- 0.0716* **	1.0000

Significant at *** 1%, ** 5%, * 10% level respectively.

As depicted in Table 2, the correlation coefficients values are well below 0.40 except for lnCSIZE and lnEAAF [0.7847], LnCSIZE and lnTotal_Fee [0.7861], lnEAAF and lnTotal_Fee [0.9697]. Gujarati and Porter (2009) suggest a correlation between two variables exceeding 0.80 can post serious concern. However, Gujarati & Porter (2009)'s guideline of 0.80 is not relevant for correlation between lnEAAF and lnTotal_Fee as the nature of the measurement for total fee comprised both audit and non-audit fees, which give rise to high correlation between lnEAAF and lnTotal_Fee due to both measurements contained audit fees element. To detect for multicollinearity and heteroscedasticity, we employed variance inflation factors [VIF] and Modified Wald Statistics tests. The results of the sample firm do not have multicollinearity problem when the data have VIF mean between 1.18 to 1.95, which is below the threshold level. On the other hand, Modified Wald Statistics tests show that the data set was found to have heteroscedasticity problem. The time series and cross-sectional dependencies tests show that the data set have firm fixed and time fixed effects. This study is based on panel data for hypothesis testing and used random effect model to run for results for interpretation. Since, auditor independence are measured using ratio of non-audit fees to total fees, audit fees and total fees, the hypothesis H1 will run using these 3 types of auditor independence measurement. Table 3 shows the results of random effect model regressions. There are no significant results between the auditor independence [under all the measurements of audit fees, ratio of non-audit fees to total fees and total fees] and earnings management with positive direction in pre MFRS period. On the other hand, there are 2 significant results for auditor independence and earnings management [under the measurements of audit fees and total fees] with negative direction in post MFRS period. Auditor independence under the measurements of audit fees and total fees both have inverse relationships with earnings management at the significant level of 10% and 1% respectively in post MFRS period. These non-significant results in positive direction in pre MFRS period suggests that there is no sign of dilution of auditor independence in pre MFRS. In contrast, significant results in negative direction in post MFRS period indicated that there are auditor independence dilution subsequent to the implementation of MFRS.

Table 3: External Auditor Independence and Earnings Management in the Pre and Post MFRS Periods

Overall analysis	Pre MFRS [Audit fees]	Post MFRS [Audit fees]	Pre MFRS [Ratio of non- audit fees to total fees]	Post MFRS [Ratio of non- audit fees to total fees]	Pre MFRS [Total fees]	Post MFRS [Total fees]
Coefficient of IVs						
- EAAF	-0.00394 (0.00413)	0.00735* (0.00399)				
- EAFR			-0.00923 (0.01840)	0.03030 (0.02270)		
- EATF					-0.00726 (0.00463)	0.01350** * (0.00489)
Coefficient of CVs						
- AFSIZE	-0.00620 (0.00473)	0.00211 (0.00562)	-0.00238 (0.00531)	-4.46e-05 (0.00613)	-0.00128 (0.00514)	-0.00259 (0.00611)
- CSIZE	-0.00299 (0.00316)	-0.0127*** (0.00306)	-0.00248 (0.00169)	-0.00862*** (0.00270)	0.00133 (0.00315)	- (0.00412)
- CRISK	0.05010** *	0.04060**	0.04450***	0.04820**	0.04770** *	0.04410**
tdum2	(0.01480) -	(0.01660) 0.01250** *	(0.01350) -0.01120***	(0.02050) 0.01430***	(0.01410) -	(0.02010) 0.01390** *
Intercept	0.00982** *	0.01250** *	0.00382) 0.07090***	0.00456) 0.13100***	0.01080** *	0.01390** *
	(0.00354)	(0.00402)	(0.00382)	(0.00456)	(0.00370)	(0.00453)
	0.12700** *	0.10200** *			0.10700** *	0.05480*
	(0.02860)	(0.03260)	(0.02030)	(0.02820)	(0.0310)	(0.03070)
Observations	690	690	492	535	492	535
R-squared	0.0329	0.0336	0.0583	0.0367	0.0611	0.0342

***, **, * statistically significant at the <1%, <5%, <10% level respectively; robust standard errors in parentheses.

There are no significant results for audit firm size under all the 3 auditor independence measurements in both pre and post MFRS periods. Similarly, there are no significant association between client size and earnings management under all the three analyses, audit fees, non-audit fees to total fees ratio and total fees in pre MFRS period. In constrast, client size are negatively related to earnings management at significant level of 1% under all 3 analyses, audit fees, non-audit fees to total fees ratio and total fees in post MFRS period.

In pre MFRS period, there are direct associations between client risk and earnings management at significant level of 1% under all the 3 analyses, audit fees, non-audit fees to total fees ratio and total fees. On the same notion, client risk is positively related with earnings management at 5% significant level under all the 3 analyses, non-audit fees to total fees ratio and total fees in post MFRS period.

Collectively, no significant results under the auditor independence measurement of audit fees and total fees in pre MFRS with corresponding negative significant results in post MFRS

support H1 hypothesis proposing a negative relationship between auditor independence and earnings management is more prevalent after the full convergence of MFRS.

Discussion and Conclusion

The results endorse that there is auditor independence dilution following the implementation of MFRS. The findings of this study are in line with Ahlström & Brandin (2014), whereby they found Malaysian external auditor faced challenges in preserving their independence after the implementation of MFRS as auditors are under increase pressure from clients who expect them to accept their requests. These pressures increase with the compliance of new accounting standards, MFRS. Likewise, the results concur with the finding of a study conducted in the context of the European Union by Callao & Jarne (2010) that engagement in earnings management has risen after the implementation of IFRS, as there is an increase in discretionary accruals in the period subsequent to the IFRS application. Similarly, this study's findings agree with a study conducted in Australia, whereby they found IFRS has no significant effect on accounting quality (Bryce et al., 2015).

However, this study's findings disagrees with Iatridis & Rouvolis (2010) who found Greece listed firms has displayed lower earnings management level in the second year of implementation of IFRS. Before switching to IFRS, the Greek accounting framework is stakeholder and tax orientation [non Anglo-Saxon] (Iatridis & Dalla, 2011), which are purely based on historical cost. On the other hand, Malaysian accounting framework is closer to the Anglo-Saxon system, which involved some elements of revaluation. IFRS is based on Anglo-Saxon accounting concepts. The IFRS transitioning benefit for Greece on their financial statements is likely to be more than the MFRS implementation effect for Malaysia. Thus, this indicates Greek companies displayed lower earnings management subsequent to the implementation of IFRS in comparison with Malaysia. Further, Iatridis (2010) suggests implementation of IFRS will increase the accounting quality and decreases the earnings management opportunities. This might not be the case for Malaysian context as implementation of new accounting standards, MFRS added pressures to the auditors and posted them to preserve their independence stand.

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Does Transformational Leadership Influence Employee Engagement

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Abstract

Purpose: This study examines how transformational leadership influence employee engagement.

Design/Methodology/Approach: A literature review has been carried out to identify the journals related to transformational leadership and employee engagement. The paper reviews the most cited articles in the academic journals during the last 20 years as well as selection of articles in the Google Scholar. Besides that, literature support for transformational leadership and employee engagement has been discussed to establish a logical relationship.

Findings: A research framework for transformational leadership and employee engagement has been developed. Furthermore, hypothesis has been developed to support the logical relationship among transformational leadership and employee engagement.

Originality/Value: This paper helps to train the managers in the transformational leadership style that would help to enhance employee engagement which build the image of the organizations in attracting the competent applications to the organizations

Keywords: Transformational Leadership, Leadership Style, Employee Engagement, Job Engagement

1. Introduction

Employee engagement has emerged as a critical driver of business success in today's competitive marketplace. Employee engagement is defined as the extent an individual employee's cognitive, emotional and behavioral state directed toward desired organizational outcomes (Shuck & Wollard, 2010). The field of employee engagement as a dominant source of competitive advantage and that is able to solve organizational problems which lead to organization success in relation to financial performance (Yap & Kee, 2017) and productivity. Research has suggesting that organization with high levels of employee engagement report positive organizational outcomes (Shuck & Wollard, 2010). Engaged employees have high levels of energy, are enthusiastic about their work, and they are often fully immersed in their job so that time flies (Macey & Schneider 2008; May et al 2004). Therefore, the engaged employees will not absent from the job because they come to work every day feeling a connection to their organization, have a high level of enthusiasm for their work. Engaged employees have also been found to stay with their company longer, thus reducing turnover and saving companies appreciably in recruitment and retraining costs (Vance, 2006). It is not

surprisingly that most of the organizations are pursuing engaged environment. Additionally, engaged employees have been found to have fewer accidents on the job (Wagner & Harter, 2006), significantly reducing worker compensation claims and associated legal fees. Engaged employees also positively affect the experience of customers and coworkers.

Despite the importance of employee engagement, the issues of employee engagement in environmental issues are steadily decline. Based on the latest study of Aon 2017 Trends in Global Employee Engagement Report, employee engagement levels in Malaysia is the lowest in the Asia countries such as India, China, Philippines, Thailand and Indonesia (Aon 2017 Trends in Global Employee Engagement Report, 2017). There are little studies (Bakker & Demerouti, 2007; Piccolo and Colquitt, 2006) examining how employees' job engagement affected by the transformational leaders. In addition to that, those little studies on employee engagement and transformational leaders is primarily undertaken within Western perspectives. There is limited studies on eastern context between the relationship employee engagement and transformational leadership. The application from the West to other eastern counterpart needs further considerations and discussions. This study therefore examines how transformational leadership influence employee engagement. The study helps to train the managers in the transformational leadership style that would help to enhance employee engagement which build the image of the organizations in attracting the competent applications to the organizations.

2. Literature Review

2.1 The relationship between transformational leadership style and employee engagement

Employee engagement is defined differently by the various organization and authors. Most of the definitions are adapted to what the organizations deem important for them. Vance (2006) explains employee engagement is the extent to which people enjoy and believe in what they do. Stockley (2007) defines engagement as the extent to which employee believes in the mission, purpose, and values of an organization, and demonstrates that commitment through their actions as an employee and their attitude towards the employer and customers. According to Jack (2010), employee engagement is the extent to which employees are motivated to contribute to organizational competitive advantage and willing to demonstrate commitment, loyalty, and go beyond the basic requirements to accomplish tasks and organizational goals. Welbourne (2003) considers engagement to be build from the roles employees have in the workplace.

Transformational leadership has a positive relationship with employee engagement. Avolio et al., 2004; Amarjit, Flaschner & Shachar, 2006 had identified the positive relationship between transformational leadership and employee engagement. This is because transformational leadership emphasis on broadening employees' individual responsibilities for taking on greater work place challenges (Avolio, 2005; Fredrickson & Branigan, 2005). Schaufeli & Salanova (2008) agree by stating that transformational leaders (Bass, 1985) are particularly effective at producing engagement because they are inspiring and visionary. In the only empirical test of this assertion, Zhu, Avolio, & Walumbwa (2009) demonstrated that, in fact, managers' perceptions of the transformational leadership qualities of their executive leaders were positively associated with the managers' own engagement.

Providing further empirical justification for this linkage, we have seen that transformational leadership has been positively related to higher levels of followers' psychological meaningfulness, psychological safety, and psychological availability, which we would expect to be positively related to higher levels of employee engagement (Avolio, 1999, 2005; Bass, 1985, 1998). According to Lyons & Schneider (2009) transformational leadership enhance engagement by increasing employees' perceptions of social support. Another reason is transformational leadership increase engagement involves self-concordance. Bono and Judge

(2003) observed that transformational leadership was positively associated with followers' self-concordance. Thus, followers of transformational leaders may find their work goals more meaningful. The self-concordance was in turn associated with creative and extra-role performance. Therefore, it is hypothesized that:

Hypothesis 1: There is a positive relationship between transformational leadership and employee engagement

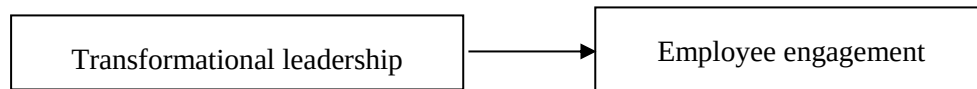


Figure 1: Research framework on the relationship between transformational leadership and employee engagement.

Figure 1 research framework is based on previous literatures. Transformational leadership style is play an important role for encouraging employee engagement (Barling, 2007) because transformational leader provides a clear vision, inspires and motivates, offers intellectual challenges, and shows real interest in the needs of the workers.

3. Research Methodology

3.1 Sample and sampling technique

This study is a quantitative approach based questionnaires survey in the form of close ended structured questionnaires was designed and used to explore the response Arokiasamy & Yap, 2015; Kimiyaghalam & Yap, 2017; Yap, 2017). The population is 500 employees consisting of managers, technical and professional staff, team leaders, technicians and hourly-paid employees. In order to determine the sample size, Roscoe (1975) rules of thumb for deciding the sample size is used. According to Roscoe, sample sizes are larger than 30 and less than 500 are appropriate for most research. Within this limits (30 to 500), the use of sample about 10% size of parent population is recommended. The sampling technique in this research is probability sampling. Simple random sampling will be used under this technique because each member in the population will have an equal chance of being included in the sample.

3.2 Measurements

Transformational leadership was adapted from Multifactor Leadership Questionnaire (Bass & Avolio, 1990). The questions are based on five-point likert scale. The questionnaire used in this study contains 12 statements that identify and measure the key aspects of transformational leadership behaviours including idealized influence (attributed), idealised influence (behaviour), inspirational motivation, individualised consideration and intellectual stimulation. Each respondent was required to assess and testify as to how frequently the behaviours described by each of the statements are exhibited by their leader. Besides that, employee engagement questionnaire was adapted from Gallup (2008). The questions are based on five-point likert scale. Gallup 12 question having been used with approximately 1.5 million employees, Gallup's tool makes an ideal instrument from which to model the survey questions for this study (Thackray, 2001).

4. Results

The questionnaire had been distributed to 120 employees but only 107 responded to the questionnaires, which made up the response rate of 89%. Most of the respondents are male (54%). Only 46% of the respondents are female. Majority respondents are in the 35 to 44 years age group (28%), followed by below 25 years age group (26%), 45-54 years old age group (21%), 25 -34 years age group (17%), and 8% of 55 years old and above age group. Most of

the respondents are having the SPM academic qualifications (29%) followed by degree academic qualifications (27%), STPM (26%), Diploma (18%), and Master/Phd(3%). After that, the researcher uses Statistical Package for the Social Sciences (SPSS 17.0) for the statistical analysis. Before data was entered into SPSS, completeness of the questionnaire was verified.

Completed questionnaire was coded and entered directly into SPSS. Moreover, in Table 1, reliability analysis was computed for each variable to ascertain their internal (Zandi, Yap, Aslam & Singh, 2015). Cronbach's Alpha is used as the indicator to access the reliability analysis. The Cronbach's Alpha exceed 0.6 considered acceptable. All the variables attain high reliability coefficient ranging from 0.78-0.87 demonstrating satisfactory reliability. Furthermore, correlation analysis has been conducted to determine the strength of the relationship between dependent and independent variables. According to Green, Salkind, & Akey, (1997), the correlation coefficients of .10, .30, and .50, regardless of sign, are interpreted as low, medium, and large coefficients respectively.

The result (see Table 2) shows that transformational leadership has the strong correlation with employee engagement ($r = 0.714$, $p = 0.01$). Besides that, the R-square value identifies the portion of the variance accounted for by the independent variable that is approximately 43.2%. This value indicates that transformational leadership explained employee engagement by 56.8%. Its mean that there are also some other factors which were not considered in this study. In addition to that, multiple regression analysis was carried out to explain the relationship between transformational leadership and employee engagement (see Table 3). The beta value for transformational leadership explains its significance to the employee engagement. It was showed that transformational leadership has beta value ($\beta=.65$), depicting the significant relationship between transformational leadership and employee engagement.

Table 1: Summary of Reliability Analysis

Variables	Number of items	Cronbach's Alpha
Employee Engagement	12	.78
Transformational leadership	12	.87

Table 2: Correlation coefficients of the study variables

	Employee engagement	Transformational leadership
Employee engagement	-	
Transformational leadership	0.714**	-

Note: $n=107$, $p<0.01$

5. Conclusion

The result of the research indicates that transformational leadership has relationship with the employee engagement. This result is parallel with the finding of the Barling (2007) that revealed transformational leadership style is effective for encouraging employee engagement. Transformational leader provides a clear vision, inspires and motivates, offers intellectual challenges, and shows real interest in the needs of the workers. This kind of leader raises the personal status of subordinates in order for them to demonstrate humility, values, and concern for others. Schaufeli & Salanova (2008) agree by reporting that transformational leaders (Bass, 1985) are particularly effective at producing employee engagement because they are inspiring and visionary. According to Whittington and Timothy (2010) when managers engage in a transformational leadership behaviors, employee engagement will be positively impacted.

Therefore, they recommend that the manager should be trained transformational leadership behaviors. Therefore, organizations should continue to focus and devoted more resource and dollars in driving these efforts which in return enhances employee engagement in the organization; at the end of the day it contributes to the bottom line of the company.

Table 3: Multiple regression analysis result

Variables	Dependent Variables Usage – Group Performance (Beta Standardization)	Sig
Transformational leadership	.657*	.000
F value	23.605	
R square	.432	
Adjusted R Square	.657	

Significant at $p < .01^{**}$

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Islamic Ethics Practices in Non-Islamic Based Private Higher Education Institution: A Conceptual Paper

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Abstract

The Higher Education Institution (HEI) is an institution that serves to produce educated and competitive human resources both locally and globally. This process requires a form of management that has value and ethics so that the outcome will not only be educated and competitive, but also have high values and ethics. In fact, the practice of a value and ethics is influenced by several factors and one of the factor is an environmental factor. This study aims to see the extent to which the practice of Islamic ethics in higher education institutions that is not based on Islamic studies as a core of study as well as factors that influence the values and ethics of the organization. Private HEIs are selected as the basis of the study as most programs offered in HEIs are not based on Islamic studies and they have only one set of values and ethics for all in the organisation.

Keywords: Ethics, Islamic Ethics, Private Higher Education Institution.

Introduction

Currently, there are many cases involving moral issues and ethical problems in the organization. This ethical and moral issues also happen in Malaysian educational institutions, especially higher education institutions. Most of the cases involves the integrity of a private higher educational institution in Malaysia. The higher education institutions core activity can be divided into two sectors, firstly from the academic aspect, and secondly from non-academic aspects. Both sectors probably involve in the integrity issues.

The cases that involving integrity from academic aspects consists of cases of document forgery, false certificate giving without going through actual education process, and some other cases such as approving the marks for inappropriate students. While for non-academic cases, it is like corruption involving tender selection for the PHEIs department or facilities, discrimination against staff and some aspects of unethical human resource management in recruitment and promotion.

With these current scenario, this conceptual paper will examine and justify the practice of Islamic ethics among academic and non-academic staff in PHEIs. This paper will justify as well what is the factor that influence the values and ethics of the organization. The researcher chose a private higher education institution (IPTs) as a pioneer project to see how far the practices of Islamic ethics in a PHEIs.

Literature Review

This part will be divided into three parts as follow:

1. Islamic Ethics
2. Practices
3. Private Higher Education Institutions

Islamic Ethics

Ethics in the Oxford English Dictionary is “a science of moral.” Sharifah H. (2007) defined ethics as a moral code which can be good or bad depending on values and cultures of the society. Hamzah (1985) was defined ethics as a knowledge which examines what is good and what is bad by paying attention to the deeds of human as far as the can be known by intelligence. In Islam, the word ethics have a similar meaning to the word “*akhlaq*” (Mardzelah Makhsein 2006) (singular, *khuluq*). The term ethics literally denotes character, custom, habit, behavior, human conduct or attitudes. While on the other hand the Latin word “*mores*” which is the root of morality, is almost literally synonymous term with the word *ethos*. (Oxford Advanced Learner’s Dictionary of Current English 1974). Qal’ahji (2006) defined *akhlaq* as the pure nature of the human being derived from it without compulsion.

Nor’Azzah K. (2016) was defined Islamic work ethics as performing positive actions with good intentions as a way of getting blessings from Allah SWT and to benefit society and oneself. Islamic ethics or *akhlaq* can be defined as the moral code which can be good or bad depending on the Islamic values that explained by the Quran and the Hadith from Prophet PBUH.

Types of Ethics

Basically, there are three types of ethics. It was divided based on to whom it was practiced. (Sharifah H. 2010)

1. Individual ethics.

It is set of values that encourage and guide the individual person towards the right and wrong, and to differentiate between the good and bad things, and somethings that should and should not be done. Every person will face this situation every day in their life.

2. Organizational Ethics

This ethic is especially for those that involved in an organization. Normally every organization has its own ethics that must be practiced by every person in it and it was known as core values. These values usually consist some of the best practices that are prioritized in the service of the organization. This paper will focus on the specific study of this section.

3. Profession Ethics

Code that defines what can and cannot be done as well as the procedures employed by practitioners of a profession. Among the occupations that have their own ethics include the doctrines, the judiciary, the journalism and the teaching. This ethics is important in maintaining the credibility and trust of the public on their careers.

Practices

Schatzki (2002) said practices as open and spatially, temporally dispersed sets of doings and sayings organized by common understandings, teleology (ends and tasks) and rules. Practices are inevitably entangled with the material arrangements that they contribute to create, in which they are carried out and through which they transpire.

Private Higher Education Institutions

The definition of Private Higher Education Institutions is an institution as an education provider in the upper level after school. Private providers, on the other hand, are owned by private organizations or individuals. Although many of them offer the same qualifications as public providers, private provider institutions are mainly privately funded or sponsored and are generally not subsidized by the state. (Council of Higher Education –South Africa, 2016)

Regarding to the glossary of Ministry of Higher Education Malaysia (2016) the meaning of PHEIs is an organization or educational institution, including University or University College or branch campus approved and registered under the Private Higher Education Institutions Act 1996 [Act 555]. This paper is focusing only on the category of non-Islamic based of PHEIs in Malaysia. It can be defined as any institutions that the major program offered is not Islamic based study. It's also mean this study not including the private colleges, private university colleges, private academies and any foreign universities have branches or local campus in Malaysia.

The number of registered PHEIs in Malaysia currently are 21 institutions and one of the institutions is Islamic based (Al-Madinah International University or known as MEDIU). MEDIU is out of the scope of this research because the majority programs offered are Islamic studies based.

Research Problem

1. The lack of integrity in higher education institutions in Malaysia is quite critical when the media reports many cases of document forgery, abuse of power (news reported by Bernama Online, 2018) and corruption cases (reported by Utusan Malaysia, 2018) involving students and staff of a university. Higher education institutions in Malaysia, especially PHEIs are mostly business-oriented that are very likely towards the occurrence of these cases due to several factors. Education institutions should have a high level of integrity of consciousness as it is an institution that produces quality human capital for future generations.
2. Accountability among the academic and non-academic in PHEIs should be practiced in their daily tasks. Its involved all parties in the institution to make sure the quality process then later the outcome will be high quality.

Research Questions

1. Does the employees of PHEIs aware and practices the Islamic ethics in their institution?
2. Does the environment of the institutions be a factor of influence to the employees to practices the Islamic ethics?

Research Objective

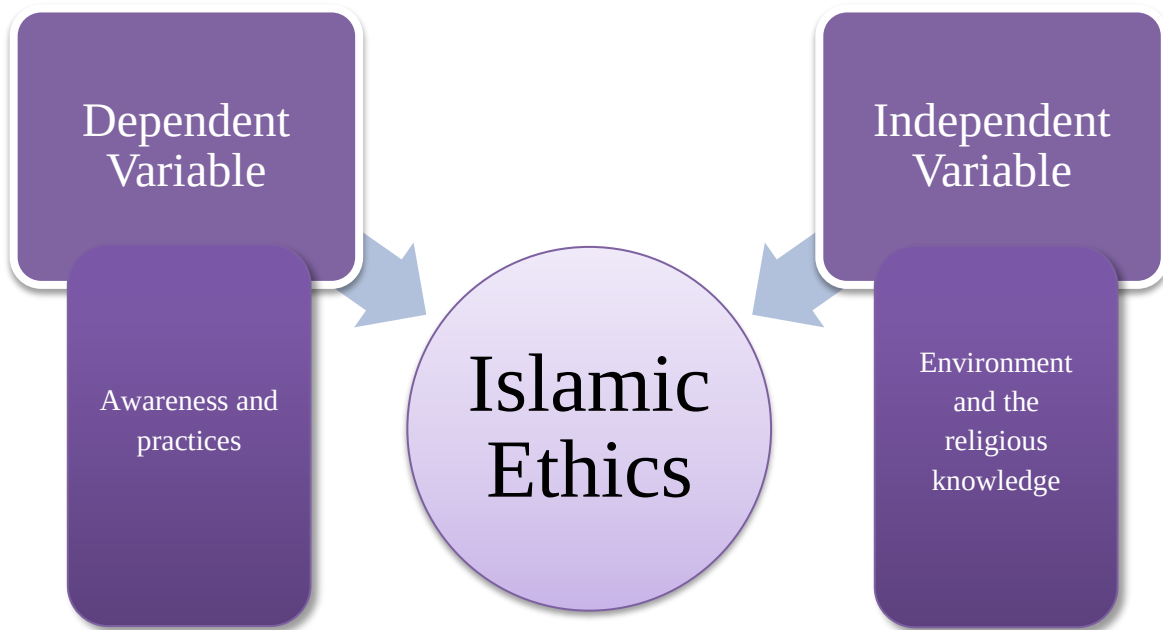
The objectives of this study is;

1. To study the awareness and the practices of Islamic ethics implemented among PHEIs employees in their task as part of organization.
2. To describe and justify the factors of influence the employees to practice Islamic ethics.

Research Framework

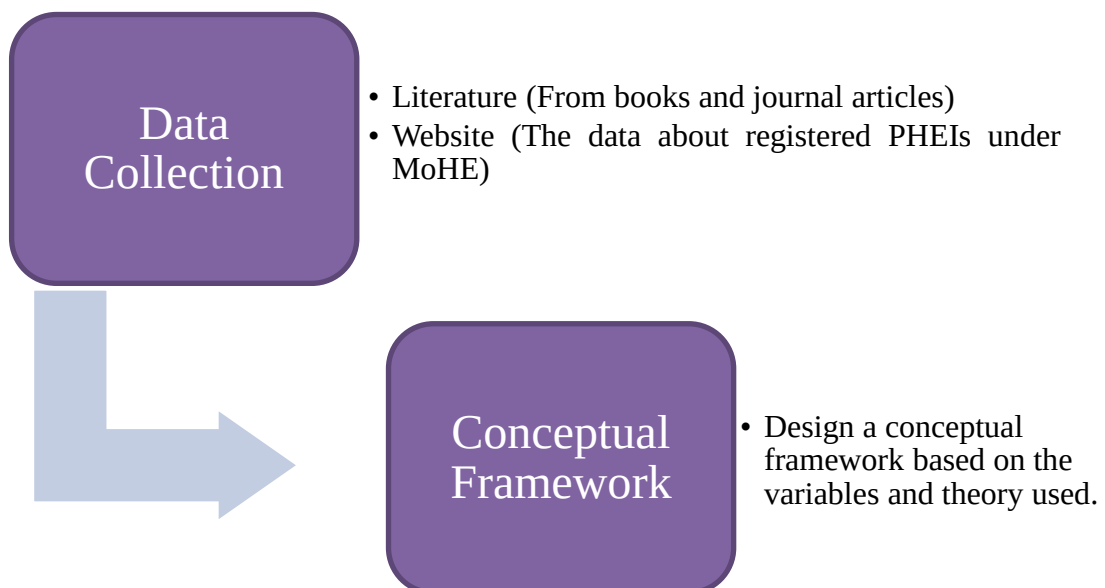
In this study, the variable used are two variables, dependent and independent variable. The dependent variable is the awareness and the practices of Islamic ethics. While, independent variable is the environment and the religious knowledge among of them that influences their actions in organization.

1. Dependent variable: the practices and the awareness of Islamic ethics among employees in PHEIs.
2. Independent variable: among the employees towards Islamic ethics as a factor to practice it in PHEIs.



Methodology

Qualitative Research Methodology will be used in this conceptual paper to get the data. The part of the literature will be get through journal article. The study will define all the terminology accordingly. Then, researcher will go through to the reference books to get the literatures as the basis of the study. Besides that, the data from the website of Department of Higher Education through Ministry of Higher Education (MoHE) will be get too. The data about the list of PHEIs in Malaysia are listed in the website of Dept. of Higher Education (2018). Later, a conceptual framework will be draft as a guidance to lead this research.

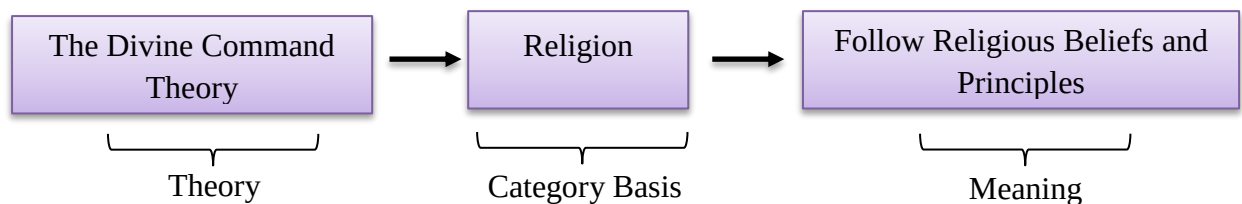


The Conceptual Framework

To explain about the right and the wrong something, there are several ethical theories can be used. These include relativism theory, utilitarianism theory, egoism theory, deontology theory, the divine command theory, and the virtue ethics theory. These theories are the current theoretical framework that is applied by recent research to explain an ethical phenomenon. (Al-Hasan, 2013)

In this paper, one of the ethical theory will be used to see the relationship between two variables mentioned above. The researcher chose and referred to The Divine Command Theory. (Al-Hasan, 2013). The Divine Command Theory explained the nature of right and wrong is based on religious beliefs. According to Rachels & Rachels in al-Hasan (2013), God is presented as a lawgiver who has created us, and the world we live in, for a specific purpose. God will guide us as humankind by commanded towards good things and forbidden from the bad things.

There was an article by Azharsyah Ibrahim (2016) found that the dimension of religiousness was a second highest among the dimensions. The study was focus on The Commitment to Islamic Work Ethics Among Islamic Banking Employees in Aceh. From the article, researcher could have concluded that religion play a big role in forming an ethical practice.



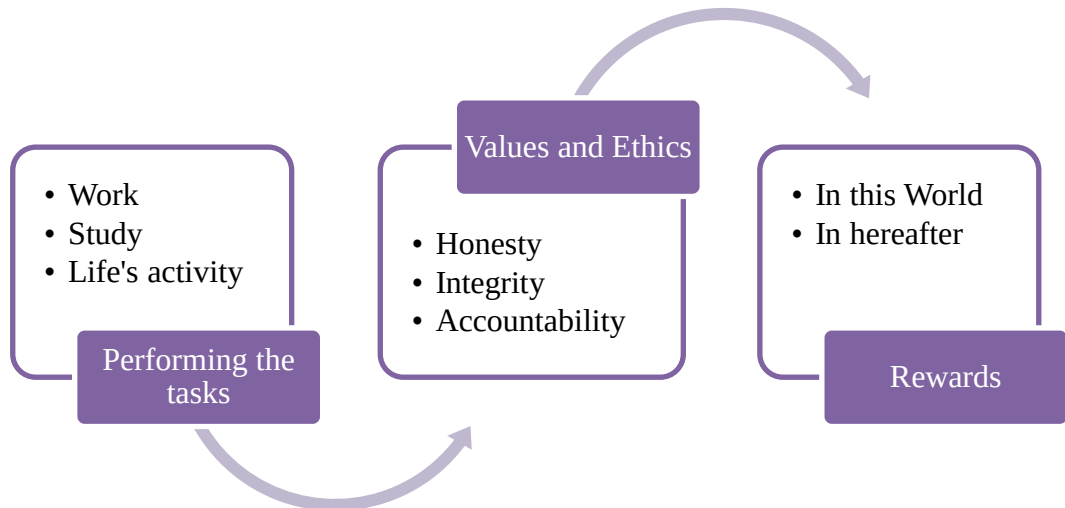
The theory mentioned above were in line with Islam. Al-Quran mentioned about the values and ethics in many verses. One of the verse is in the *Surah al-Nahl* (16:90) Allah says;

*“.. and He forbids all shameful deeds, and injustice and rebellion:
He instructs you, that ye may receive admonition.”*

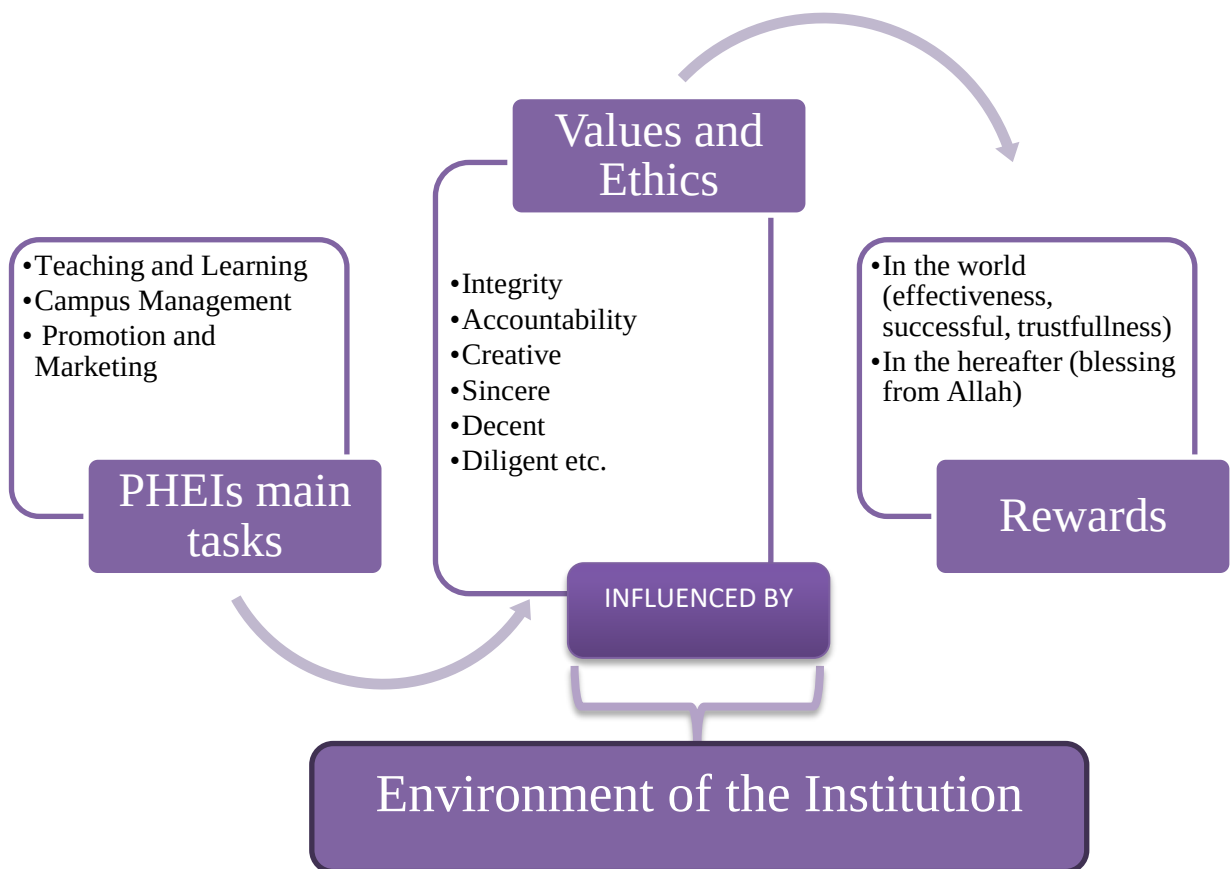
And the purposed of Allah created all the humankind is for worshipping the One God as what mentioned in *Surah adh-Dhariyyat* (51:56);

*“I created the jinn and humankind only that they might worship
Me.”*

All the creations of Allah are created for worshipping to HIM (Yusuf Dalhat, 2015). The definition of worshipping could be wider than pray and any kind of worship. Working, studying, selling and buying also part of worship if all these activities are performed in sake of Allah’s blessing. The truth, all the doings in this life are to get the rewards and blessings from Allah now and in hereafter. The flow chart below shows how Muslim’s life has added values by implementing the values and ethics in their life.



The following flow chart show the PHEIs while implementing and practicing the Islamic ethics and values will be beneficial to their institutions.



Discussion and Conclusion

This conceptual paper will study the practices of Islamic ethics in PHEIs that non-Islamic based. The Islamic ethics basically based on Islamic thought that well-explained in al-Quran and Sunnah of Prophet Muhammad PBUH. Behind the Islamic ethics, there are values that support the ethics.

The successful management in the organization will be produce a good and success outcome. This can be measure from many aspects of management. The aspects that can be measure is like the truthfulness among the employees, the satisfactions among employees and students towards organization and many other else aspects can be describe.

This PHEIs in their field of higher education institutions also can be more competitive and well-established by implementing the values and Islamic ethics in the institutions. By more concerning about the ethics, the organization behavior will be affected and creating a good working environment. Not only the quality of curriculum measured by the certificate, the quality of human graduating from the institutions also will be bright out from others institutions.

From the above discussion, it should be clear that the importance of values and Islamic ethics in PHEIs cannot be denied. PHEIs is an institution that produces the high quality generation, either from the aspects of physical or mental. This responsibility should be done with the full kind of integrity and accountability among the employees in the institution. The values and ethics could be most important in developing an institution that producing human capital for next generation. Furthermore, it could be the best step to ensure the future generation of the country will be of good in quality by giving the high quality of services to them.

With that reason, this research hope can be a clear view of the factors that influence the employees to practice Islamic ethics in their life. The implementation of the Islamic ethics collectively could give a positive impact to the institution in their performance either in academic study or physical activity.

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C-MagSys: User experience of Health Information System in Primary Care Setting

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Abstract

Purpose: Clinic Management System (C-MagSys) is a clinical health information and management system that is developed for small and medium medical organizations, especially in terms of routine clinical and administrative matters. The objective of this study is to explore and evaluate the user experience on C-MagSys.

Design/methodology/approach: The approach for this study is largely qualitative and the research garnered data from in-depth interviews in a private general practice clinic in Kajang, Malaysia. Data was analysed via thematic analysis

Findings: A total of six subjects were interviewed. All of them found that C-MagSys helped them in their daily work and enable easier retrieval of information. The only restraining factor is the system depends on internet connectivity and speed. It is user friendly and the learning curve ranged from one day to seven days.

Research limitations: This study gathered information only from one clinic from a pool of over 700 clinics using similar health information system.

Practical implications: C-MagSys appeared to be well-received by the staff in this study. Health information system generally has potential to improve the healthcare services further by utilisation in all healthcare sites. Similar study could be conducted in different sites to consolidate the findings.

Originality/value: While many studies have been conducted in the hospital setting, this research is a first step for studies aiming to implement such system in a bigger primary care setting. Ultimately, it is hope to provide better insight for the system developer in understanding the needs and requirement of users at the primary healthcare facility.

Keywords: User Experience, Hospital Management System, Health Information System, Primary Care

Introduction

Healthcare sector is an important industry to serve high-quality services and healthcare treatment to citizens in every country in the world. It needs to be improved continuously, especially in the context of healthcare management. Primary health care in Malaysia is provided by 2,860 static health clinics and community clinics and 239 mobile health teams across Malaysia (Abdullah 2015). Each year the demand for the health services increases and such burden require adoption of recent updates in health care so it can be up to the level of expectation. Such planning requires consideration of the latest technologies implemented around the world that would help processing the health situation in the country, incorporate better use of technology, facilitate the searching process, help in the decision making, decrease of medication errors and provide a better and faster health services (Sulaiman 2011). One of these technologies is the Health Information System.

Health Information System (HIS) is defined as an integrated electronic system that is used for storing, collecting and restoring any patients' data needed such as registration information, medical history, lab results, previous diagnosis, billing and any other related hospital procedures. HIS has several components including Clinical Information System (CIS), Financial Information System (FIS), Laboratory Information System (LIS), Nursing Information Systems (NIS), Pharmacy Information System (PIS), Picture Archiving Communication System (PACS) and Radiology Information System (RIS) (Ismail et al. 2015)

Literature Review**The determinant factors of Health Information System adoption**

Health Information System is like any other technology that needs to be accepted by the staff members and health professionals before being adopted officially into any health facility. So, how does a new technology gain its acceptance or satisfaction among users? Many prospective modules have been conducted to estimate how users will experience any new technology. One main method is Technology Acceptance Module (TAM) which is a worldwide module used to estimate the acceptance of any new technology (Maarop et al. 2011). This module measures the behavior-related part of the attitude and to tell the difference between belief and attitude towards the new technology. Users' experience will be estimated by how their perceived ease of use, perceived usefulness and the attitude towards any new technology. Perceived ease of use (PEOU) is determined by estimating how much users believe that the new technology is free of any mental and physical effort; on the other hand, perceived usefulness (PU) is estimated by measuring how much the user believes that using a particular technology will enhance the diagnosis and treatment of patients thus enhancing health care performance (Abu-Dalbouh 2013; Kifle et al. 2006).

Perceived ease of use and perceived usefulness are affected by other external factors like age and gender (Tarhini et al. 2014). According to Vieru, physicians are usually professionals according to their general competence and cognition abilities. Their higher education and experiences make them more prone to accept new technologies more quickly than students according to most TAM studies, yet physicians don't usually have the time to learn new technology due to their busy schedule (Vieru 2000).

Another important factor is the overall knowledge and interest about technology and how users actually use them in their daily activities because resistance or failure to use other technologies like simple computer processing or internet browsing would only clarify their psychological variable that predict their intention towards health information system usage (Ketikidis et al. 2012). Evidence suggests that some information systems require more time per physician per patient than paper-based methods which make physicians don't accept the information system, therefore, any previous experience or good training in usage of information system or any other technology like telemedicine would affect their experience (Bauer 2002; Yarbrough&Smith

2007). The importance of human skills, experience, expert, satisfaction and information quality has a role in the successful HIS adoption (Sulaiman 2011)

Health Information System in primary health care in Malaysia

Primary Health Care (PHC) refers to "essential health care" that is based on scientifically sound and socially acceptable methods and technology, which make health care accessible to all individuals and families in a community. It is through their full participation and at a cost that the community and the country can afford. Primary care is just one element within PHC that focuses on health care services

The Telemedicine Act 1997 promoted the development of information communication technology (ICT) in the health sector. The Ministry of Health aims to manage patient information by linking systems and providers through an ambitious programme of information communication technology set out in its telemedicine plan. This ICT blueprint comprises three broad initiatives (Organization 2012):

- Multimedia Super Corridor Flagship initiatives include Telehealth, MyKad (a national registration identification card), HRMIS (human resource management information system), E-Perolehan (electronic procurement system), E-SPKB (electronic financial management system) and PMS (patient management system);
- Facility-based initiatives include rolling out the hospital information system to all hospitals and other national facilities; and
- Programme/function-based initiatives include the Nationwide Health Management Information System, Statewide Teleprimary Care and Public/Client Access.

Such implementation was somehow slow due to the huge investment required for the infrastructure, lack of informatics expertise and the need to make informatics relevant to local needs and capacities (Organization 2012). It is therefore imperative for any organization to measure the level of acceptance by the health workers to determine how much to invest in implementation of any new technology.

Clinic Management System

Clinical Management System or "C-MagSys" is one form of health information systems that was developed for small and medium medical organizations, especially in terms of routine clinical and administrative matters. It was designed and developed by local expertise in Malaysia which is a private company that is located in Cyberjaya. C-MagSys work in a network environment where several computers will be connected to each other via a network such as a router, with or without the existence of the server. This system covers some aspects like patient management, drug inventory management, payment collection, panel billing, payment aging, immunization, antenatal, image viewer, medical check-up, MyKad data retrieval, accounting feature, reporting as well as clocking in attendance. More than 700 clinics nationwide are using C-MagSys.

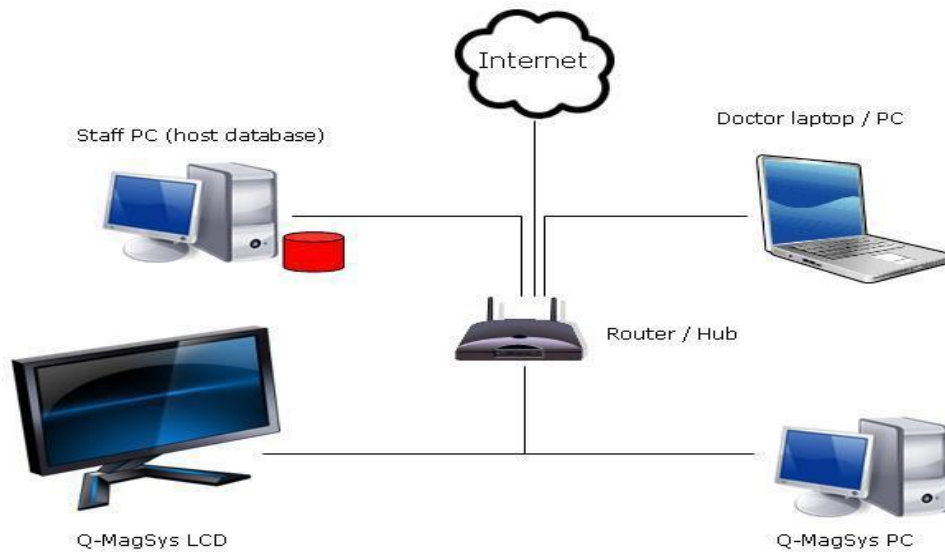


Figure 1: Implementation and requirements of C-MagSys

Such system should be easy to operate. Starting from registration of a new patient by the staff worker either via ID or MyKad, the doctor does his or her routines at his or her desk - consulting and treating patients, and recording each session into the C-Magsys software installed in the computer and check the required medications in the system, the patient's information is then sent to the pharmacy to obtain his medications. Subsequently, patients can pay the total payment required via automatic total price calculation. The doctor can also manage his or her clinic's inventory, patients' documents and staff attendance through C-Magsys. Workflow mentioned above require the involvement of at least three people, where most of the private clinic provides a registration staff, another staff at the pharmacy/payment counter and a doctor who provides consultation in the clinic.

C-Magsys also has some other features such as: Search patient by IC No, name or by company name, access to previous visit notes, graphical BP, pulse and temperature figures, Pre-set symptoms, findings and diagnosis for faster process, X-Ray and Lab Test icon, Search drug by name, code or usage group, warning for allergy of medication for patient, link to stock inventory and alert of stock quantity and expiry date, stock level alert, stock ordering, end of day balancing, staff attendance system, as well as referral letters and medical certificate of illness.

Methodology

This qualitative research involves in-depth interviews in a private general practitioner clinic in Selangor, Malaysia. The clinic chosen is a stand-alone clinic with no direct connection with other health care facilities. Permission and informed consent were obtained from the interviewees and the clinic owner. Three interviewers conducted the face-to-face interview with the healthcare workers working in the general practitioner clinic. Each interview lasted between 45 – 60 minutes. During interviews, we followed an “interview guide approach” in which a set of semi-structured questions or issue were explored during the interviews with study participants. The interview guide served as a question checklist for the interviewer to make sure that all relevant topics were covered. The last step in the evaluation process was the re-examination and integration of all the users' responses into a comprehensive set of observations, conclusions, and recommendations. All three interviewers independently coded the interview contents into themes. Similar themes were classified into groups.

Findings

A total of 6 subjects were interviewed in this study. The result of interview was divided into ten themes. The themes are work experience, users' positive feedback, challenges faced, comparison between manual and clinical information system, comparison between C-MagSys and other clinical information system, learning curve, feedbacks from peers, experience in terms of workflow/maintenance, personal experiences with gadgets and information system. The age of study participants ranges from 31-48 years old comprised of one male and five females. Two of them were doctors and four of them were clinic assistants with various duration of working experience. They all felt that C-MagSys helped them in daily work, especially in retrieval of information. The learning curve ranged between one to seven days. The main challenge they encountered was internet connectivity and speed which affects their work. Those with previous experience working with manual (paper) system, they found C-MagSys to be better. One user had previous experience using another clinic information system found that C-MagSys to be much simpler. Table 1 and Table 2 contained full details of analysis.

Table 1: Analysis from in-depth interview

Participants	48-years old, Female, Medical doctor	42-years old, Female, Clinic staff	31-years old, Female, Administrative staff
Work experience	• 5 years in this clinic	☐ 6 years ☐ Job scope: drug inventory and order, monitor stock balance, registration and payment, input information into C-MagSys, assist doctor	☐ 9 years ☐ Job scope: maintenance and as administrator to issue new account, reset password, monitor staff attendance in the system, troubleshoot internet issue
Users' positive feedback	• Easy to trace clinical history, medication and old record • Last time, manual system, they have difficulty to trace patient (e.g. Dengue Fever), phone number incorrect, incomplete or fake information • Everything in the system so doctor doesn't need to move about to get information • Easy to get statistics and census data	☐ No need to trace old record, easy to read what doctor has written in the system and patient's record/history ☐ No need to write manually for registration as they use the IC card reader for registration ☐ Easy to search for medications and look for previous history of medications	☐ Faster and easier work process ☐ All information in the system so the staff doesn't need to walk in and out to doctor's room. ☐ Easy search and retrieve information ☐ Can prepare medication faster than manual system ☐ Billing and payment is easy as the system calculates it automatically.
Challenges faced	• Cannot trace information when system hang/blackout • Takes time to type in all the information • Blackout/system hang created double workload (manual first, then type into the system) • Simple back up of patients' brief details in a book • Afraid to explore other functions that were not taught	☐ Internet influences the whole system - must be good ☐ If system down, cannot do anything	• Too many functions but not all been used. • Transition of converting from manual record into C-MagSys took a lot of time

	• Format of writing differ between doctors. The vital signs (BP, HR) have specific fields on separated tab but doctors preferred to write in the case history page instead. This is perceived as faster and have all information at one place.		
Comparison between manual and HIS	• Bad handwriting, difficult to read • Now faster and issue resolved • No anatomy diagrams so need to describe in words. That takes time compare to manual • Dispensing of medication by the staff can only be done after doctor completed the information.	☐ She has been exposed to this system from the start of her work.	☐ Previous clinic owner used manual record. ☐ This system made life easy compared to manual record. In manual record system, if patient never visit the clinic for a long time, it's difficult to retrieve/find the clinic card.
Comparison C-Magsys with other HIS	• No experience	☐ No experience	☐ No experience
Learning curve	• 1 month • Previously, she wrote on paper first and transferred to computer after clinic is over. Now directly type into the system.	☐ 3 - 4 days	☐ 1 week ☐ Additional query contact IT support
Others' feedback	• Staff likes the system • Now no need to trace old files/clinic cards • I/C scanner made life easy - no need to key in patient's details for registration (automated) • Stock inventory of drugs	☐ No problem ☐ Just slow sometimes due to internet	☐ Initially staff complaint difficult to use especially doctors. They used to drug brand names instead of the medication's generic name. (Resolved)

Experience in terms of workflow & maintenance	• Intuitive UI, simple • A lot of functions in the system besides patients' management (e.g. administrative) • Initially interruption of workflow when first implemented (double work) • Now use abbreviations and document positive findings only and faster • A staff is assigned to troubleshoot for simple IT issues • IT support will come when called but not immediately. Sometimes they come next day. That created backlog.	☐ Like the UI as it looks easy ☐ No changes to the software from beginning until now. ☐ IC card reader was added on during early stage. ☐ Hardware doesn't breakdown. Computers may be slow after 4-5years ☐ System cater to their needs including panel companies required information is available in the system ☐ Hardware and software maintenance by IT support including antivirus ☐ IT support - phone and/or remote desktop troubleshooting using teamviewer. Problem rarely occur in a year.	☐ UI looked difficult initially but it became easy after learning how to use it ☐ One main CPU that connects to other CPU in the clinic. If this main CPU spoilt/having issue, everything down. ☐ IT troubleshoot remotely via teamviewer ☐ Previous experience of virus attack on the main CPU. ☐ Solution - change the main CPU to another CPU. ☐ Daily backup after clinic closed ☐ Size of backup about 80Mb/day in pendrive
Personal experience with IT and gadgets	• Owns an android smartphone and desktop computer • Utilised for basic daily work only	☐ Laptop, smartphone ☐ Her children also own smartphones	☐ Android tablet, laptop, smartphone ☐ Learned computer in school ☐ Experience working in photo centre and used photoshop software
Others	• Patients are surprised and impressed with the clinic system. • However, when system down, it prolonged waiting time, and caused patients to be irritated. Patient asked the doctor to "throw away the system".	☐ Still practises some paper form records as required by panel companies for claim purpose	☐ None

DF - Dengue fever, IC - Identification card, UI - user interface

Table 2: Analysis from in-depth interview

Participants	37-years old, Female, Clinic staff	34-years old, Female, Clinic staff	35-years old, Male, Medical doctor
Work experience	• 5 years • Job scope: help doctor, dispense medication, claims for panel/companies	☐ 14 years ☐ Job scope: help doctor, dispense medication, panel claims, clinic cleanliness	☐ 2 months in this clinic ☐ Freelance doctor
Users' positive feedback	• Easy to use, easier to search patients via C-MagSys compare to manual system • Drastic difference compared to manual • Easy to get information for panel claims • Work burden reduced now	☐ Easy to retrieve & search for patient ☐ Medication and billing (total charge) automatically calculated - easy ☐ Work burden reduced now ☐ IC card reader and the system automatically calculated all the costs made billing and payment easy	☐ Easy to handle, system not complicated (Just fill up clinical findings and treatment)
Challenges faced	• Internet issue, usually resolved within 5 minutes as the staff knows how to adjust the cable. • Hypothetically if breakdown, clinic still run using manual paper documentation. That creates double work.	☐ Internet line is the only issue but all the staff knows how to troubleshoot and effectively resolve the issue	☐ Nothing except slow internet
Comparison between manual and HIS	• C-MagSys makes finding patients easy • IC card reader made registration and patient search faster • Manual: cannot find patient's card as a result of wrongly filed patient's card	☐ Difficult to search for patient cards in manual system ☐ C-MagSys is faster ☐ If card system, need to re-arrange and filling adds on work burden	☐ Paper is faster than HIS. HIS is slower because need to type in the information ☐ Until today, he feels paper documentation is faster ☐ But in medicolegal case, paper documentation will be an issue as bad handwriting and non-standardised abbreviations were used

Comparison C-MagSys with other HIS	• Not applicable	☐ Not applicable	☐ Used another HIS system but in the clinic setting it was mixture of paper and HIS. ☐ Previous organisation's HIS allow referral done via online (HIS). Previous HIS system more complex with LIS, pharmacy modules included. So more rich in data ☐ C-MagSys is simple, capture data for one clinic usage with no linkage to outside facilities
Learning curve	• 1 week	☐ 2 days	☐ 1 day
Others' feedback	• Like this system • Easy to get patient's history, medication and diagnosis	☐ Internet connection speed	☐ Internet connection speed
Experience in terms of workflow & maintenance	• UI easy • No hardware issue encountered • C-MagSys software depends on internet to run. • Initially not used to this system, it disrupted workflow but now she got used to it. No disruption in work process. • The transition between manual to C-MagSys was a burden.	☐ IU initially looked difficult as she has no experience using HIS ☐ When she got used to it, she is comfortable with this system ☐ No hardware issue encountered ☐ No disturbance in workflow	☐ UI easy, simple, user friendly ☐ No software or hardware issue ☐ Workflow not affected by the system ☐ Doctor's requirement in C-MagSys is very specific (patient's clinical finding and medication). Others are done by clinic staff.
Personal experience with IT and gadgets	• Samsung tablet, smartphone • Previously worked as factory worker • She also had experience with manual system in another clinic	☐ Desktop computer using mobile data plan as source of internet, smartphone, android tablet	☐ Laptop, smartphone

Others	• None	☐ If got new staff, she is confident in teaching he/her how to use this system ☐ Even in crowded clinic scenario, all registrations are done immediately using the C-MagSys.	☐ Appearance of advertisement do not disturb his work ☐ Advertisement does not attract his attention

IC - Identification card, UI - user interface, LIS - laboratory information system

Discussion and Conclusion

This study yielded favourable outcome by way of positive feedback from the all the subjects. They are all considerably pleased and comfortable with the C-MagSys integration in their daily work. The fact that the users in that clinic range between 31 to 48 years old and they were all able to familiarise themselves with system within one week or less proves that C-MagSys is rather user-friendly to the working population. Only one respondent which was the oldest (aged 48 years) took about 1 month to completely understand the usage of the system. Both doctors interviewed admitted that writing on papers could be quicker than typing on the computers but when all things considered, they were agreeable that system such as C-MagSys is the way forward. It might take slightly longer to enter information into the system compared to writing on paper but in the long run the system will help in making the workflow faster and more efficient. One example given was the fact that information about a patient could be retrieved very quickly from the system without having to search through the traditional physical files which could be troublesome and time-consuming.

Human skills, experience, expert, satisfaction and information quality are important to successful HIS adoption. User satisfaction is integral in the implementation of new technologies to ensure optimal use and eventual desirable outcome to the patient care. The system must therefore not only be usable and relevant to the healthcare providers such as medical practitioners and nurses but must also be appealing to the administrative and support staff alike. Healthcare providers and the administrative staff in this study have also shown to accept the usage of health IT system as they were convinced that the system is relevant to their daily work routines. There might also be a role of education and training in enhancing the understanding and interest of the end users in the system. In the case of this clinic, the doctors and staffs' positive acceptance towards C-MagSys might be explained by the usability, applicability and relevancy to their work processes. The widespread use of the clinical management system and its general acceptance by the clinic staffs nowadays is in line with the modern era of technologies and gadgets. Perhaps, the next steps are to develop ways for the system to be able to communicate with the system of other clinics or even the hospital and relevant health office. This would further enhance the coordination of patients care.

The ultimate aim of the system is to facilitate the provision of the best care for the patients. This essentially means that the system ought to be fool-proof, sustainable and comes with alternatives or backup support, should the regular services become non-operational. C-MagSys operation relies on internet connection. As reported by the clinic staffs, any disruption to the internet connection may interfere with the system and there might be needs to resort to using the traditional paper filing system during the down time. Fortunately, the staffs claimed that the internet connection disruption rarely occurs, (i.e. once a year). As with other any electrical devices, the hardware for this system ideally requires uninterrupted electrical supply during its operation period to avoid any disruption to the normal work flow and patients care. Therefore, uninterrupted power supply in the form of backup generator would also be very useful in this situation especially in 24-hours clinics.

One of the barriers to the successful implementation of HIS is the high cost, both initially and recurrent, (e.g. maintenance fee and service cost of network). The cost varies between the healthcare sites according to the size of the premises and the numbers of the patients. Larger clinics and 24-hours clinics naturally require more cost in setup and operation of HIS compared to smaller clinics. Despite the necessary high investment in setting up the system, with sound planning, decision making and implementation, substantial saving could be achieved in the long run. Managers and financial advisors play a pivotal role in determining the most suitable, cost-effective and justifiable setup of HIS according to their respective settings. This is especially important in the private sector, where financial aspect is one of the important indicators of performance and sustainability as compared to the public healthcare institutions.

Another challenge in implementation of HIS is the possible lack of knowledge about the systems and latest advancement in medical technology. The deficiency of medical expert knowledge could lead to problems with uncertainties in the new healthcare innovations and users' acceptance and adaptation to the new innovations. Technical experts are required in setting up the system, educating the end-users and subsequently maintenance of the whole network. The clinic in this particular study managed to cope with education and training of the system to its entire staff. New and short-term staffs were also able to pick-up and familiarize with the system quickly. A C-MagSys operation manual was available for reference.

Due to time constraint and limitations, we were only able to conduct this study at a single clinic. Health information system has been shown to be helpful in assisting healthcare providers in optimising the provision of optimal patient care. With the current advancement of information technology and general awareness on the usability, we recommend similar study to be conducted in other clinics with C-MagSys. Clinical management system was found to have been largely beneficial in increasing and emphasizing on improving the quality of care provided to the patients. C-MagSys appears to be on the right track in achieving the objectives which is evident from the general positive feedback received from the staff interviewed in this study. HIS in general has potential to improve the healthcare services further by utilisation in all healthcare sites especially if the systems could be integrated between private and public clinics alike in a national-scale HIS network.

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An Empirical Investigation of Preventive Maintenance Practices Among Manufacturing Organizations: Does Cost and Quality Matter?

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Abstract

Purpose: The prime objective of the current study is to investigate the relationship between Preventive Maintenance (PM) and production performance. The study has proposed a framework which argues that preventive maintenance practices improve production performance by lowering production cost and improving the product quality

Design/methodology/approach: The methodology involves transforming the Malaysian manufacturing Sector through preventive maintenance that can reduce manufacturing cost and increase product quality. The empirical data were collected from 155 Malaysian manufacturing companies through a survey.

Findings: The paper finds that Preventive Maintenance practices successfully reduce the manufacturing cost and at the same time increase the quality of the product through practicing Time -based maintenance (TBM); Condition-based maintenance (CBM) and Predictive maintenance (PdM). All Malaysian manufacturing sectors comprehend that the Preventive Maintenance practices namely; Time -based maintenance (TBM); Condition-based maintenance (CBM) and Predictive maintenance (PdM) are very important that deliver value in use.

Research limitations/implications: The limitations are the study focuses only on manufacturing based company and no service based companies were involved in this study and this study only prioritizing Preventive Maintenance practices as in-depth in nature, and the brief reporting can only cover the tip of the iceberg.

Practical implications: The Preventive maintenance has significant potential value in providing routes for companies to move up their value by exploiting higher value business activities.

Originality/value: The paper can be useful for Malaysian manufacturing and service industries which are in the starting phase of PM implementation.

Keywords: Preventive Maintenance, Malaysian Manufacturing Sector, Manufacturing Performance, Time –Based Maintenance, Condition-Based Maintenance, Predictive Maintenance

1. Introduction

The manufacturing sector is one of the key drivers that extensively contribute to the growth of the Malaysian economy. The manufacturing sector has become the driving force for the industrial development in late-industrializing economies (Otsuka and Natsuda, 2016). Manufacturing propels Malaysian growth and industrialization since the launch of the New Economy Policy (NEP) in 1971. Moreover the manufacturing sector was known for its dynamic roles which contributed to the expansion of its own growth and also other sectors (Rasiah, 2010). The government of Malaysia is highly committed to improving and enhancing its manufacturing sector to be one of the key sectors for the industrial development of the country through series of strategic government plans such as the Malaysian Plan (MP) and the more specific indicative plan of Industrial Master Plan (IMP). About twenty years ago, the government of Malaysia started to concentrate on the development and improvement in the manufacturing sector.

Serious attention has been given to the manufacturing sector as indicated in the Tenth Malaysian Plan (10MP), alongside other sectors of agriculture, construction, mining and quarrying, and services to accelerate the national economic growth that is driven by knowledge and high technology-based industries that would contribute in the Gross Domestic Product (GDP). In the mission to achieve greater global competitiveness, the government aims to expand the economic growth in the manufacturing sector at 5.6 percent annually and contributes 28.5 percent to GDP in the year 2020 with the total investments of RM412.2 billion or RM27.5 billion annually (IMP3, 2006). According to Bank Negara Malaysia, The production sector is among the key factors which helped the Malaysian economy in an economic revival during the time of the global financial crisis (Asid, 2010).

To achieve Vision 2020, the government stimulates the industries by involving in high impact projects through the Economic Transformation Programme (ETP) and developing strategic cluster-based industries in manufacturing and services through the National Key Economic Areas (NKEAs) as well as in-NKEAs sectors and services sectors. The potential ability of NKEAs in enhancing the Gross National Income (GNI) allows a priority support from the Government (PEMANDU, 2013). Indeed, the manufacturing sector plays the most important and dynamic sector as compared to the others.

Hooi (2015), found the trade electronics and electrical item from Malaysia will increase and its growth is placing a significant impact on the economic growth of Malaysia. He continued and argued that the semiconductor industry has potential and with proper attention to this sector Malaysia can active it targeted economic growth. He concluded in his study with an argument that a flourishing and progressive production sector is a pre-condition for a prosper and growing economy and found a positive relationship between manufacturing sector performance and economic growth of Malaysia. However, later, Stuckler, Reeves, Karanikolos, and McKee, (2015) shown a disagreement with the findings of Hooi (2015) and argued that, it is not only the manufacturing sector which contributes to economic growth, rather the increasing role of technology and emerging concepts of knowledge-based economy are also key drivers of

economic growth. He further argued that no targeted economic growth can be achieved unless Malaysia production sector does not improve its performance in technological adoption. Recently, Singh and Ahuja (2017), pointed out that uninterrupted continuation in production is the key detriment of production performance. Explaining further he argued that, interruption in production either by the poor quality of the machine, the inefficiency of labor or incorrect settings, affect the production performance by affecting the quality of the product as well as production cost. The argument broached by Singh and Ahuja (2017) is consistent with the findings of forth Taib, Lamsali, Saleh and Subramaniam (2016). Whereas many researchers (Wickramasinghe and Perera, 2016; Troiano, Nolan, Parsons, Hoven and Zale, 2016; Helo, Gunasekaran, and Rymaszewska, 2017) are also of the view that the above-mentioned factors such as quality of machine, efficiency and skill of labor and incorrect setting has no significant impact on production performance in Malaysia.

Moreover, Malaysian Investment Development Authority (MIDA) is also emphasizing that Malaysian firms need to move ahead by embracing the incentive of technology knowledge in order to make the production process efficient and indirectly lead to the good management decision-making (MIDA, 2015). In spite of the increasing numbers of benefits accruing from raising global competitions, the question whether acceleration of economic diversification of Malaysian manufacturing organization actually improve business performance still remains unclear (Yusoff, Imran, Qureshi, and Kazi, 2016; Hooi, Hooi, Leong, Leong, 2017; Ho, Ahmad and Ramayah, 2016). Thus in this study, the researcher wants to identify how the implementation of effective preventive maintenance practices on improve performance of Malaysian manufacturing sector through product quality and reduce the manufacturing cost.

2. Literature Review

The Malaysian manufacturing sector is vital to the economy. To excel, the firms must first need to identify and determine their manufacturing performance. Secondly, they should aware that critical manufacturing practices will generate superior performance (Leachman, Pegels, and Shin, 2005). Strategies, objectives, and capabilities must be re-aligned and upgraded to encounter the existing business challenges, outrival competitors and endure global competitiveness. The present sustainable manufacturing practices are not soundly mapped, thus the justification and mechanism for improvements and their impacts are remained unclear (Despeisse, Mbaye, Ball, and Levers, 2012). Timely maintenance of manufacturing machines and equipment is a pre-requisite for smooth operations and production performance.

Park, Moon, Do and Bae (2007) categorized the maintenance activity into three main categories: corrective, preventive, predictive and condition-based maintenance. Faccio, Persona, Sgarbossa, and Zanin (2014) mentioned that the maintenance is one of the strategic plans to make sure high productivity of industrial systems. In adding, Al-Turki et al (2014), argued that preventive maintenance practices played an essential role in the development of manufacturing industries. This is the main reason why the maintenance task is among the central activities in manufacturing industries and have great influences on both the quality and quantity of the product which in turn affect production cost and customer satisfaction. Najid et al., (2011) stated that the preventive maintenance basically involves the condition based and time-based action which was appropriate for all production plant were avoid the machine failure which sufficient to meet organization demand. Meanwhile, Sorooshian, Aziz, Ahmad, Jubidin, and Mustapha, (2016), stated that it is essential to take advantage of conditions of machines by simultaneously and consistently plan for maintenance and for the production process, the measures might be a strategy to improve the performance of the organization. Thus, this study expecting that the preventive maintenance is a perfect solution in boosting the organization performance by extending the machine life and ensure the workplace safety.

In this study, the cost, quality is referred to as the main dimensions of manufacturing performance. Jin, Siegel, Weiss, Gamel, Wang, Lee and Ni (2016) stated that machine or equipment failure not only affect the quality of the product but also increase the cost of manufacturing plant to replace the breakdown equipment. Thus Boon-Itt and Wong, (2016); Chavez, Yu, Jacobs, and Feng, (2017); Schönsleben, (2016) assert that in order to compete for global demand every firm must improve their performance by decreasing production costs and increasing quality of their product. According to Jardine and Tsang, (2013) manufacturing cost will be increased by inadequate maintenance jobs that lead to breakdowns and equipment failures. Due to this problem, the product being produced by a manufacturing plant may be off-centered due to the poor quality of machine performance (Kumar, Lad, Manjrekar, and Singh, 2016). The defective products must be reworked in order to rectify the quality deficiency. The above explanation shows that manufacturing performance dimensions such as cost and quality have a crucial relation to equipment maintenance.

3. Theoretical Framework and Hypothesis Development

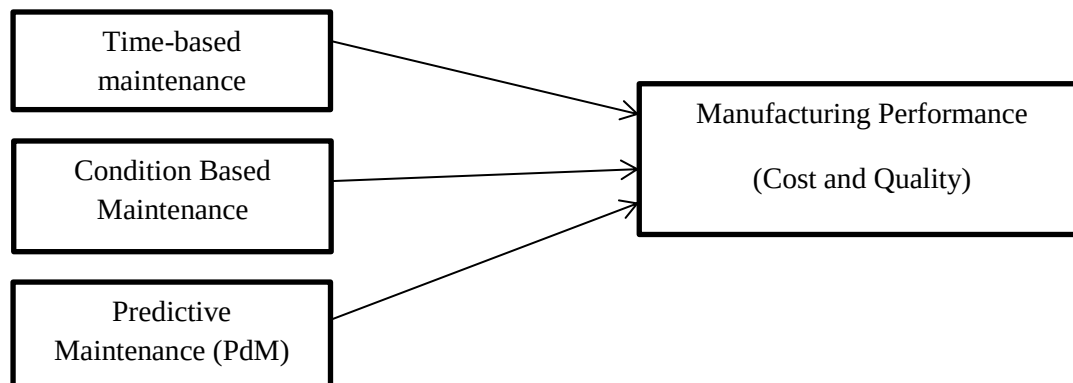


Figure 1: Theoretical Framework

Figure 1 above illustrate the theoretical framework of this study. In this study, the preventive maintenance is known as independent variables and it divided into three dimensions namely; Time-based maintenance; Condition Based Maintenance and Predictive Maintenance. Meanwhile, the Manufacturing Performance was the independent variable and it was divided into two dimensions; cost and quality. The researcher intent to identify which factor; (TBM); (CBM); (PdM) contribute to the manufacturing performance to reduce the manufacturing cost and increase the quality of the product. Based on the theoretical framework above the following hypotheses were proposed:

H1: Time-based maintenance has a significant relationship to manufacturing performance.

H2: Condition-based maintenance has a significant relationship with manufacturing performance.

H3: Predictive maintenance has a significant relationship to manufacturing performance.

4. Method

The current study is based on cross-sectional research design and quantitative research approach. The population of this study comprised of Malaysia manufacturers situated throughout Peninsular Malaysia. Malaysian Industry Development Authority (MIDA) illustrates that there are two main types of manufacturing industries, namely; resource-based and non-resource-based industries (MIDA, 2006). In order to distribute the questionnaire, the researcher of this study used the Federation of Malaysian Manufacturers (FMM) directory to list down the manufacturing organizations. The questioner was used to investigate among the

Malaysian manufacturing organizations in order to identify whether preventive maintenance practices have influenced the performance of Malaysian manufacturing organization. There were a total of 3,752 manufacturing and service companies until January 2017 was identified in Federation of Malaysian Manufacturers (FMM) directory (FMM, 2017). There was 200 questionnaire was distributed to selected company. The questionnaire was sent using postal and after three months only 155 questionnaires were received. The questionnaires were answered by the managers and engineers that directly participated with manufacturing plant operation.

5. Data Analysis and Results

5.1 Measurement Model Assessment

Prior to the hypothesis testing, a measurement model was examined. It is a mandatory condition to move further to test structural model. In the measurement model examination, factor loading was observed, it should be more than 0.5 as stated by Hair et al., (2010). Cronbach alpha, as well as composite reliability, was also examined, and it should be more than 0.7. Furthermore, to examine convergent validity, average variance extracted (AVE) was studied. Figure 2 below explain the outer model assessment.

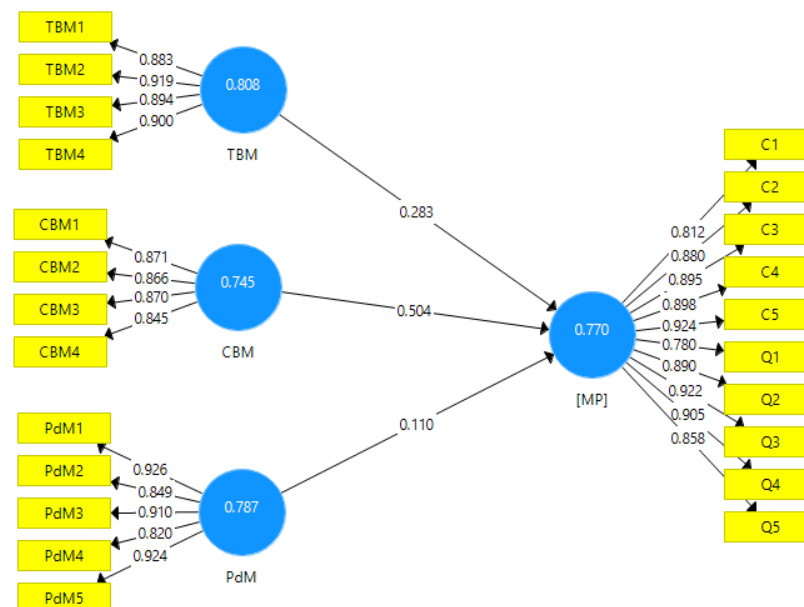


Figure 2: Measurement Model Assessment

Figure 2 shows that all the factor loading for all measurement variables. Refer to the result of measurement model above illustrated that all loading value was more than 0.7. Moreover, composite reliability and cronbach alpha are also more than 0.7. Average variance extracted (AVE) is more than 0.5 which confirms the convergent validity. The following table will explain in detail the result of Discriminant validity.

Table 1: Factor Loading, Reliability, Convergent Validity, AVE

Construct	Indicators	Loadings	Cronbach Alpha	Composite Reliability	AVE
Manufacturing Performance	C1	0.812	0.966	0.971	0.770
	C2	0.880			
	C3	0.895			
	C4	0.898			
	C5	0.924			
	Q1	0.780			
	Q2	0.890			
	Q3	0.922			
	Q4	0.905			
	Q5	0.858			
Time-based maintenance	TBM1	0.883	0.921	0.944	0.808
	TBM2	0.919			
	TBM3	0.894			
	TBM4	0.900			
Condition-based maintenance	CBM1	0.871	0.886	0.921	0.745
	CBM2	0.866			
	CBM3	0.870			
	CBM4	0.845			
Predictive maintenance	PdM1	0.926	0.932	0.948	0.787
	PdM2	0.849			
	PdM3	0.910			
	PdM4	0.820			
	PdM5	0.924			

Table 1 above shows the results of measurement model assessment. Discriminant validity is examined by assessing the square root of the average variance extracted (AVE). It is shown that the square root is higher than other values. Therefore, this study also confirms the discriminant validity meets appropriate value to conduct further analysis.

Table 2: Discriminant Validity

	CBM	PdM	TBM	[MP]
CBM	0.863			
PdM	0.913	0.887		
TBM	0.885	0.795	0.899	
MP	0.855	0.796	0.817	0.877

5.2 Structural Model Assessment

After analyzing the measurement model, a structural model was observed to test the hypotheses. All the hypotheses were tested with Discriminate validity. In this paper, the discriminate validity was assessed by examining the Fornell and Larker (1981) conditions in which discriminant validity is demonstrated if the construct for AVE for a construct is more than the square of the constructs correlations with all other factors. In the simple word, a construct should explain more variation in its own indicators that of any other construct in the model.

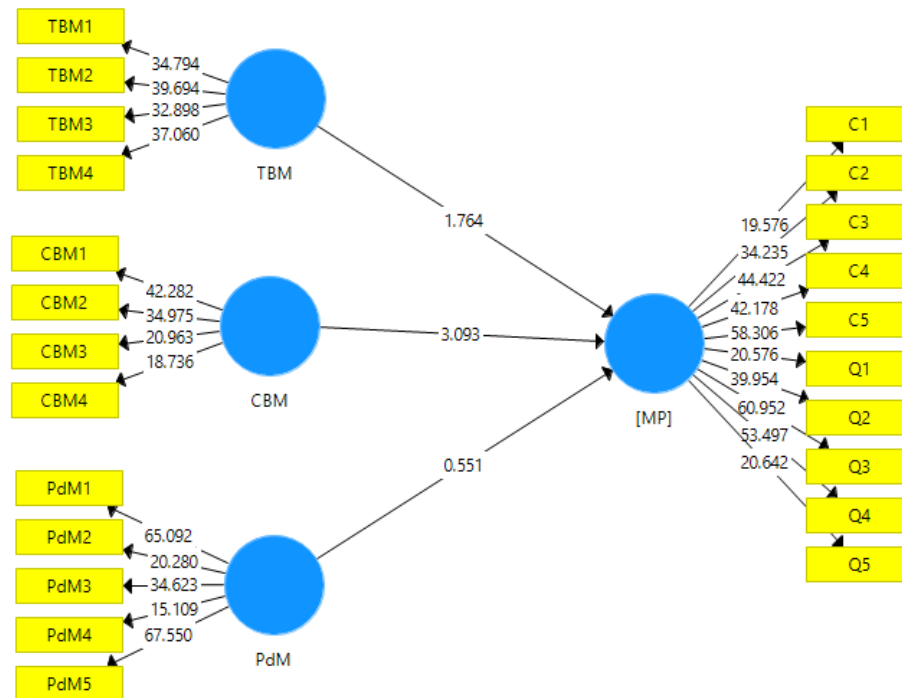


Figure 3: Structural Model Assessment

Figure 3 above indicates the bootstrapping result of the structural model and we can find that the T-value of all model at the acceptance level. According to Tenenhaus et al., (2005) the bootstrapping result t-values for the paths in a model must 1.64 or higher is significant at 10% level of significance ($t > 1.64$; $p < 0.1$). Based on the above value we can find that the t-value of TBM: 1.764; CBM: 3.093 and PdM: 0.551. These indicate that the t-value of TBM and CBM show significant value which above than $t > 1.64$ meanwhile the PdM show t-value result less than $t > 1.64$.

Table 3: Direct Hypotheses Results

Hypothesis	Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision
H1	TBM>MP	0.283	0.250	0.161	1.764	0.008	Supported
H2	CBM>MP	0.504	0.487	0.163	3.093	0.002	Supported
H3	PdM>MP	0.110	0.161	0.200	0.551	0.582	NOT Supported

Table 3 indicates the results of direct hypotheses of the study. From the p-value of TBM; 0.008 and CBM; 0.002 was less than 0.05 or meanwhile the p-value of PdM was 0.582 which above than 0.05. Similarly, another outcome of the hypotheses result was not favored to PdM. Therefore, this study declares that the H1 and H2 hypotheses are accepted and Hypothesis H3 was not supported.

6. Discussion

After analyzing the data, it is found that preventive maintenance practices have a significant positive relationship with manufacturing performance in Malaysian manufacturing firms. Sound preventive maintenance practices are essentials for the maintain a good performance in Malaysian manufacturing firms. Thus, improvement in preventive maintenance practices will

directly improve the manufacturing performance. It is found that (TBM) and (CBM) has a significant relationship with manufacturing performance in Malaysian manufacturing firms with a p-value of 0.008 and 0.002. Meanwhile, the t-statistic value of (TBM) and (CBM) also show higher is significant level at 1.764 and 3.094. Thus, this study declares that (TBM) and (CBM) has a significant positive relationship with manufacturing performance in Malaysian manufacturing firms. However, the (PDM) is rejected due to lower t-statistic value at 0.551 and p-value at 0.0582 which more than 0.05 p-value. The findings of the study have revealed that (PdM), have no relationship with manufacturing performance. Overall this study reveals that all sub-factors in preventive maintenance namely (TBM and CBM) were found to be having much effect on the (Cost and Quality). This because the implementation of (TBM and CBM) practice can minimize the machine stoppages and breakdown in manufacturing plant and this significantly increased the manufacturing performance in term of reducing cost and retain product quality that directly improves the organizational performance. Therefore, it can be concluded that (TBM) and (CBM) has a major key role in improving the manufacturing performance.

7. Conclusion

The current research is carried out to investigate the role of preventive maintenance practices to achieve better manufacturing performance among the Malaysian manufacturing sector. The findings of this study reveal that (TBM and CBM) practice plays a significant role in extending machine lifetime that reduces sudden machine breakdown and retains the performance of the machine that significantly reduces the cost of the manufacturing firm in repair the retain product quality that creates sustainable manufacturing performance. These competitive strategies are needed to achieve a better performance and generate the competitive advantage among Malaysian manufacturing organizations. Preventive maintenance practices are the key to improving manufacturing performance by decreasing production costs and increasing product quality that become most crucial part in enhancing overall manufacturing performance.

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Impact of Consumer Behaviour on Individual's Investment Intention in Private Retirement Funds in Malaysia

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Abstract

Purpose: To investigate the factors affecting individual's intention to invest in private retirement's funds in Malaysia using the 5As (awareness, acceptability, accessibility, affordability and assurance).

Design/methodology/approach: Quantitative method with convenience sampling techniques is the appropriate method for the study. To achieve the objectives of this research work and to test the hypotheses, SPSS was used to analyse the collected data.

Findings: It was found that 5 independent variables (awareness, acceptability, accessibility, affordability and assurance). have significant relationship with investment intention in private retirement funds in Malaysia.

Practical implications: It will provide valuable cues for fund management companies to develop a better strategy for attracting potential and existing clients by giving them assurance that their funds are in safe hands with good rate of return.

Originality/value: This study provides the evidence on the factors that influence individuals' retirement savings behaviour in Malaysia. Looking from a cultural perspective, this study adds to the existing literature on retirement savings by exploring the role of individual preferences likelihood to invest part of their retirement savings into the unit trusts options

Keywords: Consumer Behaviour, Investment Intention, 5As

Introduction

In today's society, many people are lacking in proper planning for a comfortable retirement which can consequently be harmful to the government, society, and the country's overall economy. Individuals who have less consideration in making retirement decision will have less knowledge about the importance of retirement planning (Ibrahim et al, 2012, Stanley & Leow , 2017). Generally, consumers are aware of the importance of financial planning, but many do not take ownership of own affairs. This is mainly due to the lack of knowledge and information

of the financial products. This is evident, as seen in the lack of financial literacy among consumers, even in developed countries, such as the United States (Lusardi & Mitchell, 2005), United Kingdom (Smith, 2005) as well in Japan and Australia (Smith, 2005). Due to financial illiteracy, many do not understand financial products and consumers are not able to make decision to purchase financial products. Furthermore, some may deem financial products to be too complex and risky in nature, therefore, consumers are cautious of their decision making in this area

According to Fah et al. (2010), 70% of Malaysians withdraw their EPF saving in a lump sum, upon reaching 55 years of age and within 3 years they have used up their savings. Syed (2010), reported that in 2010, the average EPF balance for males is RM160,000 while for females is RM100,000. In order to survive for 10 years after retirement, with this RM16,000 (RM1,333 per month) or RM10,000 (833 per month) per year, is just not sufficient for most pensioners. The issue then raised here is how should people be enlighten or educated on proposed retirement plans. Past literature review on individual's behaviour towards retirement plans reveals a dearth of knowledge on individual's behaviour towards investment in private retirement funds, specifically using the 5As (awareness, acceptability, accessibility, affordability and assurance) as against the 4ps (place, price, promotion and package).

There is limited research related to consumer behaviour and buying intention in Malaysia (Jane et al, 2012; Stanley et. al, 2017). Therefore, it is important for the researcher to investigate on whether the same theory can be applied in within a different industry in Malaysia. Hence, this study intends to fill in this research gap by investigating factors affecting individual's intention to invest in private retirement's funds in Malaysia using the 5As. In this research, the influence of consumer behaviour (awareness, acceptability, accessibility, affordability and assurance) are the independent variables while individual's investment intention is the dependent variable.

Literature Review

The consumer behaviour is a relatively new field of study which has only come up after the Second World War when the economies began to stabilize. In short, more emphasis is placed on the buyers' market as compared to the sellers' market (Wahyuningsih, et al, 2008). As a result, there is a paradigm shift of attention from a focus on products to consumers. This in turn has driven the attention of manufacturer towards understanding consumer behaviour. As indicated by Chia et al, (2016), the marketing concept has evolved from mere selling into the consumer-oriented marketing. This has made the behaviour of buyers as an important and independent discipline within research initiatives. There are number of characteristics that shape the consumer behaviour and these are used within this study. The characteristics are depicted as (i) awareness, (ii) acceptability, (iii) accessibility, (iv) affordability and (v) assurance and they are discussed in this order in the following sections below.

Awareness

According to Kotler and Armstrong (2010), awareness is the first stage in making a decision in buying behaviour, followed by knowledge, interest, preference, persuasion and final stage will be purchase. In marketing term, awareness refers to consumers knowing about the products and services' characteristics. This would aid them to purchase, or be persuaded to try it, or be reminded to repeatedly to make a purchase. With better understanding, consumers have a choice to decide and will be able to know whether the financial products fit their risk appetite/profile. Effective ways to create awareness and knowledge of products or services being offered, include, educating the customers and mass media awareness outreach.

Awareness can be important in influencing investment intention among individuals. The researchers found brand awareness has significant impact on consumer's purchase intention (Mirabi, 2015). Brand awareness is the probability that consumers are familiar with a

company's products or services. A successful brand implies that the company has a good reputation and is easily accepted by the public. A brand can control "perceived risk evaluation" of consumer and "level of assurance" of purchase for the product or service (Malik, 2013). Brand awareness creates a "strong brand" or association in consumer's memory of a particular brand, such as fried chicken is associated with KFC or the "Swift" logo is associated with Nike. Consumers believe that brands are approved, approachable, reliable, recognised, brand dominance (name or product or service or logo is recalled by consumer), brand knowledge (what the brand meant to the consumer). Brand has to be communicated and transaction will occur later. Consumers will be loyal to the brand and have the knowledge on the brand and then will be confident to purchase the product or service of this brand.

Acceptability

Acceptability is when a consumer is satisfied with the product or service designed to meet their needs and wants, and the product is able to deliver a solution to the consumer. The product or service gives some value to the buyer and serves a purpose. It can be described as how a consumer reacts towards a new or unfamiliar service, to extent that the consumer is willing to purchase or use the product or service (Safari et al, 2016). This type of consumer behaviour can be explained as whatever reasons people have for buying a particular product are rooted in how they use that product, and how well it serves the use to which they put it.

From consumer value's viewpoint, for the product to be acceptable, the end product has to meet certain criteria such as reliable, safe to invest, sufficient information to make a decision, price, quality, which co-relation to consumer perceived the cost and benefit of the product or service. The product or service serves to their expectation of what the consumer is paying and cost on the product and service. Customer value is not about the technicality of the product or service but the personal goal that is being achieved (Lai, 1995). A research studied the perception of consumer acceptability is based on consumers and it linked to their attitudes, demographics and also market price (Tomlins et al, 2007). Acceptability can refer to consumers' purchasing behaviour and consumption towards the goods and services.

Affordability

Affordability is based on value rather than cost. It is what the consumer is willing and has the ability to pay, taking into consideration the income, time and effort needed to finance or fit the budget of the consumer, rather than the company setting a high price. There is research that examine affordability has a connection with the market price, demographics, and attitudes of the consumers (Tomlins et al, 2007). Affordability is also linked to gender, income level, and quality perception. Some consumers tend to relate pricing with social status. They perceive that by paying higher prices, they will be given "exclusivity". This can be seen in banks or financial firms, whereby, with the privileged status given to their clients, a special lane or a dedicated customer service personnel is assigned to these clients. With consumers from the lower income group, companies use "low-priced micro pack" for selling daily items. This can be seen with Unilever, whereby they sell smaller sized soap, shampoo and skin cream according to price.

Accessibility

Accessibility refers to the extent, with which the consumer is able access or acquire and use a product or service easily. In the view of Jamaludin (2012), accessibility occurs when the customers consider that a product or a service are satisfying their needs. More than that, customers are likely to acknowledge the fact if they are treated with care, expertise, compassion as a result of this, they are more likely to consider the product and services as acceptable and pleasing as well. According to Delve & Wilkins (2004), consumers only access the products that are acceptable to them, they otherwise would not consider any such products or service

that fails to satisfy their needs. In accordance with this, the concept of accessibility is highly debated by various scholars. The products or service is only acceptable by the consumers only when it is accessible to them. In simple words, it can be explained that the supply of the products and their availability should be aligned suitably with the customer demand. It is linked to the 4Ps of marketing's approach of "Place", however, accessibility goes beyond "Place". It can be improved by having good distribution channels, agency system or franchising system, and also many other methods of delivery.

Assurance

Assurance is giving the sense of confidence and trust to the consumer of the promised product or service. Some companies will provide a warranty to the consumer to instill belief towards their products or services. Parasuraman et al (1985) categorised service as, the ability to perform a service accurately and in a dependant (reliability) manner, the willingness to assist consumer with prompt (responsiveness) service, with employees that are knowledgeable and courteous. Parasuraman et al (1985) added that, assurance entails, giving the consumer the confidence and trust (assurance) and attention required.

Investment Intention

The investment intention in this research is defined as the chances and willingness of consumers to give preference to the retirement plan in their daily consumption pattern. Some of the main models that can be applied in the study of consumers' investment intention are the Theory of Reasoned Action (TRA) and Theory of Planned Behavior (TPB). Both of their models are shown in figures 1 and 2 below. TRA implies that consumer' intention and action towards the purchase will be influenced by their attitudes as well as subjective norm towards retirement planning issues (Ooi, Kwek and Tan, 2012; Ajzen and Fishbein, 1980). Additionally, TPB claims that the consumers' intention to perform behavior will be influenced by their attitudes towards behavior, subjective norms and perceived behavioral control (Ajzen, 1991). Regarding this, many researchers have applied these models into their studies that related to the consumers' purchase intention (Kimura, et al., 2012; Ooi, Kwek and Tan, 2012). Hence, these models will be applied in this research by focusing on the consumers' attitudes and purchase intention with the assumptions at below:

- (1) Purchase intentions are wholly under the consumers' volitional control.
- (2) Consumers are rational and they will make use of information that available to them (Ooi, Kwek and Tan, 2012).
- (3) Respondents will do the survey sincerely.

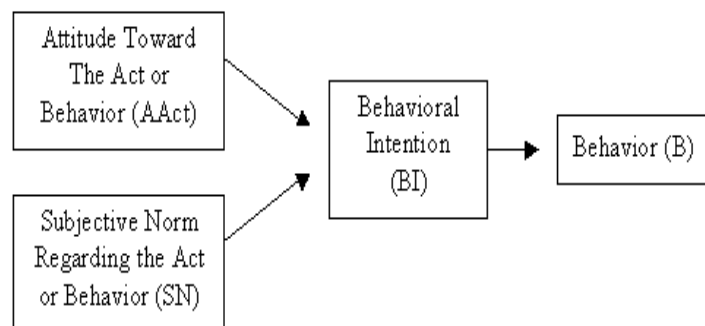


Figure 1: Theory of Reasoned Action (TRA)'s model
Source: (Ajzen and Fishbein, 1980, p. 1)

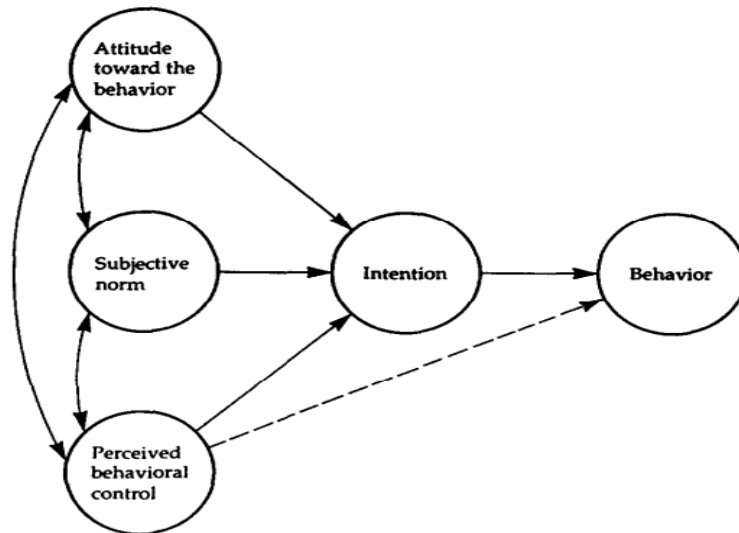


Figure 2: Theory of Planned Behavior (TPB)'s model
 Source: (Ajzen, 1991, pg. 182)

Hypotheses Development

For the reasons discussed above, it is seen that consumers expect to be aware of what is offered to them, without being manipulated by any means from the marketers. Thus, enhancing the consumer awareness is an important facet of an individual's investment intention which therefore gives rise to the establishment of Hypothesis 1. Likewise, the second hypothesis that is based on acceptability and its influence on the individual's investment intention for private retirements was formulated by considering the fact that consumers are quite discerning and thus will only accept products that fulfills their needs in an integrated and comprehensive manner.

Accessibility of products and services from a customer's point of view is a significant criteria that influences their products or services choices. This fact in turn leads to the development of 3rd hypothesis that accessibility presents an immense influence on the consumer investment decision towards the retirement funds. The establishment 4th hypothesis rests on the point that affordability is equally important for a customer within the context of perceived quality and value, to influence an individual's investment intention in private retirement funds. Lastly, the 5th hypothesis is formulated by considering the importance of assurance given to the customers that a particular product or service will yield within them a delightful experience of the product or service.

The set of hypotheses for this study were based on previous literatures is presented as follow:

H1:	Awareness has an influence on individual's investment intention in private retirement funds.
H2:	Acceptability has influence on individual's investment intention in private retirement funds.
H3:	Accessibility has influence on individual's investment intention in private retirement funds.
H4:	Affordability has influence on individual's investment intention in private retirement funds.
H5:	Assurance has influence on individual's investment intention in private retirement funds.

Research Methodology

In this study, the researcher has used quantitative approach which is deemed to be more appropriate for the topic of this research. With the help of a quantitative approach, the researcher can gather data in a systematic format to present findings on the impacts of independent variables on dependent variables. There are six variables within the current study which are awareness, acceptability, accessibility, affordability, assurance and investment intention and these variables are linked with each one directly and indirectly. There is only one dependent variable which is investment intention while the rest are all independent variables. According to Busk and Marascuilo (2015) the unit analysis is used mostly to evaluate the reasons for selecting the population and their relationship to the purpose of the research. For the current research, the researcher has chosen people who are involved with the idea of private investments for retirement plans. The research will test the hypothesis using the responses from those who have invested or are thinking of investing in the private retirement fund in Malaysia. The sampling frame is consisting of students, working adults and retirees aged 18 and above residing within the Klang Valley. The research is conducted using convenience sampling techniques which is seen as an appropriate method for the study. The relative cost and time required to carry out a convenience sampling is small in comparison to probability sampling techniques. This enables a relatively fast and inexpensive way of collecting data. Convenience sampling may help in gathering useful data and information that would not have been possible using probability sampling techniques, which require more formal access to lists of populations.

According to Hair et al., (2006) a sample size of between 15 to 20 questionnaires for each predictor variable is considered adequate, satisfactory and appropriate for multiple regression analyses. However, Roscoe, (1975), states a rule of thumb for determining the sample size, suggested a total sample size of 200. Therefore, with a total of five predictor variables, a total of at least two hundred (200) respondents are considered adequate. However, considering the possibility of the problem of incomplete questionnaires, Roscoe, (1975), rule of thumb will be followed. Therefore, the predetermined sample size for this study is 220, consisting of students above 18 years of age, working adults and retirees.

A survey using structured questionnaires was used as primary source of data collection. 240 candidates will be selected to respond to a self-administrated questionnaire. This will be done in order to gather the information required, to better understand the impact of awareness, acceptability, accessibility, affordability and assurance on the consumer's intention to purchase private retirement funds.

Aside from face to face administering of questionnaires, internet and electronic mails will be used to facilitate the procedure of the data collection. Questionnaires will be posted as World Wide Web forms on the Internet, as a means to enhance a faster response time, save cost, get higher response rates due to internet savvy respondents and better geographical coverage of participants.

A self-administered questionnaire was used to gather the required information from respondents. The questionnaire was first written in simple understandable English and then translated to Bahasa Melayu as it is the major medium of communication in Malaysia. The items used in the questionnaire were structured to achieve the objectives of the study. The questionnaire is divided into two Parts: Parts A, and B.

Part A collected data on the respondents' demography, such as the respondents' age, gender, occupation, educational background, knowledge of private retirement funds, and income. The examination of the demographic data was to describe the respondent's demographic character. Part B of the questionnaire collected information on the respondents' view or perception about the independent variables (awareness, affordability, acceptability, accessibility, assurance), and the dependent variable (intention).

Items of Personal Financial Planning Industry in Malaysia: A Market Survey Adopted from Safari, Mansori and Sesaiah, (2016) was modified and adopted for the purpose of this study. All the statements were coded on a 5-point Likert scale ranging from 1= strongly disagree to 5 = strongly agree.

Data Analysis

Data analysis involves examining, categorizing, or tabulating of the collected data. The purpose of analysing data is to transform the data collected to useful information. To achieve the objectives of this research work and test the hypotheses, Statistical Package for Social Science version 22 (SPSS) was used to analyse the collected data.

Multiple Regression

To test the hypothesis stated in this study, multiple regression was used to estimate the relationship between the independent variables (awareness, affordability, availability, acceptability and assurance) and the dependent variable (intention). Multiple regressions analysis is considered suitable when examining the strength of relationship between a dependent variable and one or more independent variables (Saunders et al., 2009). Hair et al. (1998) also stated that, “multiple regressions analysis is a multivariate technique that is used to estimate the relationship between a dependent variable and multiple independent variables”. It helps us understand how the typical value of the dependent variable changes when any one of the independent variables is varied, while the other independent variables are held constant. Regression analysis also helps to estimate which among the independent variables more significantly influences the dependent variable. Multiple regression analysis is considered robust and has the ability to analyse data from small sample size. Thus, multiple regression analysis was considered a suitable technique of analysing data for the present study. According to Yong and Pearce (2013), regression analysis is a kind of analysis that reveals about the variation in independent variable as a result of changes in dependent variable. The stronger the regression, the better is the connection between the independent variables and the dependent variable of the study. The summary of result is shown in the table below:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.865 ^a	.748	.621	.12703

a. Predictors: (Constant), log_ass, log_aware, log_access, log_accept, log_aff

The R-square in the table above shows that there is 74.8% of variation in dependent variable ‘investment intention’ from the independent variables that are: awareness, acceptability, affordability, accessibility and assurance.

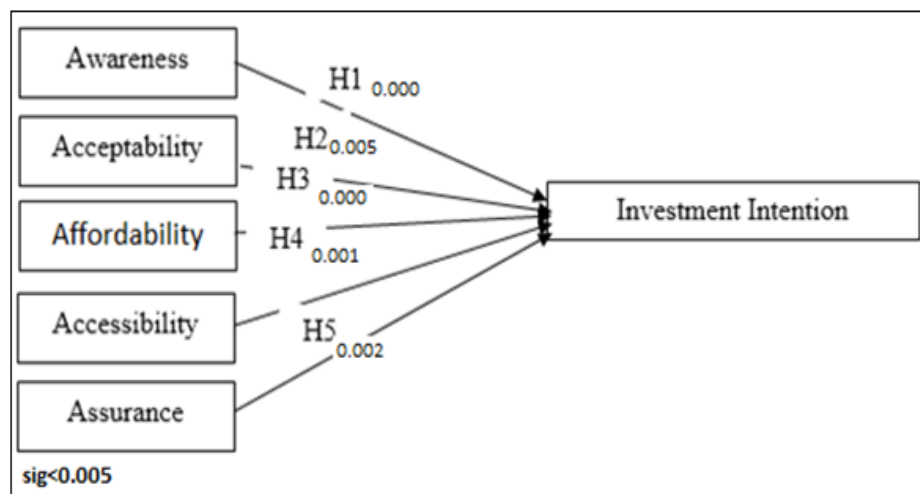
Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.432	.101		4.294	.000
	log_aware	-.005	.043	.070	.110	.000
	log_accept	.060	.051	.078	1.190	.005
	log_aff	.035	.049	.048	.705	.000
	log_access	.180	.056	.217	3.234	.001
	log_ass	.108	.048	.147	2.238	.002

a. Dependent Variable: log_II

Apart from that, the regression analysis also reveals the significance of each independent variable on the dependent variable. For that purpose, the coefficients table is extracted and presented above by the researcher. The sig. value also defines the achievement of the hypothesis created in the study. If the sig. value is or below 0.005, the impact of independent variable is significant on dependent variable. Therefore, from the results, it is clear that all the variables used in the study have significant impact on investment intention.

After all the tests has been carried out, it is outmost duty of the researcher to test the hypothesis. For this purpose, the empirical research framework is created and all the hypotheses are shown in the figure below. The sig. value for each of the variable has been mentioned for easy understanding. The empirical model is as follows:



Based on the evaluation above, the summary of hypothesis is created by the researcher and shown below:

	Hypothesis	Status
H1	Awareness influences an individual's investment intention in private retirement funds	Accepted
H2	Acceptability influences an individual's investment intention in private retirement funds.	Accepted
H3	Affordability influences an individual's investment intention in private retirement funds.	Accepted
H4	Accessibility influences an individual's investment intention in private retirement funds.	Accepted
H5	Assurance influences individual's investment intention in private retirement funds.	Accepted

Conclusion

This research is aimed to investigate the investment behaviour among Malaysian population. This research included individual's investment intention as the dependent variable. There are 5 independent variables which are awareness, acceptability, accessibility, affordability and assurance. After the data was collected through the survey, the data with sample size of 220 respondents was analysed with descriptive analysis and multiple regression analysis through SPSS. It was found that 5 independent variables have a significant relationship with investment intention in private retirement funds. This study can help people residing within Malaysia apply the concept of awareness, acceptability, affordability, accessibility and assurance in making decision to invest in private retirement funds. This study helps to clarify the consumer's intention for investment to make better decisions (Stanley, Chong & Leow, 2017).

The practical implication of this study is that it will provide valuable cues for fund management companies to develop a better strategy for attracting potential and existing clients by giving them assurance that their funds are in safe hands with good rate of return. Also, this study will be of interest to both incumbent operatives and potential entrants into this growing industry. Market segmentation could be developed by identifying the demographic characteristics of the individual investors and their fund selections.

Research focusing on an individual's choice within the retirement savings context is relatively sparse in emerging and newly industrialized countries (NICs), since most of the relevant literature is derived from developed countries. Therefore, this study provides the evidence on the factors that influence individuals' retirement savings behaviour in Malaysia. Looking from a cultural perspective, this study adds to the existing literature on retirement savings by exploring the role of individual preferences likelihood to invest part of their retirement savings into the unit trusts options

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Best Practices for Crisis Communication: A Qualitative Study

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Abstract

Purpose: Crisis Communication is an ever-dynamic field due to the advancements in communication technology. The purpose of this paper is to develop a set of best practices for crisis communication, which as specific to crises faced by the airlines industry. These practices include disseminating information quickly, expressing compassion, extending support, meeting the media needs and developing a good social media strategy.

Design / Methodology: This studies draws from a number of case studies and crisis communication literature to support the emerging practices. The best practices were than used as an assessment tool in order to assess some airlines crises, despite the sensitivity and unprecedented nature of the crisis, handled crisis communication quite compassionately and adequately. It is purely a qualitative study.

Findings: This paper hope to highlights the lessons learned from some strategies in Airlines' crisis communication and the importance of social media as a toll of communication in times in crises.

Keywords: Crisis Communication, Best Practices, Aviation Crises, Qualitative Research

Type of Paper: Research Paper

Introduction

In this volatile and uncontrollable world, organizations must face the fact that they are not immune to crisis (Coombs 2012). Crises can take the form of natural disasters, such as Hurricane Katrina or the Tsunami, or organizational crises, such as an outbreak of E-coli or terrorism. Such crises have the strength to not only disrupt organizational processes and functions, but also carry the risk of severely damaging brand image, decreasing brand life and eventually driving the organization to the ground (Ulmer, Sellnow & Seeger 2011). Organizational crises involve all the stakeholders, especially the public, hence organizations must be able to take quick action to remedy the situation and mitigate the effects of the crises on legitimacy and reputation (Hansson & Vikstrom 2011). In order to cope with crises, organizations need to begin by preparing for the different crises and implementing strategic crisis management and communication (Kash & Darling 1998).

Williams & Treadaway (1992) state that, "a crisis strips an organization of its privacy and leaves it exposed to public scrutiny." One dimension of crisis communication in this day and age is the availability of a wide range of communication mediums. First of all, the media feeds

off the story, offering facts laced with drama and conspiracy theories. Thussu (2009) simply published his book titled *'News as Entertainment: The Rise of Global Infotainment'*, illustrating that the news does not only offer the facts of the crisis, but also entertains the masses by playing detective, exaggerating information, stirring up emotions, and making true the saying 'one man's failure is another man's success'. For airlines facing an aircraft accident crisis, effective and strategic post-crisis communication must be implemented in order to restore airline legitimacy and renew stakeholder trust in the brand (Hansson & Vikstrom 2011).

Crises do not necessarily have to be viewed as negative forces that aim to destroy organizations; instead, organizations can view them as opportunities for learning, improvement and growth (Ulmer, Sellnow & Seeger 2011). It all depends on effective crisis management and communication. Fearn-Banks (2007) advocates that strategic crisis management and communication not only help to minimize the damage done by the crisis, but also boost the reputation and success of the organization. The organization's ability to handle the crisis effectively regains the trust of stakeholders, whose perceptions are rendered favorable due to the redemption of the organization. Stakeholders are defined by Freeman & Reed (1983) as "any identifiable group or individual who can affect the achievement of an organization's objectives or who is affected by the achievement of an organization's objectives" or simple as "any identifiable group or individual on which the organization is dependent for its continued survival". In this paper, 'stakeholders' predominantly refers to the public, i.e. people who make use of airline services.

Pollard & Hotho (2006) highlight the importance of the media in shaping the perceptions of stakeholders and thus influencing stakeholder understanding of the crisis and the organization. The 21st century has given stakeholders easy access to media through radios and televisions and has rendered most of the public members of social networks, giving rise to social media (White 2012). The Internet has accelerated the pace and scope of crisis, but it has also provided a platform by which emergency managers and crisis communication teams can connect and communicate with each other and with stakeholders (Bridgeman 2008). The Web 2.0 has revolutionized communication and can pose a crippling challenge if the organization is not equipped to handle crisis communication effectively. Bridgeman (2008:172-175) states, "The internet – the medium, the information, the power to collaborate and to share real-time information globally – is the perfect platform for creating, feeding and sustaining a crisis...A corporate crisis in the internet age requires a commitment and an attitude shift from a management that needs to be ready to devote their time and corporate resources to responding to stakeholders in new and immediate ways."

Research Objective

With this understanding in mind, the purpose of this research is threefold: The objective of this paper is to develop a comprehensive strategic crisis communication model – Best Practices for Crisis Communication – for airlines based on previous crisis communication tactics following fatal airline accidents.

What is Crisis?

Coombs (2010) defines crisis as "the perception of an unpredictable event that threatens important expectancies of stakeholders and can seriously impact an organization's performance and generate negative outcomes".

Stages of a Crisis: The literature on crisis provides different models of crisis management, which in turn reflect the number of stages the authors perceive the crisis to have. Some of the different ways crisis is broken down and understood are presented here.

Chandler (2010) highlights six major phases within every crisis: (1) Warning, (2) Risk-assessment, (3) Response, (4) Management, (5) Resolution, and (6) Recovery. He states, “A crisis is an unexpected event that disrupts normal operational processes and has the potential to create significant safety issues and/or property damage. The communication goals, information required, constraints, challenges, methods, channels, audiences, and messages will vary throughout the life cycle of a crisis. Every stage of the crisis dictates the audience’s requirements, including the need for information, and dictates the response of the organization providing the warning.”

Figure 1 The Stages of a Crisis illustrates the six stages of the crisis lifecycle and highlights the points where the incident occurs, escalates or de-escalates, is resolved and when recovery is initiated:



Figure 1: The Stages of a Crisis (Chandler 2010)

The boundaries between the stages, as shown in Figure 1, can overlap, and thus communication is important to ascertain which stage of the crisis the organization is progressing into.

The first stage, the Warning Phase, highlights the importance of preparedness (Coombs 2010). Some crises have distinct warning stages, hence giving the organization time to prepare beforehand. However, other crises do not have a distinct warning phase, such as in the case of an aircraft malfunctioning and causing the loss of tens or hundreds of lives. Coombs (2010) suggests, “Regardless of the length of the warning phase, effective communication and incident notification is essential to protect the health and safety of people during major crisis. The warning phase also requires a response that includes notifying specific constituents, including: key personnel, law enforcement, and risk management constituents.”

The second stage is Risk Assessment, whereby the magnitude of the damage caused by the crisis is calculated and addressed. The organization identifies the different stakeholders that are affected by the crisis and the risk the crisis poses to the brand image and company reputation. Third stage is the Response Phase and it encompasses the crisis management and communication strategies in the early implementation stage. It also includes the response of the media, public and relevant stakeholders.

Fourth stage is the Management Phase where the company is attempting to manage the crisis. It is here that the crisis either evolves into an incident that proves catastrophic for the company or where it begins to be managed effectively by key crisis managers and communicators. Top executives decide how to handle the crisis and develop strategies to deal with the wake of the crisis.

The fifth stage is the Resolution Phase where the crisis is getting resolved. The company compensates stakeholders for any losses and responsibility is being assigned where appropriate.

The final stage is the Recovery Phase where the company begins to rebuild its reputation and regain the trust of stakeholders.

Crisis Communication

Coombs (2010) defines crisis communication as “the collection, processing and dissemination of information required to address a crisis situation”. He also identifies the different phases of crisis communication with relation to the different stages of the crisis, stating, “In pre-crisis, crisis communication revolves around collecting information about crisis risks, making decisions about how to manage potential crises, and training people who will be involved in the crisis management process. Crisis communication includes the collection and processing of information for crisis team decision making along with the creation and dissemination of crisis messages to people outside of the team. Post-crisis involves dissecting the crisis management effort, communicating necessary changes to individuals, and providing follow-up crisis messages as needed.”

Chandler (2010) offers five key recommendations when communicating a crisis:

- (1) Plan for success. Have a sufficient preinstalled notification protocols and communication plans in place directly impacts the appropriateness and overall success of the response to the needs of the warning phase.
- (2) Prepare messages in advance. Create messages for different warning scenarios, which can be used promptly and effectively. Your communication should be consistent with your commitment to take appropriate action to increase readiness as a potential emergency situation looms. Your communication should also build upon advance training and preparedness steps.
- (3) Monitor the chatter. Successful communication relies on “listening” as much as “talking”. Focus on tools and processes that increase or confirm the readiness for success and those that can mitigate crisis impact position people and resources in order to maximize safety, operational continuity and successful management.
- (4) Keep messages simple. Consider the readability of messages and amount of processing required understanding them. Messages during the warning phase need to be simple and direct. Things get easily and quickly confused when we start thinking about dangerous threats.
- (5) Words matter. Choose your words carefully. The wording in your notification messages will either motivate your audience to act competently and appropriately or frighten them and create undue stress, confusion and dysfunction.

Valvi & Fragkos (2013) highlight the importance of crisis communication by drawing on a simple quote said by Barbara Reynolds: “90 percent of a crisis response is communication.” They also quote Maresh & Williams (2010), stating, “Companies have to develop effective and efficient crisis communication strategies dealing with the complexity of the crisis, because of the potential severe loss and damage in corporate value.”

Ferguson, Wallace & Chandler (2012) state, “Public crisis communication focuses on the verbal, visual and/or written interaction between the organization and its publics (sometimes directly and sometimes mediated through news media) before, during, and after the crisis event, and is designed to minimize damage to the reputation of the organization and to maintain stakeholder confidence.”

Social Media

Crises are media sensations. In the past, the media consisted of only newspapers, radios and televisions. The 21st century brought with it developments in technology which increased our standard of living, but also increased the challenges faced by organizations when dealing with crisis communication and the media.

Chanlder (2010) highlights the importance of the media during the time of crisis, stating, “The media is an important outlet to stay in contact with. Who are the main contacts at the local news

stations? Do you have an area specifically set aside for media access? In times of crisis, it will be important to be proactive in providing the media with information, allowing the media a certain level of access, and providing them with the necessary equipment so they can get the necessary information out to the public.”

Coombs (2007) states, “Organizational reputation develops through the information stakeholders receive about the organization. Stakeholders receive information through interactions with an organization, mediated reports about an organization (including the news media and advertising) and second-hand information from other people (word of mouth and weblogs). Most of the information stakeholders collect about organizations is derived from the news media. That is why media coverage is an important feature of reputation management.”

Holladay (2012) states, “Media relations is central to crisis communication. Understanding how the media operates enables organizations to prepare for meetings with the media and to understand how their responses are likely to be reported”. Courtney & Buitelaar (2008) state, “Negative news – whether a singular article or a seemingly endless series of print, electronic, and broadcast stories – can cause long-term damage to your company’s reputation and hence its financial performance. This is especially true during this age of electronic communication when even stories that appear on minor news outlets can have a long and healthy life on the Internet or can instantaneously be forwarded to hundreds of people whether they are your customers, your competitors or your shareholders.”

Holladay (2012) highlights the importance of swift communications with the media regarding crises for two reasons: (1) the media will search for alternate sources of information when organizational representatives are unavailable; and (2) quick responses, especially within the first 24-hours, shapes the organization’s public image and affects subsequent communication. The media also plays a critical role in shaping brand image and corporate reputation in the wake of a crisis. Kessadayurat (2011) states, “When a crisis occurs, the availability and efficacy of an organization’s response is needed. Time constraint is the critical factor in dealing with crisis. The crisis manager should provide a complete and honest explanation of the crisis to media and third party in time so that it will not create additional threat and uncertainty that damages the organization’s credibility and image.”

Methodology

Creswell (2007) defines qualitative approach as, ‘a qualitative approach is one in which the inquirer often makes knowledge claims based primarily on constructivist perspectives (i.e., the multiple meanings of individual experiences meanings socially and historically constructed, with an intent of developing a theory or pattern) or advocacy/participatory perspectives (i.e., political, issue-oriented, collaborative, or change oriented) or both. It also encompasses strategies of inquiry such as narratives, phenomenologies, ethnographies, grounded theory studies, or case studies. The researcher collects open-ended, emerging data with the primary intent of developing themes from the data’.

This study focuses on only secondary data collection method: Newspaper articles and press releases. In addition, researches can take years to conduct or can occur within a short, limited time frame. This study is Cross-sectional in nature. An understanding of secondary data and cross-sectional research is provided in the following sections. The data management and subsequent analysis will undergo three major steps. First, the data will be organized through coding and theme building based on the articles collected from newspaper feeds and press releases from MAA. Once the data has been explicitly analyzed, it will undergo reliability and validity testing to ensure that the results of this study are valid, comprehensive and of significance in the world of research.

Berg (2001) states, “In content analysis, researchers examine artifacts of social communication. Typically, these are written documents or transcriptions of recorded verbal communications.

Broadly defined, however, content analysis is any technique for making inferences by systematically and objectively identifying special characteristics of messages. From this perspective, photographs, videotape, or any item that can be made into text are amenable to content analysis.”

Coombs (2010) states, “The content analysis studies share an analysis of actual messages related to crisis communication. Researchers try to illuminate how crisis managers use crisis response strategies. The data include media reports, messages from the organization, and messages from social media (Internet Postings).”

Deductive content analysis is used when the structure of analysis is operationalized on the basis of previous knowledge and the purpose of the study is theory testing”. According to Elo & Kyngas (2007), the first stage is the preparation stage and it is the same whether the content analysis follows an inductive or deductive process. In the preparation stage, the words are classified into content categories. First, a unit of analysis, be it a word or a theme, is selected. It is important to study what is to be analyzed as well. Elo & Kyngas (2007) cite Graneheim and Lundman (2004) who highlight that it is important for the researcher to decide whether manifest content or latent content will be analyzed, or both. They state, “The aim with latent content is also to notice the silence, sighs, laughter, posture etc...” The second step in the preparation phase is to make sense of the data, or “learn what is going on” (Elo & Kyngas 2007).

Figure 2 Preparation, Organization and Resulting Phases in the Content Analysis Process illustrates the preparation, organizing and resulting phases in the content analysis process adapted from Elo & Kyngas (2007).

Two recurring concepts in the analysis of qualitative data are the process of coding and the process of theme building.

Coding

Saldana (2009) defines a code as ‘a word or a short phrase that symbolically assigns a summative, salient, essence-capturing, and/or evocative attribute for a portion of language-based or visual data’. Saldana (2009) adds, “The data can consist of interview transcripts, participant observation, field notes, journals, documents, literature, artifacts, photographs, video, websites, e-mail correspondence, and so on.” According to Saldana (2009), coding is not an art or science, but ‘an interpretive act’. Impact (2012), the Center for Evaluation and Research, states that coding is ‘the process of organizing and sorting your data’. Codes label the compiled data and help to organize it. In addition, codes allow researchers to summarize and synthesize what has been collected. Impact (2012) states, “In linking data collection and interpreting the data, coding becomes the basis for developing the analysis. It is generally understood, then, that ‘coding is analysis’.”

Coding is the first step in data analysis; however, it is very closely tied with categorizing and subsequently theme building. Saldana (2009) states, “To codify is to arrange things in a systematic order, to make something part of a system or classification, to categorize. When codes are applied and reapplied to qualitative data, you are codifying – a process that permits data to be segregated, grouped, regrouped, and relinked in order to consolidate meaning and explanation.” Ultimately, coding allows researchers to organize and group similarly coded data in categories or “families” because they share similar characteristics – the beginning of a pattern”. This leads to the development, identification and analysis of **themes**.

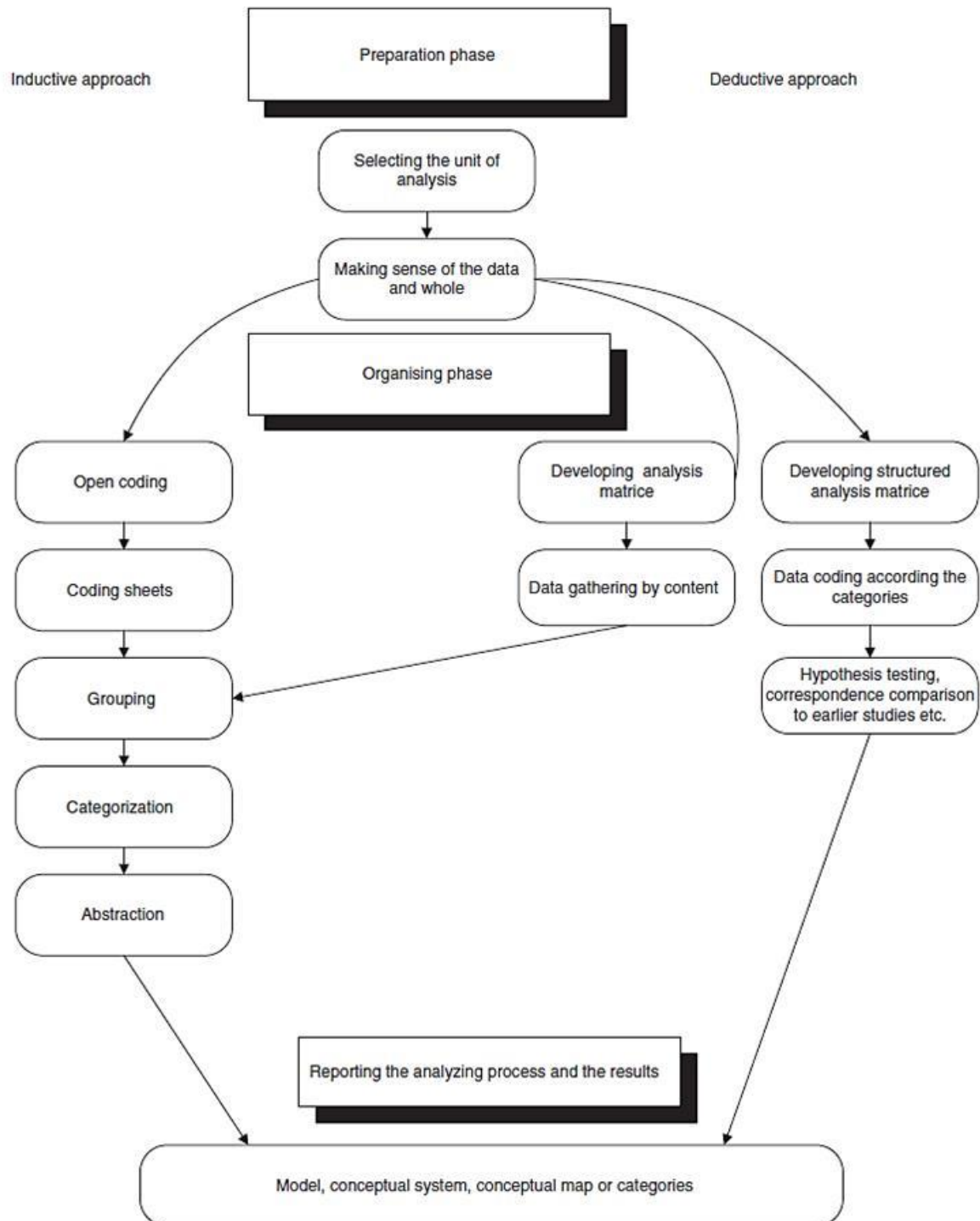


Figure 2: Preparation, organizing and resulting phases in the content analysis process (Elo & Kyngas 2007)

Themes

Ryan & Bernard (2003) state, “Analyzing text involves several tasks: (1) discovering themes and subthemes, (2) winnowing themes to a manageable few (i.e., deciding which themes are important in any project), (3) building hierarchies of themes or code books, and (4) linking themes into theoretical models.”

Findings

Best Practices in Crisis Communication for the Aviation Industry:

1. Disseminate Information Quickly and Transparently
2. Take Supportive Action
3. Communicate with Compassion
4. Develop a Social Media Strategy
5. Stay on top with Updates
6. Assign an Executive Spokesperson
7. Victims First in Media Statements
8. Meet the Media Needs
9. Coordinate with Governments and Endorsements
10. Ride out the Storm

According to the best practices developed in this paper, the case company is handled crisis communications quite efficiently. It was quite compassionate and put the victims first in their communications, expressing sympathy and providing support consistently. The case company is shared information whenever possible, with the only setback being the sensitivity of the investigation and its commitment to the government in its information sharing process. The top management was the main spokesperson and he communicated with compassion and sympathy, establishing connections with the families of victims by sharing in their pain. The case company is airlines also continued to operate and ensure that it is dedicated to safety and service to stakeholders.

The case company is faced difficulties sharing information transparently due to the sensitivity of the information. They were required to wait for information to be verified or for them to be granted permission to share the information by officials. In addition, they did not utilize social media to its full potential, relying more on traditional forms of crisis communication via television, press conferences, media statements and the updates of government officials to disseminate information. Finally, there was a lack of efficient coordination between the case company and the government observed, as news was not agreed upon and verified amongst them before it was shared with the public.

- Information must be disseminated as fast as possible despite the lack of it. Organizations must be the first to inform families of the situation and offer families a haven from media onslaughts that will happen once the news of the crisis is finally revealed.
- Social Media is full of potential, especially for communication. In this day and age, organizations must begin to capitalize on two-way communication that is available to them in order to communicate with stakeholders, share their side of the story, and answer any queries that stakeholders have.
- Coordinating efficiently with government officials' means quick response and teamwork. Organizations must know who is going to be responsible to communicate the crisis from within the government and vice versa. Any information shared with the public must first be shared amongst the organization and the government to ensure no contradictions and validity of the information.

Veil & Husted (2012) eloquently express the value of best practices, stating:

“As an evaluation tool in the post-crisis stage, the best practices provide an outline for organizations to question whether their planning was sufficient and their strategies and responses met the needs of their stakeholders. Following a model set of standards and guidelines can improve communication quality and efficiency in a crisis, but the communicative response also needs to be assessed post-crisis to assure the organization learns from missteps and failures to improve the next response.”

The case study provided a context for better understanding the best practices that were developed in this research. Since the world is dynamic and ever-changing, with new modes of communication becoming available due to technological advancements, there will always be a need for revision of best practices and the development of new and up-to-date models which fit into the context of crisis.

Future research could include using the best practices developed in this paper as an assessment for other airline crises, which may result in new lessons learnt for crisis communicators and airlines alike. However, in the field of crisis communication, future research could continue to refine best practices and to develop more models which are crisis-specific in order to design the best possible crisis communication plan for organizations before the crisis even strikes.

This concludes the study. It provides a summary of the objectives that were achieved. The best practices were developed and used as an assessment of case study of crisis communication; ultimately leading to lessons learnt being highlighted. Recommendations were also suggested for the future of the best practices developed in this research as well as for future studies in crisis communication.

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Linking Green HRM Practices and Employee Sustainability Engagement

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Abstract

Purpose: Employee sustainable engagement has gained importance in recent years. Organizations engage employees in environmental preservation by making sure employees understand the organizations' environmental goals and implement the environmental programs. Despite of many ways organizations to motivate employees engage in environmental behaviors, there are questions on how organizations achieve employee sustainable engagement. Therefore, this paper proposes that green HRM practices achieve employee sustainable engagement.

Design/Methodology/Approach: This paper presents a review of existing literatures.

Findings –A research framework is developed to explain the direct relationship between green HRM practices and employee sustainable engagement. Besides that, hypothesis is formulated to provide the logical relationships between green HRM practices and employee sustainable engagement.

Originality/Value: This study helps the organizations to attract investors. Engaged employees are being to communicate to the business investors about the organizations' genuine efforts in conserving resources. This paper provides comprehensive study on employee sustainable engagement which will useful to researchers and managers in various industries to understand employee sustainable engagement.

Keywords: Green HRM Practices, Employee Sustainability Engagement, Traditional HRM Practices, Voluntary Participation, Environmental Management

1. Introduction

Malaysia has reported rapid economic growth through involvement in industrialization, agriculture, tourism and export activities (Yap, Chong & Leow, 2017; Zandi, Yap, Aslam & Singh, 2015). Such rapid economic growth has been adversely accompanied by the environmental degradations. In this situation, organizations largely require the support of the employees' behaviour in environmental preservations (Boiral, Talbot & Paille, 2015; Jiang & Bansal, 2003). This kind of employee support toward the environmental preservations termed as employee sustainability engagement, employees' voluntary participation in an organization's environmental programmes and activities (Boiral & Paille, 2012). The employee sustainability engagement workforce show initiative in supporting the organization's sustainability policies and help it to achieve its sustainability goals. Unfortunately, the issues of employee engagement in environmental issues are steadily declining. Therefore, to bridge this gap, this study aims to examine employee sustainability engagement.

In addition, to the general acknowledgement of the importance of employee sustainability engagement, a growing amount of employee sustainable studies (e.g., Casey & Sieber, 2016; McCunn & Gifford, 2014) have been carried out. These studies are however not examining green HRM practices to develop employee sustainability engagement. Thus, to fill this gap, this study aims to examine the influence of green HRM practices on employee environmental engagement. It is believed that the findings of this study could lead to actions that yield cost savings to organizations. employee sustainability engagement can develop environmental friendly organizational practices (e.g., turning off unnecessary lights, recycling and waste disposal) which leads to more efficient operations and less resources utilisation, which save organization's costs.

2. Literature Review

2.1 *The relationship between green HRM practices and employee sustainable engagement*

Recruitment and selection practices viewed as the crucial elements of green HRM practices (Renwick et al., 2013) to improve employee sustainability engagement. Organizations can hire and choose the candidates who will commit to the environmental issues. The basic criteria of recruitment and selection practice prioritize the candidates who have similar environmental values and beliefs as the organizations (Guerci, Montanari, Scapolon & Epifano, 2015). The employees who have similar environmental values with the organizations may derive a degree of meaningfulness from their works and perform environmental activities with enthusiasm (Shuck, Reio & Rocco, 2011). Training and development practices is one of the green HRM practices contain series of activities motivate employees to learn the environmental skills and knowledge which is the key to employee sustainability engagement. Environmental training programs build employees knowledge and capabilities (e.g., design eco-products or process, implement pollution prevention programs) for environmental practices (Sarkis, Gonzalez-Torre & Adenso-Diaz, 2010).

The development of environmental knowledge and capabilities enhance employees' ability in dealing complicated environmental problems. Employees may appreciate such dedicated development and tend to put more effort and resources to meet the expectations of the organizations (Presbitero, 2017). Shantz, Alfes and Arevshatian (2016); Salanova, Agut and Peiro (2005) study show that the availability of training makes employees competent in doing the works, employees feel inspired and become more engaged with it. Employee environmental engagement as an outcome of compensation and rewards is demonstrated in devoting physical, emotional and cognitive resources to strive for environmental goals (Presbitero, 2017). It has been argued that employees feel a sense of pride thus tend to invest energy into the environmental tasks and enjoy carrying out other jobs associated with environment (Maslach, Schaufeli & Leiter, 2001; Yap, 2014)). Ramus (2001) study shows that environmental recognition rewards lead the feeling of pride among the employees and effectively encourage environmental initiatives.

Hence this study hypothesized that:

Hypothesis 1: There is a relationship between green HRM practices and employee sustainability engagement.

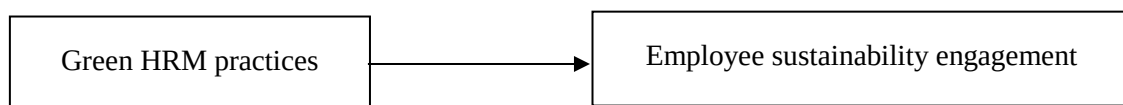


Figure 1: The direct relationship between green HRM and employee sustainable engagement

Based on the review of literature, the conceptual framework of this study is shown in Figure 1. This study proposes green HRM will have the direct relationship with employee sustainability engagement following studies by Daily and Huang (2011); Cantor, Morrow and Montabon (2012); Cantor et al. (2015); Milliman (2013).

3. Research Methodology

Quantitative research methodology is utilized in this study. Quantitative research methodology permitted large numbers of data collection through questionnaires which can be generalized to the whole population (Kimiyaalam & Yap, 2017; Yap, 2017). This study identified the sample size based on G*Power 3.1.9.2 with significant level of 0.05 and the power of 0.95. Hence, the desired sample size of this study was 74. However, from the total sample of 74, 55 responses (74%) were collected. Furthermore, measurements for employee sustainability engagement were developed by Tosti-Kharas, Lamm and Thomas (2016). The 10 items were rated by five-point scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Besides that, green HRM practices were measured by Dumont, Shen & Deng (2016). The 6 items of green HRM practices rated by five points scale, ranging from 1 (strongly disagree) to 5 (strongly agree) evaluate the degree of green HRM practices in the particular organizations.

4. Results

Partial Least Square Structural Equation Modelling (PLS-SEM) of SmartPLS 3.2.6 software was utilized for analyzing the data. Under the first-order reflective measurement model, four tests namely item loadings, composite reliability (CR), average variance extracted (AVE) and Heterotrait-Monotrait ratio (HTMT) were carried out to examine the validity and reliability of the items. Item loadings referred to the extent to which the items correlated with the constructs (Hair et al., 2017). CR measured the construct's internal consistency reliability. AVE revealed the degree the construct explained the items' variance (Hair et al., 2017). HTMT detected correlations between the two constructs (Hair et al., 2017). The results were shown in Tables 1 and 2. All the item loadings were above the cut off value, which was 0.7 (Hulland, 1999). Besides that, CR exceeded the threshold value 0.7 whereas AVE were greater than the required minimum value 0.5 (Bagozzi & Yi, 1988). In short, reflective measurement model has satisfactory reliability and validity. Structural model evaluated collinearity, coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2) and hypothesis testing (Hair et al., 2017). Variance Inflation Factor (VIF) helps to detect constructs collinearity. VIF of green HRM practices (i.e 1.972) were less than 5. Collinearity is not the issue in this study. Coefficient of determination (R^2) determined the percentage of variance in the dependent variable that could be explained by one or more independent variable (Hair et al., 2017). It was found that 0.65, which was 65% variance in employee sustainability engagement was explained by green HRM practices.

Table 1: Measurement model of reflective constructs (i.e employee sustainability engagement, Green HRM practices)

Reflective constructs	Items	Loadings	CR	AVE
Employee sustainability engagement	ESE1	0.870	0.740	0.65
	ESE2	0.700		
	ESE3	0.750		
	ESE4	0.900		
	ESE5	0.840		
	ESE6	0.880		
	ESE7	0.843		
	ESE8	0.711		
	ESE9	0.765		
	ESE10	0.811		
Green HRM practices	GHRM1	0.732	0.822	0.780
	GHRM2	0.692		
	GHRM3	0.791		
	GHRM4	0.856		
	GHRM5	0.921		
	GHRM6	0.900		

Table 2: Heterotrait-Monotrait ratio (HTMT) results of reflective constructs (i.e employee sustainability engagement, Green HRM practices)

	Employee sustainability engagement
Green HRM practices	0.635

Effect size (f^2) examined the effect of independent variables on the dependent variables (Hair et al., 2017). Effect size (f^2) values of 0.02, 0.15 and 0.35 represent small, medium and large (Cohen, 1988). Green HRM practices have large effect of 0.423 on employee sustainability engagement. Predictive relevance (Q^2) explained how well the dependent variables explained by independent variables in the structural model (Chin, 1988). The result showed that the research model had predictive relevance (Q^2) since the predictive relevance (Q^2) value greater than 0, which was 0.45. Last but not least, hypothesis testing (Table 3) was conducted to generate t values. Green HRM practices were found to have significant relationship on employee sustainability engagement. H_1 are supported.

Table 3: Hypothesis testing result

Hypothesis	Relationship	Standard beta	t value	Decision
H_1	Green HRM practices -> Employee sustainability engagement	0.169	3.232*	Supported

* t value > 1.96 = significance < 0.05

5. Conclusion

In conclusion, this paper reveals that green HRM practices has significant relationship on employee sustainability engagement. Thus, this study ensures the achievement of organizational sustainability through a highly engaged workforce can be adopted. Managers and employers therefore can provide an amicable environment for the employees to become sustainable engaged. Employees engage in environmental business practices such as reducing

recycling, reducing product waste, utilizing alternative energy resources helps the organizations remain competitive in the global market.

The fundamental reason is the organizations can be conducted effectively and efficiency with less resources and higher energy savings. Sustainable engaged workforce helps the organizations to attract investors. Engaged employees are being to communicate to the business investors about the organizations' genuine efforts in conserving resources. This is so useful especially the business investors want avoid to be linked to the organizations involve in ecological disasters and carbon emission scandals. On top of that, organizations' environmental performance mattered to the business investors is organizations' environmental performance enhances organizations' long term revenue creation. Hence, organizations' potential to improve revenue results environmental performance give the investors strong reasons to invest in the organizations.

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Does Conflict of Top Management Team Impact the Firm Performance? A Conceptual Review on Large Companies in Malaysia

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Abstract

The ideas about top management team's role, characteristics, impact and the importance of the team as a key determine of firm performance move beyond the century. The most of idea about top management team characteristics was monopolised by (Hambrick & Mason, 1984) through the Upper Echelon Model. Even though, the model largely accepted among the scholarly but in term of practical implementation of those characteristics still questionable. Hence, the main idea of this article is to determine the impact of conflict trait on firm performance as underline by the model of Upper Echelon 1984 based on large organization. Therefore, the study will explore the relevance and competencies of conflict traits in the context of the contemporary corporate environment. A sample of 200 non-financial will be selected among the large companies in Malaysia operating over the 2012 -2017. The selection of large firms will be based on their market capitalization. The analysis will be based on primary data, as the study requires qualitative input to support the variable. Primary data of the top management team will be captured via questionnaires, and the respondents will be top level managers. This is a cross-sectional study, variable, concepts, constructs and hypotheses were carefully constructed and developed to meet the objectives of the study. Multivariate analyses were adopted, and in this regard, panel data analyses using the E-VIEW/STATA statistical software will be adopted to suit the requirement of considering both cross-sectional and time series data in the analyses.

Purpose: Two research questions were formed:

RQ1: What are the factors of conflict affecting firm performance?

RQ2: How does conflict in top management team affects the firm performance?

Two research objectives were formed:

RO1: To examine the factors of conflict that has a significant impact on firm performance.

RO2: To examine either conflict in the organization (among top managers) has an impact on firm performance.

Design/methodology/approach: Findings: This is a cross-sectional study, variable, concepts, constructs and hypotheses were carefully constructed and developed to meet the objectives of

the study. Multivariate analyses were adopted, and in this regard, panel data analyses using the E-VIEW/STATA statistical software will be adopted to suit the requirement of considering both cross-sectional and time series data in the analyses.

Research limitations/implications: The study just investigates on large companies' size, future studies could explore by comparing both large and small companies in Malaysia.

Practical implications: The paper become a blue print for the organization especially for the top management team (TMT) in a way to shape a greater composition of team, which add a greater value for the firm performance in short term or long term run of the organization.

Originality/value: Main contributions can be derived from this research helped us to improve our knowledge of the antecedents of conflict in the TMT and the impact on the firm's performance. This is a relevant issue to be underlined between top managers in today's working environment, so that the negative elements contributed to the detrimental of firm performance can be avoided and focused more to the portion of healthy conflict.

Keywords: Top Management Team (TMT), Conflict, Firm Performance, Upper Echelons Theory

Introduction

The term of conflict defines with different perspectives among the scholarly across few centuries. In the late of 1960s, scholars such as (Pondy, 1967), (McKersie, Perry, & Walton, 1965), began the definition of conflict as dysfunctional, but view conflict as a healthy process to be managed in the organization. Then as time passed, conflict is described as a dispute, competition, opposition, antagonism, quarrel, disagreement, controversy, violence, and mode of resolution (Easterbrook et al., 1993). (Thomas, 1992) described conflict as an interdependence between parties, perception of incompatibility among the parties 'concerns, and some form of interaction. However, in the 2000th century, conflict is defined as "the interaction of interdependent people who perceive incompatibility and the possibility of interference from others because of this incompatibility" (Cropanzano, Goldman, Folger, Psychology, & Behavior, 2005); (Boonsathorn, 2007). In contrast with the earlier definition, (Camelo-Ordaz, García-Cruz, & Sousa-Ginel, 2014), it was concluded that conflict at the organization is an inevitable and necessary in top management teams (TMTs) because of the high complexity and uncertainty involved in the strategic decision-making process (K. A. J. A. s. q. Jehn, 1995); (Mooney, Holahan, & Amason, 2007); (Pelled, Eisenhardt, & Xin, 1999). While this is the understanding of scholars about conflict of top management team. Therefore, its clearly shown, conflicts not only become negative antecedents towards firm development, but healthy conflict will help the company to make quality decision making (A. C. Amason & Schweiger, 1994).

The contemporary working environment, which is fully controlled by growing competition, rapid market changes (Hortinha, Lages, & Filipe Lages, 2011) and fast-paced technological developments (Sainio, Ritala, & Hurmelinna-Laukkanen, 2012), create stressful working environment for top management team to make any decision and chances for conflict to occur is more likely. Therefore, pioneer studies concluded that the conflict negatively impact on firm performance. However, as time move on, people slowly accept the conclusion that the conflict also help balanced and well-reasoned decisions (A. C. Amason & Schweiger, 1994) and (Van de Vliert & De Dreu, 1994).

Subsequently, conflict in the organization can be classified to two main types which are, task conflicts or cognitive conflict (Simons & Peterson, 2000) and relationship conflicts (Korsgaard, Soyoung Jeong, Mahony, & Pitariu, 2008). Actually, task conflict is referred to the effective decisions making process in the organization. In contrast with this statement,

relationship conflict is associated with poor decisions making environment in the organization. Both conflict types are correlated in ongoing groups, which creates a dilemma in the organization. Still, the question arises “which types of conflict create a value to the organization” and how does this conflict contributes to the firm performance. Therefore, this research will attempt to close the knowledge gap of how the conflict affecting the performance of the company. Earlier conflict theorists such as (Pondy, 1967) ;(Brown, 1983) concluded that the conflict give negative impact toward firm performance and focused to the causes, also resolution of conflict (Schmidt & Kochan, 1972); (Brett, 1984). As time move on, the theorists come with the finding that under certain circumstances, conflict beneficiary for the organization (Tjosvold & Journal, 1991) ; (Van de Vliert & De Dreu, 1994); (K. A. J. A. s. q. Jehn, 1995). It has been shown that the interest of researchers on top management intra conflict and those impact on firm performance continuing over few centuries.

Subsequently, numerous research has been done on the area about intra conflict TMT, conflict and the effects on firm performance (Arrow, Poole, Henry, Wheelan, & Moreland, 2004); (K. A. Jehn & Bendersky, 2003); (Peterson, Behfar, & processes, 2003); (Mathieu & Schulze, 2006); (Tinsley & Brett, 2001) yet the empirical evidences are still contradictory. Perhaps the line of inquiry about top management conflicts and the impact on firm performance still need further exploration to fill the knowledge gap on this area with revisited and comprehensive result based on contemporary organization climate. Therefore, this study will reveal the deep explanation about conflict of top management team, classification of the conflict, how such conflict can become detrimental or a beneficial factor to predict the performance of large organizations in Malaysia from the range year of 2012 to 2017.

Problem Statement

It has been shown that the body of knowledge of top management team and the role of conflict as a predictor to determine the firm performance still lack with empirical evidences from past researchers. Besides that, growing body of evidence suggest that, over time, the actions and reactions groups have to past performance and evolving group dynamics leave teams prone to some degree of chronic conflict, conflict spirals, and/or rigidity in their process management (Arrow et al., 2004); (De Dreu, Van Vianen, Psychology, & Behavior, 2001); (Peterson et al., 2003); (M. J. I. j. o. c. m. Afzalur Rahim, 2002). However, previous research on this area in the context of TMT is inconclusive, and recently some authors have demanded more research in this field. Therefore, the needs for continues work on this area with new methods and design much important to bring a solid conclusion. For instance, the notion of measuring level of conflict by using the tri-partite classification has begun to question by conflict literature as mention by (Behfar, Peterson, Mannix, & Trochim, 2008) in his research about Conflict Resolution in Teams.

Despite this, meta-analysis has cast doubt on the usage of this classification by questioning the widely theorized benefits of task conflict and suggesting that task conflict predicts similar negative outcomes to relationship conflict (De Dreu & Weingart, 2003). Similarly, to this, recent meta-analysis undertaken by De Wit et al. (2012) empirically showed that relationship conflict has generally been found to have strongly detrimental effects on both proximal and distal group outcomes. Thus, the reason for these mixed findings can be that conflict involves multiple dimensions (Prasad & Junni, 2017) and similarly to this statement, findings regarding the influence of TMT process attributes on organizational outcomes may be the seclusion of important contextual variables (Carpenter, 2002). It is clearly shown some antecedent of conflict of TMT itself have contradictory and inconclusive understanding among scholar's. While this is the case, number of scholars have also reported negative and contradictory associations between process conflict and performance (K. A. Jehn & Mannix, 2001). Therefore, the new line of inquiry should need through this study to close the gap and in another

way it will help to make model Upper Echelon 1984 as a fruitful avenue for upcoming researchers as conflict is one of pieces from the model which still remain uncompleted. Most of the organizations seen conflicts in a negative perspective. But actually, if the organization knows the flow of knowledge about how conflicts in the organization exist, types of conflict involved, how top managers of the organization can beneficiary from the conflict and way to manage the conflict, then the organization will gain more advantages rather than disadvantage only. Hence, when conflict is recognized, acknowledged, and managed in a proper manner, personal and organizational benefits will result (Silverthorne, 2005). Even, research into these conflict antecedents is still scarce and inconclusive in the area of TMTs (Camelo-Ordaz et al., 2014). Despite this, the previous researchers also have suggested the importance of identifying the antecedents of each dimension of conflict and their effects to manage conflict more effectively should be included in the literature (Mooney et al., 2007). Therefore, this research is mainly to conclude to which degree conflict of TMT impact on the output portion and indirectly will give a clear picture for the top managers how to manage conflict effectively in another way.

Literature Review

I. Classification of Conflict

Contemporary organizational environment which is filled with stress, tension, work overload, unhappy with management, life struggle, corruption, misleading, worried, exhausted, and depression leading to interest conflict, relationship conflict and work or task conflict in the organization. Conflict is an important process attribute that is likely to surface among TMT members during strategic decision making, as TMT interactions bring out diverse points of views concerning the firm's strategy (Simons & Peterson, 2000) ; (A. C. Amason & Mooney, 1999). Traditionally, managers try to avoid the conflict in the organizational due to it can lead to detrimental factor for the firm performance but as time passes by, the perspective change and top managements understand that conflict can also lead to increase of firm performance in a certain circumstance. Complementary to this statement, (M. Afzalur Rahim, Antonioni, & Psenicka, 2001) stated that today's effective managers seek not to avoid but to manage conflict within the system.

The research about top management team has concluded two types of conflict that have impact on firm performance, which are cognitive conflict and affective conflict (K. A. J. A. s. q. Jehn, 1995). Cognitive conflict refers to different opinions, disagreements, and points of view among group members regarding how work tasks should be performed (Olson, Parayitam, & Bao, 2007) ; (K. A. J. A. s. q. Jehn, 1995). This type of conflict reflected when the group of TMTs make decision for non-routine task or to solve uncertainty and ambiguous situation. Cognitive conflict among TMT enhance multiple idea, solution and brainstorm for one issues or strategy formulation. Therefore, each of TMT even though have different opinion and disagreements about how the task should execute, but at the end, the team will have a number of ideas for quality decision making process.

On the other hand, affective conflict refers to relationship conflict or can be personal in nature (K. A. J. A. s. q. Jehn, 1995) or arises from interpersonal tensions. In brief, the presence of affective conflict among TMT members results in them focusing on person-related issues arising from personal friction, personality clashes, tensions and grudges (Clark & Maggitti, 2012). This type of conflict might occur based on gender different, tenure different, age different due to the manager vary from other manager based on mention categories, so the way they see any perspective problem or solution will be different, thus the chances to disagreement about certain issues will be different among managers, which can impact poor decision making process in the organization. Therefore, the understanding about the condition that leads to

conflict relationship will allow obtaining the benefits of conflict without costs (A. C. Amason & Sapienza, 1997); (Choi & Cho, 2011).

To sum up, previous researchers have argued that cognitive conflict and affective conflict impact a different outcome for the firm performance. Cognitive conflict refers to functional, in contrast affective conflict is dysfunctional (A. C. J. A. o. m. j. Amason, 1996). Subsequently, the impact of task conflict beyond relationship conflict is weak or nonexistent (Korsgaard et al., 2008). Most of the pioneer scholars concluded the cognitive conflict better to predict performance of the organization compared to affective conflict (Eisenhardt, Kahwajy, & Bourgeois III, 1997). However, previous studies also reveal the cognitive conflict also may give negative results to firm performance (Porter & Lilly, 1996) and non-linear relationship (Parayitam & Dooley, 2011). Hence, this study will enlighten the portion of both conflict with empirical analysis of 200 non-financial company by focusing mainly the group of top management team.

II. Impact of Conflict On Firm Performance

All the while, the researchers attempt to show negative impact or positive impact of conflict among top management teams on firm performance. The literature arguments revoke that cognitive conflict better to predict firm performance due this type of conflict enhance quality decision making. For instance, (Roberto, 2005) contends that teams need cognitive conflict to produce high quality decisions. The cognitive conflict usually about not routine task or content of the task, when the arguments about task occurred, the TMT member will promote the exchange of ideas, the surfacing assumptions, synthesis of diverse perspective balanced and well-reasoned decisions (Simons & Peterson, 2000); (Mooney et al., 2007). In the contrast, the negative approach about task conflict, scholars such as (Rose, 1989) argue that task related conflict also causes unhappiness, antagonism and feeling not to work together in future, which may become detrimental for the firm's performance. Nevertheless, numerous researchers have been proving that cognitive conflict more giving advantage rather than disadvantage for the company development.

On the other hand, relationship conflict arises when team members have different agreements about certain issues such as power struggles or personal incompatibilities (Mooney et al., 2007). Therefore, the most direct effect on TMT members attributed to relationship or affective conflict are suspicion, distrust, hostility, tension, friction and animosity (Parayitam & Dooley, 2009). When team members are approached by relationship conflict or affective conflict, they tend to be not satisfied to work together with surrounding relationship and this will reduce the ability of manager to contribute any new idea for organization development and ultimately may reduce the productivity of the organization. Generally, the time and energy needed to discuss about strategy implementation, should be used to solve the conflict. In another way, it will waste the time, energy resources of organization production. More importantly, relationship conflict is the harmful dimension of the conflict in the organization decision making process and once team managers adapt with this kind of conflict, it is difficult to mitigate its negative consequences for the firm performance (A. C. Amason & Sapienza, 1997); (De Dreu & Weingart, 2003).

It has been shown that cognitive conflict is more useful to deliberate effective information for the decision-making process in the organization. Despite this, it has been argued that cognitive conflict is beneficial to decision process as it provides information that is necessary as well as adequate to match the complexity and variety associated with strategic decision-making task. Further, available empirical evidence on group information processing and decision making, sharing and acceptance of information in groups also depends on factors such as the ability of group members to recognize each other's competence, social pressures, and the amount of information available as well as the demonstrability of information (Janssen, Van De Vliert, &

Veenstra, 1999). On the other hand, cognitive conflict involves gathering of cumulative idea among team member even though disagreement still exist toward certain issues about difficult task. Hence, in another way, the high-quality decision will be generated based on brainstorming. Whereby, collaborative brainstorms can benefit from different perspectives and abilities of their peers because people in a group can cognitively stimulate each other to generate ideas and group members can support each other to produce more ideas (Tran, 2017).

Theoretical Framework and Proposition Development

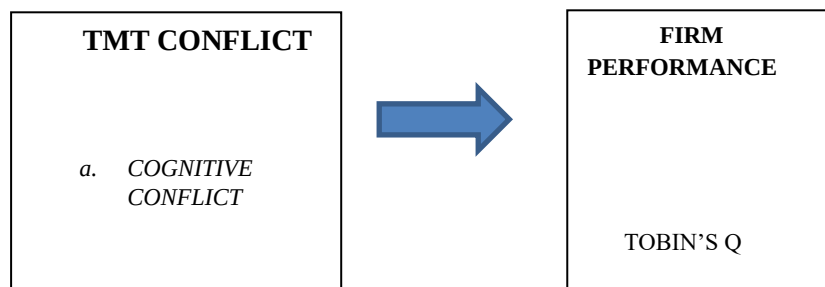


Figure 1: Theoretical Framework to explain the impact of conflict on firm performance

Proposition Development

Based on theoretical and literature arguments, conflict becomes important element to determine the decision-making process of the organization which impact the performance of the organization. Hence, the proposition has been developed:

H1: Conflict Within TMT Has a Significant Impact On Firm Performance

Method

I. Design and Data Collection

A quantitative research design was utilized for the study. The population of this study consists of TMTs of large companies listed on Bursa Malaysia's main board. The study examined top 200 largest non-financial companies listed on the Bursa Malaysia Main Board from the various sectors. Data sources will be obtained from the primary data. As part of the research, a survey was conducted with one respondent within the TMT of each organization. This is in line with the previous research on TMTs (Parayitam, Olson, Bao, & Management, 2012); (Janssen et al., 1999); (Li & Li, 2009); (Camelo-Ordaz, García-Cruz, Sousa-Ginel, & Negotiation, 2015) that contends that data from single respondents adequately represents the teams. According to respondents can perceive accurately about themselves and others in the organization (Parayitam et al., 2012). On term of firm financial performances, data will be collected through secondary data and measured with ROA and Tobin Q. The design will be implemented via mail-based survey based on the questionnaire. The questionnaire was constructed mainly using Likert scales for the items.

II. Sampling

A formal TMT definition (Pegels, Song, & Yang, 2000) were used to specify TMT as a unit of analysis. TMT defined those entire executives around and above the president level, as well as any officers who served as directors of the company like vice president, senior vice president, vice chairman, CEO and any other officers who were on the board of director. These top managers are responsible for setting the overall direction of a company, involves in formulation and implementation of the strategies and making sure that major organizational objectives are

achieved. The sample size of 200 large listed companies were selected based on market capitalization. The study used Judgmental sampling method.

III. Time Horizon

This is a cross-sectional study, variables, concepts, constructs and hypotheses was carefully constructed and developed to meet the objectives of the study. Multivariate analyses were adopted, and in this regard, panel data analyses using the E-VIEW/STATA statistical software was adopted to suit the requirement of considering both cross-sectional and time series data in the analyses.

IV. Measurement and Analysis

Regression analysis dealt with the following measurements. For financial performance measurement, ROA and Tobin Q was absorbed to the analysis. There are two types conflict measured in this study. TMT affective conflict was measured using four items used in the study by (Díaz-Fernández, González-Rodríguez, Pawlak, & Systems, 2014); (Simons & Peterson, 2000) adapted from (K. A. J. A. s. q. Jehn, 1995) to measure relationship conflict. The items were based on a seven-point Likert scale. The items rated by the respondents concerned whether there was a high level of:

- a) Personal frictions among members in the executive group;
- b) Personality clashes in the executive group;
- c) Tension among members in the executive group; and
- d) Grudges among members in the executive group.

In contrast to affective conflict measurement, task or cognitive conflict was measured using 4 items (adapted from (K. A. J. A. s. q. Jehn, 1995) as well. The items rated by the respondents were:

- a) Top manager frequently disagrees about the content of strategic decisions;
- b) Team are frequent disagreements about ideas;
- c) Team there are high differences of professional opinion;
- d) Members in our executive group disagree frequently regarding the company's strategic decisions

Contribution

Main contributions can be derived from this research helped us to improve our knowledge of the antecedents of conflict in the TMT and the impact on the firm's performance. This is a relevant issue to be underlined between top managers in today's working environment, so that the negative elements contributed to the detrimental of firm performance can be avoided and focused more to the portion of healthy conflict. Secondly, this research aimed to broaden the research on this area as the dramatic changes in turbulent business world in term of economic, social, technology, and cultures always open a new path to the organization conflict. Of course, the way to overcome this situation should vary according to type of conflict. Hence, the contribution on conflict antecedents should be continued according to fast-paced technological developments and rapid market changes.

Preliminary Findings

Preliminary results of the study are to develop comprehensive understanding about the conflict element in the organization and how does the type of conflict help the company grow. Moreover, this paper will also contribute to the model of Upper Echelon in enhance the understanding about conflict traits with empirical work, so that the model become fruitful avenue for upcoming researchers.

Discussion and Conclusion

In conclusion, conflict become important antecedent in the model of Upper Echelon. All the while, there might have few companies has a thought that conflict only can create a negative outcome to the firm development. However, this study will enlighten the portion of types of conflict and how conflict will help company to grow. Despite this, the study attempted to close existing knowledge gap by revise and ground up previous finding to one solid and comprehensive result by test multiple industries and focusing 200 large companies in Malaysia. Healthy conflict of TMT will enhance quality decision- making which ultimately will impact positively the firm performance. Still, not all the conflict good for the organization. Behaviors of TMT underpinning with the chances to conflict exist in the organization. Managerial level of understanding about the management issues, will avoid the chances to conflict exists. Level of understanding the issues or problem binding together to the manager's cognitive level which will reflected in their behavior.

Furthermore, previous researchers concluded that task conflict helps to grow the company but in other hand relationship conflict become detrimental factor for the organization. Recent studies focusing whether relationship conflict can be confined if a team experiences a shared entrepreneurial passion. Based on a sample of 43 new venture teams that participated to a start-up competition in Switzerland, the researchers found that team entrepreneurial passion reduces the level of relationship conflict (Boone, Clarysse, & Andries, 2018). Hence, the contradictory findings about task conflict and relationship conflict make the research become more complex from day to day and the need for deep investigation into this element.

Further more personal revenge, frictions, affection, clashes, grudges and different level of understanding become main factors for the existence of the conflicts. Therefore, top management team should have a great understanding and collaboration among members. It's not a matter that what type of conflict exist in the organization, but how the group of top management retrieve the problem or conflict and make a right solution to overcome it. Top management team become important factors to determine the future direction of the company in the contemporary environment.

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The Factors Affecting the Effectiveness of Online Video Advertising: A Study on Malaysian Consumers' Perspective towards Ads on Youtube

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Abstract

Purpose: The main aim of this research is to evaluate the effectiveness of online video advertising concentrating on Malaysian consumers' perspective towards advertisements on YouTube.

Design/methodology/approach: Hypothesis testing study in quantitative approach. Sampling technique is used in quantitative approach to quantify the findings which will be tabulated along a continuum in numerical form to identify the relationship between dependent variable and independent variables.

Findings: Engagement (Independent Variable) has the strongest positive significant relationship with the effectiveness (Dependent Variable) of online video advertising particularly on YouTube advertising. Aside from that, the rest of the independent variables which are attitude and advertising content show no significant relationship with the dependent variable.

Research limitations/implications: The constraint of time that participants faced as generation Y in Klang Valley are usually busy as well as the duration of completion for the research restricting the survey to be conducted to a larger sample size and geographical area.

Practical implications: The research indicates that engagement influences the effectiveness of YouTube advertising. Advertisers would need to understand the ways to grab consumer's engagement in this platform as well as looking into the consumers' attitude that could affect the engagement.

Originality/value: A review and conceptual framework pertaining to factors affecting the effectiveness of online video advertising does not have a focus study on Malaysian consumers' perspective towards ads on YouTube. Hence, this research is designed to provide insights on the platform particularly among Generation Y consumers.

Keywords: Marketing, Effectiveness, Consumers' Perspective, Advertising, Youtube

Introduction

1.1 Research Background

In Malaysia, internet penetration has exceeded more than half of the population with 68.5% internet users that spend an average of 5.1 hours a day on the internet (Malaysian Digital Association, 2016). Nowadays, online videos have become the epitome of applications in the internet world. Hence, advertisers are taking the advantage of using video-sharing websites such as YouTube to reach the large online audiences.

1.2 Research Problem

TrueView in-stream advertising allows YouTube users to skip video ads. Both of the in-stream ad formats may produce higher CPMs than other YouTube advertising formats, but non-skippable in-stream advertisement has higher video abandonment rates than skippable TrueView in-stream ads. When users are allowed to choose whether to skip the advertisement or continue viewing the advertisement, a number of questions arises that can be broadly categorized as “user happiness” and “advertising effectiveness”—considerations that usually are seen as inherently conflicting in nature (Max Pashkevich, 2012).

1.3 Research Objectives

The main objective of this current study is to determine Malaysian consumers’ perspective towards advertisements on YouTube and the effectiveness of it.

- To identify the effect of Malaysian consumers’ attitude towards online video advertising in YouTube.
- To explore Malaysian consumers’ engagement on YouTube video advertising.
- To verify Malaysian consumers’ perspective on the video contents of advertisements displayed while using YouTube.
- To study the factor that would affect the most on the effectiveness of YouTube advertising among Malaysian consumers.

1.4 Research Questions

The following research question has been proposed for this study in line with the problem stated.

- a) What is the relationship between users’ attitude and the effectiveness of YouTube advertising in Malaysia?
- b) What is the relationship between user’s engagement towards video advertisements and the effectiveness of YouTube advertising in Malaysia?
- c) What is the relationship between video advertising content and the effectiveness of YouTube advertising in Malaysia?
- d) Which factors have the most effect towards online video advertising on YouTube in Malaysia?

1.5 Scope of Study

The scope of this study will be described in terms of its object and its unit of analysis. In this research, factors; namely time spent on YouTube, users’ attitudes, users’ engagements and video advertisement contents will be assessed to identify the factor that has an impact on the effectiveness of online video advertising in YouTube. There is a limited research that exists on measuring the effectiveness of online advertising in YouTube especially in Malaysia. By using quantitative method, this research will target on Malaysian YouTube users to obtain Malaysian consumers’ perspective towards ads on YouTube.

1.6 Hypotheses

H1: There is a significant relationship between engagement and the effectiveness of YouTube advertising in Malaysia.

H2: There is a significant relationship between attitudes and the effectiveness of YouTube advertising in Malaysia.

H3: There is a significant relationship between advertisement contents and the effectiveness of YouTube advertising in Malaysia.

1.7 Significance of study

This research study topic is chosen because it will provide valuable information and further understandings on the effectiveness of online video advertising as well as consumer's perspectives toward YouTube advertising.

Literature Review

2.1 Review of literature

2.1.1 YouTube Advertising

Online video advertising is no longer the same and has new developments that possess some characteristics which are different from traditional advertising format (Milad Dehghani, 2012). When viewers watch videos on YouTube, there are sudden appearances of advertisement on brand or product which interrupt the viewers from watching the videos (Ying-Fang Lai, 2015). Therefore, this research is conducted to further study on YouTube video advertising in Malaysia.

2.1.2 Generation Y

Generation Y also known as Millennials are children of Baby Boomers generation (Zailin Zainal Ariffin, 2017). They are a cohort of people whose age ranged between 19 to 35 years old. In Malaysia, generation Y accounts for about 11 million people in 2016-2017 which is around 44% of the Malaysian's population (Wobb, 2016; LivePopulation.com, 2017). (John T Bowen, 2015) states that in this 21st century being dependent towards online networking is inevitable especially for generation Y people.

2.2 Research Models

2.2.1 Engagement

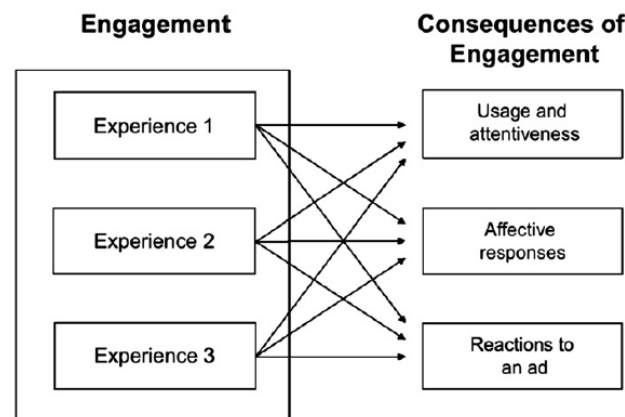


Figure 1: Engagement and Consequences
Proposed key determinants of relationship between
online engagement and advertising effectiveness.

Source: (Bobby J. Calder, 2009)

This conceptual framework developed by (Bobby J. Calder, 2009) theorizes that engagement and experiences are antecedent to responses towards advertising.

2.2.2 Attitude

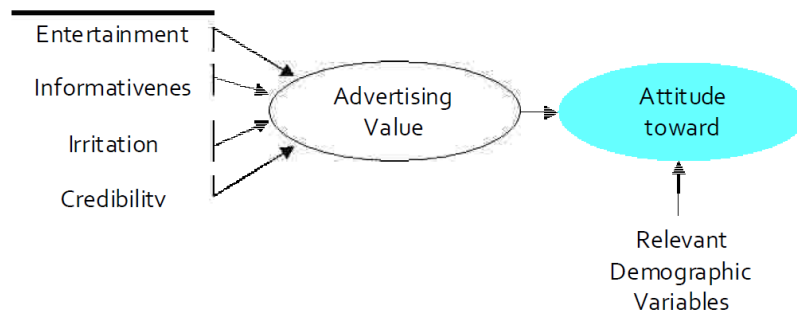


Figure 2: Consumer Attitudes towards YouTube Advertising Model
Proposed key determinants of users' attitude towards skippable ads
on YouTube trueview in-stream.
Source: (Fachira, 2014)

This model is adapted in a research conducted by (Fachira, 2014) to study the attitude that was partially inclined by advertisement's entertainment, irritation, and credibility as well as some personal factors.

2.2.3 Advertising Contents

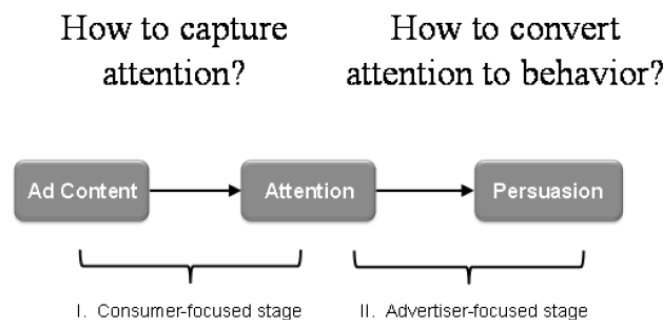


Figure 3: A simple model of advertising
Proposed key determinants of the rising cost of consumer attention
Source: (Teixeira, 2014)

Teixeira (2014) constructed a simple model to study how advertising works can be built by combining the three components into two stages of conversion shown in the model above.

2.2.4 Effectiveness

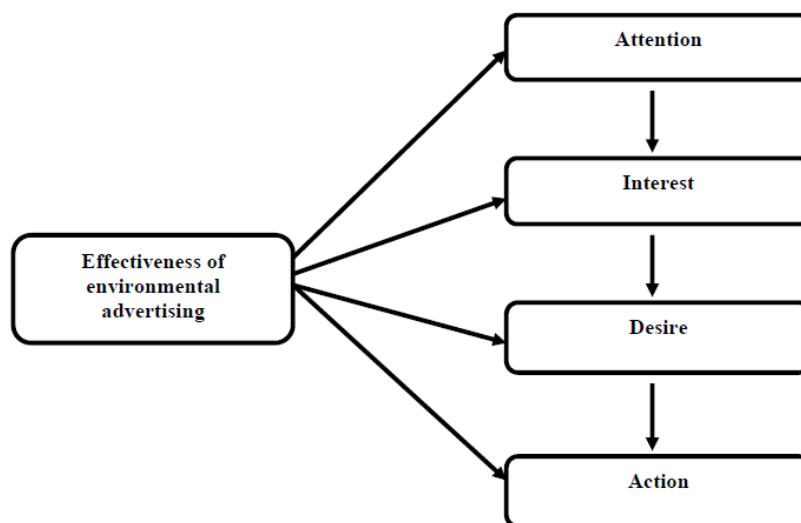


Figure 4: AIDA Model Theoretical Framework
Proposed key determinants of the effectiveness of environmental advertising
Adapted by (Sahar Gharibia, 2012)

The success of an advertisement highly depends on the way it is designed where customers go through all of the four phases. AIDA model is presented for the purpose of measuring the effectiveness of advertising (Sahar Gharibia, 2012).

2.3 Proposed Research Framework

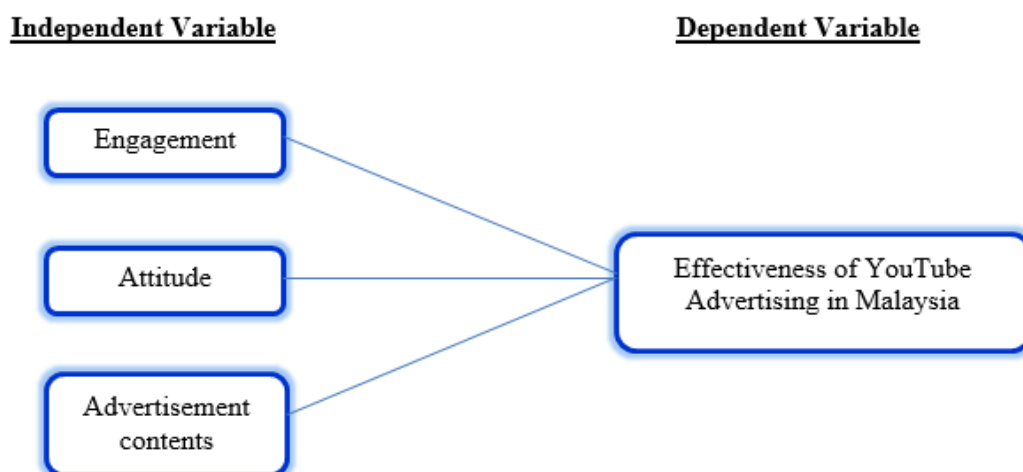


Figure 5: Proposed Research Framework (Source: Developed for this study)

The three independent variables presented which consist of engagement, attitude and advertisement contents are crucial for this research. Hence, the proposed research framework as shown in Figure 5 is constructed to illustrate the effectiveness of online video advertising specifically on YouTube advertising.

2.4 Effectiveness of YouTube advertising in Malaysia

A research was done by (Sorrentino, 2014) on the effectiveness of online advertisements based on consumers' perceptions, concentrating on Facebook, Twitter, and YouTube. In this study,

it was found that most of the individuals were not receptive to the advertisements displayed on the social media sites and are annoyed by it in general. Regardless of the many studies done on media richness theory and advertising effectiveness, none to my knowledge have examined the effectiveness of online video advertising particularly on YouTube.

2.5 Hypothesis Development

2.5.1 Engagement

Several studies show that when viewers are interrupted by the advertisement, most of them tend to just skip or disregard it (Verma, 2016; Daivata Patil, 2014; Trianita Adhi Handayani, 2015). When analyzing the effectiveness of YouTube advertising in the current study, it is highly linked to consumer engagement and so, it is imperative to understand what is producing consumer engagement in this platform. Therefore, the first hypothesis will be developed as consumers' engagement toward YouTube advertising is positively related to the effectiveness of YouTube advertising in Malaysia.

2.5.2 Attitude

Daivata Patil (2014) concludes that there is a certain perception created by the viewers' towards the advertisements in general and consequently unfavourable attitude towards YouTube advertisements was already formed. This is supported by (Corstjens, 2012) indicating that irritation related to advertising in social media sites like YouTube leads to interruption. Advertisement attitudes as well as brand awareness do play a vital role to engage customers on YouTube (Shen, 2014). Hence, the second hypothesis has to be validated as consumers' attitude toward YouTube advertising is positively related to the effectiveness of YouTube advertising in Malaysia.

2.5.3 Advertising Content

Online advertising is building awareness, changing buying decisions and influencing the consumers but the appearance of the advertisement plays a major role in drawing the viewers' attention (Verma, 2016). It is found that brand recognition and effectiveness increased when an advertisement is related to the video that is to be watched by the viewers. Thus, advertising contents will be allocated in the third hypothesis development as the advertising contents of YouTube advertising is positively related to the effectiveness of YouTube advertising in Malaysia.

Method

3.1 Research Design

Descriptive research design and statistical analysis methodology will be used to address the research problem. Sampling technique is used in quantitative approach to quantify the findings which will be tabulated along a continuum in numerical form to identify the relationship between dependent variable and independent variables.

3.2 Target Population

Generation Y will be the legitimate target for this research as it falls in the age range that has the highest internet user base which accumulates about 76.1% (Malaysian Communications and Multimedia Commission, 2016). Another major characteristic of Generation Y is its excessive spending habits compared with other generations (Sundarapandiyam N., 2015).

The research will be conducted at universities and shopping malls around Klang Valley area where tertiary students and young adults with buying powers as well as heavy internet users can be found. Klang Valley is the chosen location because it accumulates 33.6% internet users

which is the highest amount compared to others (Malaysian Communications and Multimedia Commission, 2016).

3.3 Variable Measurement

The questionnaire that is used in this research will be designed to be as simple as possible to obtain a high response rate from the respondents in order to fulfil the objective of this study. The multi-item scales will be adopted from previous studies to measure the proposed constructs. The variables will be measured by questionnaire that has 3 sections as shown in table below.

3.4 Data Collection

This research uses a self-administered questionnaire where elements in the sampling frame complete the questionnaires distributed by hand from the researcher to the respondents. Besides, google forms are circulated through social network sites and emails.

3.5 Sampling Techniques

In order to gain knowledge on the whole population, the sampling technique that is employed to draw a research sample from population will be non - probability sampling. In this research, convenience sampling is being chosen. According to (Mark Saunders, 2016) convenience sampling is a form of random sampling which is also known as availability sampling.

3.6 Sample size

A sample size which more than 30 and less than 500 is appropriate for most of the research (Uma Sekaran, 2009). This is supported by (Roscoe, 1975) Rules of Thumb which stated the appropriate sample size should be within the limit of thirty to five hundred. Samples more than thirty assure the benefits of central limit theorem. In this research, 200 is the targeted sample size. This amount is also being adopted in a few similar local researches conducted by (Chan Mei Lee, 2014) and (Khong Kok Wei, 2010).

Table 3.1: Origin of construct

No.	Measurement Variables	Source
A.	ENGAGEMENT	
A1.	I always skip the YouTube advertisements after the first few seconds.	(Rodriguez, 2017)
A2.	I only watch YouTube advertisements when I am interested in the product or service.	
A3.	I only watch the advertisement if I am familiar with the brand, product or service.	
A4.	I will search for more information on the product because of the YouTube advertisements.	(Naidoo, 2011)
A5.	I am able to make product related decisions regarding the brand and/or product based on the information presented in YouTube advertisements.	(Reitz, 2012)
B.	ATTITUDE	
B1.	I find advertising on YouTube intruding.	(Cretti, 2015)
B2.	I find advertising on YouTube irritating.	
B3.	I find advertising on YouTube useful.	
B4.	I find advertising on YouTube satisfactory.	
B5.	I appreciate YouTube advertising in general.	
C.	ADVERTISEMENT CONTENTS	
C1.	YouTube advertisements provide timely information on product or service.	(Qing, 2016)
C2.	YouTube advertisements are interactive.	
C3.	YouTube advertisements are too long.	(Fachira, 2014)
C4.	Most of the YouTube advertisements are unattractive.	
C5.	Most of the YouTube advertisements are unrelated to me.	
D.	EFFECTIVENESS	
D1.	YouTube advertising is able to create awareness towards the advertised product or service.	(Chan Mei Lee, 2014)
D2.	YouTube advertisements are able to raise consumer's interest towards the advertised product or service.	
D3.	YouTube advertisements give consumers a positive feeling toward the product or service.	(Seyed Rajab Nikhashemi, 2013)
D4.	Advertising on YouTube helps to gain favorable consumer response to the brand of the product or service.	
D5.	Consumers will consider purchasing the product or service based on the contents on the advertisements from YouTube.	

3.7 Sampling Unit

Table 3.2: Sampling Unit

Sampling units	Number of questionnaire distributed	Questionnaires collected	Number of usable questionnaire
University Of Malaya	45 sets	40 sets	36 sets
International University of Malaya-Wales	127 sets	127 sets	98 sets
Polytechnic Premier Sultan ~~Salahuddin~~ Abdul Aziz Shah	70 sets	70 sets	22 sets
Mid Valley Megamall	40 sets	37 sets	29 sets
Online survey	118 sets	100 sets	95 sets
TOTAL	400 sets	374 sets	280 sets

Since 200 is the targeted sample size, 400 sets of questionnaires were being distributed. However, only 374 sets of questionnaires were collected and 280 sets are usable questionnaires for data analysis. In total, there were 26 sets of questionnaires missing or failed to be collected and 94 sets of questionnaires were void and unusable. Nevertheless, the amounts of 280 sets are sufficient enough to cover the targeted sample size of 200.

3.8 Pilot Testing

Pilots test is vital to be conducted as it provides assurance to the researcher that the respondents are able to understand the questionnaire that the researcher intended to carry out (Saunders, 2012). After gaining the respondent's feedback, necessary amendments have been done on the questionnaire before 400 sets of final questionnaires were distributed to the respondents. Below shows the results of the pilot testing conducted.

Table 3.3: Pilot Test Results

Engagement			Attitude		
Reliability Statistics			Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.750	.542	5	.761	.761	5
Advertising Contents			Effectiveness		
Reliability Statistics			Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.710	.713	5	.960	.960	5

All of the 4 variables were tested for the internal reliability by using Cronbach's alpha reliability analysis. Based on the results above, Cronbach's alpha for the 4 variables ranged from the lowest of 0.710 which is advertising contents to highest of 0.960 which is the effectiveness. The results indicate that the Cronbach's alpha for engagement, attitude and advertising contents towards effectiveness of online video advertising were well above 0.70 which means the measurement scale of these variables were stable and consistent.

3.9 Data Analysis Method

It is noted that the present study will makes use of International Business Machines Corporation (IBM) based software known as Statistical Package for Social Sciences (SPSS).

Findings**4.1 Descriptive Analysis (Section A)**

Table 4.0: Descriptive Analysis Results

Criteria	Category	Number	Percentage
Gender	Male	75	37.5%
	Female	125	62.5%
Age Group	19-22	142	71.0%
	23-26	52	26.0%
	27-30	42	2.0%
	31-35	2	1.0%
Current Employment Status	Employed Full-Time	34	17.0%
	Employed Part-Time	8	4.0%
	Self-Employed	3	1.5%
	Student	152	76.0%
	Not-Employed	3	1.5%
Academic Qualification	Undergraduate	145	48.0%
	Master	125	41.0%
	PhD	32	11.0%

The total respondents are 200 people which female entitle 131 respondents while the male respondents are 69. This research has the most respondents from 19-22 years old and from the age range of 23-36 years old. 152 respondents are students and the rest are mostly respondents who are employed full-time. This is due to the targeted population of Generation Y who are mostly students or working full-time. Majority of the respondents have Degree and Diploma qualifications.

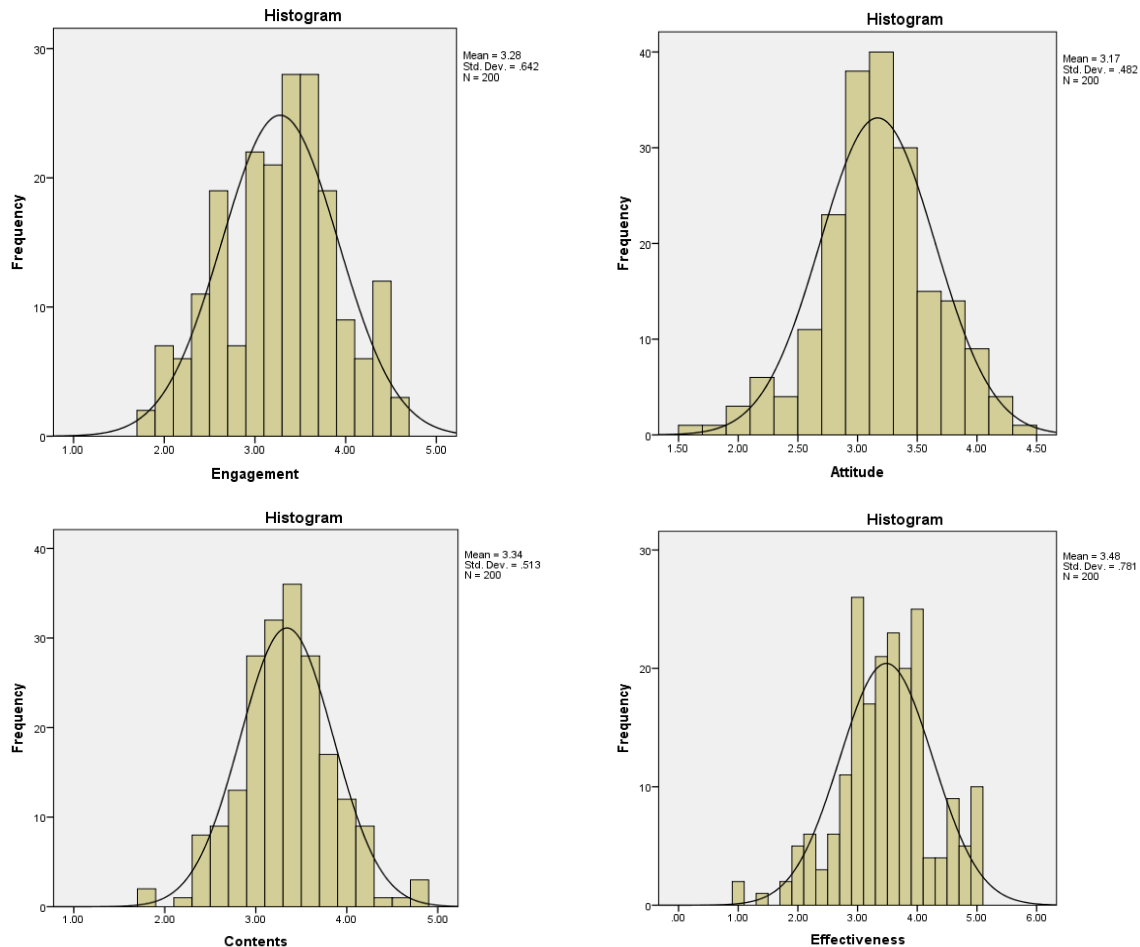
4.2 Close ended questions (Section B)

Table 4.1: Close Ended Questions Results

Question	Category	Number	Percentage
How do you access YouTube?	Mobile Device	38	19.0%
	PC	3	1.5%
	Both	159	79.5%
Average Time Spent on watching YouTube Videos.	A few hours a month	6	3.0%
	A few hours a week	51	25.5%
	Less than one hour a day	29	14.5%
	1-3 hours a day	72	36.0%
	More than 3 hours a day	42	21.0%
What kind of advertisements do you often see on YouTube?	Pre-roll	162	81.0%
	Mid-roll	38	19.0%
Would you watch the whole advertisement if an incentive was offered like a voucher code?	Yes	64	32.0%
	No	136	68.0%

The first question in section B involves getting information on the respondents' accessibility to YouTube. It can be concluded that most respondents use both PC and mobile device to watch YouTube. This research shows that most Malaysians spent at least 1 hour to 3 hours a day watching YouTube or at least a few hours a week watching YouTube. In these hours of watching YouTube, respondents often come across with pre-roll advertisements than mid-roll. Out of 200 respondents, majority of them will not watch the advertisement even though incentives are given.

4.3 Normality Test



The values for asymmetry and kurtosis between -2 and +2 are considered acceptable in order to prove normal univariate distribution (George, 2010). In fact, the ratio of skewness to its standard error can be used as a test of normality which normality is rejected when the ratio is less than -2 or greater than +2 (IBM Knowledge Center, 2017). In this research, both of the skewness and kurtosis of all the variables are accepted.

4.4 Bivariate Pearson Correlation Analysis

Table 4.14: Bivariate Pearson Correlation Analysis

		Correlations			
		Engagement	Attitude	Contents	Effectiveness
Engagement	Pearson Correlation	1	.382**	.027	.202**
	Sig. (2-tailed)		.000	.701	.004
	N	200	200	200	200
Attitude	Pearson Correlation	.382**	1	.095	.112
	Sig. (2-tailed)	.000		.182	.116
	N	200	200	200	200
Contents	Pearson Correlation	.027	.095	1	.035
	Sig. (2-tailed)	.701	.182		.627
	N	200	200	200	200
Effectiveness	Pearson Correlation	.202**	.112	.035	1
	Sig. (2-tailed)	.004	.116	.627	
	N	200	200	200	200

** . Correlation is significant at the 0.01 level (2-tailed).

According to the correlation matrix above, the *p*-value (sig.) of the correlation between independent variables (engagement, attitude and contents) and the dependent variable (effectiveness of YouTube advertising) shows values with less than 0.01 and more than 0.01. This indicates that there are variables with significant and insignificant relationship between them.

Attitude has a more significant relationship with engagement compared to others even though all of it demonstrates positive values. The result shows that contents has no significant relationship with any variables including the dependent variables stating that it does not have much impact on the effectiveness of online video advertising. The table shows that only engagement has the highest positive relationship with effectiveness while the others have weak positive relationship.

4.5 Regression

4.5.1 R square

Table 4.15: R Square

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	Contents, Engagement, Attitude ^b		Enter

a. Dependent Variable: Effectiveness

b. All requested variables entered.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.207 ^a	.043	.028	.77007

a. Predictors: (Constant), Contents, Engagement, Attitude

The coefficient of correlation of 0.207 concludes that there is a weak positive association between effectiveness and contents, engagement as well as attitude. The coefficient of determination of 0.043 concludes that 4.3% of variation in the effectiveness is explained by the variation in the contents, engagement and attitude. The standard of error of the estimate is 0.77007.

4.5.2 Test of significance

Table 4.16: Anova

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.217	3	1.739	2.932	.035 ^b
Residual	116.231	196	.593		
Total	121.448	199			

a. Dependent Variable: Effectiveness

b. Predictors: (Constant), Contents, Engagement, Attitude

H0 = There is no significant difference between contents, engagement and attitude towards effectiveness.

H1 = There is a significant difference between contents, engagement and attitude towards effectiveness.

Alpha Value = 0.05

Critical value = 2.60

F value = 2.932

According to the given degree of freedom (df) and residual as well as an alpha value of 0.05, the critical value is 2.60. It shows that the F value of 2.932 is greater than critical value. Thus, H1 is accepted and there is a significant difference between contents, engagement and attitude towards effectiveness. Therefore, the overall model is significant and the fitness of the model is considered high.

4.6 Coefficient

Table 4.17: Coefficient

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.410	.511		4.720	.000
Engagement	.228	.092	.187	2.476	.014
Attitude	.061	.123	.038	.495	.621
Contents	.039	.107	.026	.369	.713

a. Dependent Variable: Effectiveness

The Multiple Regression formula for this study is;

$$y = b_0 + b_1x_1 + b_2x_2 + b_3x_3$$

$$y = 2.410 + 0.228x_1 + 0.061x_2 + 0.039x_3$$

4.6.1 Hypotheses Results

Significant value ($\alpha = 0.05$)

H1: There is a significant relationship between engagement and the effectiveness of YouTube advertising in Malaysia.

Based on table above, the p -value of the t -test ($p=0.014$) for engagement is less than the alpha value of 0.05. At this level of significance, accept H1 and conclude that engagement of online video advertising is significantly related to the effectiveness of online video advertising particularly YouTube advertising.

H2: There is a significant relationship between attitudes and the effectiveness of YouTube advertising in Malaysia.

According to the table above, the significant value of attitudes ($p=0.621$) is higher than 0.05. Therefore, at this level of significance, reject H2. This means attitude towards online video advertising is not significantly related to the effectiveness of online video advertising particularly YouTube advertising.

H3: There is a significant relationship between advertisement contents and the effectiveness of YouTube advertising in Malaysia.

The table above shows the p -value of the t -test ($p=0.713$) for advertisement contents which is more than the alpha value of 0.05. Hence, H3 is not supported and conclude that advertisement contents of online video advertising is not significantly related to effectiveness of online video advertising particularly YouTube advertising.

Discussion and Conclusion

5.1 Research Discussion

H1: There is a significant relationship between engagement and the effectiveness of YouTube advertising in Malaysia.

The hypothesis is accepted. Engagement which is measured through the different uses of interaction with the advertisement can affect the effectiveness of YouTube advertising. This is supported by (Shen, 2014) stating that engagement plays a vital role in advertising process effectiveness. This research proves that consumers' engagement towards the YouTube advertisement has an impact on the effectiveness of the advertisement which advertisers need to concentrate on.

H2: There is a significant relationship between attitudes and the effectiveness of YouTube advertising in Malaysia.

The hypothesis is rejected. This can be concluded that the effectiveness of YouTube advertisement is not affected by the consumers' attitude whether it is a positive or negative attitude towards the advertisement. Instead, attitude shows a stronger positive relationship with engagement. It is proven that the higher engagement of consumers in communication on social media network, the more positive attitude towards the advertisements seen by them (Cretti, 2015). Given such conclusion, it is clear that attitude has a significant relationship with engagement but not with the effectiveness of YouTube advertising.

H3: There is a significant relationship between advertisement contents and the effectiveness of YouTube advertising in Malaysia.

The hypothesis is rejected. It does not matter if the advertisement displayed is good or bad as consumers will still react the same way to the advertisement. This research finding contradicts with several researchers which indicates that designing online advertising with great contents

are able to attract and maintain consumers' attention (Khong Kok Wei, 2010; Taylor, 2011; Eze, 2012; Seyed Rajab Nikhashemi, 2013; Li, 2014). This research proves that advertisement content does not influence Malaysian consumers that would affect the effectiveness of YouTube advertising.

5.2 Recommendation for Future Research

The future research should focus on reaffirming the relationship between engagement and attitude as well as further studying on how both variables affect YouTube advertising. Besides, future research should incorporate a more balanced sample population of respondents. Questionnaires should also be multilingual with researchers constantly being available to assist respondents with different levels of education. Moreover, it is highly encouraged to construct online survey questionnaires.

5.3 Conclusion

The results in this study have demonstrated that only consumers' engagement has a vital role in influencing the effectiveness of online advertising particularly among Malaysian consumers towards advertisement on YouTube. It articulates that advertising in YouTube is different from other social media sites. Therefore, there should be a different way of approaching the consumers through YouTube advertisements. Since YouTube is ranked top compared to other video-sharing sites (Nielsen, 2017), it is highly encouraged that advertisers should advertise more on YouTube advertising. This research study has contributed to existing research regarding online advertising but with a new perspective that can be applied specifically on YouTube advertising.

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Modelling Perceived Value, Trust, Satisfaction and Consumer Commitment: An Analysis of Fast Moving Consumer Goods in Malaysia

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Abstract

Purpose: The purpose of this study is to examine the factors influencing the online purchase intention in Malaysia.

Design/methodology/approach: This study uses quantitative method for a total of 250 respondents. Measurement such as descriptive analyses, and Pearson's correlation and multiple regression analysis are used to test the hypothesis.

Findings: The multiple regression results show customers value, personal innovative, website quality, trust and satisfaction are the main factors influence the online purchase intention in Malaysia. However, website quality does not have any impact to the online purchase intention.

Research limitations/implications: This study provides an analysis of fast moving consumer goods in Malaysia.

Originality/Value: This paper has its origin in the fast moving consumer goods in Malaysia.

Keywords: Perceived Value; Trust; Satisfaction; Consumer Commitment, Fast Moving Consumer Goods

Introduction

Today, the usage of Internet especially on tablets and mobile devices have become the most influential tool for business, communication and entertainment purpose (Law, Kwok, & Ng, 2016). As of today Mar 2017, the number of internet users has increased to 3.7 billion which is around 49.6% of the world population (Internet World Stats, 2017).

With the existence of internet, it has dramatically changed our daily life with number of benefits towards both consumers and business. It also play as a preferred medium to provide endless assistance for comparison and information search for our shopping and decision making. One of the biggest obstacles that consumers used to face was limited information and time for

comparison when shopping, but now consumers can enjoy quick information search and comparison by using internet (David, 2011).

However, food and beverage industry has been affected by the emerging of e-commerce. This also known as the biggest and fastest shift for the food and beverage industry which are due to new consumer demand to purchase food throughout online (Pyne, 2013). According to a 2017 Nielsen study, about one-fourth of the global respondent say they will purchased meal-kit delivery services (27%) or packaged grocery food (24%) online. 21% of the respondents also say they willing to purchase fresh groceries online.

Today, most of the studies that has been done by the researchers were mainly focus on merchandise or services such as electronic products, books, clothing, tourism and hotel. In fact, researchers are usually paying less attention towards purchase food and beverage product through online especially against online purchase intention (Zhao, Deng, & Zhou, 2017).

Despite the steady growth of online shopping, there are still several reason that affected the online purchase intention especially towards food and beverage product. One of the biggest problem with online shopping as a marketing and sales tool is the incapability for the consumer to touch, feel, smell and inspect the products. (Hobbs, Byod, & Kerr, 2003) Due to the consumers are not able to visually inspect and identify the product's quality to make their purchase decision, therefore those food and beverage online retailer should find other resources for consumer to gestures the product in order to guarantees them its reliability and integrity (Rozekhi, Hussin, & Noor, 2014).

Some researchers also found that many web site is unable to help the companies to reach their objectives to maximize profit from e-commerce solution where many online shoppers drop out from their shopping cart without complete the final transaction. These researchers also found that these failure are due to the result of mistreated the consumer needs (Hausman & Siekpe, 2009; Rosen & Purinton, 2004). Many companies often choose to copy successful sites or construct their web site based on their offline store design instead of create a virtual space that can enhance the shopper online purchase experience (Rosen & Purinton, 2004; Hausman & Siekpe, 2009; Song & Zahedi, 2005). These would be one of the main reason many online shoppers choose not to complete the final transaction.

Literature Review

In the past study, most of the researchers basically agreed that the customer value influence the online purchase intention (Ponte, Carvajal-Trujilo, & Escobar-Rodriguez, 2015; Lien, Wen, Huang, & Wu, 2015; Zhao, Deng, & Zhou, 2017). However, Kim, Xu and Gupta (2012) found that there are two factors that influencing the customer value in the context of online shopping which are perceived price and perceived trust. Perceived price can be referred as the price encoded by consumer and for online shopping context usually may include shipping cost. Consumer usually encode the price in a way that these particular products are meaningful to them instead of remember the objective of the price (Kim, Xu, & Gupta, 2012).

According to Zhao, Deng and Zhou (2017), reference group can be referred as a key element to influence consumer value. Usually consumer experience and production information shared by family member, friends, coworkers or celebrities will easily affect consumer perception and evaluation towards particular product. Online comments is a recently form of word of mouth communication from current and previous online consumer who evaluation in the form of text, in which incorporate with their usage experience (Datta, Chowdhury, & Chakraborty, 2005). The online consumer comments whether positive or negative are believe to be more reliable than the recommendation given by the product and service provider. Therefore, positive online comments help to build more online trust, hence increasing their customer value (Zhao, Deng, & Zhou, 2017).

There are also a number of studies that have tried to relate innovativeness with intention to shop. Many researchers have showed that online shopping innovativeness still remains an important role as it can directly affect an individual from the moment search for information before purchase and final decision to purchase via online (Nirmala & Dewi, 2011; Blake, Neuendorf, & Valdiserri, 2003; Bigné-Alcañiz, Ruiz-Mafé, Aldás-Manzano, & Sanz-Blas, 2008) meanwhile it also helps to understand the factors of adoption on a new product and predict consumer buying behavior using innovativeness as a personality trait (Stanley Yap, 2009; Stanley Yap, 2014; Li, Zhang, & Wang, 2015; Hong, Lin, & Hsieh, 2017; Stanley Yap and Chok, 2017; Stanley Yap and Mahadevan, 2017; Fatemeh and Stanley Yap, 2017).

Today, web site is one of the most crucial channels for the product or service provider to communicate with the consumers. Web site with high quality can enhance consumers' satisfaction and also able to convert Web browser into real buyers (Wang, Law, Guillet, Hung, & Fong, 2015). A number of researchers have agreed that web site quality can influence a consumer's emotion in either enjoyment or anxiety (Ali, 2016; Kim & Lennon, 2013). This has been supported by Yoo, Park and Macinnis (1998) study on the in-store characteristic and emotional experience.

Beside consumer emotion, web site quality also may influence perceived risk (Kim & Lennon, 2013). This was supported by Grewal, Iyer, Gotlieb and Levy (2007) where they found that customer perception on service quality will likely affect the level of perceived risk in the customer future purchase. Delivery issues such as product damaged, received wrong product and late delivery has been one of the most challenging parts for most of the online retailers and has also increased the consumer perceived risk during online shopping (Choi & Lee, 2003). Kim and Lennon (2013) also emphasize the importance of web site system quality which related to security and privacy issues.

With more attractive and interesting features included in the online web site, it could encourage more customers to engage with this particular web site (Hasanov & Khalid, 2015). Many researchers also agreed that web site features and quality of information play an important role to influence the online purchase intention (Mansori, Cheng, & Lee, 2012; Hsu, Chang, & Chen, 2012; Cho, Bonn, & Kang, 2014; Turkyilmaz, Erdem, & Uslua, 2015).

It is getting important for business to build up trust with consumers due to trust plays a critical role during any purchase decision in an online web site. This is due to consumers are unlikely to purchase online if they do not have trust on this seller's web site (Gefen, 2002; Thamizhvanan & Xavier, 2013). Due to the online shopping is risk nature, some researchers found that the more a consumer trusts the web site; the lower the perceived risk and also leads to greater purchase intention during the online purchase (Mansour, Kooli, & Utama, 2014; Pavlou, 2003).

In the business and marketing perspective, satisfaction has proven by many academicians to be a major determining factor of purchase behavioral intention which could help to improve repurchase intention, enhance customer loyalty and also establish positive word of mouth (Hsu, Chang, & Chen, 2012; Ali, 2016; Pappas, Pateli, Giannakos, & Chrissikopoulos, 2014).

Consumers' purchase intentions have also been extensively discussed in most of the past literature which related to online shopping (Ranaweera, Bansal, & McDougall, 2008) because it is an important dimension during studies of behavioral intentions (Zeithaml, 2000) which is substantial to understand purchase intention, repurchase intention and actual purchase behavior (Hsu, Chang, & Chen, 2012; Boulding, Kalra, Staelin, & Zeithaml, 1993).

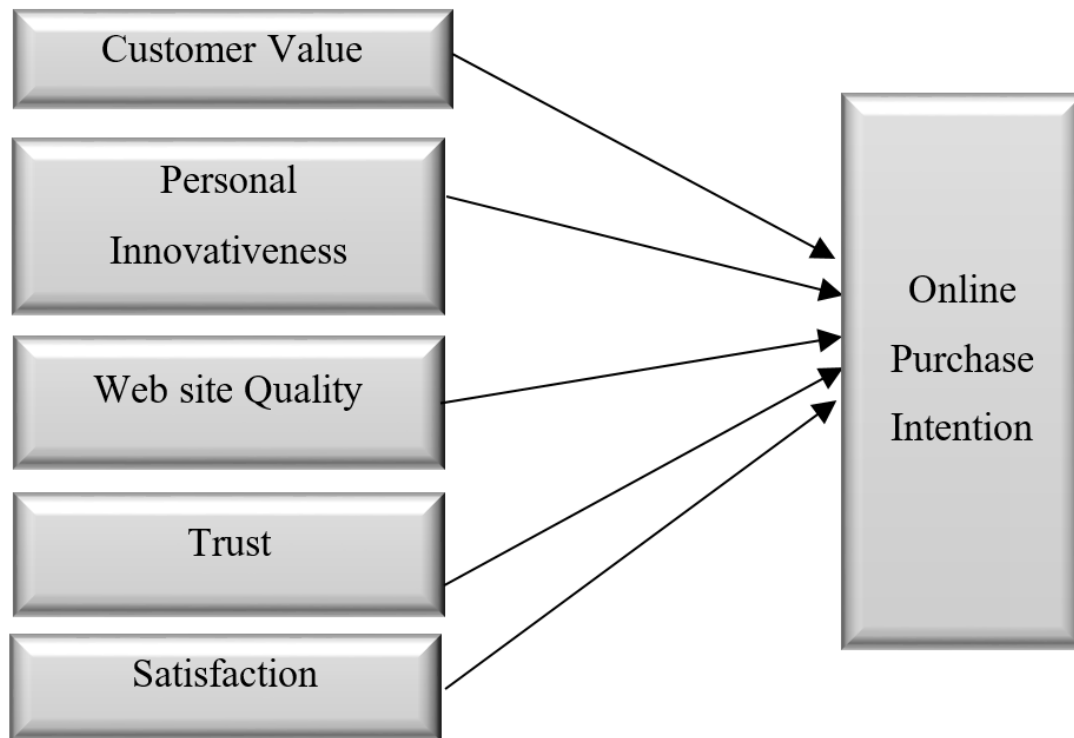
Theoretical Framework and Hypothesis Development

Figure 1: Theoretical Framework

Hypotheses development

- H1: There is a positive relationship in between customer value and online purchase intention.
H2: There is positive relationship in between personal innovativeness and online purchase intention
H3: There is a positive relationship in between web site quality and online purchase intention
H4: There is a positive relationship in between trust and online purchase intention
H5: There is a positive relationship in between satisfaction and online purchase intention

Method**Research purpose**

This study is based on explanatory research method rather than exploratory or descriptive method. This also supported where all the respondents are analyze as a single group unlike exploratory study to analyze all kind of information in different level. In this study, the researcher will also include the correlation statistical test for the data analysis (Creswell, 2012). In this study, the researcher decided to choose quantitative approach for the data collection. Based on most of the past research (Zhao, Deng, & Zhou, 2017; Law, Kwok, & Ng, 2016; Hasanov & Khalid, 2015) are using quantitative approach for their study related to online purchase intention.

As of March 2017, Malaysia has achieved with a surprised population of 31 million and about 70% of this population is using internet (Internet World Stats, 2017). Food and beverage online retailing has achieved growth of 15% which mainly driven by both time-pressed young working adult and also housewife (Euromonitor International, 2017).

In this study, the researcher will applied the non- probability sampling techniques since it seemed to be more suitable as the questionnaire to be distributed based on my own contract so

convenience sampling could be helpful for us to approach the respondents and collect the data within the limited time frame and at the same-time avoid the low response rate.

The questionnaire can be divided into two main sections, the first section mainly focused on the question containing to factors that influence the consumer online purchase intention on food and beverage products. Second section of the questionnaire consist of the demographic information of the respondents in order to identify who are the respondents and difference of result in relation to the factors.

In this section, the researcher are benchmarking the past research (Hong, Lin, & Hsieh, 2017; Zhao, Deng, & Zhou, 2017) for measurement by using 5-point Likert scales which ranging from 1 “Strongly disagree” to 5 “Strongly agree” for all the questions.

This pilot test has been conducted with around ten respondents that age ranging from 25 to 45 in Klang Valley. An open question interview were conducted in order to conclude which factors to be focussed in the literature review and questionnaire design.

In this study, the researcher have input all the raw data into a survey analysis software known as SPSS (Statistical Package for the Social Science). SPSS is a very user-friendly software for statistical analysis and also compatible with excel in many functions. By using SPSS software, data can be used to study its normality, reliability, validity and also others useful information for the analysis purpose.

Among these 226 responds, there are 22 responds has been excluded. Therefore, this resulted in a total 204 usable response, or about 90% of usable response rate is achieved. Thus, the sample size deemed is acceptable for the purpose of the study.

Findings

In this research, the researcher has using both Kolmogorov-Smirnov and Shapiro-Wilk (K-S) test in the SPSS to study quantitative normality test's study. The researchers also suggested to use histogram and Q-Q plots for visual inspection.

Customer value is the first independent variable in the study. The above table 4.2 shown that the normality test of customer value is not deemed to normally distribute in the research due to p value (named as Sig. in SPSS) is not greater than 0.05.

In the study, personal innovativeness is the second independent variable. The above table 4.3 shown that the normality test of personal innovativeness is not able to judge as normally distribute in this study due to p value (named as Sig. in SPSS) is below 0.05.

In the study, web site quality is also the one of the independent variable. Based on the table 4.4, the researcher found that the normality test of web site quality to be considered as not normally distribute in this study due to p value (named as Sig. in SPSS) is lower than 0.05.

As a main factor that will influence an online shopping behavior, trust is also the independent variable. Based on the table 4.5, the researcher can found that the normality test of trust to be considered as not normally distribute in this study due to p value (named as Sig. in SPSS) is equal to 0.000 that is also found to be less than 0.05.

Satisfaction is also an important independent variable for this online purchase research. Based on table 4.6, the researcher can found that the normality test of satisfaction is also not normally distributed in this study due to p value (named as Sig. in SPSS) is still equal to 0.000 which in fact is also below 0.05.

In this research, online purchase intention is the most important and also the only one dependent variable. Similar with all the independent variable, the researcher has found that the

normality test of online purchase intention is not normally distributed in this study due to p value (named as Sig. in SPSS) is not greater than 0.05.

The first variable of customer value is considered valid. This is due to the value of KMO test is 0.870 which is greater than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicate 0.00 which mean the customer value is 100% significantly different with other factors. Therefore, the customer value is valid and can proceed for the next test and analysis.

The factor of personal innovativeness is also considered valid. This is due to the value of KMO test is 0.674 which is greater than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicated value of 0.00 which mean the personal innovativeness has 100% significant difference with other factors. Therefore, the personal innovativeness is valid to be proceed for the next test and analysis.

The factor of web site quality is a valid factor. This is due to the value of KMO test is 0.890 which is more than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicated value of 0.00 which mean the web site quality factor has 100% significant difference with other factors. Therefore, the web site quality is valid to be proceed the study of next test and analysis.

The factor of trust is a valid factor. This is due to the value of KMO test is 0.923 which is more than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicated value of 0.00 which mean the trust factor has 100% significant different with other factors. Therefore, the trust is valid to be proceed the study of next test and analysis.

The factor of satisfaction is a valid factor. This is due to the value of KMO test is 0.840 which is more than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicated value of 0.00 which mean the satisfaction factor has 100% significant different with other factors. Therefore, the satisfaction is valid to be proceed the study of next test and analysis.

The last variable of online purchase intention is a valid independent variable. This is due to the value of KMO test is 0.912 which is more than the basic requirement of 0.6. In the mean-time, the Bartlett's test also indicated value of 0.00 which mean the online purchase intention variable has 100% significant different with other variable. Therefore, the online purchase intention is valid to be proceed the study of next test and analysis.

Reliability test

The reliability test's result showed that customer value is a reliable independent variable. This is due to the value of Cronbach's Alpha is 0.882 which is greater than 0.7. Therefore, customer value is considered reliable for all these six question and this reliable independent variable could be proceed to the next analysis.

The reliability test's result showed that personal innovativeness is a reliable factor. This is due to the value of Cronbach's Alpha is 0.740 which is more than 0.7. Therefore, personal innovativeness is considered reliable for all these six question and this reliable factor to be proceed to the next analysis.

The reliability test's result showed that web site quality has a strong reliability. This is due to the value of Cronbach's Alpha is 0.927 which is larger than 0.7. Therefore, web site quality is considered a very reliable factor for all these six question and this factor to be proceed to the next analysis.

The reliability test's result showed that trust also has a strong reliability. This is due to the value of Cronbach's Alpha is 0.933 which is way larger than 0.7. Therefore, trust can be recognized a very reliable variable for all these six question and this factor can be proceed to the next analysis.

the reliability test's result showed that satisfaction also has a strong reliability. This is due to the value of Cronbach's Alpha is 0.908 which is way larger than 0.7. Therefore, satisfaction can be treated as a reliable independent variable for all these four question and this factor can be proceed to the next analysis.

The reliability test's result showed that online purchase intention has the highest reliability compare to others variable. This is due to the value of Cronbach's Alpha is 0.955 which is much greater than 0.7. Therefore, online purchase intention can be treated as a reliable dependent variable for all these seven question and this variable can be proceed to the next analysis.

Multiple regression analysis is an important measurement to study the combined relationship in between multiple independent variables toward a single dependent variable. Under this study, the researcher has decided to use linear multiple regression to study the combined relationship between all independent variable. In this approach, the relationship between variables are assumed to fall around a straight line and also serve for two main functions.

First, the researcher need to explain the coefficient determinants. R square and secondly, the researcher need to examine the beta weight from the coefficient.

Table 1: R Square for Model 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 ^a	.791	.786	.41621
a. Predictors: (Constant), satisfaction, personal innovativeness , web site quality, customer value, trust				
b. Dependent Variable: online purchase intention				

In table 4.21, the predictors of the multiple regression are the factors of satisfaction, personal innovativeness, web site quality, customer and trust as per listed above. The multiple R of 0.889 is represented as the correlation efficient of all predictors with the independent variable of online purchase intention. In term of R square is just simply a reference of multiple correlation efficient squared. In fact, adjusted R square of 0.786 is an important value to indicate that around 79% of the variance is able to be predicted from the online purchase intention.

Table 2: Dependent Variable: MOPI

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.960	.177		-5.417	.000
	Customer Value	.308	.072	.257	4.281	.000
	Personal Innovativeness	.352	.054	.268	6.537	.000
	Web site Quality	-.073	.063	-.064	-1.157	.249
	Trust	.387	.076	.352	5.113	.000
	Satisfaction	.245	.078	.199	3.150	.002

In the coefficient table, the researcher has examined the more useful part of information from Beta and Sig. column. The Beta column indicated the correlation in between each of the independent variable and dependent variable. Meanwhile, the Sig. column is important to measure the significant level of each independent variable. The requirement for independent variable to be indicated as Sig. value is below 0.05 (Reinard, 2006; Creswell, 2012). In the Table 4.22 above showed that all the independent variable at significant correlation level except

web site quality due to the significant level (p-value) is lower than 0.05. Therefore, these meant that customer value, personal innovativeness, trust and satisfaction can combined as a significant predictors for online purchase intention.

Table 3: Hypothesis testing

Hypothesis		Pearson Correlation (r)	Multiple Regression (p=Sig., Beta)	Result
H1	There is a positive relationship in between customer value and online purchase intention.	0.802	0.000, 0.257	Supported
H2	There is positive relationship in between personal innovativeness and online purchase intention	0.683	0.000, 0.268	Supported
H3	There is a positive relationship in between web site quality and online purchase intention	0.665	0.249, -0.064	Not Supported
H4	There is a positive relationship in between trust and online purchase intention	0.809	0.000, 0.352	Supported
H5	There is a positive relationship in between satisfaction and online purchase intention	0.789	0.002, 0.199	Supported

Discussion and Conclusion

During the first hypothesis development, the researcher was stated the purpose of the study as the customer value has positive relationship with online purchase intention. the customer value also showed significant p-value of 0.000 with online purchase intention in Multiple Regression analysis where requirement of significant level is below 0.005. Thus, H1 was then supported with the interpretation that customer value has a positive relationship with the online purchase intention for food and beverage products.

For H2, the researcher was stated the purpose of the study as the personal innovativeness has positive relationship with online purchase intention. The personal innovativeness also showed significant p-value of 0.000 with online purchase intention in Multiple Regression analysis where requirement of significant level is below 0.005. Thus, H2 was then supported with the explanation that personal innovativeness has a positive relationship with the online purchase intention for food and beverage products.

For the third hypothesis, the researcher was stated the purpose of the study as the web site quality has positive relationship with online purchase intention. The web site quality factor was not showed a significant p-value with online purchase intention due to result of 0.249 in Multiple Regression analysis and requirement of significant level is below 0.005. Thus, H3 was not supported with the interpretation that web site quality has a positive relationship with the online purchase intention for food and beverage products.

Refer to H4, the researcher was assumed that the purpose of the study as the trust has positive relationship with online purchase intention. The trust also showed significant p-value of 0.000 with online purchase intention in Multiple Regression analysis where requirement of

significant level is below 0.005. Thus, H4 was then supported with the explanation that web site quality has a positive relationship with the online purchase intention for food and beverage products.

In term of H5, the researcher was assumed that the purpose of the study as the satisfaction has positive relationship with online purchase intention. The satisfaction also showed significant p-value of 0.002 with online purchase intention in Multiple Regression analysis where requirement of significant level is below 0.005. Thus, H4 was then supported with the explanation that web site quality has a positive relationship with the online purchase intention for food and beverage products.

The researcher was found customer value, personal innovativeness, trust and satisfaction to have a significant impact to the online purchase intention while the web site quality was proved not to have significant impact to the online purchase intention. Customer value has proven to be a major factor that influence the online purchase intention for food and beverage products. This is due to online purchase usually provide more value especially in term of monetary which is price saving during online purchase (Lee & Overby, 2004).

The researcher also found personal innovativeness to be an important factor when examine the online purchase intention of food and beverage. This is due to the online shopping for food and beverage is still a relatively new concept for many of the consumers even some of them might be a frequent user of internet.

This research able to help the consumers to understand the benefit to online purchase food and beverage in view of there is still many consumers who are never exploring themselves on online purchase especially for food and beverage. By knowing the advantage to purchase food and beverage from online website, will provide them an additional shopping channel that can help them to save cost, time and more importantly able to easily make comparison and refer to consumer reviews.

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Future Challenges to the Entrepreneur in Relation to the Changing Business Environment

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Abstract

Purpose: The current research study aimed to explore some of the different challenges entrepreneurs may face as a result of the changing business environment, with a particular focus on the increased integration and use of artificial intelligence (AI) and the Internet of Things (IoT) within the business environment.

Design/methodology/approach: A qualitative interpretive exploratory methodology was adopted. The research method adopted in the completion of the study was semi-structured one-on-one interviews conducted using a sample comprised of 10 individuals classified as entrepreneurs, with five coming from well-established companies, and 5 coming from start-up organizations.

Findings: The conclusion of this study, supported by the research findings, is that while new technologies like AI and the IoT bring their own challenges within the changing business environment, and the resources of the entrepreneur along with the identification of risk determine its adoption.

Research limitations: Limitations affecting the current study include the small sample size, variations across industry, and variations among business type.

Practical implications: Practical implications for the results of this study include a more targeted understanding of approaches that could provide benefit to entrepreneurs considering the application and integration of new technologies within their organizations.

Originality/value: With new technologies being conceptualized and adopted almost daily, understanding how these technologies are integrated by entrepreneurs, the challenges faced during integration process, and the perceived future problems in the adoption and integration of technology may provide insight into ways through which those technologies, like the IoT and AI, may be integrated with reduced challenges to the organization.

Keywords: Entrepreneurship, Entrepreneurs, Business Environment, Future Challenges, Iot, AI

Introduction

To be an entrepreneur within the current decade is to be inundated with challenges associated with an ever changing business environment. Modern society has a tenuous understanding of entrepreneurship and what it means to be an entrepreneur, yet in spite of this nebulous conception, a great many individuals are not fully cognizant of the different components necessary to fulfill the obligations associated therewith, viewing the concept in terms of only its organizational creation, as opposed to the aspects of economic innovation and profit seeking

behaviors that are equally critical to its conceptualization (Erikson, 2001). The term “entrepreneurship” first entered business vernacular in the 1980s, coming to refer to the capacity to, and willingness to, develop, manage, and organize a business venture, addressing all associated risks, toward the goal of making a profit (Stevenson, 2006, p. 1).

Since that time, conceptions of entrepreneurship have shifted slightly, incorporating an additional measure of risk not present in more traditional business ventures into the definition (Ikem, Aponte, & Muffatto, 2015). Entrepreneurship is believed to be a vital practice, one necessary to ensure “the long-term vitality” of the economy, and is viewed as a practice that can benefit all organizations, from the start-up to the long standing, well-established organization (Stevenson, 2006). The term “entrepreneur” refers to the individual who organizes and operates one or more businesses, typically taking on a higher than average amount of risk in the course of doing business (Ikem, Aponte, & Muffatto, 2015). The modern entrepreneur must deal with a host of challenges in relation to the changing business environment in order to ensure the success of their business ventures, addressing potential areas of risk and potential threats to the organization on all fronts. While many studies have explored the manner in which competition occurs between rivals, the essential components of entrepreneurship, the integration and application of practices of small business management and strategic management, and other similar considerations (Hitt & Ireland, 2017; Kirzner, 2015; Scarborough, 2016), limited consideration is given to the challenges faced by these organizations in the realm of adoption and integration of new technologies within the changing business environment.

Given that both design and innovation, including the integration of new technologies, are viewed as drivers of entrepreneurship, and the belief that in order for the entrepreneur to sustain, continued attention to design and innovation must become a part of the daily activities of the organization (Ikem, Aponte, & Muffatto, 2015), it becomes necessary to understand how entrepreneurs are adapting to the challenges brought about by the current business environment. In light of this identified gap within the current body of literature, the current research study aimed to explore some of the different challenges entrepreneurs may face as a result of the changing business environment, with a particular focus on the increased integration and use of AI and IoT within the business environment. Through the collection of perspectives from individuals who identify as entrepreneurs, the three objectives of the study were met: firstly, to explore how entrepreneurs are meeting the changing business environment; secondly, to understand what challenges entrepreneurs were facing; and thirdly, to understand the current use or projected use of tools like AI and the IoT within the context of the current business environment.

Literature Review

Entrepreneurship and Challenges

The Global Entrepreneurship Index provides a measure of entrepreneurship on a global scale, exploring how individual countries around the globe allocate their resources toward the development and promotion of entrepreneurship (GEDI, 2018). In the course of the data collection process, several different categories, or pillars, have been identified that serve to represent the performance of entrepreneurship across different regions (Acs, Szerb, & Autio, 2017; GEDI, 2018). Among these fourteen different measures, the three that play the greatest role are “attitudes toward entrepreneurship, entrepreneurial abilities, and entrepreneurial aspirations” (Acs, Szerb, & Autio, 2017, p. 19). In order for the entrepreneurship to be considered sustainable within the country, all three of these components must be of equal or comparable measure (Acs, Szerb, & Autio, 2017). The supports for entrepreneurship, outside of attitudes of various groups of individuals, are also widely varied from country to country, depending on the priorities of the country and its available resources (GEDI, 2018). As varied

as the supports are for the promotion of entrepreneurship, however, so too are the challenges faced. Challenges in entrepreneurship can occur as a result of gender, available physical resources, difficulties with local bureaucracies, difficulty in maintaining the identity of the organization, difficulties with sustainability, and difficulties with the business plan, among other concerns (Dentchev, Baumgartner, Dieleman, Johannsdottir, & Jonker et al., 2016; Little, Go, & Poon, 2017; Njoku, Ihugba, & Odii, 2014; Ramadani & Gerguri-Rashiti, 2015). As if these concerns were insufficient, the integration of technology, whether within a new or a preexisting organization is fraught with its own challenges (Fisher, Kotha, & Lahiri, 2015; Foray, 2014; Kuratko, Hornsby, & Hayton, 2015). Understanding and being able to identify the different challenges present not only with the integration of technology in entrepreneurship (Fisher et al., 2015; Foray, 2014; Kuratko et al., 2015) is only a portion of the problem, however. The rapid evolution of technology, and the radically different nature of technologies like AI and the IoT provide as radical a shift in the business environment as the integration of the computer did in the late 1970s-1980s. Given that the term “entrepreneurship” came into use after the integration of computers within the business environment, no studies have explored such a radical shift in processes as occurred during that time period, and which are poised to occur within the present and near future.

AI and the IoT

Artificial intelligence (AI) refers to both the theory of and the development of computer systems that are able to perform tasks that have typically and previously required human intelligence, including, but not limited to speech recognition, visual perceptions, decision making capabilities, and the ability to translate languages (Russell & Peter, 2016). Within the field, logic, continuous mathematics, probability, reasoning, learning, action, and continuous mathematics are all required in order for AI creation to occur (Russell & Peter, 2016). It could be argued that the complexity of AI is matched only by the depths to which and the degree to which it may be applied (Nilsson, 2014). AI applications have been identified across all fields and throughout all industries (Nilsson, 2014). Given the dynamic and versatile nature of the technology and its subsequent applications, this means that it has applications within the field of entrepreneurship as well, across all of the potential industries in which entrepreneurs are present. The type of applications will vary depending on the service or good offered by the entrepreneur and will vary depending on the type of service offered or the method of creation for the goods sold. The costs of the integration of AI will vary depending on the type of AI application the organization wishes to use (Klosowski & Gola, 2016). A risk based cost-estimation for the integration of AI is available, but the amount of variables present within the application and integration of an AI system means that the actual cost, and risk to the organization associated with the assumption of that cost, is wildly dependent on the type of application employed (Klosowski & Gola, 2016).

The Internet of Things (IoT) refers to the connection of things, like smart devices, via the internet and present in everyday objects, allowing for the sending and receiving of data (Wortmann & Fluchter, 2015). Examples of items that fall under the IoT umbrella include everything from smart locks on doors to the ability to change the temperature on the thermostat without being in the building. They encompass aspects of manufacturing, such as the ability to press a button and have a machine connected to the internet pull up a pattern and create x number of objects from that pattern based on data sent from another device, and they encompass aspects of service, such as the ability to allow delivery drivers access to place packages inside of one's house without one ever being on the premises to let them in. Morgan (2014) argued that the IoT will become the wave of the future, both within and outside of the workplace, stating that “anything that can be connected, will be connected” (p. 1). If an entrepreneur working in an office setting could program the office coffee maker remotely,

ensuring that a fresh pot of coffee was waiting when he or she got to the office, send documents to the printer, and then the printer would order more toner or more paper when it ran low, without the need for the entrepreneur to remember to do so (Morgan, 2014). The wearable device worn by the entrepreneur could track his or her productivity, passing that information to the other devices in the office, thereby ensuring that any system tasks, such as updates, backups, and other similar tasks, were completed outside of that window of productivity (Morgan, 2014). The IoT has the potential for any individual who desires increased automation and increased interconnectivity to increase overall productivity through enhanced technology (Wortmann & Fluchter, 2015). However, as with AI, the cost for the integration of an office space, manufacturing firm, or business within the service industry will vary greatly depending on the degree of connection desired, the current resources of the organization, the amount of upgrades necessary, and other similar considerations.

Theoretical Framework and Hypothesis Development

The theory of entrepreneurship put forth by David McClelland which argues that entrepreneurs have an underlying drive or need for achievement that serves as the underpinning drive for entrepreneurship (Packard, 2017). While more recent iterations have removed interpretivism from the theory of entrepreneurship, replacing it with realism, Packard (2017) modified the theory slightly to reincorporate interpretivism, arguing that the shift toward the application of realism results in a breakdown of the paradigm of exploration of the entrepreneur's activities and practices. To this end, the theory of entrepreneurship under the umbrella of interpretivism serves as the first theory in the theoretical framework of the study. The second theory of entrepreneurship employed within the theoretical framework of this study is innovation theory, proposed by Schumpeter in 1991 (Keklik, 2018). Schumpeter's theory is perhaps one of the most well-known of the different theories of entrepreneurship. Schumpeter believed that creativity, or innovation, was the critical component in entrepreneurial specialization (Keklik, 2018). Innovation, when combined with knowledge, were the catalysts for entrepreneurship, and that if a profit were to be present, both innovation and knowledge were essential. Innovation led to the idea, whether it was a new product, method, market, supply source, or the creation of a new organization (Keklik, 2018). Once the idea was generated, the combination of innovation and creativity provided the individual with the ability to identify how to exploit the idea, transforming it into a profitable business opportunity (Keklik, 2018). Once the business opportunity was identified, the entrepreneur would then turn it into a sustainable economic venture, freeing resources, including brainpower to lead to the next idea (Keklik, 2018).

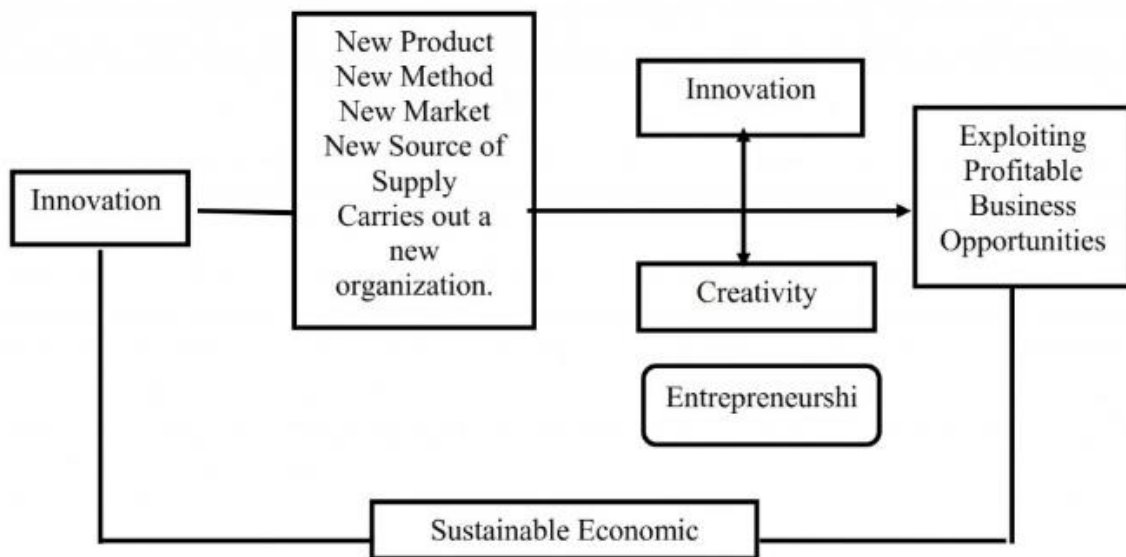


Figure 1: Theoretical Framework (Simplynote.in, 2018, p. 1)

Method

While the area of entrepreneurship is one that is rife with studies about effective strategies, what it means to be an entrepreneur, and the different approaches that an entrepreneur can adopt within the ever evolving business climate, few studies explore the relationship between the changing business environment and the challenges associated therewith, particularly as they pertain to the application of AI and the IoT within the business environment. To address this gap from a business perspective, a qualitative interpretivist exploratory methodology was adopted (Bernard, 2017). The research method adopted in the completion of the study was semi-structured one-on-one interviews conducted using a sample comprised of 10 individuals classified as entrepreneurs, with five coming from well-established companies, and 5 coming from start-up organizations. The interview protocol consisted of 15 defined questions, with additional room for the researcher to ask follow up questions as needed. Participants were recruited through the use of social media posts calling for participants and flyers dropped off at local entrepreneurial business locations. Participants were requested to contact the researcher for additional information. Inclusion criteria consisted of meeting the definition of an entrepreneur, as defined in the introduction of the study, being over the age of 18, and having been an entrepreneur for a minimum of two years. Exclusion criteria included not being an entrepreneur currently, i.e. having a failed business or not currently running a business were grounds for exclusion, and being a low level employee or mid-level employee, i.e. not an executive. All participants were required to sign informed consent forms, and all participants agreed to audio recording. Confidentiality was promised to participants. Thematic content analysis was conducted on transcripts of audio recordings of the interviews allowing for identification of the most commonly perceived future challenges to the entrepreneur in relation to the changing business environment, particularly in regard to the use of AI and the IoT.

Findings

The current report discusses the findings, which are not definite conclusions, given the limited sample, but should provide guidance for further research, indicating whether the methodology was useful in identifying key insights and further areas for additional exploration. Participants noted several major challenges including: upgrading, access to resources necessary to integrate

new technologies, high risks associated with the use of newer technologies, and concern over effectiveness. Table 1 offers a breakdown of the number of times each of the different themes originated in the interview transcripts, as divided by participants who were identified as entrepreneurs of small to medium-sized enterprises and large enterprises, respectively.

Table 1: Thematic Findings

Challenges	Breakdown	Number
Upgrading	Small to Medium Enterprises (SME)	5
	Large Enterprises (LE)	3
Access to resources necessary to integrate new technologies	Small to Medium Enterprises (SME)	4
	Large Enterprises (LE)	3
High risks associated with the use of newer technologies	Small to Medium Enterprises (SME)	4
	Large Enterprises (LE)	5
Concern over effectiveness	Small to Medium Enterprises (SME)	3
	Large Enterprises (LE)	5

Concerns over upgrading were focused not just on the cost of upgrading, though that played a factor for some, but were also focused on the feasibility of performing a massive overhaul on the systems used within an entrepreneurial venture, particularly for efforts that were five years old or less. The time to implement the upgrades, the time to work out the bugs associated with the upgrades, training on the upgrades, and a revamping of procedures were all cited as areas in which a challenge would be present. Another prominent concern regarding upgrading was the principle of obsolescence. As one entrepreneur stated, “the focus must be both on being efficient and incorporating new technologies in that process, while at the same time ensuring that the technology is not merely a flash in the pan. Recall the fight out between bluray discs and HD discs; if we had purchased HD players for the organization, we would have been stuck with an additional upgrade cost as the technology died, upgrading a second time to bluray discs. By waiting until the technology was established, we were able to ensure that we could increase our own efficiencies, while at the same time being cost effective. There are risks involved in the entrepreneurial process, yes, but those risks must be tempered with knowledge, and knowledge cannot be acquired until technology has been established and a baseline formed.” Access to the resources necessary for the integration of new technologies focused largely on fiscal concerns for SME entrepreneurs, while focusing primarily on time constraints for large enterprise entrepreneurs. All entrepreneurs noted that resources, in one form or another, posed a challenge, particularly when it came to the integration of new technologies within their respective organizations. The third theme, the high risks associated with the use of newer technologies placed a heavy emphasis on the integration of technologies like the use of AI and the IoT. Some of the smaller organizations stated that they already incorporated the IoT in their business practices, but this was due in large part to the preexisting technologies present within the spaces they rented out, as opposed to occurring as a result of upgrades completed by the entrepreneurs themselves. As one stated, “the technology is too new, and the potential for security breaches is high because of the newness of the technology. I’d rather trust something

tried and true, but at the same time, if the tech is already a part of the space I am using, the most intelligent course of action is to take advantage of that.” The final theme identified was concern over effectiveness. While many of the reasons given for the previous themes were cited, the main focus was that entrepreneurial action was about calculated risk, and if the latest fad within the changing business environment could not be explored, quantifying potential risks associated with use of the technology or approach, the risk for implementation of the new technology, approach, or fad would be too great to consider integration without clear data to back it up.

Discussion and Conclusion

Exploring these findings within the context of the theoretical framework ultimately works to further support the theories selected. Packard (2017) argued that the drive for achievement served as an underpinning influence within the field of entrepreneurship, and this drive for achievement, found in the form of working to ensure the success of the respective organizations of the entrepreneurs interviewed, was manifest. Similarly, the application of innovation theory can be seen within the answers of the participants in that they applied both knowledge and innovation to make decisions regarding the best course of action for the organizations (Keklik, 2018). While the IoT is relatively established and its technologies are available for both commercial and residential use, limited research is available within the extant body of literature regarding its effectiveness within the entrepreneurial setting; the same can be said for the integration of AI, indicating that, prior to advancing in these areas, the entrepreneurs are in need of further information before being able to make a determination for its application within their respective organizations (Keklik, 2018). In spite of predictions regarding the adoption of the IoT within the business environment (Morgan, 2014), due to the higher than average amount of risk associated with entrepreneurship (Ikem, Aponte, & Muffatto, 2015; Stevenson, 2006) means that, for the entrepreneur, adoption of any new technology or practice within the organization requires additional knowledge and warrants further risk analysis before choosing to proceed.

The conclusion of this study, supported by the research findings, is that while AI and the IoT should not be viewed as sole approaches within new and available technologies for adoption, they can prove beneficial if the entrepreneur is able to meet the challenges, and the costs, associated with their integration, which will vary depending on whether the business offers services or goods and based on the size and type of the organization, though there are certain factors that must be taken into consideration before their adoption. Additional considerations to be taken into account, additional challenges to be overcome, include upgrading, access to resources necessary to integrate new technologies, high risks associated with the use of newer technologies, and concern over effectiveness. These challenges are not dissimilar to many of the preexisting challenges within the realm of entrepreneurship, merely applied in a more specific area within the entrepreneurial organization, as opposed to being present as a blanket over the field as a whole (Dentchey et al., 2016; Little et al., 2017; Njoku et al., 2014; Ramadani & Gerguri-Rashiti, 2015). Still further, these challenges are markedly similar to the challenges associated with the adoption and integration of technologies in general within the business sphere (Fisher et al., 2015; Foray, 2014; Kuratko et al., 2015). Each entrepreneur must explore the potential for adoption within their own organization in order to determine the specific challenges they will face in light of the current changing business environment, and must make a decision for themselves regarding whether those are challenges they will choose to overcome, and whether the risk of integration of new technologies, like AI or the IoT will be worth it to that individual organization.

Certain limitations were present within the context of the completed study, including the limited sample size, the wide variation between large and small to medium-sized enterprises,

variations across industry, and variations across business type. This study was not intended to serve as a total identification of the different challenges faced by current entrepreneurs within the changing business environment, but was instead intended to highlight some of the challenges that are faced in spite of those areas of variation, allowing for the identification of areas in need of further study. In addition, through the identification of the recurrent themes within entrepreneurial perspectives, a more targeted understanding both of the mind of the entrepreneur and the different approaches that could provide benefits to other entrepreneurs in considering the application and integration of new technologies within their respective organizations is manifest. With new technologies being conceptualized and adopted almost daily, an understanding of how those technologies are integrated by entrepreneurs, the justifications used for the decision to integrate and adopt those technologies, the different challenges faced during the process, and the perceived future problems associated with the adoption and integration of those technologies may provide additional insight into the ways through which those technologies, like the IoT and AI, may be integrated with reduced challenges to the organization. Awareness of the perspectives of entrepreneurs, it may be argued, is just as vital to the success of entrepreneurship within a region as the attitudes of others toward entrepreneurship, the abilities of the entrepreneur, and the aspirations of the entrepreneur (Acs, Szerb, & Autio, 2017).

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Understanding Malay Sojourners in the United States of America's Acculturative Stress Issues and Coping Strategy

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Abstract

Purpose: This study looks at Malaysian Malay sojourners' acculturative stress issues and the coping strategies they use while acculturating in the United States of America.

Design/methodology/approach: 15 in-depth interviews were conducted with Malay sojourners in Washington, D.C.; Athens, Ohio; Columbus, Ohio and Kalamazoo, Illinois. The sojourners consisted of students, expatriates, Malaysian Embassy staffs and spouses of the first three groups.

Findings: The result showed that the Malay sojourners faced some issues of acculturative stress in terms of their consumption and difficulty in building substantial relationship with dominant culture. In response, they had developed problem-focused coping strategy to adjust. They relied heavily on symbolic consumption to negotiate their existing identity built on faith and culture. They had to adjust their purchasing behaviour due to the lack of Islamic compliant products in the American market. The ethnic group were also disassociating themselves from the dominant culture. Both of this issues were heavily influenced by their collectivistic nature.

Research limitations/implications: This study is not representative of the ethnic group as it only focuses on two issues heavily discussed by the 15 respondents involved. There are many other unexplored acculturative issues among the ethnic group.

Practical implications: From the theoretical standpoint, this study provides a base to understand a certain group, namely the Malays' point of view in acculturative stress and the coping strategies implemented given the circumstance. This could enrich the area of consumer acculturation studies.

Originality/value: There are limited published research to understand consumer acculturation involving the Malay ethnicity. Culture is dynamic and very distinct from one group to another. This study can be a base to further understand this group, based on their particular traits.

Keywords: Acculturation, Acculturative Stress, Malay Sojourners, Coping Strategy, Identity Negotiation

Introduction

The 21st century shows a notable growth in migration. In 2009, the United Nations Population Division reported that international migrants had reached 213 million people worldwide. Developed countries have received about three out of four international migrants in the past two decades. This is expected, as most people migrate due to economic and social factors (Gaston & Rajaguru, 2013). There are a few factors contributing to this development. One of the reasons is the advancement in travelling methods, facilitated with advancement in the modern era of transportation. With the available and affordable transport choices, human mobility is facilitated enormously. The attitude and legal regulations of home and host countries also play their roles. Many countries import labor workers to work in jobs the locals are unwilling or unqualified to perform. Apart from that, certain receiving countries regard international students as a major source of revenue and a part of the export industry (Bochner, 2006). Therefore, imported workers and international students are welcomed in the receiving countries as they are beneficial to their development.

Following the flourishing development of migration activities, scholars from a variety of fields take different approaches to understand the cultural modification that happens following the transition into another culture, otherwise known as acculturation (Berry, 2006). Van Gennep (1999) stated that when a person is going through a transitional period such as immigrating or sojourning, the individual goes through three phases – separation, liminal, and incorporation. Within the liminal period, the individual goes through role destabilization, resulting in feelings of obscurity, insecurity, and an ambiguous identity. A number of studies (Wallendorf & Reilly 1983; Joy & Dholakia 1991; Firat 1995; Lindridge et al. 2004) found that acculturating individuals do possess a desire to feel accepted by assimilating with the local community's accepted norms. The different surroundings and conditions in the new environment affect the newcomers in ways that require certain changes of their lifestyle. This in turn might require negotiations in the migrant's cultural identity where they preserve certain cultural aspects and dismiss others.

The decisions newcomers make to maintain their culture or adapt to the new one are usually affected by cultural interactions in the host culture (Rosev, 2009). If the interactions are positive, the newcomers will be more open to participating with the dominant culture groups' activities. If the interactions are negative, the newcomers are more likely to distance themselves from the dominant culture. Negative responses received by the newcomers while undergoing intercultural contact are heavily associated with acculturative stress (Berry, 2006). Immigrants and sojourners may find initial adjustments in foreign lands difficult due to: limited means to communicate one's self-concept, insubstantial identity, and lack of traditional means to convey status (Maldonado & Tansuhaj, 1999).

The acculturative stress concept suggested that individuals having negative experience manage through coping strategies. Lazarus and Folkman (1984) discussed two major ways to cope: *problem-focused coping*, in which the newcomers attempt to address the problem; and *emotion-focused coping*, in which the newcomers attempt to address their emotions associated with the problems. Endler and Parker (1990) have acknowledged another important tactic to cope: *avoidance-oriented coping*, in which the newcomers avoid the problem altogether. Most newcomers manage their acculturative stress using one or more of these coping strategies.

Literature Review

Acculturation

According to Sam (2006) and Organista, Marin and Chun (2010), there is a growing attention to acculturation studies and discussion, particularly relating to immigrants and refugees. However, the true understanding and operationalization of the term in social science remains obscure due to the naturally elusive concept and limited scientific development. Early social

scientists in the beginning of 20th century defined acculturation as “a process of change that occurs when individuals from different cultures interact and share a common geographical space following migration, political conquest, or forced relocation” (Organista, Marin and Chun, 2010, p. 101). Other scholars proposed the definition of acculturation as “all the changes that arise following ‘contact’ between individuals and groups of different cultural backgrounds” (Sam, 2006, p.11) while Gordon (1964, p. 71) defines acculturation as “change of cultural patterns to those of host society”. O’Guinn, Lee and Faber (1986, p.579) defined it as “the immigrants’ adoption of the dominant society’s attitudes, values and behaviors”. It is also important to note that since this area is quite conceptually indefinite, some scholars use the term ‘acculturation’ and ‘adaptation’ interchangeably and quite ineptly.

Some of these scholars, and many more, construct a rather limited conceptualization of acculturation that one group changes to become like another. This idea reveals a unidirectional flow in which the two cultures presumably are mutually exclusive and one has to move towards another. This inevitably leads to assumptions that the newcomer’s original cultural identity and practices would be weaker than those of the dominant group, and they will essentially absorb the dominant culture (Sam, 2006; Organista, Marin and Chun, 2010).

Some scholars such as Berry (1989) and Organista, Marin and Chun (2010) have rejected the idea of a cumulative progressive acculturation. They prefer to think that acculturation is at least two-dimensional where the newcomer would retain some aspects of their culture while adopting new ones. However, the level of adapting and retaining will vary for each individual. Kim (1989) has suggested that scholars need to conduct more investigation into the influences of the newcomer’s disposition which results from interactions of environmental and pre-immigration conditions.

Berry (1997) proposed a conceptual framework suggesting possible acculturation strategies. These strategies were related to two issues: *cultural maintenance*, where the migrants selectively strive to maintain certain aspects of their identity, or *contact and participation*, where the migrants get involved with the dominant cultural groups. The framework shows four possible outcomes: *assimilation*, *separation*, *integration* and *marginalization*. In the *assimilation* outcome, the newcomers would have maximum behavioral change since they would not have a high desire to maintain their cultural identity. In this state, the newcomers seek daily interactions with the locals and would have strong relationships with them. The *separation* outcome, on the other hand, results in the individuals having minimal behavioral changes since they would avoid interaction with the local community and seek to maintain their culture and identity. The *integration* outcome occurs when the newcomers desire to maintain their original culture while at the same time absorbing the local culture and having a strong relationship with the locals. *Marginalization* is the most undesirable outcome, as this is when the individual becomes suspended between two cultures, not wanting to maintain the original culture (usually because of enforced cultural loss), but also having little to no interest in absorbing the local culture or communicating with the local people.

For the purpose of this research, the researchers prefer to employ Organista, Marin and Chun’s (2010) definition of acculturation as it serves the researchers purpose best while including all the elements which have been discussed. They define acculturation as:

“A dynamic and multidimensional process of adaptation that occurs when distinct cultures come into sustained contact. It involves different degrees and instances of culture learning and maintenance that are contingent upon individual, group, and environmental factors. Acculturation is dynamic because it is a continuous and fluctuating process and it is multidimensional because it transpires across numerous indices of psychosocial functioning and can result in multiple adaptation outcomes (Organista, Marin and Chun, 2010, p.105)”.

Acculturative stress and identity negotiation

During any major role changes in one's life, a period of instability will occur in which the individual will go through a transition from one role to another. This role changes can be triggered by symbolic role changes such as getting married or having a baby, or spatial transitions such as migrating or sojourning. According to Berry (2006), acculturative stress is the term used to describe the response by people involved in intercultural contact. These reactions could also include depression and anxiety if they are not managed well. However, within this frame of reference, people are seen as able to cope with stressors in one way or another, resulting in a range of outcomes, from very negative to very positive.

Such a substantial change involving the self may result in role destabilization. These changes will produce a period of uncertainty, as Van Gennep (1960, p. 18) explained, "Whoever passes from one [zone] to the other finds himself physically and magico-religiously in a special situation for a length of time: he wavers between two worlds." This period is termed as liminality (Van Gennep, 1960). According to Noble and Walker (1997) during the liminal transition, a person's personal identity is suspended and that might result in psychological consequences if not handled correctly. Therefore, people tend to conduct identity negotiation when they are in the liminal phase. Swann (2005, pg. 69) defined identity negotiation as the course through which individuals and the community "come to agreement" about individuals' identities through the negotiation process. In other words, liminal transition is the process that changes one role into another, and identity negotiations may happen when individuals alter their self-concept associated with this transition in order to find a stable role.

Identity discrepancy happens when certain parts of the self-contradict each other in situations where individuals struggle with personal or environmental challenges. Scholars have studied identity discrepancy in relation to variables such as acculturation, perceived discrimination, depression, or educational satisfaction (Jung, Hect & Wadsworth, 2007; Wadsworth et al., 2008; Valenta, 2009). Maldonado and Tansuhaj (1999) said that individuals who are adjusting in a foreign land would resort to "identity play" in order to find a personality with which they are comfortable. They proposed that psychological benefits could be obtained when one reduces the discrepancy between one's internal self-view and the external role during a profound change in one's life. Urban and Orbe (2010) examined immigrants from various cultural backgrounds in their transition stage in the United States and found that the immigrants negotiate multiple dimensions of their identities, expressing their need to adapt while preserving portions of their cultural identity at the same time.

Coping strategies

In the event or condition when an individual is being tested with a stressful condition, coping styles or strategies play an impactful role in maintaining a stable psychological condition. The responses are usually deliberately chosen and recent literature has listed different ways to measure the strategies. According to Lazarus and Folkman (1984), there are two major ways to cope, problem-focused coping and emotion-focused coping.

Problem-focused coping is generally an adaptive mode of coping that involves actively planning to address the problem by changing, modifying or removing the sources of distress (Lazarus and Folkman, 1985). This can be done if the inflicted individual is able to take control of the relationship between him and the stressor. The strategies might include planning, active coping, information seeking, distresses avoidance or using instrumental support such as supervisors and mentors. On the other hand, emotional-focused coping involves attempts to self-regulate emotions evoked by the occurrence of a distressed situation (Lazarus and Folkman, 1985). The regulation can be considered active or avoidant, involving the use of behavioral or cognitive strategies. Examples of strategies are getting emotional support from close social circles and positive reframing.

Endler and Parker (1990) have acknowledged another important tactic to cope: *avoidance-oriented coping*, in which the newcomers avoid the problem altogether. Most newcomers manage their acculturative stress using one or more of these coping strategies. Beiser (1999) stated that most South-East Asians are most likely to cope with discrimination during acculturation with passive avoidance rather than confrontation. The more collective the newcomer's culture is, the more likely they are to mitigate tensions, so as to preserve relationships.

Acculturation of Malays in the United States of America

According to Swami et al. (2010), Malay Malaysian sojourning students in the UK reported significantly poorer socio-cultural adjustment compared to Chinese Malaysian sojourning students. The Malays were also reported to have more negative responses to a range of predictors. It was found that less contact with host and co-nationals, language incompetence, higher perceived cultural differences, and more perceived discrimination led to difficulties in the adjustment period by the Malays (Swami et al., 2010).

Adams (2011) found that assimilation among ethno-religious groups is slower compared to ethnic groups defined by country of origin. Muslims, in particular, have certain spiritual underpinnings that encourage them to preserve traditions such as dress, diet, and leisure styles. According to Fischer (2009), modern Malay Muslim identity in Malaysia is incomprehensible without taking into consideration the understanding and practices of Islamic consumptions. Therefore it is a possibility that sojourning Malays, as acculturating individuals, would rely on material purchases to create a feeling of belonging as mentioned by Lee (1993), Belk (1988), and McCracken (1986).

Being sojourning Malays in the US would presumably cause identity clashes for the sojourners since Malaysians, as citizens of a developing country, have a different culture compared to Americans, as citizens of a developed nation (Burns and Brady, 1996). According to Kamarudin, Mokhlis and Othman (2002, pg. 568), generally, as an ethnic group, the Malays were found to be "less open to foreign culture, more conservative-minded, and to have highly fatalistic attitudes". Malays were also found to be more ethnocentric in their consumption behaviors.

Adams (2011) found that Muslims, in particular, have spiritual underpinnings that encourage them to preserve traditions such as dress, diet, and leisure choices, causing assimilation to be slower. Wong (2007) and Fischer (2009) said that Islamic based materialism is growing to be a major identification of the new ethnic Malay identities, provoked by the intensification of Islamic practices in Malaysia. According to Fischer (2009), the nationalization of Islam by the Malaysian government has deepened and widened concerns for Islamic consumption and commodities among Malaysian Muslims. As new consumer practices emerge, new debates on the meaning of Islam and its proper practices are brought forth. However, according to Kamaruddin and Kamaruddin (2009), religion alone is not sufficient to affect the Malays' product's decision-making style. This is supported by Mochis and Fon's (2011) study, which found that religious values of three main ethnic groups in Malaysia do not influence brand selection and store preferences.

The objective of this research was to investigate Malay sojourners' acculturative stress and coping strategies as newcomers within a dominant culture in the United States of America. This study takes into consideration the ethnic group's existing faith, culture and lifestyle and how that could affect their acculturation into the dominant culture. Therefore, the research questions are as follows:

RQ1: What elements contributed to acculturative stress among Malay sojourners in the United States?

RQ2: Which component of coping strategies did Malay sojourners in the United States implement?

Method

Past research has examined the Malay sojourners' adaptation in the United Kingdom (Fischer, 2005; Swami, 2009), but there has been no previous study conducted in the United States. Fischer (2009) reported on a study on the Malays' consumption patterns in his book entitled "Proper Islamic Consumption: Shopping among the Malays in Modern Malaysia." Swami et al. (2010), who have studied Malaysian Chinese and

Malay students in the United Kingdom, reported that Malaysian Malay students adjusted significantly worse socio-culturally when compared to Malaysian Chinese students. However, there is no known study on Malays' consumer acculturation in the United States. Therefore, this study was an exploratory investigation which purpose was to examine a subject that is relatively new and to find variables that are important to the issue (Babbie, 2010). Babbie also said that exploratory studies are often conducted: "(1) to satisfy the researcher's curiosity and desire for better understanding, (2) to test the feasibility of undertaking a more extensive study and (3) to develop methods to be employed in a subsequent study" (Babbie, 2010, p. 92).

The main method employed for this research question was in-depth interviews. It is the best qualitative method for this study as it can be used to learn about the perspectives of individuals and can be useful to prompt informants to reveal their personal feelings, opinions, and experiences. It was an opportunity to gain insight into how people interpret and order their world. According to Seidman (1998), in-depth interviews allow researchers to collect opinions from the perspective of the person who is experiencing the matter. At the same time, the method also allows researchers to derive meaning from their narratives. It was a beneficial tool to learn how they negotiated their identity through consumer culture. The researchers developed an in-depth interview protocol that guided the administration and implementation of the interviews according to suggestions given by Lindloft and Taylor (2011), Lofland and Lofland (1995) and Boyce and Neale (2006). These instructions were followed in each interview to ensure consistency and increase the reliability of the findings.

Respondent Selection

The number of Malaysians in the United States is very low compared to other Asian ethnic groups. As of the year 2000, there were only 10,711 Malaysians in the US (Garoogian, 2005). This number represents all of the different races in Malaysia (Malay, Chinese, Indians, indigenous groups and others). It would be hard to estimate the percentage of Malay sojourners from this number. It is possible that there are more Malay sojourners compared to other races. This is due to more opportunities in working at the embassy and getting study scholarships for Malays. However, there might be more Chinese emigrants compared to Malays or Indians emigrants, as Malaysian Chinese are more proactive to find opportunities in settling outside of Malaysia (Pak, 2011).

For this study, the networking technique proved very valuable in locating potential informants. The recruitment process had generated a few important contacts, which later led to more contacts. This method is known as snowball sampling, which is effective for "locating rich key informants," (Patton, 2002, p. 262). This method is especially important to communicate with the harder to reach sojourners. Sam and Berry (2006) have identified the main sojourner groups as tourists, international students, expatriate workers, international civil servants, and military personnel. Among the five categories, the researchers succeeded in interviewing representatives from three groups; students, expatriate workers, and civil servants. The researchers also added another important category, the spouses of three former groups. The in-

depth interviews involved five students, four embassy officers, three expatriates, and three spouses.

Procedures

The data collection process for this study started in May 2013 and ended in August 2014. The researchers started the process by conducting in-depth interviews in Kalamazoo, Michigan; Washington, D.C.; Athens, Ohio, and Columbus, Ohio. Fifteen semi-structured, in-depth interviews were conducted with the informants in an informal way in order to gain insight into their acculturation. All of the interviews were conducted face to face. This element is important, as it allowed the researchers to observe any significant body and/or facial movements that could indicate emotions. It also gave the researchers an opportunity to seek any necessary clarifications of the sojourners' explanations. Each session lasted between 60 to 90 minutes. An interview guide was followed to ensure reliability throughout the interviews.

For this research, the researchers referred to Lofland and Lofland (1995), Babbie (2010), Ellis (2004) and Dutta-Bergman and Pal (2005) for guidance in methodology. The main concern of the analysis is to link the overall theoretical frame, research questions, and the data collected. The researchers chose to conduct thematic analysis to frame and organize the information they obtained from the interviews. According to Glesne (2011), thematic analysis uses analytical techniques in organizing and segmenting the information by separating them into themes and subjects.

The data analysis steps adopted were referred to methods described by Babbie (2010) and Dutta-Bergman and Pal (2005). All of the interviews were transcribed verbatim to enable the analysis process to be conducted. Formulations of relationships among and between the categories were conducted. As data was being coded, the researchers wrote memos and notes in order to organize the data. Code labels and their meanings are particularly important, as they will give a clear explanation of the coding. Theoretical memos are also important as they explain the relationships between concepts and theoretical prepositions. Not all relationships were easily derived and straightforward. Therefore, a lot of notes were needed to explain and develop links between categories.

Findings

Acculturative Stress

Based on the feedback received from the respondents, various issues were pertinent in contributing to stress during the acculturation stage. However, these were the main themes derived from the interviews.

Consumption Problems

The market in the United States and Malaysia is quite different. The informants admitted being quite overwhelmed during their first few shopping experience due to the clutter of information and wide selection of unfamiliar product brands. One of the more prominent problems in the American market for the Malays is in ensuring Syariah-compliant consumption. The Malays, being Muslims, need to consume *halal* products.

All of the informants said that it is harder to get *halal* food in the US compared to Malaysia. However, the level of difficulty varied from a big city to a smaller town. It was easier to gain access to *halal* products in a bigger city. All of the informants who were located in the rural area faced challenges in getting *halal* food. For example, Anuar, 25, a Masters student in Athens, Ohio mentioned that he needed to travel for one and a half hours in order to get to the nearest *zabihah* (slaughtered in Islamic way) butcher when he needed meat. According to Anuar, he only consumes *halal* meat that he purchases in Muslim stores, even though that would take substantial time to get.

We proceeded to ask him about his motivation to immerse himself in this way of consumption, as it seems that it takes a lot of effort and time in order to get the right information and access to the right products. His answer was:

Back in Malaysia, we don't have to be afraid of anything because we have in mind that all is *halal*. All the chicken sells in the market are all *halal*, even though we didn't know what happen back there but we all assume that it's all *halal*. So when I came here, I have to be very precise (personal communication, April 6 2013).

All of the respondents also reported having difficulties in adjusting initially in terms of consuming processed food. They feel unsure whether the ingredient is halal or not. Many were wary to buy any processed food, in fear of consuming non-*halal* ingredient. Ahmad said, "I have to be very careful in order choose the right food or the right groceries.... when I am here I have to look at the ingredient and says, "Oh, they have this kind of ingredient in this snack" so cannot take it, have to choose another one or something like that. Yes, I can say that I am more particular now because with all the stuffs that I have gone through in order to not to fall from the Islamic way, so I have to be more particular in order to find the correct food or the correct groceries" (personal communication, April 6 2013). Some of the respondents also believe that some of the food are prepared in a non-*halal* way, including having emulsifiers made from pig, which is an animal forbidden to be taken in Islam. Over time many would find ways to overcome this fear, which will be discussed in the next section.

Four of the women respondents also mention difficulty finding properly covering attire. For the Muslim women who opt to cover their body as asked by the religion, they need to fully cover their body in loose and opaque material, except for their hands and face. Some mention that most of the material found in the American market were too flimsy and transparent, while others would have problems with finding clothes that are loose and cover most of their skin. This problem would especially be prominent during the summer season. Over time, all of these problems were also able to be overcome. Elfira narrates her problems as below:

...for me the clothes here are weird. For example, I would find a top that I like, but it turns out to have a huge hole at the back! ... I think maybe it's because we need to be covered (*hijab*). It's not a problem for them. Another thing, the material they use is sometimes problematic. They use see through materials. Shirts are see-through. [Translated from Malay language by the researcher] (Personal communication, May 6 2014).

Difficulty to Build Substantial Relationship with Dominant Culture Group

Despite the majority of informants saying that they really think positively of the local's culture, most of them admitted that they do not really socialize with the dominant culture group. Many of them disclosed that despite being friendly with Americans, they do not really mingle much with them. The extent of their relationships with the locals is respectful, yet quite insubstantial. The main reasons the informants mentioned as the cause of this separation from the dominant culture group would be the restrictions in terms of language, culture and religion.

The following are some of the comments by informants when asked about their relationship with the dominant culture group:

Ahmad: Us, us. Them, them [meaning that the two groups do not mix]. Just say hi, hello like that. [Translated from Malay language by the researcher] (Personal communication, June 2, 2013).

Mizi: We mingle now and then but maybe does not go through a very informative discussion I guess. So it's more of a "hello, hi, good bye, how are you" kind of things. It's much more [like] acquaintance in nature (personal communication, July 5, 2013).

Lily: Yea yea. I interact with the locals. Like, with the neighbors. And then at my workplace. That's all. I don't really hangout with them (personal communication, June 9, 2013).

Elfira: Not a lot, if I have to, like in class. We don't usually like, talking to each other. But we, when there is a group work, then we'll try to get to know each other. [Translated from Malay language by the researcher] (Personal communication, May 6 2014).

Elfira, also noted that her American classmates would only talk among themselves during group discussions (personal communication, May 6th 2014). She remarked that she had to initiate and make extra effort to join the discussion. This required her to be more assertive in demonstrating her capabilities in academics. She also said that she felt better in communicating with Americans who had a basic knowledge of her culture such as her classmates in their Indonesian language class. Although they still conversed in English, she found it easier to communicate with them.

Borhan, a student in engineering, also had problems in class and in his daily life during his transition period in the US. He said that he was able to adapt and ask for help from other students to exchange notes and do group work. However, before familiarizing himself with the ways here, he was struggling to understand and acclimatize to the language.

There's some culture shock going on because we are accustomed with the British system, British slang. Like when we went to Pizza Hut, I was trying to explain that I want to have the pizza at home, 'take away' the pizza. But they couldn't understand the term 'take away'. "Take away? What? Oh, to go!" So I was like, "Yes, to go"! Different terms like 'cart' and 'trolley', 'napkins' and 'tissues', 'restrooms' and 'toilets'... And also the slang, sometimes we would ask for water and still they wouldn't understand because of the pronunciation. [Translated from Malay language by the researcher] (Personal communication, June 9, 2013).

Problem-based Coping Strategies

Halal Products Consumption

Food products and clothing are some of the main concerns that require some adjustments from the respondents. The respondents do have concerns about the production of some of the goods in the American market. Most of the respondents said that the main problem for them was in getting *halal* meat and food, as they are not commonly sold in every city. Many of them have to travel long distances in order to get the meat supply. Borhan, Ahmad, Anuar, Elfira and Lily were residing in Athens, Ohio and they all traveled for one and a half hours in order to reach the nearest *halal* butcher. All of them mentioned learning about *halal* stores from existing Malaysians where they are residing. Ahmad mentioned that his main source of information would be from the existing

Malaysian community in Athens:

I know about the *halal* stores from friends, there are Malaysian friends who have been living here for so long so, they introduce me to store so if we want to go there we will go there together. (Personal communication, April 6 2013).

When asked about his strategies to purchase processed food that does not involve meat, he said that he would buy them at the local Walmart. However, he was still very cautious with the ingredients in the products. He will constantly check the ingredients if they have ingredients such as gelatin or whey that may originate from pork or non-zabihah animals. He also mentioned that he looks for the Jewish logo, the kosher logo of "K" or "D", and proceeds to purchasing those products. According to the Kof-K Kosher Supervision (2014), kosher means "fit" or "proper" in Hebrew. Accordingly, the term is also used to label food products that are permissible by the Jewish law. A lot of Muslims refer to this labeling because a portion of the Jewish consumption law is similar to the Muslims'.

Apart from *halal* food, there were also concerns voiced by the respondents on *syariah*-compliant attires. Elfira, 21, an undergraduate student, is a highly involved shopper. She was exposed to most of the high-end brands in fashion before coming to the US. Her acquaintance to the brands mainly came from her surrounding and media back in Malaysia. Unsurprisingly,

she prefers the market in the US compared to Malaysia due to the variety of choices and lower cost comparatively. However, she found problems while shopping for clothes in the American market.

Elfira went on to describe that she would need to be very selective when shopping for clothes to ensure that they are able to cover her well. She cited that apart from being selective, she had to be creative and add other clothing items when wearing some of the more revealing clothes. She opted for inners to cover her arms, or add another layer of cardigan or jacket in her assemble.

Most of the female informants were keen to identify themselves as a Muslim woman from their way of dressing. There were even a couple of cases in which the informants got more religious and more determined to present themselves in a Muslim identity through *hijab* in the United States compared to when they were in Malaysia. According to Azura (personal communication, August 31st 2014), she started covering herself one year after she moved here. Her story is interesting because she decided to cover up and limit her choice of clothing items after spending time in the United States, a land that is known to be tolerant and secular.

There are various consumer culture studies using consumer culture theory deliberating on ways consumers use consumption to build a sense of self, especially those who travel away from their homeland and are adjusting to a foreign land. These individuals resort to “identity play” in order to find a personality they are comfortable with (Maldonado & Tansuhaj, 1999). One of the methods used for identity stabilization is symbolic consumption, whereby the individuals would resort to alterations in their buying and consumption habits. The idea is that the market is a mythic and symbolic resource enabling individuals to construct narratives of identity (Belk, 1988; McCracken 1986). In many ways, consumers rely on this social image associated with products to assert self-identity and satisfy role performance.

Disassociation from the Dominant Culture Group

Religiously, the activities performed during a gathering might pose as a restriction for the Malays. Even though they were not required to act and consume as their friends, some of them were uncomfortable to be in the environment. Borhan mentioned some stories that relates to the religious issue:

My non-Muslim friends would sometimes invite me to go to the bars after office hours. I would say, no thanks. They know that I do not drink [alcohol] and would suggest that I just hang out and drink Coke. There are also some naughty ones who would suggest that I just try it [drinking alcohol] once. Or just a little bit, to release stress. I said no again. A lot of times they would ask me, to go to the bar, play some darts, snooker or something. I never went. There were also gatherings or parties that they held. I didn't go either because I saw in their pictures there were alcoholic beverages. If we join those events, we are considered involved with a syubhah environment [unclear whether it is Halal or non-Halal]. So, there are a lot of restrictions. [Translated from Malay language by the researcher] (Personal communication, June 9 2013). Ahmad also mentioned that to spend time and have meals with non-Muslim friends might pose some difficulty for him:

If it involves food, that would be a little hard, whether it is halal or not. But if a Muslim friend invites me for food, okay then. [Translated from Malay language by the researcher] (Personal communication, June 2, 2013).

As a culture group that functions in a collectivistic way (Hofstede, 2001), Malays tend to feel the most at ease when they can feel a sense of belonging to a group, and they would feel awkward being in a situation where they could not blend in. Their tendency to be intensely concerned about other people's perceptions (Swift, 1965) also plays a role here. If they are unable to “act” according to the situation, they prefer not to be in the setting altogether, so that many of the sojourners simply avoided being in such a social gathering.

Discussion and Conclusion

There are plenty of existing studies conducted on the acculturation process for immigrants. However, significantly fewer studies have examined sojourners. Most of the studies conducted discussed the sojourner's perception on the environmental changes resulting in threats and challenges they had to go through in the process of moving abroad. Less commonly discussed are the implemented strategies by the sojourners in order to maintain a mental and social stability during the acculturation process (Swami et al, 2010). This study examines the overall acculturation process with a specific examination of how the Malay sojourners cope with acculturative stress and strive to merge their culture and identity into life in the United States. A recurring theme throughout the interviews was about the Malay sojourners' Islamic identity. Interestingly, being in a secular country did not seem to affect their Malay Muslim identity much. If anything, it made them reflect on their life and values causing them to reassert their Malay Muslim identity more strongly. These findings that Malays often represent themselves as Muslims more than anything else is very parallel to a previous study by Brown (2010) which found that 93.3% of the Malaysian Malay regards Islam as one of their three main identity aspects. In regard to consumption, Malay consumers were found to be more ethnocentric compared to other races in Malaysia in their consumption behavior (Kamaruddin, Mokhlis and Othman, 2002).

The consumer environment in the US is significantly different than Malaysia. This is also a source of liminality in the sojourning Malays as their way of life is altered quite drastically. Therefore it is possible that sojourning Malays, as acculturating individuals, would rely on material purchases to create a feeling of belonging as mentioned by Lee, 1993; Belk, 1988 and McCracken, 1986. Various consumer culture studies considered ways individuals use symbolic consumption to build identity. The idea is that the market holds a symbolic resource enabling individuals to construct narratives of identity through specifically selected types of consumption. This happens as consumers associate products with certain social image and, therefore, assert self-identity and satisfy role performance (Belk, 1988; McCracken 1986).

We have discovered from this research that there are many factors that contribute to Malay sojourners' consumer acculturation and identity negotiation. However, it became clear that this is an area available for further exploration as more questions arose from the findings. Future scholars might want to pursue research in the following areas. First, studies of a similar nature with a deductive reasoning approach might be good to further clarify the findings in this study. According to the study, Malay sojourners rely on their own community and the Internet for pre-purchase product information search. The discussion indicated that the ethnic group's collectivistic nature and difficulty in social interaction with the host culture might be the reason why they opted for these sources. A survey will be able to determine which medium do Malay sojourners use the most and the reason behind this choice.

In this study, it was found that Malay sojourners were determined to identify themselves as a Malay Muslim community, and that came across through their consumer behavior. Symbolic consumption was employed to represent the Malay Muslim identity through gastronomy and attire consumption. There were also cases of Malay sojourners being more resolute to identify themselves as Malay Muslims based on attire changes made during their stay in the host culture. It would be noteworthy to see whether these were unique cases, or do Malays generally want to emphasize their "Malayness" in a host country. Studies on self-image perception before and after sojourning could be employed in order to demonstrate identity negotiations in sojourners or immigrants.

This study involved sojourners who stayed abroad for a short span of time. Therefore, future research could also consider length of time as a base to study identity negotiations. This would enable the researcher to contrast experiences and opinions based on the length of time of the sojourners. It would also be interesting to compare identity negotiations between sojourners

and immigrants. The findings from this study will help us in understanding and forecasting certain aspects of the acculturation process for migrants.

This research gave insights into strategies Malay sojourners use while adjusting to new surroundings. Sojourners have different coping mechanisms compared to immigrants, as their visit to the host country is temporary. This fact has an impact on the sojourners' socio-cultural adjustments, as sojourners tend to cling to the lifestyle they had in their home country. However, due to different living conditions abroad, there are bound to be some changes in the behavioral aspect. As discussed earlier, Malay sojourners' acculturation strategies are exclusive to the ethnic group, as there are cultural, political, and religious aspects that build the character of Malays. These sojourners will eventually return to Malaysia and contribute substantially in various ways to their country. Therefore, it is interesting to explore what returning Malay sojourners' coping mechanisms are.

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The Implications of National Minimum Wage Policy on the Electrical and Electronics Industry in Malaysia

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Abstract

Purpose: The National Minimum Wage Policy is introduced at Malaysia since 2010 to protect the welfare of low-income working group at Malaysia. The implementation of National Minimum Wage Policy creates a number of impacts to many of the manufacturers in Malaysia. The research aims to identify the implications of the National Minimum Wage Policy on the Electrical and Electronics (E&E) industry in Malaysia.

Design/methodology/approach: The research applies the data collection method, semi-structured interviews in collecting data to study the implications of National Minimum Wage Policy on the Electrical and Electronics (E&E) Industry in Malaysia. In addition, the research applies the research strategy (multiple case studies) and performs cross-case analysis to indicate the different implications of National Minimum Wage Policy among the different manufacturers in the E&E industry in Malaysia.

Findings: The Electrical and Electronics (E&E) companies are affected in the different perspectives: increased in labour costs, decreased in profits, lower competitiveness in locally and globally, changes in the current business operation of the firms, shortage of local workers and increased labour turnover.

Research limitations/implications: The research is only conducted within the Electrical and Electronics industry in Malaysia.

Practical implications: This research can be served as a guideline for the manufacturers in the E&E industry in Malaysia to accommodate their implementations of the National Minimum Wage Policy accordingly.

Originality/value: The research is original and has not been done by other researchers.

Keywords: Minimum Wage Policy, Electrical and Electronics, Labour Costs, Labour Turnover, Competitiveness

Introduction

National Minimum Wage Policy was implemented in Malaysia to both local workers and foreign workers since 2010. It was introduced by Malaysia Prime Minister on 15 October 2010. The aim of the policy is to enable the employees to have basic financial ability to meet their basic needs (Seman, 2014). The minimum salary was raised to RM1000 from RM900 in Peninsular Malaysia, and to RM920 from RM800 in Sabah, Sarawak and Labuan in July 2016 (Surendra, 2017). However, according to the Prime Minister's Department, Malaysia will have a uniformed minimum wage of RM 1050 per month or RM 5.05 per hour effective starting Jan 1, 2019 as recommended by the National Wage Consultative Council (MPGN) (Kumar, 2018). Minimum wages is concern about a 'legal floor wage' which forms the basis of all other statutory payments such as social security contributions, provident fund payments and overtime work payments. Employees shall not be legally paid lower than the minimum wage rate. Minimum wages aim to secure employees with reasonable basic standard of living as well as to protect the low-skilled employees against the exploitation by the employers. Minimum wages is one the initiatives of the Government to reduce poverty and inequality in the labour market in respect of wage distribution (Seman, 2014).

A study has been conducted to identify the implications of minimum wage policy on the implementation of Minimum Wage Policy in Malaysia. For this purpose, the research has included eight companies which are electrical and electronics (E&E) companies in Malaysia to involve in the multiple case studies. In other words, the research aims to identify the implications of minimum wage policy in the E&E industry in Malaysia.

Literature Review

Minimum wage is the lowest rate in which employers need to pay to employees (Eng et al., 2013). It can be calculated in terms of hour, day or month (Elangkovan, 2013). The concept of minimum wage was originated in 1894 in New Zealand and subsequently spread to United Kingdom in 1909. Minimum wage is implemented in various forms in more than 90% of the countries in the world. Malaysia joined the league of the nations in implementing minimum wage in 2013 (Seman, 2014).

Minimum wages under the National Minimum Wages Consultative Act 2011 is defined as the basic wages detemined under Section 23 of the Act. A series of allowances is within the definition as wages under Section 2 of the Employment Act 1955 as decided by court, namely: Overtime Meal Allowance, Shift Allowance, Night Shift Meal Allowance, Vehicle Wash Allowance and Acting Allowance. Apart from that, employers are permitted to include some allowances or fixed cash payments to calculate the minimum wage which is beneficial to employers and to ease their burden (Eng et al., 2013; Malaysian Employers Federation, 2012). Minimum wage is preferred to be paid per month instead of paid per hour for the reasons of workers' welfare. There could be exploitation of workers' rights when they are paid by hour rate, because paid leave and paid lunch breaks might be neglected. As a result, workers are willing to earn less than they should earn and they have to work extra hard to secure their jobs and at the expense of their health and social lives. When workers are paid by hour, they normally are forced to work even if they are unwell, sick or recovering from sickness (CPPS, 2011; Eng et al., 2013).

The ultimate goal of the New Economic Model (2010) is about the Quality of Life of People (targets for high income, sustainability and inclusiveness) (Yap et al., 2017a). Malaysians may have insufficient wealth (Yap et al., 2017b). Malaysian is able to plan and apply the financial knowledge and accumulate wealth more effectively if being a financial literate person (Yap et al., 2017c). People who are classified as "planners" are likely to have greater financial literacy compared to those who are classified as "non-planners" (Yap, 2017d; Yap et al., 2017e).

Research Method

The research adopts qualitative method in which it involves non-numerical data. The research adopts multiple case studies to explore the research topic within its context. The judgmental sampling is adopted for the research in which the participants are selected based on their expertise relevant to the implementation of National Minimum Wage Policy. The research conducts semi-structured face-to-face interviews with 8 participants (human resource personals) from the 8 Electrical & Electronics companies in Malaysia. The participants in the research interviews are represented as A, B, C, D, E, F, G, H. The interviews are semi-structured interviews in which the researcher has a list of themes and key questions to be covered (Saunders, 2012). The research performs cross-case analysis to indicate the different implications of National Minimum Wage Policy among the different manufacturers in the E&E industry in Malaysia.

Findings

Table 4.1. Key Findings for the Impacts of Minimum Wage Policy at present and future

Research Area	Present	Evident	Future	Evident
4.1.1 The impact of additional labour cost to the firms	Shift the additional labour cost to the customers. Increment in the price of company's products.	A, D, F	To compensate for the increased in labour cost: - Manpower will be reduced and substituted by semi-automation and automation machines.	B
			- Operational costs will be reduced by: • Improving the working environment • Minimising the usage of manpower and electricity • Improving the quality of our products by reducing the rejection rate of our products.	C
			- Production efficiency will be improved and production costs will be reduced.	F
			- Productivity will be improved through realign on manpower planning, machines utilization and projects.	E, H, G
4.1.2 The impact of minimum wage towards unemployment among the electronics firms in Malaysia	- The firms are shortage of local workers. Foreign workers are employed as a substitution.	A, B, C, E,	- The unemployment rate will increase because there are some companies might close down following the implementation of the policy.	F
	- Workers still quit and leave the company even	F	-Unemployment will occur in the long run	H

	with the implementation of the policy.		when Small and Medium Enterprises cannot sustain their businesses and retrench their workers.	
			- It should be able to help on minimising the unemployment, with conditions of workers are willing to accept the job offer.	G
4.1.3 Wage Policy contribute to the labour turnover among the electronics firm in Malaysia	- The labour turnover between the firms increased because every firm is applying the same rate of minimum wage. Workers will quit and join another company with better working environment.	D, F, G, H		
	- The labour turnover between the firms among the local workers and foreign workers might be higher when different firms apply the policy at different time. Workers will quit and join another company with better working environment.	B		
4.1.4 Agree to implement minimum wage policy among the foreign workers	- Employers are allowed to deduct on monthly basis for levy (RM104) and accommodation (RM 50) from each foreign workers employed.	A, B, C, D, E, F, G, H		
4.1.5 The employment of low-skilled workers and foreign workers with the implementatio	- The firms are shortage of manpower; They need manpower even if they are low-skilled and foreign workers.	A, B, F	- The firm need to improve the production system to substitute for the reduction of low-skilled and foreign workers: • Firstly, the firm need to review the current	H

n of the Minimum Wage Policy	- There is no replacement if there is a resignation of foreign worker. This is compensated by: • eExtending the working hours of the current workers • iImproving the performance of workers • iImproving the production procedures of the company	C	job descriptions of the workers. • Secondly, the firm need to combine certain tasks into one task to increase production efficiency by providing on-the-job training. • Thirdly, the firm need to increase the application of automation and technology in the production system.	
4.1.6 Minimum Wage Policy change the current business operation of the firms	- The wage structure of the firm is changed	B	- The firm need to reduce the manpower by modifying the current assembly automated machines.	B
			- The firms need to improve the operation standard in terms of quality, material usage, electricity usage and manpower usage to increase the labour productivity.	C, E
			- The firm needs to improve the production efficiency, reduce the overtime working hours of the workers, reduce the transportation costs and reduce the medical expenses.	F
4.1.7 Minimum Wage Policy contributes to the labour productivity			- The firms strive for higher labour productivity using the same number of workers, the same standard of quality and more utilisation of machines in the production.	C, E, G

Discussion

The research conducts face-to-face interviews with 8 Electrical and Electronics companies in Malaysia to investigate the implications of National Minimum Wage Policy on the Electrical and Electronics Industry in Malaysia. There are 8 companies participated in the research interviews conducted. The 8 companies are Company A, B, C, D, E, F, G and H. The following

are the characteristics of the interviewed companies. 62.5% are subsidiary companies of multinational corporations. 37.5% are locally owned companies. 87.5% are private limited companies and 12.5% are public limited company. 37.5% are companies headquartered in Japan, 25% are companies headquartered in United States and 12.5% are companies headquartered in Germany and 25% are companies headquartered in Malaysia. All of the companies are manufacturing companies.

There are 75% of the companies implement the Minimum Wage Policy on time and there are 25% of the companies defer the implementation of the Minimum Wage Policy.

General Impacts of Minimum Wage Policy towards the interviewed companies

There are 37.5% of the companies shift the additional labour cost to their customers. There are 50% of the companies do not shift the additional labour costs to their customers. Instead of doing this, these companies choose to improve the labour productivity and production efficiency through realign on manpower planning, machines utilization, improvement in working environment and reduction in products rejection. There are 12.5% of the companies are not sure about this issue. The implementation of Minimum Wage Policy causes higher loss to 50% of the firms due to the higher labour cost; causes slimmer profit to 37.5% of the firms due to the higher labour cost. 12.5% of the firms are not sure about this issue.

The implementation of the Minimum Wage Policy affects the competitiveness of the firms locally and globally. 50% of the companies are affected locally and 12.5% of the companies are not affected locally. 25% of the companies are affected globally and 12.5% of the companies are not affected globally. For the companies which are affected locally in terms of competitiveness, the firms encounter loss due to the increase in the labour cost and increase in the price of petrol. In addition, employment of foreign workers also increase the labour cost of the firms. However, it is very competitive to employ workers due to the same rate of minimum wage across the different industries. The companies are not affected locally in terms of competitiveness due to other firms are implementing the same rate of minimum wage.

For the companies which are affected globally in terms of competitiveness, the firms are competing with other manufacturing plants in the world in terms of production costs. The products of the manufacturing plants in the overseas are lower-priced due to the lower impact of Minimum Wage Policy on its labour cost. The companies are not affected globally in terms of competitiveness because there are many manufacturers around the world (such as Thailand, Philippines, Indonesia) also increase the wages of their workers due to the implementation of Minimum Wage Policy.

The implementation of the Minimum Wage Policy contributes to the unemployment among 12.5% of the firms. This will occur in the long run when Small and Medium Enterprises (SME) cannot sustain their businesses and retrench their workers. However, majority of the firms (87.5%) are not affected in terms of unemployment following the implementation of the Minimum Wage Policy. The firms are shortage and difficult to employ local workers. The firms need to employ foreign workers as a substitution. The labour turnover among the local workers is high due their poor working attitude. The foreign workers are more loyal to their employers. However, some firms are controlling the employment of foreign workers because it is more costly to import foreign workers from overseas. The implementation of the Minimum Wage Policy contributes to the labour turnover among the local workers and foreign workers in 12.5% of the firms. It is because other firms are applying the same minimum wage rate. In addition, the working environment of some firms is not favourable (not air-conditioned) or workers having issues with the superiors of their companies. The policy also contributes to higher labour turnover when different firms apply the policy at different time.

Majority of the firms are not affected in terms of labour turnover among the local workers and foreign workers following the implementation of the Minimum Wage Policy. The labour

turnover rate among the senior workers is getting very low because their wages has increased more than the minimum wage rate. However, the labour turnover is high even without the minimum wage because the local workers are not ready to work; they easily quit and leave a company due to the high demand for local workers.

On the other hand, the implementation of the Minimum Wage Policy affects the current workers and foreign workers in psychologically. The junior workers are very happy with the policy due to the increased wages. In addition, the workers are having better quality life as their incomes increase. This can help to boost the country economy indirectly as consumption purchasing power is increasing too. However, the senior workers are not satisfied with the policy due to junior workers are earning the same wage rate as theirs. Some employers offer wages adjustment and remuneration benefits to their senior staffs to compensate for their long-service.

Majority of the firms (75%) agree to implement the Minimum Wage Policy amongst the foreign workers. It is a standard law set by the ILO (International Labour Organization). In addition, employers are allowed to deduct levy and accommodation from the monthly pay of foreign workers. Foreign workers are more diligent as compared to the local workers, they should be treated equally. However, they normally work for long hours of overtime which increases the labour cost of employers. Employers are allowed to deduct on monthly basis for levy (RM104) and accommodation (RM 50) from each foreign workers employed.

However, there are 25% of the firms are not agree to implement the Minimum Wage Policy amongst the foreign workers. The policy should be applied to local workers only, because foreign workers send more money back to their hometown and might cause depreciation of Malaysian Ringgit. The policy also increases the labour cost of employers.

There are 25% of the firms reduce the employment of low-skilled workers and foreign workers with the implementation of the Minimum Wage Policy. The firms need to do so to maintain or to reduce its labour cost. The firms needs to improve its production system by reviewing the current job descriptions of the workers, by combining certain tasks into one task to increase production efficiency and need to increase the application of automation and technology in the production system to substitute for the reduction of low-skilled and foreign workers. In addition, the firms compensate for the reduction of low-skilled and foreign workers by extending the working hours of the current workers, by improving the performance of the workers and by improving the production procedures of the company.

On the other hand, majority of the firms (75%) do not reduce the employment of low-skilled workers and foreign workers with the implementation of the Minimum Wage Policy. Some firms are shortage of manpower; the firms need workers in the production line even if these workers are low-skilled and foreign workers. The implementation of the Minimum Wage Policy changes the current business operation of majority of the firms (62.5%). Wage structure of the firms is changed. Some firms need to reduce the manpower by modifying the current assembly automated machines. Some firms need to improve the operation standard in terms of quality, material usage, electricity usage and manpower usage to increase the labour productivity. Some firms need to improve production efficiency and reduce operational costs of the firms. There are 37.5% of the firms are not affected in terms of current business operation following the implementation of the Minimum Wage Policy. However, the labour cost of the firms is increased.

The implementation of the Minimum Wage Policy contributes to the labour productivity for 37.5% of the firms. In addition, the firms need to improve working skills of the workers and adjust machine utilisation in the company for higher labour productivity. However, 50% of the firms are not affected in terms labour productivity following the implementation of the Minimum Wage Policy. It is because all workers are the paid at the same rate of minimum wages. Additional incentives are needed to stimulate higher labour productivity among the

workers. Some companies offer bonus based on individual performance to encourage workers to produce more. There is no formal procedure state that workers must increase their labour productivity due to the payment of minimum wage. 12.5% of the firms are not sure about this issue.

Discussion on the Key Findings for the Impacts of Minimum Wage Policy at Present and Future

4.1.1 The implications of the implementation of the Minimum Wage Policy towards the interviewed companies on present and future are discussed in respect to the different research issues. The companies shift the additional labour cost to their customers and cause the increment in the prices of products at present. In the future, manpower will be reduced and substituted by semi-automation and automation machines to compensate for the increased in labour cost. Operational costs will be reduced by improving working environment, minimising the usage of manpower and electricity and improving the quality of our products by reducing the rejection rate of our products. In addition, production efficiency will be improved and production costs will be reduced. Productivity will be improved through realign on manpower planning, machines utilization and projects.

4.1.2 At present, the firms are shortage of local workers. Foreign workers are employed as a substitution. Workers still quit and leave the company even with the implementation of the policy. In the future, the unemployment rate will increase because there are some companies might close down following the implementation of the policy. Unemployment will occur in the long run when Small and Medium Enterprises cannot sustain their businesses and retrench their workers. The implementation of the Minimum Wage Policy should be able to help on minimise the unemployment, with conditions of workers are willing to accept the job offer.

4.1.3 At present, the labour turnover between the firms increased because every firm is applying the same rate of minimum wage. Workers will quit and join another company with better working environment. The labour turnover between the firms among the local workers and foreign workers might be higher when different firms apply the policy at different time. Workers will quit and join another company with better working environment.

4.1.4 In all the companies interviewed, employers are allowed to deduct on monthly basis for levy (RM104) and accommodation (RM 50) from each foreign workers employed.

4.1.5 At present, the firms are shortage of manpower; they need manpower even if they are low-skilled and foreign workers. There is no replacement if there is a resignation of foreign worker. This is compensated by: extending the working hours of the current workers, improving the performance of workers and improving the production procedures of the company. In the future, the firms need to improve the production system to substitute for the reduction of low-skilled and foreign workers: Firstly, the firms need to review the current job descriptions of the workers. Secondly, the firms need to combine certain tasks into one task to increase production efficiency by providing on-the-job training. Thirdly, the firms need to increase the application of automation and technology in the production system.

4.1.6 At present, the wage structure of the firms is changed. In the future, the firms need to reduce the manpower by modifying the current assembly automated machines. The firms need to improve the operation standard in terms of quality, material usage, electricity usage and manpower usage to increase the labour productivity. The firm need to improve the production

efficiency, reduce the overtime working hours of the workers, reduce the transportation costs and reduce the medical expenses. The firms need to improve the working skills of the workers.

4.1.7 In addition, the implementation of the Minimum Wage Policy is projected to generate some positive implications to the firms interviewed in the future. Labour productivity will be increased. The firms strive for higher labour productivity using the same number of workers, the same standard of quality and more utilisation of machines in the production.

Conclusion

There are different implications to the Electrical and Electronics (E&E) companies in Malaysia upon the implementation of National Minimum Wage Policy in Malaysia. The E&E companies are affected in the different perspectives: increased in labour costs, decreased in profits, lower competitiveness in locally and globally, changes in the current business operation of the firms, shortage of local workers and increased labour turnover.

In conjunction with this, there are adjustments to be made by the E&E companies to accommodate with the implementation of National Minimum Wage Policy. For instance, manpower will be reduced and substituted by semi-automation and automation machines to compensate for the increased in labour cost. Productivity will be improved through realign on manpower planning, machines utilization and projects. The firms need to improve the production system to substitute for the reduction of low-skilled and foreign workers.

The findings obtained in the research enables readers to find out more about the implications of National Minimum Wage Policy on the Electrical and Electronics (E&E) companies in Malaysia. In addition, the research investigates how these companies overcome the negative implications following the implementation of the National Minimum Wage Policy in Malaysia.

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Impact of MCMC's Smart Community Initiatives: Stakeholders' Perspectives Using Qualitative Approach

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Abstract

Purpose: To gather views in terms of the roles and responsibilities, collaboration and contribution from stakeholders on MCMC's smart community initiatives.

Design/methodology/approach: A qualitative approach by using interviews – face-to-face and email. Total of 19 respondents participated and most of them work in various fields as like in education department, schools, districts and/or councils. The interview covered 4 sites that were from Kota Belud (Sabah), Lundu (Sarawak), Kemaman (Trengganu) and Putrajaya (Selangor).

Findings: Findings listed the challenges faced by the stakeholders. One of the major challenges is regards to the budget allocation and infrastructure especially the development of telecommunications in rural areas, which enable to upgrade of community lifestyle.

Research limitations/implications: Continuous workshops, programs and courses on educating and training the communities (especially the rural areas) along with the support from the government and private companies would be key area towards the 'smart' community implementation. Besides changing the leadership/authority directions, budget allocation and infrastructure in rural areas should also be constantly improved.

Originality/value: This study contributes to the growing literature on stakeholders' view and perception on smart community initiatives that has been initiated by Malaysian Communications and Multimedia Commission

Keywords: Smart Community, Stakeholders' Views, MCMC Initiatives

Paper Type: Qualitative Research Paper

Introduction

The 'Smart Community' will provide comprehensive solutions encompassing energy, water, and medical systems in order to realize a synergetic balance between environmental considerations and comfortable living. ITU-T Focus Group on Smart Sustainable Cities established a concrete definition for smart sustainable cities, which can be used worldwide. They reviewed 116 definitions of smart sustainable city from different sources such as academic, government, and corporate. In their report, smart community and smart city are considered as a same term. Similarly, Albino et al., (2015) did not differentiate the terms of smart city and smart community and they treat these two terms with the same meaning. They clarified the meaning of the word "smart" in the context of cities through an approach based on an in-depth literature review of relevant studies as well as official documents of international institutions. However, a smart city initiative needs to create a community where all citizens can engage more easily and effectively (Paskaleva, 2009). Ishida and Isbister (2000) debated some similar terms such digital community, smart community, digital city, information city and e-city. Tanabe *et al.* (2007) considered all of those alternative terms are used to refer to a connected community that combines broadband communications infrastructure. The geographical dimension (space) of smart communities is varied; it can be extended from a city district up to a multimillion metropolis (van den Besselaar & Koizumi, 2005). And Harrison et al. (2010) agreed that Instrumented, Interconnected and Intelligent were the three fundamental factors for a smarter city. Therefore, stakeholders' perception needed to seek further understanding on smart community research.

The stakeholders' interviews were held to understand the current roles, responsibilities of collaborative institutions/parties and the characteristics of synergistic partnerships. The stakeholders referring to the local champions from district officers, community leaders, head of the village (*Ketua Kampung* or *Rukun Tetangga*), teachers, etc. who helped to facilitate the implementation of smart community initiatives. Their main responsibilities are to bridge community and district needs and personnel, driving the bottom-up approach for engagement, planning, collaboration and implementation. In ensuring the implementation of smart community initiatives, the stakeholders are best to be interviewed to further seek the insights and needs of the communities served.

The stakeholders initially represented the four sites of MCMC's Smart Community initiatives were involved in the interview sessions. These four sites were Kota Belud (Sabah), Lundu (Sarawak), Kemaman (Trengganu) and Putrajaya (Selangor). A qualitative approach was done by using structured in-depth interviewing either face-to-face and/or email. Besides demographic data, there were three similar questions have been asked on their knowledge, experiences and challenges on Smart Community project or programmes that they have been involved in. On top of that, suggestions on the sustainable of 'smart community' initiatives were also has been collected.

The Findings

1. Demographic data:

Total of 19 respondents were involved in the interview session. There were total of 13 males and 6 females participated. The stakeholders were mainly local people (especially from Kota Belud, Sabah and Lundu, Sarawak). All of them were from various backgrounds of demographics – including age, education, profession and their working experiences. Seven respondents were seniors (in 50s), which contribute to the majority representative of stakeholders and six others were in 40s. Meanwhile, 5 respondents were at the aged of 30s and only one respondent was in the 20s. The current job listed denotes on varies level and job responsibilities as well as the working experiences which signify the credibility in handling their job scopes. It is hoped with these varies stakeholders participated in the interview, the

more view points and rigorous insights pertaining the smart community initiatives were collected.

Table 1 Indicates the summary of stakeholders' demographic information across the four sites.

Table 1: Demographic Information of Stakeholders

Site	Gender	Age	Education	Profession	Working Experience
Putrajaya	3 Males	1 = 30s 1 = 40s 1 = 50s	2 = Degree holders; 1 = Maser holder	3 Officers (IT, Education, Enforcement)	1 = <5 years; 1 = 10+ year; 1 = 20+ years
Kemaman	3 Males 2 Females	2 = 30s 3 = 50s	1 = certificate holder; 1 = SPM holder; 2 = Degree holders; 1 = Master holder	1 Librarian; 3 Admin Officers; 1 District Officer	1 = 10+ years; 1 = 20+ years; 2 = 30+ years; 1 = not available
Lundu	4 Males 1 Females	1 = 30s 3 = 40s 1 = 50s	1 = Diploma holder; 2 = Degree holders; 2 = Master holders	1 Teacher; 2 Admin Officers; 1 Assistant Officer (District); 1 District Officer	1 = <5 years; 2 = 10+ years; 1 = 20+ years; 1 = 30+ years
Kota Belud	3 Males 3 Females	1 = 20s 1 = 30s 2 = 40s 2 = 50s	1= Diploma holder; 4 = Degree holders; 1 = Master holder	1 Teacher; 1 Manager (PI1M); 1 Head of Support Center (Pos Malaysia); 2 Assistant Officers (Education & District); 1 Coordinator (APM)	1 = <5 years; 1 = 5-10 years; 3 = 20+ years; 1 = 30 years

2. Knowledge on 'smart community'

The main purpose of this section is to gauge the level of understanding on 'smart community' from the stakeholders' perspective. Questions have been asked and Table 2 is the list on the most significance respond collected from the four sites:

Table 2: Stakeholders understanding on 'smart community'

No	Respondent	Comments
1	P1	People who use internet facilities and wireless facilities throughout their daily lives.
2	P2	Community groups that use technology to ease their life or daily tasks
3	P3	Empowering communities through the use of information technology in business, innovation, education and community activities including security.
4	KT1	A program implemented to improve the quality of life through the use of ICT.
5	KT2	Satu Malaysia Internet Center - help needy people to buy computers
6	KT3	(1) Interconnected city, (2) Worth to visit (fully utilize) - road, traffic, access, connectivity
7	KT4	Intelligence concept - information, system
8	KT5	A smart community is a community that generally makes technology an essential foundation in everyday life especially ICT.
9	L1	Sincere community or locals in using all facilities, facilities, social interactions, economics and development in an area, place, district and others
10	L2	A community that able to deliver information to the community virtually, instantly and quickly.
11	L3	Smart communities are the opportunity for communities to take advantage on improvements and developments in the aspect of application of telecommunications services and the expansion of postal services and access to broadband utilization
12	L4	(1) Smart Community: Use IT know how to use (software, gadgets), (2) Informative, (3) 2016 stated - changes in infrastructure; ease communications (calls, internet), (4) Benefits to outsider → foreigners will know about Lundu (eco-tourism increased), (5) People are increasingly knowledgeable IT, know how to use basic software (office) - JKKK attend training, (6) Entrepreneurs - can promote, (7) Tourism - homestay, (8) Pusat internet 4 in Lundu 2 coming soon - locals, affordable, accessible, cybercafe expensive
13	L5	Started 2-3 years ago. At first did not realize. Dato Nan's administrator introduced. Lundu is a bit slow. Although Unifi was introduced but many people who are interested. But now it's good. There's 4G coverage. Communication and infrastructure improved.
14	KB1	Areas / places that can be access / communication & information technology infrastructure with high speed Internet coverage
15	KB2	Improving communication systems, empowering communities & improving community quality in terms of education, socio-economic & culture
16	KB3	IT-literate society
17	KB4	effort to empower communities with ICT telecommunications
18	KB5	understand & know
19	KB6	a community that uses a lot of Internet applications for work & uses the Internet for earning

Note: P = Putrajaya, KT = Kemaman, L = Lundu, KB = Kota Belud

All of the respondents were well verse and understood the meaning of smart community. Many said the overall township infrastructure equip with telecommunication network will be the best practice to ensure benefit to the community. Internet high speed and apps usage will enable the community not only the receive information fast but also disseminate information amongst the community within the same area. This will formulate empowerment and good quality of life for the community in terms of education, socio-economic and culture. In addition, some respondents expressed similar thought on smart community concept should come from smart community that enable to empower people/community with ICT telecommunications. Hence, the community should be active in participating events, workshops and programmes related to educate them to be 'smart'. In addition to that a community that uses highly on Internet applications should also utilize and maximize on work purposes (ease of use) and diversify their businesses (to earn profit).

Interestingly, the respondents suggested the telecommunication infrastructure should cover not only the town areas but the whole of affected areas (whole are Kota Belud, Lundu, Kemaman and Putrajaya). Therefore, the community must constantly active using (maximum use) the facilities and engage in the activities provided by the smart community centers. Continuous initiatives as for example PI1M, telecommunications, post, libraries, the flood centers with digital facilities and many others. The government should emphasis on building a solid infrastructure. Comments from Respondent KB4 stressed on building more relocation and settlement centers for flood victims equipped with facilities and developed digital centers. The respondents also listed some collaborators in helping the smart community initiatives as like MCMC, telecommunication companies, Education department, local councils, MSD Digital Intelligence Sdn Bhd, Police, Pos Malaysia, **Angkatan Pertahanan Awam Malaysia (APM)**, Water Department, Land & Survey Department and Non-government organization (NGOs). Despite the efforts from others, the smart community initiatives wouldn't be a success if there is no support (especially on budget allocation) from the government and also private sectors. Table 3 represents the list of comments and suggestions by stakeholders:

Table 3: Stakeholders' Suggestions on 'smart community'

Respondent	Comments	Suggested Collaborator
P1	There should be full support from all parties	Telecommunications companies, agencies related to any application and approval, utility companies and commercial parties within the community.
P2	Comply with established ethics and regulations.	CSR (private sector) provides infrastructure and information distribution to the community.
P3	The program 'Awareness' deals with the advantages of a program	MCMC, TM, Cyber Security
KT1	(1) Improve the lives of the people of Kemaman with the best ICT solutions. (2) Small businesses use the internet to market products. (3) 1 Malaysia Internet Center can run online trading courses. (4) Library - People are given awareness on Internet	Yayasan Pembangunan Usahawan (YPU)
KT2	Distribute leaflets and open booths at any agency	TM / UNIFI, enhanced programs, suppliers
KT3	(1) Problem - initiative from government but it's better if come from public, (2) Entrepreneur - stating the business to ICT (eg: <i>Madu kelulut</i>)	(1) MCMC, (2) local council

KT4	(1) Enforcement of the system - Company (2) Transportation problem - <i>KOIL Kemantik</i>	Change <i>KOIL Kemantik</i> to <i>Chukai</i>
KT5	(1) The flagship determination based on community uniformity, (2) Focus on the implementation to the younger generation, (3) Creating active groups in activities, particularly development and infrastructure projects	(1) The Local Authority, (2) <i>TELCOO</i> , (3) Educational Institutions, (4) Community Leaders
L1	Awareness program, CSR on what information covers the current social, economic, and political fields	(1) Land and Survey Dept. (2) National Security Council (3) District Council (4) ADUN Service Centre, (5) Information Dept. (6) The Chief Minister's Dept. (7) Immigration, PDRM, (8) Health Department, (9) Agriculture Department
L2	Delivery method needs to be clear and appealing to the community.	Information Department, Post Office
L3	Communities should further enhance their ICT knowledge and utilize existing applications to improve their economy in the wider market.	All agencies related to matters that could improve local standard of living and socio-economic through the communications and information technology platform.
L4	(1) Joint Venture of the "Kampung Perdana" District Office, (2) Challenge 100+ Kampung - Kampung Lestari Village Competition	(1) MCMC Agency, (2) Local agency (District Office, PDRM, District Council Health Office)
L5	Activities need to be developed in all areas of the world. Although the small villages are marginalized. Small-scale programs need to be held in small village areas. PI1M took viral info to everyone to attract the attention of the locals.	Post, ISP (Celcom, Digi, etc) and Sacofa (have pole), Ministry of Tourism
KB1	To have guided community programs for infrastructure facilities	Telecommunications company; Department of Education; SKMM
KB2	Expanding communication network	NGO or community associations
KB3	Education to all classes	Health Center
KB4	Society benefits; coverage free of charge; the government needs to build a Flood Victim Settlement Center equipped with facilities & digital centers	SKMM; MSD Digital Intelligence Sdn. Bhd.; Police; APM; Water Department; Land & Survey Department
KB5	Financial aid from government & private sector	all agencies must be involved
KB6	-No Comment-	Telecommunication company

Note: P = Putrajaya, KT = Kemaman, L = Lundu, KB = Kota Belud

3. State current working situation, experience(s) and/or challengers the stakeholders are facing on towards the 'smart community' initiative(s).

Respondents from the four sites have listed out projects or programs that they are working on. For example, mobile apps, Radio Frequency Identification (RFID) for flood, solar power, MyKomuniti Kreatif (MYKif)¹, U-Smart Workshop (SMART Entrepreneurship)², E-

¹ MyKomuniti Kreatif is a video competition open for PI1M community. Refer: <http://mykif.mcmc.gov.my/>

² SMART Entrepreneurship at PI1M, Kota Belud collaborated with MCMC, Sabah Techpreneur Association (SATA), Suruhanjaya Syarikat Malaysia (SSM), SME Corp. Malaysia. Refer: <https://www.facebook.com/events/1815273595380341/>

magazine³, Smart Postman and Postman Community⁴, Pusat Internet Desa⁵, and e-commerce, SAIFON⁶ and U-Smart, and lastly, improving the education programs and IT content that can be accessed by the teachers, parents and communities.

There were few challenges occurred while working on the current projects. Besides the core reasons like proper planning and continuous infrastructure development, budget and funding, limitation in getting experts on the related fields/areas has been highlighted. On the other hand, current challenge is in finding good sites/locations for telecommunications development as most people stay in the village (*kampung*) are reluctant to hand-in their land and protest or go against the mega project development. Therefore, only town areas receive good telecommunication infrastructure and coverage but not the rural or *kampung* areas. Other major problem occurred for example was at Sg. Kediaman with a shallow river, which has contributed frequent flash floods in Kota Belud, Sabah. Meanwhile, most respondents were mentioned on providing more PI1M and IT knowledge at schools to further educate and training the students and communities. The youth commitment is relatively low. Table 4 shows the summary of list projects/programs and the challenges faced by the stakeholders:

Table 4: List of Projects/Programs and Challenges from the Stakeholders

Respondent	Projects/Programs	Challengers
P1	Payment of parking, parking enforcement and online compound payment	Acceptance & execution, Existing legislation was largely enacted in 1960-1985 and online matters have not been included yet
P2	Internet access expansion in schools	Budget, convincing parents
P3	(1) Putrajaya Mobile App, (2) Putrajaya Go Cashless, (3) Putrajaya Open Innovation Terminal	(1) Coordination between various departments or departments & agencies, (2) Changes in working methods
KT1	(1) U-Pustaka, (2) Lego Robotik, (3) 3D Printer (MCMC), PI1M	(1) Number of computers, (2) Expertise, (3) Maintenance
KT2	Entrepreneurship courses 2017 & robotic	(1) Time constraints (2) Contrary to the timetable of students and staff
KT3	(1) Street lamp - solar power, (2) RFID - flood	(1) TM on natural disaster management (2) Database - float
KT4	(1) e-bulletin for schools (2) e-bulletin - the smart community,	To find books in the library

³ e-magazine at Kota Belud was launched on 23 May 2017 at Perpustakaan Daerah Kota Belud, Sabah in collaborations with MoE, Pejabat Pendidikan Daerah Kota Belud and Majlis Buku Kebangsaan Malaysia. Kota Belud's school e-magazine was one of the finalists in the 'Access to Information and Knowledge' category for the World Summit on the Information Society (WSIS) 2018 competition in Geneva, Switzerland. Refer: <http://www.thesundaily.my/news/2018/03/17/additional-rm20m-kota-belud-smart-community-20-initiative>

⁴ MCMC with Post Malaysia have initiated a community postmen service for rural areas in Sabah and Sarawak. The local postman will be the representative for own community areas or town that they live. This will ensure community with safe and confidence in terms of service delivery. Refer: <https://www.malaymail.com/s/1178673/mcmc-shapes-tomorrows-postal-service>

⁵ Pusat Internet Desa is owned by the Malaysia Digital Economy Corporation Sdn. Bhd., previously known as Multimedia Development Corporation and now, taken over by the Minister of Energy, Water and Communication (MEWC). Refer: <http://www.internetdesa.my/sejarah.html>

⁶ SAIFON is the acronyms for Security and Integrated Flood Operation Network and was implemented in 2016 using high definition of closed-circuit television (CCTV) and sensors to alert the high rise of water level and flood. Refer: <http://saifon.my>

	(3) usahawan - apps in mobile - IKBN	
KT5	Kemaman Smart Community Program	(1) Less active Local Champion, (2) Selection of inappropriate program location, (3) The agency's interest and tendency
L1	Lundu Smart Community Community Development Program (e-magazine), JV between MCMC, MBKM, PPD and PDL	-None-
L2	The council is making online promotions to promote local products and online businesses.	Not all communities in Lundu have a stable internet connection.
L3	So far, this office is one of the intermediaries between local communities and agencies implementing smart community programs / activities.	No problem
L4	(1) Smart postmen, (2) Homepage / FB Kampung (Profile), (3) Entrepreneurs (market the local product) - in cooperation of MCMC (provide training), E-Magazine	(1) Collaboration from outside agencies (2) Not all societies can benefit (3) Awareness on IT
L5	e-magazine	(1) School & teacher co-operation (2) The basic e-magazine guide is missing (3) Limited hardware & software Financial allocation; limited expertise
KB1	Not yet	Financial allocation; limited expertise
KB2	MyKif (MyKomuniti Kreatif), Bengkel U-SMART, e-magazine	Communities are less committed; budget
KB3	Smart postman, postman komuniti, e-commerce, Internet Desa	Road infrastructure
KB4	SAIFON; U-SMART; e-magazine; MyKif (MyKomuniti Kreatif)	Difficult to find land sites for telecommunications development; The frequency of flash floods was due to Sg. The residence becomes shallow
KB5	Local leader in education; improve the content of parent & community accessible programs	Financial
KB6	-None-	Internet network challenge - slow down

4. Suggestions to maintain the 'smart community'

Most of the respondents agree that the smart community programs should be continued with support from all – the government, private and the community itself. A few suggestions were given by the respondents towards the sustainable of 'smart community' initiatives. One of it is a proper guidance from the experts and sufficient funds allocation to implement smart community programs. With this, the communities are able to obtain IT knowledge, manage to solve their daily problems and improve quality of lives. The smart community initiatives would be able to bridge the digital gap between the urban and rural areas. Another suggestion is to implement programs, workshops or courses to ensure the community receive 100% communication by year 2020. These initiatives should come from MCMC, district officers, local champions and councils and other private sectors. Table 5 provides list of suggestions and how it can be implemented:

Table 5: List of suggestions to sustain and implementation on 'smart community' initiatives

Respondent	Ways to sustain	Ways to implement sustainability
P1	State the advantages and strengths and the benefits the society will gain.	By involving all levels of society in the activities being implemented.
P2	Encourage the community to become users of value and ethical or moral values.	To have a program or activity by encouraging all engagement.
P3	(1) Promotion, (2) Training, (3) Maintenance	Through the cooperation of all parties, the private sector and the community.
KT1	(1) Always hold a Smart Community program to the public, (2) Community announcements on Smart Community, (3) Remote entrepreneurs - through JKKK and DO, at the moment (1 to 1 entrepreneur) (4) Students - District Education Office	(1) Creating a leading community of smart communities, (2) <i>So far, DO is the main,</i> (3) <i>U-Pustaka Book Drop,</i> (4) Frequently damaged equipment (scanners), (5) <i>No maintenance,</i> (6) MCMC-PNB-National Library of Malaysia
KT2	Requires high internet access for the course	Provide information on ICT technology among students and staff if they have more provisions.
KT3	No answer	(1) <i>People of Kemaman more 17 savvy,</i> (2) <i>netizens,</i> (3) <i>engage all NGO's (non-practical) - environment penyus NGO's</i>
KT4	No answer	(1) <i>relocate in Chukai at least 5 people + comfortably furnished</i> (1) <i>relocate in Chukai at least 5 people + convenience</i>
KT5	Creating flagships / outputs that lead to the importance of the department itself and make departments selected as the main platform.	(1) Exposure & create a movement group (2) Implementing ICT users as the basic medium in life (3) Preparation to become a user-friendly community
L1	The relevant parties should ensure that impact studies are conducted after the program is successful so that planning can be made	Expanding the easiest way for people to receive information, development of programs that can drive the growth of the internet-based desired growth, speed up and more.
L2	Fast and fast Internet connection	Cooperation and infrastructure supervision from implementing agencies are indispensable.
L3	Every program implemented should be accepted by the local community and can benefit them.	There should be cooperation with the local community.
L4	<i>Have clear goals to achieve using the tools & knowledge.</i>	<i>What is special at Lundu? Open up Lundu to Borneo - Big market, open the route</i>

		What is special at Lundu? Open up Lundu to Borneo - Big market, open the route
L5	Provide space for e-magazine uploads. Permission to fluctuate as a portal can share information. There is a place for smart community space for e-magazine for upload and there is a web master manage. Create a competition and have an award to recognize the effort.	Big programs can not cover. Emergency pole is brought when there is a big event
KB1	expert guidance; financial allocation for program implementation	Campaign; continuous programs; adequate financial allocation
KB2	advanced programs & collaboration	Comprehensive involvement of various communities; Create an advanced program from existing programs
KB3	-None-	-None-
KB4	Implementation of Town Hall program / course / workshop	MCMC's creativity & program workshops with local developer developers such as District Offices & strategic agencies; Continued financial channeling to generate telecommunications development
KB5	Financial assistance	Communities need to support; continue execution & monitoring
KB6	-None-	Increase Internet to rural areas

Conclusion

“To be connected” has found to be the fundamental element in realizing both smart city and smart community and this is what city is all about where people come and live together to form a concentrated settlement (Kumar & Dahiya, 2017). Since ancient time, through the utilization of horses that form the connected path between stakeholders, people and cities where information, knowledge, culture and economies are connected. The interviews from the four sites – Kota Belud, Kemaman, Lundu and Putrajaya had gathered us the ‘insights’ of stakeholders regarding the MCMC’s Smart Community initiatives. There were 19 respondents participated in the interview and most of them work in various field as like in education department, schools, districts and/or councils. The current findings reveal the current knowledge and projects/programs that the stakeholders are involved in. Major of the respondents fully support the current state of smart community initiatives. Besides that, findings also listed the challenges faced by the stakeholders. One of the major challenges is regards to the budget allocation and infrastructure especially the development of telecommunications in rural areas, which enable to upgrade of community lifestyle. Results also collected a few suggestions on how to sustain current smart community initiatives. Continuous workshops, programs and courses on educating and training the communities (especially the rural areas) along with the support from the government and private companies would be the key towards the ‘smart’ community.

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The Impact of Security Factors towards Internet Banking Usage Intention among Malaysians

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Abstract

Purpose: The purpose of the present study is to identify the security factors that influence customer intention to continue using Internet banking in Malaysia.

Design/methodology/approach: Data was collected through self-administered questionnaires distributed using the drop-off and pick-up (DOPU) technique to private and public sector companies who then passed the questionnaires to their staffs. A total of 163 usable respondents completed the questionnaires. The SPSS statistical analysis software package and Structural Equation Modeling (AMOS) method were used for data analysis and hypothesis testing.

Findings: The results show that perceived authentication, perceived confidentiality and perceived data integrity are significant factors that influence customer intention to continue using Internet banking. However, Perceived Non-Repudiation was not significant in influencing the intention to continue using Internet banking in Malaysia.

Research limitations/implications: An understanding of the factors identified in this study will enable Internet banking providers to effectively and efficiently enhance the security of services and thereby promote continued usage of Internet banking among customers.

Originality/value: This is the study to examine possible security factors as multidimensional construct effects towards intention to continue using Internet banking using structural equation modelling AMOS

Keywords: Perceived Privacy, Authentication, Non-repudiation, Integrity, Confidentiality, Intention

Paper type: Research Paper

Introduction

Customers are apprehensive about the security of their personal financial information that could be accessed via the Internet. The electronic banking community recognized the security needs. Security is one of the important factors, which influence customer intention to use online banking (Sikdar *et al.*, 2015). Therefore, the more internet banking users believe in high security online banking transaction, the more likely they will increase their usage of internet banking service (Tran and Corner, 2016). A number of technologies have been developed to ensure the security of electronic transactions. The 128-bit RSA encryption key technology to web browsers is the most common approaches used to secure online transactions in the use of digital certificates and firewalls.

The key factors influencing customer adoption in Internet banking can be define in this study. Many studies conducted in Malaysia and other countries, which identified the trend of Internet banking growth adoption in Malaysia. Adoption of Internet banking in Malaysia and slow growth due to security and personal preferences factors (Suganthi *et al.*, 2001). In Australia, the main obstacles to Internet banking adoption are due to security concerns and Internet banking awareness (Sathye, 1999). Furthermore, the safety and security of transactions over the internet were concerned by Internet banking customers in Australia. However, security issue in online banking have not been elaborately emphasized yet (Amin, 2016). According to Hussain *et al.* (2017), the main challenge for banking sector is extensively usage of information technology applications related to e-banking. Which causes e-security threats, cyber-attacks on customer profile, account hi-jacking, frauds in terms of data messages, theft customer privacy, and get secrecy of financial transactions.

Literature Review

Security in the context of electronic banking is explained as follows: Threats can be made either through network and data transaction attacks or through network and data transaction attacks, or through unauthorized access to the account by means of false or defective authentication. Customers are afraid that their personal financial information would become available to others via the Internet and that they could be used for fraudulent purposes. The need for security has already been recognized within the electronic transactions. The most common approaches used to secure current online transaction are incorporating 128-bit RSA encryption key technology to the web browsers that keeps the customer information private as the data flows across the Internet, the use of digital certificates that has made identification easier and cheaper, and the firewalls (Yousafzai *et al.*, 2003).

Perceived security is defined as the customers' perception of the degree of protection against these mentioned threats. According to Yousafzai *et al.* (2009), measures the customers' subjective perspective about secure Internet banking transactions based on their perceptions of timely, accurate, and safe data transmissions.

Security, nowadays, is becoming a more important issue for business, and the need for authentication has therefore become more important than ever. According to Fahad *et al.* (2008), the use of biometrics systems for personal authentication is a response to the rising issues of authentication and security. The literature reviewed showed that acceptance of the use of biometric authentication methods was particularly high among participants who did not object to the registration of biometric data for authentication in Saudi Arabia (Fahad *et al.*, 2008). Moreover, those respondents agreed that biometric authentication methods would improve e-commerce security.

Information security encompasses not only technical issues but also human factors and is an ever increasing problem that is becoming a key cause of fear among computer users. Even though there are almost an uncountable number of threats to information security, this number is unfortunately on the rise. For the average person using the Internet, information security may mean among other things, working with computers without being attacked by viruses, conducting online transactions with the assurance that credit card information will not be subject to theft and browsing e-mails without receiving unsolicited or undesired electronic messages (Huang *et al.*, 2007).

In Malaysia, weak security and Internet banking application trustworthiness are the central issues related to Internet banking (Normalini and Ramayah, 2015). Therefore, this study will investigate security dimensions that influence the intention to continue using Internet banking applications

As there are constantly increasing number of ways to penetrate security mechanisms, the risk of information theft, transaction tampering and corruption of data could become a reality. If

security breaches occur, customers may incur damages ranging from privacy invasion to financial loss (Suh & Han, 2003). Many researchers have discussed basic security principles that are crucial for e-commerce (Aldridge *et al.*, 1997; Bhimani, 1996; Furnell and Karweni, 1999; Gefen, 2000; Ratnasingham, 1998). In Internet banking, prior research has classified these into five categories: authentication, non-repudiation, confidentiality, data integrity and privacy.

In this study, perceived security refers to the customers' perception of the degree of protection against the Internet banking threats. Customers tend to have a better trust in Internet banking if higher level of security is believed to exist. Perceived competence, in this study is defined as the Internet banking customers' perception on the skills, abilities, and expertise of Internet banking providers. Therefore, this study will investigate the relationship between perceived security and perceived competence towards customers' trust in Internet banking.

Perceived Authentication

Authentication is defined as the process through which an Internet merchant can be established via a trusted third party that guarantees that the merchant is indeed who they say they are. Authentication ensures that the trading parties in an electronic transaction or communication are who they claim to be.

Distinct usernames, *personal identification numbers* (PINs), passwords, and preferred security questions and answers are among the tools or access codes used to verify the identity of customers. These tools operate as keys to obtain access to customers' personal accounts and financial information as well as banking facilities, products and services offered via the online banking system. Customers are advised to maintain the confidentiality of their personal codes by not sharing or providing easy access to them in order to preserve the integrity of access codes.

Perceived Confidentiality and Perceived Data Integrity

Confidentiality warrants that all communications between trading parties are restricted to the parties involved in the transaction. Confidentiality is very important in the e-commerce world because of the possibility that hackers may obtain one's sensitive information. Data integrity means that data in transmissions are not created, intercepted, modified or deleted illicitly (Suh and Han, 2003).

Banks utilize a fusion of authentication, encryption and auditing mechanisms to provide assurance that there is safeguarding of the privacy, confidentiality, and integrity of transactions and information that is exchanged, disclosed, shared, stored or used in online banking systems. The combinations of these mechanisms function as a formidable barrier to guard against the penetration and abuse of systems in any form. Among the mechanisms used are:

- secure sockets layer (SSL) channel
- 128-bit Encryption
- username & password protection and authentication
- firewalls, and
- account-locking

Series of independent security audits are conducted to ensure that all mechanisms are systematically tested to protect and safeguard against known security issues and prevent any form of tampering or theft of information or threats to transactions.

Perceived Non-Repudiation

Non-repudiation is a mechanism to ensure that the clients (customers) can be certain they are communicating with the genuine server (bank), or vice versa, such that neither of the

communicating parties can later falsely deny that the transaction took place. Logs of transactions are maintained and regularly updated by banks and record a variety of information including the nature, time, and date of transactions that have been entered into by customers. These records enable the verification of all types of completed transactions and provide the proof needed should any issue ever arise.

Intention to continue using

Behavioural intention measures a person's relative strength of intention to display a specific behaviour. It is likely that a person will adopt a specific behaviour if he or she intends to do so. This implies that behavioural intention (BI) to continue using internet banking is expected to have a positive influence on users' interaction with online banking systems.

Theoretical Framework

Model of Trust

Customers trading in the e-commerce world face a variety of challenges and among the major issues faced is the problem of security which is caused by vulnerabilities found in the Internet, the foundation of e-commerce (Hussin, Dahlan, and Bahari, 2009). When customers conduct transactions on the Internet, anyone from anywhere in the world may be able to access the information being transferred. As there are constantly increasing number of ways to penetrate security mechanisms, the risk of information theft, transaction tampering and corruption of data could become a reality. If security breaches occur, customers may incur damages ranging from privacy invasion to financial loss (Suh & Han, 2003). Many researchers have discussed basic security principles that are crucial for e-commerce (Aldridge, White, & Forcht, 1997; Bhimani, 1996; Furnell & Karweni, 1999; Gefen, 2000; Ratnasingham, 1998). In Internet banking, prior research has classified these into five categories: authentication, non-repudiation, confidentiality, data integrity and privacy.

Data Collection Method

The primary participants are Internet banking users in Peninsular Malaysia (Such as Penang, Selangor, Kuala Lumpur and Johor). Data comes from personal Internet banking users who perform banking transactions via Internet banking. Data collection of this study was through a self-administered questionnaire. In this research, drop-off and pick-up (DOPU) technique was employed. The questionnaires were distributed through this method to private and public sector companies who then passed the questionnaires to their staffs. A total of 163 usable respondents completed the questionnaires as requested. The questionnaire consisted of 2 sections. The first section collected the demographic data, the second section elicited information about perceived security dimensions and intention to continue using Internet banking. The sampling method used in this research is purposive sampling because this method is confined to specific types of people who can provide the desired information which are Internet banking users.

Research Model

The influence of privacy and security on users' acceptance of e-banking services has been supported by several authors (Sathye, 1999; Poon, 2008). Based on the five basic security factors identified for Internet banking, this study constructed a theoretical framework which can be found in Figure 1. To test the framework, four hypotheses were proposed to understand the relationship between the security factors towards intention to continue using Internet banking. The following are the hypotheses that were proposed and tested:

H1: Perceived Authentication has a positive impact on intention to continue using Internet banking.

H2: Perceived Confidentiality has a positive impact on intention to continue using Internet banking.

H3: Perceived Data Integrity has a positive impact on intention to continue using Internet banking.

H4: Perceived Non-repudiation has a positive impact on intention to continue using Internet banking.

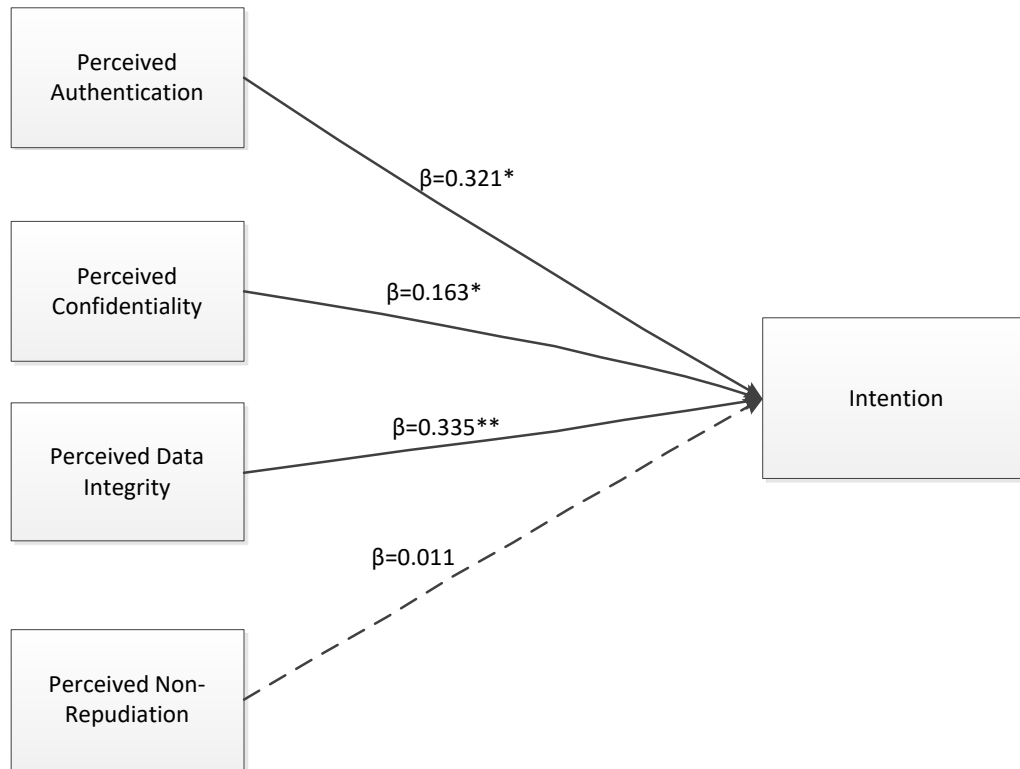


Figure 1: Research Framework

Population and Sampling

The population for this study consisted of Internet banking users from Malaysia. A non-probability sampling technique, specifically purposive sampling, was used for this study. Data was collected using self-administered questionnaires that were circulated to respondents using the drop-off and pick-up (DOPU) technique. There were a total of 163 usable responses which were retrieved from public and private sector companies who help to distribute to their staff which is Internet banking users. The measures were all adapted from published literature (see Table 1).

Table 1: Questionnaire items used in this study

Constructs	Questionnaire Items	Source
Perceived Authentication	The transactions I send are transmitted to my Internet banking site. The messages I receive are transmitted from my Internet banking site. My Internet banking site ascertains my identity before sending any messages to me. My Internet banking site ascertains my identity before processing the transaction received from me.	(Suh & Han, 2003)
Perceived Confidentiality	All the communication with my Internet banking site are strictly within the site and me. I am convinced that my Internet banking site respects the confidentiality of the transactions received from me. My Internet banking site uses some security controls for the confidentiality of the transactions. My Internet banking site checks all communications between the site and me for the protection from wiretapping or eavesdropping.	(Suh & Han, 2003)
Perceived Data Integrity	My Internet banking site checks the information communicated with me for accuracy. My Internet banking site takes steps to make sure that the information in transit is accurate. My Internet banking site takes steps to make sure that the information in transit is not deleted. My Internet banking site devotes time and effort to verify the accuracy of the information in transit.	(Suh & Han, 2003)
Perceived Non-Repudiation	My Internet banking site will not deny having participated in a transaction after processing it. My Internet banking site will not deny having sent me a message. My Internet banking site will not deny having received a transaction from me. My Internet banking site provides me with some evidence to protect against its denial of having received a transaction from me.	(Suh & Han, 2003)
Intention	I intend to continue using Internet banking services rather than discontinue its use. My intentions are to continue using Internet banking services than use any alternative means (traditional banking). If I could, I would like to discontinue my use of Internet banking services. I intend to continue using Internet banking services whenever I need it. I intend to continue using Internet banking service feature since it is good.	(Bhattacharjee, 2001; Chung & Skibniewski, 2007)

Findings

Demographic profile

The questionnaire consisted of two separate sections. The first section was designed to collect demographic data and the second section elicited information about perceived authentication, perceived confidentiality, perceived data integrity, perceived non-repudiation, and intention to continue using Internet banking. The sampling method used in this research was purposive sampling because the method targets specific types of people who can best provide the desired information for the study, namely Internet banking users.

Table 2: Profile of Internet Banking Respondents

Demographic	Categories	Frequency	Percentage (%)
Gender	Male	73	44.8
	Female	90	55.2
Age	<20	1	0.6
	20-29	43	26.4
	30-39	66	40.5
	40-49	41	25.2
	>50	12	7.4
Race	Malay/Bumiputra	100	61.3
	Chinese	32	19.6
	Indian	20	12.3
	Others	10	6.1
	Missing	1	0.6
Highest Academic	SPM or equivalent	2	1.2
	STPM or equivalent	2	1.2
	Certificate/Diploma	16	9.8
	Degree	87	53.4
	Post-Graduate	55	33.7
Occupation	Missing	1	0.6
	Professional	92	56.4
	Housewife/Husband	4	2.5
	Retired/Pensioner	1	0.6
	Self-Employed	10	6.1
	Clerical Staff	5	3.1
	Technical Staff	9	5.5
	Others (Please specify)	39	23.9
	Missing	3	1.8
	<1 year	13	8.0
Total years of working experience	1-10 years	71	43.56
	11-20 years	60	36.81
	21-30 years	15	9.20
	>30 years	2	1.2
	Missing	2	1.2
Total years of Internet usage	<1 year	1	0.6
	1-10 years	97	59.51
	11-20 years	63	38.65
	Missing	2	1.2
Total years of Internet banking	<3 years	29	17.79
	3-6 years	65	39.88
	7-11 years	58	35.58
	12-15 years	9	5.52
	Missing	2	1.2
Primary place of Internet Banking Use	Home	92	56.4
	Internet Café	4	2.5
	Office	62	38.0
	Others	5	3.1

Table 2 presents the demographic data for the 163 respondents who were Internet banking users in Malaysia. The data includes variables such as gender, age, race, highest academic qualification, occupation, working experience (total number of years), total number of years of internet usage, total number of years of internet banking usage and primary place of Internet banking use.

The majority of respondents were young and middle aged adults, with almost 67.50 percent within the range of 19 to 39 years old. As expected, the respondents were highly educated and the majority of them had academic qualifications, namely, certificates or diplomas (9.8%), degrees (53.4%) and postgraduate qualifications (33.7%). The majority of respondents (61.3%) were of Malay ethnicity. Respondents mostly categorised themselves as professionals (56.4%) while 23.9 percent of respondents held executive level positions and placed themselves under the category of “others” (e.g. marketing executive, auditor, bank executive, finance officer, HR officer). Almost all respondents had work experience and most of them had worked for at least 1 to 20 years (80.37%). The fact that 98.16% of respondents had used the Internet for a period of 1 to 20 years suggests that most of them could have needed access to the Internet for work. However, 57.67% of respondents had only used Internet banking for a period of 0 to 6 years. Majority of the Internet banking users’ access their accounts at home which is 56.4 percent and office which is 38 percent.

Measurement Model

Structural Equation Modeling (SEM) analysis using AMOS 23 was used to estimate the measurement and structural model for quality and fit. For the measurement we followed the suggestion of Hair *et al.* (2010) by testing construct reliability, convergent validity, and discriminant validity. For a good model fit, the Chi-square normalized by degrees of freedom (χ^2/df) should not exceed 3, goodness of fit index (GFI) should exceed 0.9, adjusted goodness of fit index (AGFI) should exceed 0.8, Tucker-Lewis index (TLI) should exceed 0.9, comparative fit index (CFI) should exceed 0.9 and root mean squared error (RMSEA) should not exceed 0.08 (see Noor Hazlina & Ramayah, 2012). The results showed that the χ^2/df was 1.933, GFI = 0.854, AGFI = 0.804, CFI = 0.961, TLI = 0.953 and RMSEA = 0.076 suggesting adequate model fit.

Fornell and Larcker (1981) suggested that if all indicator loadings exceed 0.7 and the average variance extracted (AVE) for each construct exceeds 0.5 then we can conclude that convergent validity has been established. As shown in Table 3, all item loadings exceeded 0.7 and we can see that the AVE is higher than 0.5. It was also suggested that satisfactory discriminant validity is established when the AVE of a particular construct is greater than the correlation shared by that particular construct with other constructs in the model (Fornell & Larcker, 1981). As such we can conclude that the construct validity of the scales is good. Next, we proceeded to test the discriminant validity. Discriminant validity can be examined for a construct (Fornell and Larcker, 1981). As shown in Table 4, the squared correlations for each construct are less than the square root of the average variance extracted by the indicators measuring that construct indicating adequate discriminant validity. In total, the measurement model demonstrated adequate reliability, convergent validity, and discriminant validity.

Table 3: Convergent Validity

Construct	Items	Loadings	CR	AVE
Intention	INT1	0.934	0.957	0.849
	INT2	0.870		
	INT4	0.920		
	INT5	0.959		
Perceived Authentication	PA1	0.873	0.933	0.776
	PA2	0.849		
	PA3	0.906		
	PA4	0.894		
Perceived Confidentiality	PCON1	0.890	0.938	0.791
	PCON2	0.940		
	PCON3	0.942		
	PCON4	0.774		
Perceived Data Integrity	PDI1	0.885	0.901	0.696
	PDI2	0.836		
	PDI3	0.700		
	PDI4	0.901		
Perceived Non-Repudiation	PNR1	0.880	0.942	0.801
	PNR2	0.933		
	PNR3	0.923		
	PNR4	0.842		

Note: INT3 was deleted due to low loadings

Table 4: Discriminant Validity

	1	2	3	4	5
1. Perceived Non-Repudiation	0.895				
2. Perceived Authentication	0.747	0.881			
3. Perceived Confidentiality	0.741	0.850	0.889		
4. Perceived Data Integrity	0.740	0.814	0.770	0.834	
5. Intention	0.618	0.758	0.750	0.755	0.921

Note: Values on the diagonal (bolded) are square root of the AVE while the off-diagonals are correlations

Table 5: Hypothesis Testing

Hypothesis	Unstd. Beta	Std. Beta	Std. Error	t-value	Decision
H1 Perceived Authentication → Intention	0.368	0.321	0.185	1.989*	Supported
H2 Perceived Confidentiality → Intention	0.193	0.163	0.101	1.911*	Supported
H3 Perceived Data Integrity → Intention	0.391	0.335	0.158	2.472**	Supported
H4 Perceived Non-Repudiation → Intention	0.012	0.011	0.097	0.12	Not-Supported

**p < 0.01, *p < 0.05

Structural Model

First we looked at the structural model fit and the results showed that χ^2/df was 1.933, GFI = 0.854, AGFI = 0.804, CFI = 0.961, TLI = 0.953 and RMSEA = 0.076 suggesting adequate model fit. The results are shown in Table 5. As the Mardia's coefficient was 275.76 which suggests that data was not normally distributed we used bootstrapping to correct the standard errors (Noor Hazlina & Ramayah, 2012). As shown in Table 5 Perceived authentication ($\beta = 0.368$, $t = 1.989$, $p < 0.05$), Perceived Confidentiality ($\beta = 0.193$, $t = 1.911$, $p < 0.05$), Perceived Data Integrity ($\beta = 0.391$, $t = 2.472$, $p < 0.01$) were positively related to Intention while Perceived non-repudiation ($\beta = 0.012$, $t = 0.120$, $p > 0.05$) was not significant. All the variables explained an R^2 of 0.62 which shows that they explained 62% of the variation in Intention. The most influential predictor of Intention was Perceived data integrity followed by Perceived authentication and Perceived confidentiality which shows that the users of Internet banking in Malaysia are very much concerned with data integrity.

Conclusion

The model incorporates the main dimensions of security to identify factors that influence intention to continue using Internet banking; namely perceived authentication, perceived confidentiality, perceived data integrity, perceived non-repudiation.

Unexpectedly, this research has found that perceived non-repudiation has an insignificant impact on customers' intention to continue using Internet banking. An explanation of this finding might be that Internet banking customers in Malaysia have the perception that other issues such as authentication, privacy and data integrity are more important and serious compared to non-repudiation issues. On the other hand, authentication has been proved to have a significant positive impact on customers' intention to continue using Internet banking. The rational justification of this finding might be that once the perceived strength of authentication is high, an increased level of customers' intention to continue using Internet banking is then possible. Furthermore, it has also been found that confidentiality has a significant positive impact on customers' intention to continue using Internet banking. It can be concluded that confidentiality might facilitate the development of continuance usage of internet banking since banking usually require accurate and reliable information.

Consequently, this study supports the important role of data integrity as a significant determinant of customers' intention to continue using Internet banking. Therefore, it can be concluded that data integrity might facilitate the continuance usage of Internet banking since data in transmissions are not created, intercepted, modified, or deleted illicitly. The rational justification of this conclusion might be that once Internet banking customers in Malaysia have confidence in the reliability of Internet banking, they might have positive feeling about conducting banking transaction online via the use of Internet banking.

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Revisiting the Effects of Quality Dimensions, Perceived Usefulness and Perceived Ease of Use on Internet Banking Usage Intention

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Abstract

Purpose: The purpose of this study was to examine the quality dimensions, perceived ease of use, perceived usefulness and attitude towards intention to continue using Internet banking among Malaysian.

Design/methodology/approach: This study extends the Technology Acceptance Model by incorporating quality dimensions as external variable into the model to understand the impact of quality on Intention to continue using internet banking in Malaysia. Data for this research was obtained from a cross-sectional survey with respondents that were Internet banking users. The data collection procedure used the drop-off and pick-up (DOPU) technique, to bank branch managers. The purposive sampling technique was employed to determine the respondents, individuals using Internet banking services in Peninsular Malaysia.

Findings: The results clearly indicate that quality dimensions, perceived usefulness, perceived ease of use and attitude are strong determinants of intention to continue using Internet banking.

Research limitations/implications: The core drawback of this study is the use of purposive sampling technique for choosing respondents which is Internet banking users, whereas the profile of respondent was privacy and confidential. Therefore, the data collection must go through Bank Managers to distribute to their customers.

Originality/value: This study contributes to the growing literature on the relationship among quality dimensions, perceived usefulness and perceived ease of use on Internet banking.

Keywords: Internet Banking, Quality, Perceived Usefulness, Perceived Ease Of Use, Intention

Paper type: Research Paper

Introduction

A new market for internet-based services, such as internet banking, offered to the global internet users exceeded 4 billion people around the world using the internet (GDR, 2018). Internet banking refers to the use of bank's web site through which customers access their banking accounts, conduct financial transactions, and obtain general information on bank products and services (Yu, Balaji, & Khong, 2015). Since the new millennium traditional banking practice has modernized to internet banking growth in several countries (Normalini & Ramayah, 2015). The internet assists the banking industry with an electronic and remote distribution channel (E. T. Yang, Hney, Ming, & Yong, 2008). A number of studies have found the importance of internet has been ever-growing in the banking sector because it carried out

benefits to both the entities and their customers (Ege Oruç & Tatar, 2017; Kassim & Ramayah, 2015; Serener, 2016; Susanto, Chang, & Ha, 2016). According to Srivastava (2007), internet banking was introduced in the early 1990s which makes it possible to replace the manual service functions provided by bank employees, along with the brick and mortar investment required of financial institutions (Dandapani, Karels, & Lawrence, 2008). However, advances in electronic service technology have created great opportunities as well as threats to organizations in various business and services sectors (Al-Ghaith, Sanzogni, & Sandhu, 2010). This study examines the key factors influencing consumer adoption of Internet banking. To identify the slow growth trend of Internet banking adoption in Malaysia, a number of studies have been conducted in Malaysia and other countries. Suganthi, Balachandher, and Balachandran (2001) explored the adoption of Internet banking in Malaysia and determined that it was slow due to factors such as security, consumer awareness, ease of use, accessibility, reluctance to change, preference for personalized services and cost of adopting the innovation. Sathye (1999), identified security concerns and lack of awareness about Internet banking as the main obstacles to the adoption of Internet Banking in Australia. Furthermore, the study found that Australian consumers were not adopting Internet banking because they were concerned about the safety and security of transactions over the Internet.

According to Normalini and Ramayah (2015), social risk, time loss risk, opportunity cost risk and perceived usefulness are significant factors influencing attitude towards the use of Internet banking. Furthermore, this study may provide a direction as to how minimize the risk to encourage the internet banking customers to continue using Internet banking.

Literature Review

Malaysia Internet Banking Threats

Computer crimes cover a variety of different illegal activities and have been changing from year to year as the technology changes. It has become more and more complex and sophisticated as the years go by and becomes more and more difficult to overcome. As the computer technology advances progressively, the types of computer crimes committed also evolves with the technology in which more and more sophisticated crimes are committed. The advancement of computer technology has helped criminals in committing more complex and sophisticated crimes which are harder to detect.

Phishing scam is another type of crime that showed an increment in recent years where the targets are customers of Malaysian and foreign banks. There were reports of fake websites of foreign banks hosted in Malaysia and several of these websites were running from a compromised server in Malaysia (Raslan, 2004).

System Quality

According to E-commerce system characteristics provided by Delone and McLean (2003) in their ten-year update, Systems quality measures Usability, Availability, Reliability, Adaptability, and Response Time. Within the e-commerce environment by Delone and McLean (2003), customers and suppliers use the system to make purchasing decisions and execute business transactions. These electronic decisions and transactions will then impact individual users, organizations, industries and even national economies. Saeed et al. (2003) have proposed System Quality as one of the important drivers of consumer perceptions and subsequent online behavior. If consumers perceive that the web site is of high quality, they are likely to have high trusting beliefs about the web retailer's competence, integrity, and benevolence; and will develop a willingness to depend on the web retailer (McKnight et al. 2002). Therefore, it is hypothesized that:

H1: System quality will be positively related to perceived usefulness.

Information Quality

Information quality captures the perceptions of the consumer regarding the characteristics of the web site content, such as accuracy, comprehensiveness, reliability, relevance and usefulness Saeed et al. (2003). Although studies suggested that information quality was an important determination of use and user satisfaction, its impact on purchase or post-purchase behavior was found to be rather moderate. When people feel that an information system is useful to them, the chances that they will utilize that system will be higher. If the information provided an information system is vague, erroneous, or incomplete, it will arouse doubts in the user's mind about the reliability of that particular information system and possible harmful opportunistic behaviors and thus, reducing intention to use (Ramayah, Noor Hazlina & Lo, 2010). On the contrary, an information system that provides high content quality will increase intention of users to engage in the services provided. Thus, it is predicted that:

H2: Information quality will be positively related to perceived usefulness.

Service Quality

In their updated model, Delone and McLean (2003) added "Service quality" to the "quality" dimensions in the original model. They recommend that service quality be added as an important dimension of Information system success given the importance of Information support, especially in the e-commerce environment where customer service is crucial. The emergence of end user computing in the mid-1980s placed information system organizations in the dual role of information provider (producing an information product) and service provider (providing support for end user developers) by (Delone and McLean, 2003). According to Delone and McLean (2003) if the service is being provided by the web site, the elements of service quality such as tangibility, reliability and responsiveness will tend to overlap with system quality. The most influence library satisfaction are information quality, service quality, and usefulness (Landrum & Prybutok, 2004). They have mentioned that although the number of factors, such as information quality, system quality, and usefulness, contribute to success in information service environments, service quality is an important factor of success. Thus, it is conjectured that:

H3: Service quality will be positively related to perceived usefulness.

Hypotheses about TAM

Perceived usefulness (PU) is the individual's assessment of the utility offered by using new information technology in a specific context (Davis, 1989; Davis, 1993). Perceived usefulness in the TAM model reflects task-related productivity, performance, and effectiveness (Davis, 1989). Davis defined PU as "the degree to which a person believes that using a particular system would enhance his or her job performance" (Davis, 1989).

Perceived ease of use (PEOU) refers to the degree to which the user expects the target system to be free from effort (Davis, 1989; Davis, 1993). According to Lee (2009) perceived ease of use is a person's salient belief that using the technology will be free of effort. In the context of Internet banking, perceived ease of use would be the degree to which Internet banking transaction would be perceived as easy to understand, learn, and use (Ramayah et. al, 2009). Perceived usefulness and perceived ease of use are distinct but related constructs.

Behavioral intention is a measure of the strength of one's willingness to exert effort while performing certain behaviors. Many researchers have proven that intention to use is a close antecedent of willful behavior, and there is high correlation between willful behavior and intention (Ajzen, 1985). Intention to use is the perception of individuals that a particular behavior will be performed (Fishbein & Ajzen, 1975).

The Technology Acceptance Model (TAM) is one of the most widely used models in electronic commerce. The purpose of TAM is to explain and predict the acceptance of information

technology based on two specific behavioral beliefs: perceived ease of use (PEOU) and perceived usefulness (PU). Since TAM has been applied to the transactions of electronic commerce, it may help us to understand the context of adopting electronic commerce (Yong & Jing, 2009). Based on the theoretical model developed in Figure 1, the following research hypotheses are formulated. As TAM is used as the base model, the following TAM hypotheses are needed to conduct tests in the context of internet banking.

H4: Perceived usefulness positively influences attitudes towards the use of Internet banking

H5: Perceived ease of use positively influences attitudes towards the use of Internet banking

H6: Attitude positively influences the intention to continue using Internet banking services.

Theoretical Framework

Since Internet banking systems are considered an innovative information application, previous research on user acceptance models for Information systems (IS) can be helpful to understand the success of Internet banking adoption. Figure 1 shows the proposed framework for this research, referred to as the intention to continue using Internet banking services. This research using Technology Acceptance Model (TAM) as based model to IS acceptance. In order to provide a solid theoretical basis for examining the intention to continue using Internet banking application, the research framework is proposed the extended TAM by Li and Huang (2010) with quality (service, system and information) dimensions from DeLone and McLean (2003) also can be treated as external variables in TAM. The model develops the rationale for the causal relationship based on these combined theoretical backgrounds and incorporates with three main dimensions for identifying factors influence intention to continue using Internet banking; system quality, information quality, service quality, perceived usefulness and perceived ease of use.

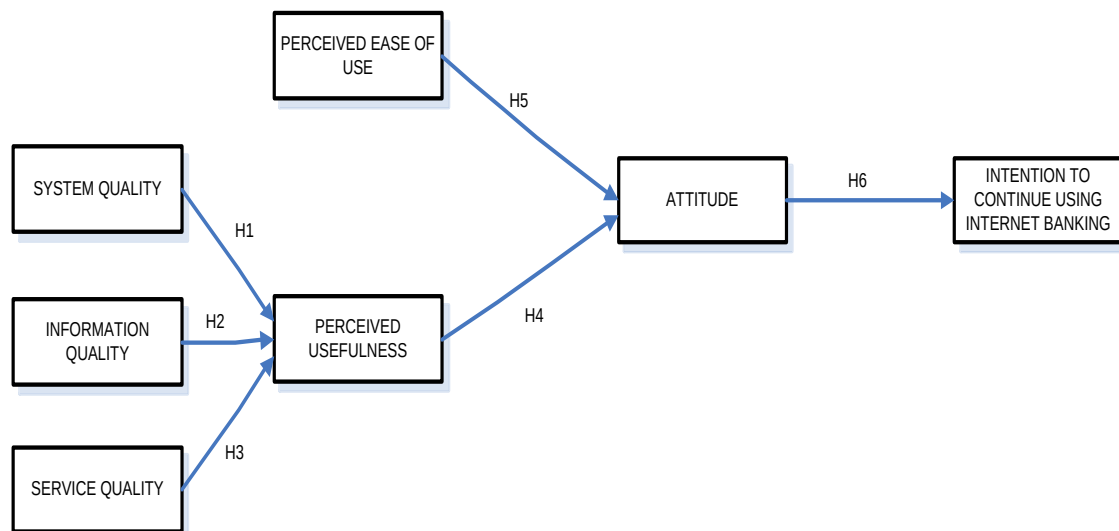


Figure 1: Research Framework

Findings

The SPSS statistical analysis package (version 20) and partial least squares (PLS) with SmartPLS M3 2.0 were used for data analysis and hypothesis testing. The SPSS statistical analysis was used for data entry, data cleaning, missing value imputation analysis and descriptive analysis. To assess the model, this study has used the SmartPLS M3 2.0 software Ringle, Wende and Will (2005) to estimate the parameters in the outer and inner models.

Profile of respondents

A total of 413 respondents had completed the questionnaires as requested. There are eight demographic characteristics, specifically, gender, age, race, highest academic qualification, occupation, total years of working experience, total years of Internet usage and total years of Internet banking. The proportion of male (41.4%) and female (58.6%) respondents were almost equal. The majority of respondents were young and middle aged adults, with almost 78.50 percent in the range of 20 to 39 years old. As expected, the respondents were highly educated and the majority of them had academic qualifications, namely, certificate or diplomas (16%), degrees (43.6%) and postgraduate qualifications (22.5%). The majority of respondents were of Malay or Bumiputra ethnicity, as 72.2 percent of respondents were from this category. Respondents were mostly professionals (52.3%) while 18.9 percent of respondents were under the category of “others” as they held executive level positions (e.g. marketing executive, auditor, bank executive, finance officer, HR officer). Almost all respondents had work experience and most of them had worked for at least 1 to 20 years (91.40%). The fact that 98.40 percent of respondents had used the internet for a period of 1 to 20 years suggests that this could be due to the fact that most of them were working with access to the internet. However, 78.10 percent of respondents had only used internet banking for a period of 0 to 6 years. Refer to Table 1.

Table 1: Profile of Internet Banking Respondents

Demographics	Categories	Frequency	%
Gender	Male	171	41.4
	Female	242	58.6
Age	< 20	1	0.2
	20-29	132	32.0
	30-39	192	46.5
	40-49	64	15.5
	>50	24	5.8
Race	Malay/ Bumiputra	298	72.2
	Chinese	71	17.2
	Indian	35	8.5
	Others	9	2.2
Highest Academic	SPM or equivalent	51	12.3
	STPM or equivalent	23	5.6
	Certificate/Diploma	66	16.0
	Degree	180	43.6
	Post-Graduate	93	22.5
Occupation	Professional	216	52.3
	Housewife/Husband/Self-employed	11	2.7
	Clerical Staff	65	15.7
	Technical Staff	42	10.2
	Others (Please specify)	78	18.9
	Missing	1	0.2
Total years of working experience	<1 year	1	0.2
	1-10 years	242	58.6
	11-20 years	135	32.8
	21-30 years	23	5.5
	>30 years	12	2.8
Total years of Internet usage	1-10 years	273	66.1
	11-20 years	133	32.3
	21-28 years	7	1.60
Total years of Internet banking	<3 years	111	26.8
	3-6 years	212	51.3
	7-11 years	90	21.9

Measurement Model

Convergent validity is examined to further support construct validity. According to Hair et. al (2010), the factor loadings, composite reliability and average variance should be extracted to assess convergent validity. As suggested by Hair et. al (2010), the loadings for all items in this study were significant as the recommended value of 0.5 was exceeded. The average variance extracted (AVE) reflects the overall amount of variance in the indicators accounted for by the latent construct. These were in the range of 0.769 to 0.875, exceeding the recommended value of 0.5 by Hair et. al (2010). Composite reliability (CR) values (see Table 2) depict the degree to which the construct indicators indicate the latent construct. These ranged from 0.920 to 0.965, exceeding the recommended value of 0.7 by Hair et. al (2010).

Table 2: Results of the measurement model

Construct	Item	Loadings	AVE	CR
System Quality	SQ1	0.892	0.798	0.940
	SQ2	0.924		
	SQ3	0.918		
	SQ4	0.837		
Information Quality	IQ1	0.918	0.843	0.942
	IQ2	0.929		
	IQ3	0.908		
Service Quality	SERVQ1	0.878	0.769	0.930
	SERVQ2	0.924		
	SERVQ3	0.824		
	SERVQ4	0.878		
Perceived Usefulness	PU2	0.819	0.794	0.920
	PU3	0.934		
	PU4	0.916		
Perceived Ease of Use	PEOU1	0.912	0.847	0.957
	PEOU2	0.922		
	PEOU3	0.914		
	PEOU4	0.932		
Attitude	ATT1	0.919	0.875	0.965
	ATT2	0.946		
	ATT3	0.936		
	ATT4	0.939		
Intention to continue using IB			0.860	0.961
	INT1	0.944		
	INT2	0.898		
	INT4	0.942		
	INT5	0.925		

Notes: PU1 and INT3 were deleted due to low loadings

Next, the discriminant validity is the extent to which the measure is not a reflection of some other variables and is indicated by the low correlations between the measure of interest and the measures of other constructs (Cheung & Lee, 2010). According to Fornell and Larcker (1981) the square root of the AVE exceeded the inter-correlations of the construct with the other constructs in the model. Thus, the measurement model demonstrates adequate convergent validity and discriminant validity (see Table 3).

Table 3: Discriminant validity of constructs

	ATT	INT	IQ	PEOU	PU	SERVQ	SQ
Attitude	0.935						
Intention to Continue Using IB	0.815	0.927					
Information Quality	0.565	0.573	0.918				
Perceived Ease of Use	0.496	0.501	0.707	0.920			
Perceived Usefulness	0.542	0.552	0.680	0.780	0.891		
Service Quality	0.511	0.488	0.751	0.574	0.621	0.877	
System Quality	0.524	0.531	0.734	0.715	0.690	0.712	0.893

Notes: Diagonal elements are the square root of average variance extracted (AVE) between the constructs and their measures. Off-diagonal elements are correlations between constructs. For discriminant validity, diagonal elements should be larger than off-diagonal elements in the same row and column.

Structural Model

The structural model represents the relationship between constructs or latent variables that were hypothesized in the research model. The goodness of the theoretical model is established by the variance explained (R^2) of the endogenous constructs and the significance of all path estimates (Chin, 2010). Together the R^2 and the path coefficients indicate how well the data support the hypothesized model (Chin, 1998). Figure 3 and Table 4, shows the results of the structural model from the PLS output. The R^2 value for perceived usefulness was found to be 0.546, suggesting that 54.6% of the variance in perceived usefulness can be explained by service quality (SERVQ), information quality (IQ) and system quality (SQ). The result shows that service quality ($\beta = 0.115$, $P < 0.05$), information quality ($\beta = 0.339$, $P < 0.01$) and system quality ($\beta = 0.374$, $P < 0.01$) were positively related to perceived usefulness. Thus, H1, H2 and H3 of this study were supported. The R^2 value for attitude was found to be 0.307 which suggests that 30.7% of the variance in attitude can be explained by perceived usefulness (PU) and perceived ease of use (PEOU). A closer look at the detailed result shows that perceived ease of use ($\beta = 0.187$, $P < 0.01$) and perceived usefulness ($\beta = 0.396$, $P < 0.01$) were positively related to attitude. Therefore, H4 and H5 were supported. The R^2 value for intention was found to be 0.664 suggesting that 66.4% of the variance in intention to continue Internet banking can be explained by attitude (ATTITUDE). The result shows that attitude ($\beta = 0.815$, $P < 0.01$) was positively related to intention to continue Internet banking. Thus, H6 was supported.

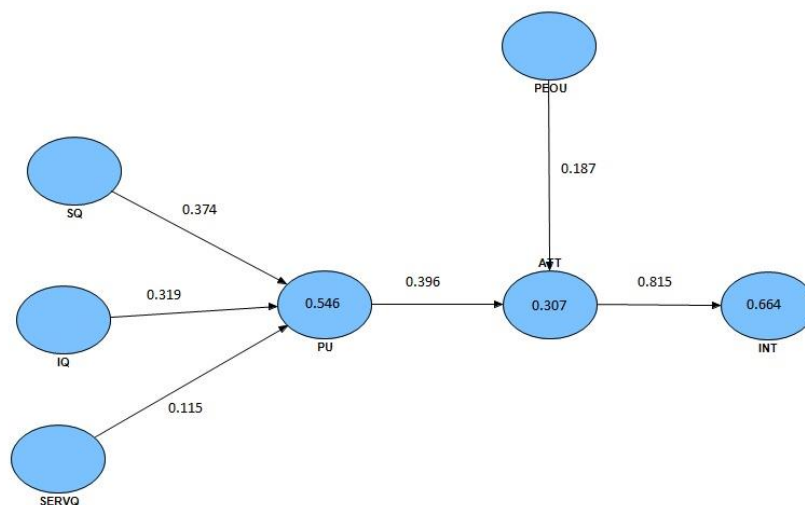


Figure 2: Structural Model

Table 4: Hypothesis Testing

Hypothesis	Relationship	Beta	Std Error	t-value	Decision
H1	SQ→PU	0.374	0.061	6.116**	Supported
H2	IQ→PU	0.319	0.059	5.415**	Supported
H3	SERVQ→PU	0.115	0.056	2.059*	Supported
H4	PU→ATT	0.396	0.072	5.538**	Supported
H5	PEOU→ATT	0.187	0.076	2.445**	Supported
H6	ATT→INT	0.815	0.028	28.826**	Supported

Notes: **p<0.01(2.33), *p<0.05(1.645); (based on the one-tailed test)

Apart from that, “blindfolding” procedure was also performed to measure the predictive relevance (Q^2) of the model fit. The Q^2 “represents a measure of how well observed values are reconstructed by the model and its parameter estimates” (Chin, 1998). Models with Q^2 greater than zero imply that the model has predictive relevance. Table 5 shows the result of the blindfolding results. Omission distance of eight was utilized as Chin, 1998) indicates that values between 5 and 10 are feasible (refer to Table 5).

Table 5: Blindfolding Results

Block	Cv – Communality H^2	Cv- Redundancy F^2
Perceived Usefulness	0.766	0.430
Attitude	0.763	0.265
Intention	0.856	0.568

Conclusion

The purpose of this study was to test the TAM among the Internet banking users in Peninsular Malaysia. The study also examined the relationships between system quality, information quality, service quality, perceived usefulness, perceived ease of use and attitude on intention to continue using internet banking. It has been found that each of the quality characteristics which contains of system quality, information quality and service quality; has a significant positive relationship to perceived usefulness. The empirical findings of this study has shown that perceived usefulness of Internet banking is significantly affected by the quality of the system, quality of the information provided by the system provider and the quality of the service responsiveness.

The findings of this study illustrate that the quality dimensions (System Quality, Information Quality and Service Quality) have been found that influence the perception of usefulness in using Internet banking, since it has been clearly shown that System Quality, Information Quality and Service Quality have a significant positive influence on the perceive usefulness. In other words, this finding could be due to the fact that once the quality of the Internet banking application is good in terms of usability, responsiveness and interface design; the customers’ perception of its usefulness will be enhanced.

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A Conceptual Paper on the Behavioral Pattern of Malaysian Public Listed Companies in Their Share Buyback Programs

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Abstract

This conceptual paper intends to identify and analyze the reasons and motives that influence Malaysian Listed firms in their participation of share-buyback schemes. The study will focus on the 212 companies on Bursa Malaysia that had announced their decisions to buy back their own shares over a six-year period from 2010 to 2016. This is done with a view to establish why only 127 of the 212, which make up about 60% of the companies, actually carried out the buyback program, using data and companies' announcements to the Bursa Malaysia. The main aim of the study is also to examine the factors behind the peculiar buy-back patterns of Malaysian companies in relation to their Book to Market (BTM) ratios and the size of the companies. The analysis hopes to establish a view on why these companies opt to buyback less than 1% and doing it on a daily basis. The outcome of this paper will be helpful in the study of the need of the current restriction of 10% cap on buyback of shares and to assess the impacts of prevailing stringent rules on the treatment of treasury shares.

Purpose: This conceptual paper intends to identify the reasons that motivate Malaysian listed firms in their participation of share buyback schemes.

Design/methodology/approach: This paper hopes to carry out the two-step analysis in its findings and data analysis to derive acceptable conclusions for the main research questions. The first method involves the use of the standard event study methodology to analyse market reactions to the three announcements. The second method involves the use of multiple regressions to check the responsiveness of the event study results in the first analysis.

Findings: This conceptual paper intends to provide an analogy to explain the peculiar motives of Malaysian buybacks outlined below;

(1) To study the market reaction to the buyback announcements;

This will indicate extent of information asymmetry on undervaluation for Main board and ACE companies.

(2) To study whether the effects of concentration of ownership of companies affect decisions to buy back shares.

Bursa Malaysia's requirement of shareholders' approval prior to share buybacks, family controlled companies with large entrenched shareholding structures have the ultimate decisions in share buybacks. Government GLCs run by political appointees may have less interest on share price performance than to fulfil specific objectives of government's agenda.

(3) To analyze the long term effects of price and earnings sustainability after the share buybacks ; and

The analysis would focus on abnormal return (AR) and long term cumulative abnormal return (CAAR) during the length of event period, to assess whether these companies would report positive returns.

Research limitations/implications: This study has three limitations. First, this study is limited to the immediate announcement effect surrounding shares events. Besides signaling theory and

information asymmetry, other underpinning theory of equity issuance can also affect share price.

The second limitation is on the assessment for frequent and infrequent buybacks and to identify whether the frequency of buybacks has an effect on the long-term performance of the company. Similar studies have been done in U.S. market by Yook (2010) and Chan et al. (2007) and Korean market by Lee et al. (2005). They found that infrequent buybacks earned much better price performance than frequent buybacks.

The third limitation of this study is the implication effects on the benefits of buyback to the interested parties, namely the companies. At this moment, in the Malaysian market, studies by Isa et al. (2011) and Wong et al. (2011) found no evidence of abnormal returns with respect to buyback volume.

Practical implications: The practical implication of this study is to determine the effects of buyback on smaller companies. Even though Ramakrishnan et al. (2007) found an increasing number of small firms participating in buyback activities, there is weak evidence that relates to the value gained by small as compared to the larger firms. Thus, although the smaller firms are relatively undervalued, repurchasing shares may not benefit their long-term shareholders. Future studies may need to focus on the effects on smaller firms and the benefits they derive for their long term shareholders.

Originality/value: Previous studies on share buybacks by Malaysian companies are mainly on signaling undervaluation of share prices and the eventual price effects on those buyback companies (Nasruddin and Angappan (2004), Mansor Isa (2011); Mohd (2013). Excess cash flow hypothesis is the prime motive for share buyback in most companies. These studies focus on examining the returns surrounding buyback announcements. Studies by Edward Wong et al. (2011) and Abdul Latif et al. (2013) however, focus on actual and long-run price performance of the companies.

This conceptual paper attempts to analyze the buyback behavioral pattern and motives of Malaysian companies in relation to their market to book values and size of companies. This study will attempt to evaluate the effects and implications of the current 10% restriction on share buybacks and the accounting treatment of Treasury shares.

As this study moves away from conventional attempts on price effects, it is hoped that the findings will form a basis for the regulators and investors to comprehend the reasons and factors that motivate Malaysian companies' buyback policies.

Keywords: Buyback, Signaling Effects, Behavioral Pattern, Treasury Shares, Bursa Malaysia

Introduction

Share buyback is a process in which listed companies buy back their own shares from the open market. It is a common practice in the developed western markets and a common theme of financial research on performance of US companies. However, in the Asia-Pacific markets, there is a noticeable scarcity of research on this specific area. Perhaps, it is due to the fact that only rather recently share buybacks have emerged as an alternative investment strategy in the Asia-Pacific markets following the widespread financial liberalization in the 1990s. For example, Australia allowed buybacks in 1989, Hong Kong in 1991, Korea and New Zealand in 1994, Japan in 1995, and Malaysia in 1997. (Isa & Lee, 2014).

Conventional wisdom has often reckoned that company CEOs tend to malignantly misuse share buyback schemes in their manipulation of share prices. Analysts' perception is that these companies would indiscriminately channel funding into share buybacks at the expense of future profitable investments which could ultimately jeopardise the firms' values in the long run.

Professor William Lazonick of University of Massachusetts, in his famous lecture on '*Profit without Prosperities*' propounded the idea that '*downsize- and-redistribute*' in resource

allocation via share buybacks would contribute adversely to the long term growth of companies. (Lazonick,2014). Lazonick reiterates that buybacks will accelerate value extraction rather than value creation of companies, resulting in further employment instability and income inequality in an economy.

The Economist in its September 12, 2014 issue categorised share buybacks as ‘corporate cocaine’ that provided a temporary mask of weaknesses in corporate performance. In 2011, the Oracle of Omaha, Warren Buffet however, in his annual letter to Berkshire Hathaway shareholders supported the notion of share buybacks as the most sensible way to distribute cash to shareholders in the absence of worthy investments. He dubbed it “*The best chance to deploy capital, when things are getting down,*” in his interview with CNBC in February 2018. Berkshire is currently the seventh largest company in S&P 500 Index by market capitalization. (Forbes 2018)

The UK government as part of the broader package of corporate governance reforms announced in August 2017 that there is a need to review and to address concerns that companies may misuse share buybacks to inflate executive pays to the detriment of minority shareholders. The continued sluggishness in the global business outlook from 2010 to 2016 has led to many giant American corporations seeking an urgent need for an alternative source of investments for their mountains of retained earnings. Goldman Sachs estimates that the \$1.5 trillion tax cut in 2018 on corporate tax by Trump administration will return \$1.2 trillion via share buybacks in 2018. (Financial Times 10th July, 2018)

Share buybacks in Malaysia

In Malaysia, share buybacks were permitted soon after the 1997 Asian Financial Crisis. Unlike countries in the West, Malaysian authorities only allow listed firms to buyback from the open market and each repurchase is restricted to not more than 10% of the companies’ prevailing total number of shares, subject to shareholders’ approval.

Since the ruling to allow share buybacks in Malaysia, only 305 Malaysian firms (25% of all listed companies then) participated in the buyback activities from 1997 to 2005 (Rohaida, 2010). From another study by Albaity el at (2016) between January 2000 and December 2010, there were 132 companies participated in buyback with reported 221 daily events, which means on average half of the firms repurchased within 25 days intermittently. In the study by Lim & Bacha (2002) of the 100 large companies in Malaysia, only 88 companies announced the intention to buyback, but only 43 or 48% of companies actual bought back shares.

According to The Edge Financial Daily (January 18, 2017) in Malaysia only one company - 7 Eleven Berhad, a mid- capital company - utilized up to a total of RM191.5 million of its cash reserves to acquire 9.97% of its shares, while its reported earnings in 2015 was only RM56 million. “*The rest of the companies mimic the good news by announcing the buybacks but only buy back a little*” according to the Edge Financials(2017).

Table 1 shows a marked improvement of 60% of companies which carried out actual buyback compared to only 48% in an earlier study by Lim & Bacha (2002). But the 127 companies that participated in buybacks comprised only 15% of the total of 853 companies listed on Bursa Malaysia as at 2016. Glaringly, 75% or 641 companies out of 853 companies did not participate in the share buyback.

Table 2 confirms the early Edge financials report that 43% of companies buyback less than 1% of their total market capitalization, while 45% of companies buyback 1% to 5% of their total market capitalization. Further, 52% or 66 companies carry out their buybacks on a daily basis while another 35% or 44 companies carry out buybacks on a weekly basis. This peculiar pattern of buyback behavior of shares by Malaysian companies rarely happens in western markets. This buyback behavior is dominated by companies in the Trading & Services and Industrial Products sectors, both of which make up the largest group of companies in the buying back-

activities. These 2 groups of companies account for 66 companies or 52% of the total buyback companies, represent a good indication of behavioral pattern of buybacks by Malaysian companies.

Table 1: Number of Malaysian listed companies in share buybacks from 2010 to 2016

Classification of firms	Total firms	Non buyback firms	Buyback firms	
			Announced firms	Actual buyback firms
Construction	48	34	14	10
Trading & Services	218	155	63	31
Industrial Products	225	164	61	35
Plantations	43	31	12	9
Properties	96	74	22	17
Technology	88	78	10	9
Consumer Products	130	100	30	16
Finance #	(32)	(14)	(18)	0
Hotels	4	4	0	0
Mining	1	1	0	0
Total	853	641	212	127

Source: Data compiled by researcher based on announcements in Bursa Malaysia.

#Note: The financial sector is excluded due to separate legislation

Table 2: Computation of companies' actual buyback by classification (2010 to 2016)

Classification	Buyback firms less than 1%	Buyback firms 1 % to 5%	Buyback firms more than 5%	Frequency of buybacks.
Trading & Services	9	15	7	Daily
Industrial Products	11	21	3	Daily
Consumer Products	7	7	2	Weekly
Construction	7	3	0	Weekly
Plantation	5	3	1	Weekly
Technology	5	3	1	Weekly
Property	11	5	1	Alternate day
Total	55	57	15	

Source: Data based compiled by researcher based on Bursa announcements.

This peculiar pattern of buybacks lacks clear evidence and explanation, leading to the actual intents and purpose of share buybacks in Malaysia being misunderstood. Some studies have suggested that this pattern of buyback may be pertinent to the fledgling Malaysian economy, where most companies do not have large enough cash reserves as compared to the mountain of reserves in those of US giants. In a study by Zuriawati et al (2013) on 327 companies in

Malaysia from the 2005 to 2010 period, it is found that many companies preferred to buy back shares to prevent agency problems.

Table 3: Share Buyback regulations of selected countries around the world (Kim 2005)

Country	Shareholders' Approval	Timing restriction	Price restriction	Volume restriction	Disclosure requirement
UK	√	√	√	√	√
US	×	×	×	×	×
France	√	√	√	√	√
Germany	√	√	√	√	√
HK	√	√	×	√	√
Singapore	√	√	√	√	√
Malaysia	√	√	√	√	√

In Table 3, although US may appear as the only country in the world that has no restriction in share buyback policy, all other countries like Germany, UK, and France are having similar 10% restrictions as in Malaysia (Kim et al 2005). Although HK has a similar 10% restriction, companies may still buy back up to 25% of their stocks traded in previous month, providing a leeway for those liquid stocks. Singapore SGX had in November, 2013 relaxed the restriction upwards to 20% of its shares issued to encourage more vibrancy in stock investing.

Around the world, there are two prevailing systems of buyback regulations (Kim, et al 2005)), -- the first system being modeled on the U.S. system and followed by Australia, Canada, India, New Zealand, Taiwan and Thailand, in which companies only require board approval to buy back shares. The second system is adopted by the rest of the world, similar to what is practised in Malaysia - where companies are required to obtain explicit approval of their shareholders prior to announcement of share buybacks. The first system is obviously much more flexible and less cumbersome than the system adopted in Malaysia.

Ownership Structure of Listed Companies in Malaysia

Ownership concentration in Malaysian listed companies is prevalent, Table 4 below shows that families hold around 44.7% of their shares while public holds 13.2% of shares as at 2008. With such a high level of ownership concentration, there would be a strong influencing power over the decisions of companies. Similar situation can also be found in Indonesia, Singapore and Philippines that holds 50%, 52% and 76% respectively of companies (Claessens et al., 2000). In these companies, family CEOs easily get entrenched, since ownership controll conveys additional voting power. They are less likely to be removed from the position, even though they perform poorly compared to non-family CEOs (Dahya, Lonie, & Power, 1998). The evidence of Korean firms suggests that the ownership concentration unveils the voting rights that positively affect share buybacks but negatively affect cash dividends.(Hyo Jin Kim 2013).

Table 4: The Control of Publicly Traded Companies in East Asia, 2008

Country	Widely held (%)	Family (%)	State (%)	Widely held Financial (%)	Widely held Corporation (%)
Malaysia	13.2	44.7	33.5	0.6	4.3
Indonesia	13.1	50	13.5	2.2	13.2
Thailand	38.6	33.3	12.1	2.3	7.8
Philippine	7.6	76	5.3	4.1	95.9
Singapore	18.5	51.9	19.6	1.7	3.9

Source: Adapted from "Changes to the Ownership and Control of East Asian Corporations between 1996 and 2008: The primacy of Politics," by R. W. Carney & T. B. Child, 2013, *Journal of Financial Economics*, 107, pp. 494–513.

Government-controlled institutions also hold significant shares in the Malaysian listed companies. Government ownership is established when company shares are held by federal/state institutions, agencies, and government-linked companies (GLCs). However, instead of placing more emphasis on their social objectives, government-controlled companies in Malaysia appear to be more closely politically oriented (Mohd Ghazali & Weetman, 2006). Nevertheless, problem of agency costs still arise in government-controlled companies (Eng & Mark, 2003). Thus, shareholder wealth maximization might not be the priority for GLCs. Managers of these types of companies are more likely to be indifferent to the market on corporate control. This is because the Government, a long-term investor of the GLCs, is unlikely to support unsolicited takeover offers.

Statutory Development in Malaysia

Prior to 1997, Malaysian companies were not allowed to deal and trade in their own shares. After the financial crisis, Section 67 of the Malaysians Companies Act 165 was amended to include Section 67A, to allow listed companies in Malaysia to buy back their own shares.

Malaysian Companies Act subsection (3A) of section 67A allows a public listed company which has repurchased its own shares either: to cancel the shares so purchased, to retain the shares so purchased in treasury (referred to as "treasury shares" in the Act), or to retain part of the shares so purchased as treasury shares and cancel the remainder.

However, the same provision states that while the shares are held as treasury shares, the rights attached to them as to voting, dividends and participation in other distribution and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the company for any purposes. Specifically, Section 3 (C), 3(D) and 3 (E) of Section 67 of Companies Act deal with the strict accounting treatments of treasury shares.

Literature Review

Academic literatures have documented the common motives of share buybacks in Malaysia as signaling price undervaluation, disgorging of excess cash, substituting cash dividend-payouts, satisfying management forecasts, reducing taxes, and maintaining optimal leverage level (Mohd 2013).

This paper intends to focus on the following five main common motives, to review the buyback activities by corporate Malaysia.

1) Signaling effects

One of the often-quoted motives of share buyback by companies is to correct the undervaluation of share prices by sending signals to potential investors about the company's future earnings prospects. This signaling effect is often used when the share price of a company

falls below its book value. The announcements of buyback activities are meant to signify investors on the earnings prospects of companies. The fundamental belief is premised on the fact that potential investors usually do not possess any information on companies' future prospects due to information asymmetry implicit in listed companies (Wahid 2013).

2) Disgorge excess cash flow

In Malaysia, companies are using share buybacks to reduce the equity ratio by disgorging excessive cash from their reserves (L. Y. Chong 2015). The action hence reduces the company's cash flow, and simultaneously increases its debt ratio when it needs to borrow. The net effect of tax shield will reduce costs of capital of the company. But the study highlighted that if the company's existing debt ratio is already high, further increase in debt ratio will increase costs of capital of the company.

However, studies have shown that Malaysian companies are generally risk-adverse and would prefer to issue new equity shares than resort to raising of debts from external borrowings (Mansor Isa 2011). Their findings are in line with the research by Isa (2008) that the long-term debts ratios of Malaysian listed companies are generally below 20 per cent of the companies' capital. This finding thus contradicts the Peking Order hypothesis, where companies prefer to use internally generated funds, found to be applicable to most companies in the West.

3) To increase Earnings per Share (EPS)

The other commonly cited motive for share buybacks is to improve earnings per share (EPS) of companies (Wahid 2013). One of the ways to increase annual return on equity (ROE) and earnings per share (EPS) of companies is to participate in share buyback schemes. The buyback of shares will reduce the total number of shares outstanding and results in increase in the reported EPS of the company. It is also noted that market share prices are theoretically determined by using EPS multiples thus supporting the evaluation claim that a company's performance and share price evaluation is commonly based on reported EPS of the company. (Mansor Isa 2011).

Chong et al (2015) stressed that share buybacks are used to counteract dilution of EPS of companies due to implementation of employees stock option schemes (ESOS). New shares are issued when implementing share option schemes for employees, hence increasing the total number of shares in a company. The EPS will be diluted as the denominator (total number of shares) increases as more option shares are exercised by employees. To prevent dilution of EPS, companies buy back shares to neutralize the net effects of the increase in total number of shares.

4) Substitution to cash dividends

One of the key drivers for share buybacks has been to distribute cash to shareholders. Good performance companies annually would follow a consistent pattern of dividend pay-out policy to shareholders. Any variation of dividend payments would imply changes in companies' annual financial performance. Hence, for companies with abundant cash reserves and thirsting for profitable investments, the distribution of cash by repurchasing shares serves as an effective means of reducing agency problems. (Dimitris Andriosopoulou 2010).

In a study of three countries in Europe, namely France, Germany and UK, only France showed that repurchasing firms pay higher dividends. On comparison, repurchasing firms are larger in size in all three countries, and only in UK and Germany repurchasing firms have higher growth rates. In France, the repurchasing firms have significantly lower levels of ownership concentration but larger in size. (Dimitris Andriosopoulou 2010) The analysis did not support the motive of companies using repurchase as a substitute for dividend payments.

The study by (Mohd 2013) of 305 companies in Malaysia from 1997 to 2005 supported the findings that there is no substantive evidence to prove that companies bought back shares to substitute dividend payments. Another study of 509 Malaysian companies between 1997 and 2011 by (Isa 2015) noted that due to the current single tier tax system, there is no difference in terms of shareholder's wealth between cash dividends and repurchases. Therefore, there is no clear reason for companies to use repurchases as a substitute for cash dividend.

Conversely a study by (Yarram 2013) on Australian companies found that firms may at times buyback shares as a way to substitute dividend payments. Results show that consistency in dividend pay-outs had a significant influence on the buyback decisions of Australian firms.

Dispelling the notion that share buybacks stifle future investments of companies, a joint study by (Huei-Hwa Lai;Szu-Hsien Lin;Ai-Chi 2017) on 3802 Taiwanese companies from 2002-2011 found that the companies implemented share buybacks as well as cash dividend payments in order to attract investors. The same study concluded that low buyback companies have positive higher future earnings, while high buyback companies have lower future earnings. Poor performing companies will continue to pay dividends depicting the need to project an optimistic future earnings prospect of the firms and the use of buyback of shares to co-manage price fluctuations.

5) Take-over defence

Companies faced with hostile takeovers may opt to adopt share buyback as a strategy to discourage hostile suitors. The strategy is to push up share prices by reducing the total number of shares available in the market using carefully intended buyback schemes (Lambda & Ramsay, 2000). By adopting such share buyback strategy, the potential acquirers would be dispirited in mounting any possible take-over bids. At the same time by increasing company's leverage, the management is exploiting the 'poison pills' tactic as an effective defensive mode to any intended bidder (Chong et al, 2015).

It should be noted that if a company continues to report poor earnings and deterioration in share price, it is often due to the company's management inefficiency. Under such circumstances, a take-over of the company by a more efficient new bidder may actually bring better benefits to the minority shareholders and enhance its long term profitability and share price level.

Hence, to determine the rational and motives of buyback strategy in Malaysia, Lee & Isa (2015) adopted the data survey questionnaire method in analyzing management perception of share buybacks. The study is based on response of Malaysian chief financial officers (CFO) covering the period from 1997 to 2011. As at 2012, 118 CFOs responded to the questionnaires and the respondents' answers became the main data source of the analysis.

The results that Lee & Esa (2015) have summarized in Table 5 showed that the most compelling reason for companies to buy back their shares was to arrest declining share prices. The reason seems to support the signalling hypothesis, which is based on the premise of symmetry information of potential investors that would respond positively to share buyback announcements. Other share buyback motives such as to improve EPS, to disgorge excessive cash, takeover defence and to substitute dividend pay outs assumed lesser prominence in the study.

Table 5: Reasons for share buyback as provided by respondents in Malaysia

Repurchase motives	No. of respondents	Relative frequency (%)
1. To prevent share price decline	43	36.44
2. To support undervalued share prices	38	32.20
3. To stabilise share prices	36	35.51
4. To improve EPS	8	6.78
5. To accumulate treasury stock	7	5.93

Source : Adapted from Lee & Isa (2015) pg. 107

Method

As the most recent study by (Lee 2014) was from 1991 to 2010 on the Malaysian market reaction to share purchase, this conceptual paper will focus on the sample period from 2010 to 2016. This study intentionally skips the two years period of 2008 to 2009 that coincided with the global financial crisis in 2008 which inadvertently affected the Malaysian Capital market's performance. As the period from 2010 to 2016 covered the non-crisis period, it would provide a more stable analysis of the capital market response without any external disruptions and shocks.

This paper hopes to carry out the two-step analysis in its findings and data analysis to derive acceptable conclusions for the main research questions.

First, to use the standard event study methodology to analyse market reactions to the three announcements;

Second, to use the multiple regressions to check the responsiveness of the event study results in the first analysis.

1) Event study methodology

The traditional event study methodology of Fama, Fisher, Jensen, and Roll (1969) involves calculating cumulative average abnormal returns ("CAARs").

By obtaining both values for the return of stock and return of market for each event day, the daily abnormal return for each day t was computed as follows:

$$AR_{i,t} = R_{i,t} - \beta_i R_{m,t} \quad (1)$$

Such an analysis performed for multiple events of the same event type will produce certain stock market response patterns. This choice of event window is similar to that in Hatakedo and Isagawa (2004), Zhang (2005) and Koerniadi et al. (2007).

Typical abnormal returns associated with a distinct point of time before or after the event day are defined as follows.

$$AAR = \sum_{i=1}^{1N} NAR_{i,t} \quad (2)$$

To measure the total impact of an event over a particular period of time (event window), to add up individual abnormal returns (ARs) to create a cumulative abnormal return (CAR)

The most common event window used is a three day event window starting at $t1=-1$ and ending at $t2=1$.

$$CAR_{(t1,t2)} = \sum_{t=t1,t2}^1 AR_{i,t} \quad (3)$$

Equation 3 shows the formal equation for CAARs and CAARs represent the average stock market responses (in percent) to announcements to share buyback decisions.

$$CAAR_t = \sum_{k=t-T}^t AAR_t \quad (4)$$

A t-statistic was calculated to test the null hypothesis that the daily average abnormal returns (AAR) on event day t were equal to zero. This test was carried out in order to find if the returns

of individual stock were statistically different from zero given their distribution about the average. The test can also determine whether the change in stock prices due to the share buyback announcement is significant. The equation for the t-test for AAR is as shown below:

$$T_{test} \text{ for AAR} = \frac{AAR_t}{S_t / N_t^{0.5}} \quad (5)$$

A t-statistic was computed after the CAAR has been determined for each observed period to test whether the null hypothesis, CAAR over a period of T days is equal to zero.

$$T_{test} \text{ for CAAR} = \frac{[(CAAR)/T]^2}{[S_t/(T)^{0.5}]} \quad (6)$$

2). Regression Analysis

To complement the event study analysis, there is a need to examine the relationship between the repurchase abnormal returns and firm characteristics in the form of a multiple regression. (Lee 2014).

2.1) Multivariate analysis

To examine the relationship between the repurchase abnormal returns and firm's characteristics in the form of a multiple regression. There is a need to run three regressions using the two-day announcement returns as the dependent variable.

The regression equations are as follows:

2.2.) Regression 1: Announcement of the board's decision

$$CAR(0,1) = \alpha_1 + \beta_1(PRE) + \beta_2(SIZE) + \beta_3(PER) + \beta_4(MTBV) + \beta_5(ROA) + \beta_6(ACTPUR) + \varepsilon$$

Purpose

For the first regression (on the announcement of the board's decision), the analysis is to test whether the event-period return is significantly related to SIZE, PER, ROA and MTBV.

2.3.) Regression 2: Announcement of shareholders' approval

$$CAR(0,1) = \alpha_1 + \beta_1(PRE) + \beta_2(SIZE) + \beta_3(PER) + \beta_4(MTBV) + \beta_5(ROA) + \beta_6(ACTPUR) + \beta_7(FAAR) + \varepsilon$$

Purpose

The second regression is on the announcement of shareholders' approval. The analysis is to test whether there is any significant relationship between the announcement return and the SIZE, ROA and ACTPUR variables.

2.4.) Regression 3: Announcement of actual repurchase

$$CAR(0,1) = \alpha_1 + \beta_1(PRE) + \beta_2(SIZE) + \beta_3(PER) + \beta_4(MTBV) + \beta_5(ROA) + \beta_6(ACTPUR) + \beta_7(FAAR) + \beta_8(SAAR) + \varepsilon$$

Purpose

The third regression is on the announcement of actual repurchases. If the results indicate a positive intercept, it indicates a positive relationship between the announcement return and PRE (the pre-purchase abnormal returns). If the result is positive, the finding is consistent with the signalling hypothesis which indicates that a company repurchase after a period of price decline. The decline is consistent with the phenomenon of price declines to below its intrinsic value, symbolising a low market to book ratio (MTB). (Lee 2014)

Where

CAR (0,1) = the combined announcement return over days 0 and 1;

PRE = the pre-event abnormal return,

SIZE = measured by the log of the prior month's market value.

PER = the price-earnings ratio is measured at the month end prior to the announcement. The coefficient is predicted to be negative;
MTBV = the ratio of market to book value is measured using the month-end prices prior to the announcement. The coefficient is predicted to be negative;
ROA = the return on assets. This coefficient is predicted to be negative;
ACTPUR = a dummy variable to denote that the firm actually purchases its shares after the initial announcements. The variable takes the value of 1 if a repurchase is made and 0 otherwise.

Conclusion

Since concentration of ownership does not influence decisions to buy back shares, there is no clear reason for companies to use repurchases as a substitute for cash dividend (Isa 2015). The study hopes to derive a conclusion in terms of the unbidden effects of 10% statutory limits and the effects of stringent requirements of treasury shares in Malaysia. This is particularly of essence to the anomaly of buyback pattern, where less than one fifth of companies in Bursa Malaysia participate in share buybacks and majority of whom buyback less than 1% of the limits. Further studies should be carried out to determine why cash rich companies in Malaysia are staying away from the share buyback activities while cash deficient and smaller capital companies dominate the buyback scene.

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Operational Definition of Terms

ACE companies Formerly known as Second Board. A sponsor driven companies with promising potential of future profit with minimum 200 public shareholders but no requirement of financial performance.

AR	Abnormal Return
AAR	Average Abnormal Return
Book to Market ratio	Equity ÷ Market capitalization
Buyback	Amount used for share buyback
Bursa Malaysia	Malaysian Stock Exchange
CAAR	Cumulative Average Abnormal Return
Dividends	Pre-tax dividend pay-out
Equity	Equity supply by shareholders or Retained earnings
Earnings	Earnings available for dividend pay out
Earnings per share (EPS)	Earnings ÷ Shares
Market Capt.	Market Capitalization = Total number of shares x Share price
Market to Book (MTB) ratio	Market capitalization ÷ Equity
Main Board	Companies listed on KLSE with minimum 3 to 5 years of aggregate profit of RM \$20 million with a minimum of RM \$ 500 million market capitalization.

Return on Assets (ROA) Earnings ÷ Assets

Return on Equity (ROE) Earnings ÷ Equity
Shares Number of shares outstanding
Share price Market price per Share
Treasury share Share bought back by issuing company

Appendix 1: Summary of empirical studies on determinants of share buybacks.

Author(s) & Year	Country & Period of Study	Method used	Research Findings
Dittmar(2000)	USA (1977-1996)	Tobit Model	Undervaluation is the prime motive for share repurchase followed by excess capital.
Jagannathan and Stephens (2003)	USA (1986-1996)	Logit Model	Frequent repurchases are characterized by larger firm size, less variation in operating income than infrequent repurchases.
Li & McNally (2007)	Canada (1987-2000)	conditional Even Study	The repurchases motivated by agency cost followed by undervaluation hypothesis.
Mitchell and Dharmawan (2007)	Australia (1996-2001)	Logit Model	The repurchases motivated by signalling of undervaluation followed by leverage hypothesis.
Andriosopoulos and Hoque (2013) UK,	Germany, and France (1997-2006)	Logit Model	Excess cash flow hypothesis is the prime motive for share repurchase in all the three countries
Yarram (2014)	Australia (2004-2010)	Probit Model.	The repurchases motivated by signalling, leverage and agency cost hypothesis
Lee (2014)	Malaysia 1997 to 2007	Tobit Model and CAAR	Use event-type analysis to examine abnormal returns and multivariate regressions indicate that firm characteristics.
Hyo Jin Kim et al 2013	Korea 2004 to 2010	Logit model	Ownership is measured by cash-flow rights, while control is measured by voting Rights. The wedge is measured as the gap between the voting rights and cash-flow rights.
Keasler, Terrill, and Robin T. Byerly (2015),	US 2006 to 2010	CAAR	Considers the stock buyback, its potential drawbacks, and Empirically explores the longer term results in terms of market capitalization changes.
Paul Fruin & Li Ma (2014)	US 2004 to 2013	CAAR , Factor analysis	Examine the returns surrounding buyback announcements to test, buyback programs signal subsequent outperformance and shareholder value.
Margaret (Peg) Horan (2012)	USA 2005 to 2008	EPS Model	Study a new EPS model that reports EPS in segments; those from operations and those from buybacks effect.

Adapted from (Sarthak Kumar Jena 2016)[The last 5 entries are compiled by the researcher]

Appendix 2 : Summary of share buybacks in Bursa Malaysia from years 1999-2016.

Year	Total number of companies
1999	12
2000	13
2001	26
2002	32
2003	62
2004	70
2005	127
2006	145
2007	154
2008	204
2009	196
2010	126
2011	127
2012	124
2013	128
2014	126
2015	130
2016	137

Source: Nadarajan et. al. (2009). Citation from Ramakrishnan et. al. (2007).

Information from 2010 to 2016 were compiled by researcher based on Bursa Malaysia companies announcements.

Predictors of Intention to Quit among Academic Employees in the Higher Education Institutions

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Abstract

Purpose: The current study investigates the factors determining intention to quit among academic employees in university and college in Malaysia. Three exogenous constructs, namely, job demands, workplace relationships, and supervisor support are identified.

Design/methodology/approach: Descriptive and inferential statistics that aligned with the objectives and hypotheses of this study were used to analyze the data collected.

Findings: Results showed that all the selected exogenous constructs explained intention to quit among academic employees.

Research limitations/implications: The findings of current study provide insights on ways to develop a better understanding on intention to quit.

Practical implications: Provide an added value on Human Resource Development (HRD) practices in Malaysia, specifically, HRD practitioners in the education industry.

Originality/value: This study highlights the need to focus on intention to quit from non-Western perspectives.

Keywords: Job Demands, Workplace Relationships, Supervisor Support, Intention To Quit, Academic Employee

Introduction

Intention to quit among employees have been a key problem for employer for many years (Chen, Lin & Lien, 2010), and it is increasing critical condition for organizations from the higher learning education industry. High turnover of academic employees have been a concern from the management in university and college in Malaysia. The results of academic employees leaving their present organizations have produced several negative impacts. The production of academic research and reputation of the education institutions are highly dependent on their academic employee's capabilities and commitment when compared to different industries (Robyn & Du Preez, 2013). In other words, academic employees are the important assets in the higher education institutions. The quality of higher education institutions derived from academic employees' role since it is the main process in the organization. The backbone of

every higher education institution's success is from academic employees (Choong, Keh, Tan & Tan, 2013).

However, Lew (2009) highlighted that there are lack of research in relation to the turnover among academic employees from education institutions in Malaysia. Earlier, Khoo (1981) also stated that local education institutions facing the challenge in academic employees turnover. Based on the National Higher Education Research Institute, the intention to quit of academic employees in universities and colleges in terms of public was 18.18 percent and private was 45.45 percent in 2004 (Rathakrishnan, Ng & Tee, 2016). Malaysian Employers Federation has reported that the turnover rate of academic employees from specifically private higher education institutions was 30 percent for the period between July 2010 and June 2011 (Manogharan, Thivaharan & Rahman, 2018). In general, the higher learning education industry was undergoing a high turnover rate from academic employees.

Although, academician profession is viewed to be less stressful, but the figures from various sources as mentioned shows the reality situation. McCarthy (2009) stated that academicians are the one that reported highest level of stress when compared to other professions. Past studies such as Shirley and Kathy (2002), and Kyriacou (1989) supported that academic employees have the stressful job. The work-related stress among academic employees in Malaysia has not been decreased and strongly influence their job satisfaction, in which leads them in reflecting their intention to quit from the job (Chan, Chong, Chong & Tang, 2015). Malaysian academic employees are involved in the three main roles of work such as teaching, administration, and research (Mohamed, 2013). Waters and Bardoel (2006) reviewed academic employees in the struggling condition that they have to deal with high teaching workloads, greater expectations in research work as well as increasing work-related administration. They emphasized those academic employees more stress when all their works have to be completed under limited resources support and rapidly change work processes.

Intention to quit also refers to employees not willing to stay in the organization after careful consideration and aware of their decision. The employees not willing to stay in the organization can be related to the job demands (Meijman & Mulder, 1998), workplace relationships (Pamu, 2010), and supervisor support (Narayanan, Menon & Spector, 1999). In other words, academic employees' intention to quit directly related to the job demands, workplace relationships, and supervisor support.

The purpose of this study is to investigate the predictors of intention to quit among academic employees in university and college in Malaysia. Moore (2001) specified that work stressors and job dissatisfaction are among the predictors that lead to employee's intention to quit from their present jobs. In this study, it is likely that academic employees who undertaking strong level of work-related stress from job demands, workplace relationships, and supervisor support tend not be dedicated to their organization, and intention to quit from their present jobs. This paper starts by reviewing the literature related to the study constructs. Next, methodological parts of the research is discussed. Finally, analysis of data, and findings from the research and discussion, followed by conclusion are outlined.

Literature Review

The issue of academic employees' turnover has continued to plague education institutions in Malaysia (Feng & Angeline, 2010). Although majority of the organizations are cared on actual human turnover, but it is equally essential to understand the employee's quitting intention (Pradhan, Jena & Mohapatra, 2018). They further indicated that intention to quit precede the actual quitting behavior, and can be altered when time take place. Earlier studies from Griffeth, Hom and Gaertner (2000), Sager (1991), and Bluedorn (1982) stressed that employees' intention to quit is one of the strongest determinants of actual employees' turnover. Intention to quit refers to the employees reaction from the problematic happens within the organization

(Sambrook & Stewart, 2007). Problematic events such as job demands, workplace relationships, and supervisor support can be encouraged intention to quit from the employees. Though most job demands are not necessarily negative, it is important to understand that job demands may become job stressors if the process to achieve those demands requires great effort in which the employees do not receive adequately support (Meijman & Mulder, 1998). The workplace relationships that associated with stress when the individual working network not compatible within the people in the organization. The academic employees' perceptions about their workplace relationships drive to an affective reaction to the job, and develop their intention to quit (Pamu, 2010). Lack of support from supervisor further increase the employees' intention to quit (Narayanan, Menon & Spector, 1999) in which the academic employees seemingly demotivated especially new academicians to proceed their careers in education line (Pamu, 2010). Therefore, this study proposes:

H_{a1}: Work-related stress including job demands (H_{a1a}), workplace relationships (H_{a1b}), and supervisor support (H_{a1c}) have a significant relationship on academic employees' intention to quit.

Method

Self-administered questionnaire was employed to collect data for the present study as this procedure displays objectivity, and is free from researcher bias and values (Kimiyaaghalam, Mansori, Safari & Yap, 2017; Yap, Chong, Leow & Chok, 2017; Dillman, 1978). A total of 20 items with five-point Likert response selections ranging from 1 "strongly disagree" to 5 "strongly agree" was used to all continuous dependent and independent variables in the questionnaire. The total number of responses collected from the respondents around the Klang Valley in present study was 200 (n = 200).

Reliability refers to dependability or consistency (Yap, Chong & Leow, 2017; Kimiyaaghalam & Yap, 2017; Zandi, Yap, Aslam & Singh, 2015), and according to Nunnally and Bernstein (1994), the Cronbach's alpha of .6 is acceptable, and Cronbach's alpha of .7 is considered good. Table 1 shows the Cronbach's alpha coefficient for all constructs in this study achieved the cut-off point of Cronbach's alpha of .7. In other words, it is reflecting the instrument employed in the constructs achieved the satisfactory internal consistency reliability. Pearson correlation was applied to test the study's hypothesis using IBM SPSS statistical software.

Table 1: Cronbach's Alpha Coefficient of Reliability (n = 200)

Variables Under Investigation	Total Items	Cronbach's Alpha
Intention to quit	5	.722
Job demands	5	.753
Workplace relationships	5	.802
Supervisor support	5	.751

Findings

The correlation coefficient (r) between one construct and another construct were determined by the strength and direction of relationship. Guilford's (1956) rule of thumb was applied to determine the strength of the relationship. The strength of relationship between two constructs was presented as follows: negligible relationship ($r < .2$), weak relationship ($r = .2$ to $.4$), moderate relationship ($r = .4$ to $.7$), strong relationship ($r = .7$ to $.9$), and very strong relationship ($r > .9$). Meanwhile, the direction of the relationship between two constructs was based on the positive or negative indication. Table 2 shows the results of research hypothesis between

independent and dependent variables through Pearson correlation using IBM SPSS statistical software as proposed in this study.

Table 2 shows a positive and moderate relationship between job demands and intention to quit ($r = .412$). The relationship between workplace relationships and intention to quit was $.238$ ($r = .238$), indicating a positive and weak relationship towards intention to quit. There was a positive and weak relationship between supervisor support and intention to quit as shown by $r = .367$. Overall, work-related stress has positive relationship with intention to quit.

Table 2: The Correlations between Independent and Dependent Variables

Variables	Intention To Quit
Job demands; Sig. (2-tailed)	.412**; .000
Workplace relationships; Sig. (2-tailed)	.238**; .001
Supervisor support; Sig. (2-tailed)	.367**; .000

Note: ** correlation is significant at the 0.01 level (2-tailed).

Discussion and Conclusion

In general, there was a significant and positive relationship between work-related stress and intention to quit among academic employees in university and college in Malaysia. This study involved 43.5 percent male and 56.5 percent female respondents. Majority of the respondents' age between 31 and 40. Most of the respondents were graduated with a master degree (76.5 percent). A total of 13.5 percent respondents have work tenure in present organization of less than 1 year, followed by 57 percent respondents have work tenure in present organization between 1 and 3 years, 24.5 percent respondents have work tenure in present organization between 4 and 7 years, and 5 percent respondents have work tenure in present organization between 8 years and above.

Job demands was among the work-related stress that showed the moderate relationship with intention to quit ($r = .412$) in this study. When academic employees felt highly their job demands turn into uncontrollable such as facing the unachievable work deadlines, and having unrealistic time pressure from daily assigned tasks. All these causing them had to neglect some tasks due to too much works to handle in one time. Thus, job demands become job stressors for academic employees especially if their works develop under inadequate support environment, their intention to quit certainly motivated.

Next, workplace relationships was among the work-related stress that showed the weak relationship with intention to quit ($r = .238$) in this study. In general, when academic employees perceive that not difficult to keep their good workplace relationships with colleagues, students, and management, their intention to quit from present jobs was weak.

Finally, this study was also found that the relationship between supervisor support and intention to quit was weak ($r = .367$). Academic employees' intention to quit was weak if the supervisor cared about their ideas and views, and can accept differing perspectives in solving problems. In addition, supervisor that is concerned about the value of respect, in terms of respect each other, leads to intention to quit of academic employees unmotivated.

Organizations that concerned with their financial investment, and should understand the loss in human capital investment is equally costly in which new employees have to be hired and trained (Govaerts, Kyndt, Dochy & Baert, 2011). In this regard, employee turnover not only causing additional recruitment and training, but it also loss in organizational memory, and the negative effects on organization growth (Guchait & Cho, 2010). To all organizations and human resource development (HRD) practitioners, factors such as job demands, workplace relationships, and supervisor support need to be revisit in terms of work-related stress perspectives before the employees turn their intention to quit into actual quitting behavior.

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Push and Pull Factors for Malaysian Women Entrepreneurs within the Urban Based Retail Industry

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Abstract

Purpose: The purpose of this paper was to conduct an in-depth analysis of the motivational factors that inspired certain Malaysian women entrepreneurs to embark into entrepreneurial ventures, and the elements that have contributed to their success.

Design/methodology/approach: The target respondents comprised 15 women entrepreneurs in the urban & retail sector, of the Klang Valley, who were interviewed using a predesigned questionnaire with open ended research questions.

Findings: The findings are meant to be used to conduct motivational workshops for women with the goal of stimulating greater retail based entrepreneurial effort among Malaysian women. The study uses the Push and Pull motivation theory to underpin the research process and to determine the nature of the motivational forces that influenced the entrepreneurial effort of the chosen women entrepreneurs.

Research limitations/implications: This qualitative research is only limited to exploring the motivational factors among Malaysian women entrepreneurs within the retail industry.

Originality/Value: This paper has a focus on namely the Malaysian women entrepreneurs within the urban retail industry, represented by the three major ethnic groups in Malaysia (Malay, Chinese and Indians) in contrast to other studies which were limited mainly to Muslim women entrepreneurs within the rural sector.

Keywords: Women Entrepreneurs, Retail Industry, Push And Pull Motivational Forces, Growth In Entrepreneurial Ventures

Introduction

Within the economic development of the country, the Department Of Statistics: 2010 Population Of Malaysia (2013) reports that women comprise almost half (49.0 %), of the total Malaysian population, which is 15.3 million out of the 31.7 million of the Malaysian population (Department of Statistics, Malaysia 2016).

The role of women in Malaysia have evolved from being merely homemakers, to one where the number of women entrepreneurs have risen significantly across a range of industries. This can be seen in the 2010 Economic Census that shows an overall increase in businesses owned and

run by women entrepreneurs in terms of number of establishments, value of gross output, number of people engaged, salary and wages as well as value of fixed assets. The most significant impact is an increase of 27.2% in the value of fixed assets owned within such establishments (Department of Statistics, Malaysia 2016).

Retail is defined as the process of selling consumer goods or services to customers via multiple distribution channels to earn a profit. With more than 80% of women entrepreneurs involved in the retail distribution channel (Department of Statistics, Malaysia 2016), the study will be focused within this sector. In the past, the women in this sector have been always been perceived as small business owners who sell food, handicrafts, cloth or provide services such as housekeeping, baby-sitting, cutting hair, laundry or catering services in the very small scale (Jalbert, 2000).

In view of the significant role of women, the Malaysian government has made various efforts through their government bodies such as the Small Medium Enterprise Corporation (SME Corp) and non-governmental organizations (NGOs) such as the National Association Of Women Entrepreneurs in Malaysia (NAWEM) to facilitate the funding, provision of training and workshops, access to information, networking and competency building, in efforts to encourage growth among women entrepreneurs (Hashim et.al.,2014).

Motivation plays a very significant role in the start - up and the success of a business (Chowdhury, 2012). Motivational factors like passion, self-reliance, the need for self - accomplishment, attaining personal goals and having more control over personal circumstance, are the key factors in addressing potential challenges that may arise (Rich, 2015). This research aims to identify the motivational factors of women entrepreneurs in the retail industry in Malaysia. The research differentiates itself by focusing on whether the main drive towards entrepreneurial ventures is financial in nature, or whether there other non-financial factors that play an equal or more significant role (Amit & Mueller, 1995).

The Push vs. Pull motivational factors model (Leszczyński, 2013) provides the basis of this study, the reason being that much research on female entrepreneurship intentions has been conducted using this model. “Push” factors, are those where women are motivated to start entrepreneurial ventures, as a response to dissatisfaction with their current positions. On the other hand, the pull factors are those that draw women into self-employment because of anticipated benefits associated with desirable outcomes such as “independence”, “self-fulfillment”, and “desire for wealth, social status and power”(Orsher et.al, 2015) These two categories will cover the more important reasons for Malaysian women entrepreneurs in the retail industry, to become venture creators. (Rashid et.al.,2015)

This study will enable the researcher to determine the relative importance of each one of these two factors to women entrepreneurs in order to identify the one that delivers the stronger motivational drive (Alexander et.al.,2000) According to the research conducted by Rani et.al.,(2012), “pull” motivation is was found to be more effective in comparison to “push” motivation factors, for the reason that it is psychologically easier to be drawn to something then to be forced (pushed) into it. While the involvement of women in entrepreneurial ventures has grown significantly, policy initiatives within this context have lagged behind and much needs to be done in the introduction of new policy initiatives that can effectively support the growth of female entrepreneurship within the Malaysian economy. The identification and understanding of these motivational factors will enable the industries and government to formulate strategies to attract these women to become entrepreneurs. The researcher intends to increase the research and academia study on the motivational factors of women entrepreneurs in Malaysia, with specific emphasis on the retail industry.

Literature Review

Previous significant studies which have been conducted on entrepreneurship include entrepreneurship traits (Littunen, 2000; Nair, 2006), government policies on entrepreneurship (Olugu, 2014; Snyder, 2015), entrepreneurship on developing countries, ethnic and minority groups (Koster, 2008) entrepreneur leadership and management (Matlay, 2008), sustainable entrepreneurship studies (Dean, 2005) and entrepreneurship education (Pittaway & Cope, 2007). In entrepreneurship, the area of personal attributes of the entrepreneurs such as the characteristics, level of education and risk taking level is studied. Hisrich & Brush (1985) conducted research on the characteristics of women entrepreneurs, performances and access to resource and barrier to their success. Sexton and Kent (1989) conducted research on the level of education of women entrepreneurs. Mahaja et.al., (2012) studied the level of risk taking by female entrepreneurs. The comparison between the women in traditional vs. non-traditional sectors resulted in the findings that women in non-traditional sectors were older, more highly educated and more likely to have self-employed parents. The business unit analysis also looks at the initial capital resources: Research by Pines et.al. (2010) identified the business challenges specific to women entrepreneurs which included obtaining the start-up funds, development of effective marketing strategies and financial management.

The bulk of the studies on female entrepreneurs in Malaysia have been focused on the challenges and barrier to success. Mustapha and Subramaniam (2015), concluded that the main challenge of women entrepreneurs in Malaysia were finance, which were also consistent with the findings of Itani (2011). The findings also highlighted the obstacles encountered by women entrepreneurs mainly being financial constraints, followed by the difficulty in time management and work life balance (Alam et.al., 2012).

Rahid, Che Ngah Mohamad and Mansor (2015) studied the variables of environmental factors, family factors and personal attributes in order to explore success factors among women entrepreneurs in Malaysia. The findings suggest that the environment factor is mainly instrumental in the success of the female entrepreneur, followed by personal attributes and family factors. This study also cited the need to study other variables such as human resource practices, financial management and the use of technology. The study by Mutalib and Arshad (2015) considers the government initiatives and programs specifically catered to the needs of women entrepreneurs and the measure the success of such efforts. The studies on women entrepreneurship within Malaysia have too often been confined to within narrow geographic regions. The study by Ismail, Shamsuddin and Chowdhury (2012) was confined to Sintok, Kedah, while Rahid, Che Ngah Mohamad and Mansor (2015) focused their research on the female population in 3 areas in Kelantan, which are Pengkalan Kubur, Rantau Panjang and Kota Bharu. The research of Alam, Senik and Jani (2012) discussed 194 female entrepreneurs in Johor Bahru, Johore. Research efforts by Mahajar & Yunus (2012) were based within the state of Pahang, Malaysia.

Another quantitative research on female motivational factors was conducted by Muwazir, et.al., (2014) with a sampling size of 250 respondents. The results of this study indicated that the primary motivational factor of the respondents was the need for independence followed by the need for work life balance, self-interest in business and additional income. The limitation of the study was that it was confined to respondents who were Muslim Malaysian female entrepreneurs (93.4% Malays) and this was not indicative of the population of Malaysia which comprises not only Muslims, but Christians, Buddhists and other religions as well. In this current study, the researcher has bridged the gap by ensuring that the population sampling included women entrepreneurs across Malaysia and were represented by the three major ethnic groups in Malaysia (Malay, Chinese and Indians).

Method

The researcher will adopt a qualitative approach to consider Push and Pull motivational factors to consider the relative influence they hold over successful women entrepreneurs in Malaysia. The rationale for selecting a qualitative study is to obtain greater richness of insight as entrepreneur activities of a women will invariably spill over into other aspects of their personal lives as well. The experience of being a women as well as an entrepreneur is essential to a research process (Carter, 2003).

For this study, only Malaysian female entrepreneurs from the retail industry were selected. The qualitative nature of the research allows a smaller sampling size goal for this research (Guest, Bunce and Johnson (2006). 15 female entrepreneurs were selected and Convenience sampling was used. The invitation to respondents to participate was given in writing and included information on the researcher, the study and the purpose of the study, the importance, confidentiality and anonymity of respondent's participation, the voluntary nature of the participation and the choice to withdraw at any one time. was voluntary. Thus ethical considerations were given due importance. The business area of respondents is shown below in Table 1.

Table 1: Sample 1

Name	Nature Of Business
Respondent 1	Legal (Service)
Respondent 2	Furniture (Goods)
Respondent 3	Online website – clothes (Goods)
Respondent 4	Online website design – comparison of services (Service)
Respondent 5	Processed meat (Goods)
Respondent 6	Printing and design of garments and souvenirs (Services)
Respondent 7	Education – international school (Services)
Respondent 8	Drinking water (Goods)
Respondent 9	NGO empowering young women and girls (Services)
Respondent 10	Health and wellness portal (Goods and services)
Respondent 11	Student recruitment (Services)
Respondent 12	Motivational speaker (Services)
Respondent 13	Traditional attire – Indian (Goods)
Respondent 14	Design and retail of non-leather footwear (Goods)
Respondent 15	Food catering and delivery (Goods and services)

A pilot test was performed to two members of the target population to ensure clarity, consistency and appropriateness in the questions that were to be asked (Cooper & Schindler, 2016). The researcher then revised the questions based on the outcome of the pilot study. The pilot testing can be considered part of the study (Robson, 2002)

The content within question 1 seeks to establish the ethnicity of the respondent, to ensure that the survey sampling group must reflect the percentage composition of the different ethnic groups within Malaysia, in this study.

4. RESULTS AND ANALYSIS

Q1: What is the type of industry in which you operate? This question was to ensure that the respondents were from either providing goods, services or a combination of both. Out of the 15 respondents, 7 were providing services, 6 were selling goods while the other 2 were retailing both goods and services.

Q2: How many employees are employed by your company? Based on the data derived from this study, the respondents employ an average of 16 persons within their businesses. Thus it can be said that the businesses are relatively stable and successful.

Q3. How many years has your company been in operation? Within this study, the youngest company is 3 years old while the longest established company was 11 years. The average length of establishments in this study is 6.5 years. This indicates that the businesses in this study are not newly opened establishments and have already resolved most of their teething and start up issues. These companies have reached a maturity stage whereby most of their financial issues have been stabilized.

Q4. Are your goods services sold locally or do you export as well? If yes, what is the percentage of export? The majority (10 out of 15, which is 66.7%) of the respondents have businesses based in Malaysia and cater to Malaysian customers. The other 5 respondents own businesses which retail to both local and international customers and 3 of these operate using online websites reflecting female participation in the IT services.

Q5. What is your MAIN motivational factor? Please select the ONE factor which motivated you. You may select from either category or create your own factor. Category A comprises Pull motivational factors and Category B -Push motivational facto

Table 2: Sample 2

Examples of Motivational Factors

<u>Category A</u>	<u>Category B</u>
• Need for sense of achievement / fulfillment. • Needed a sense of independence / own boss • Needed to achieve my financial aspirations (economic advantage / desire for wealth) • Desire for self-fulfillment. • Desire for personal development • Desire to express creativity • Desire for status / ability to influence others.	• Unemployment (Monetary) • Recession (Monetary) • Glass ceiling at my previous job • Job satisfaction. • Inadequate family income (Monetary) • Work life balance

Table 3: Sample 3

Name	Achieve (A)	Indepen (A)	Fin. Insp. (A)	Self- fulfill (A)	Person. Dev(A)	Create (A)	Status/ Influen ce (A)	Unemp (B)	Recess (B)	Glass Ceiling (B)	Job Sat. (B)	Fam Y (B)	WLB (B)
Resp. 1	✓		✓	✓			✓				✓	✓	✓
Resp. 2	✓	✓	✓				✓				✓	✓	
Resp. 3	✓			✓	✓	✓	✓						
Resp. 4	✓	✓	✓		✓	✓	✓					✓	✓
Resp. 5		✓	✓									✓	✓
Resp. 6	✓	✓	✓		✓								
Resp. 7	✓	✓	✓				✓					✓	✓
Resp. 8	✓		✓	✓	✓		✓						
Resp. 9	✓			✓	✓		✓						✓
Resp. 10	✓			✓		✓	✓			✓			
Resp. 11	✓	✓	✓	✓			✓			✓		✓	
Resp. 12	✓	✓	✓		✓	✓	✓						
Resp. 13	✓	✓	✓	✓	✓								
Resp. 14				✓	✓	✓	✓					✓	
Resp. 15		✓	✓	✓	✓					✓			✓
Total	12	9	11	9	9	3	11	Nil	Nil	3	2	7	6

The results in **Table 3** show the outlying phenomenon in this study is that 100% of the respondents indicated Category A as the majority of motivational factors which contributed to their decision to be an entrepreneur. The findings within this study is consistent with that of the studies highlighted in the literature to reflect the strength of *Pull* motivational factors. It is also seen that *Pull* factors were the more frequent choice of the 15 respondent women entrepreneurs as they had selected 66 *PULL* factors out of the 84 choices (78.57%) as compared to 18 *PUSH* factors selected (21.42%).

Respondent 1 offered 40% pro bono cases to help defend poor and less privileged persons. **Respondent 3** being a bigger sized person wanted to satisfy customers who needed plus sized clothes. **Respondents 7 and 12** (13.3%) cited the need to achieve financial aspirations, as indicators of success as their main motivational factor. **Respondent 9** explained her desire to empower young women and children to be more assertive and to speak up for themselves.

Respondents 8 and 13 cited the need for a sense of independence and be their own boss.

Respondent 10 wanted to provide more options for allergy sufferers, being an allergy sufferer herself **Respondent 11** needed to have a sense of achievement by being independent and being her own boss. **Respondent 14** saw her business as an outlet for her creativity as well. **Respondents 2,4,5,6 and 15** cited financial independence, personal development and work life balance

Based on this analysis, the majority of the participants (86.7%) cited Pull Factors as their main motivational factors into venturing into business. This is consistent with Sari and Trihoupoulou's (2005) findings that the major motivational factors of women entrepreneurs were Pull factors which included the need for independence, self fulfilment, status as well as creativity. Another interesting development in this stage of the analysis is that 97% of the participants which cited Pull factors as their main motivational factors still mentioned that money plays a very important role but not the most important role and not the only role.

Q6: Have your motivational factors contributed to your success as an entrepreneur?

100% of the participants who were interviewed unanimously agreed that their motivational factors contributed to their success as an entrepreneur and also their ability to overcome the challenges that come in their way.

Q7: Have your motivational factors contributed to your ability to face up/overcome the challenges as an entrepreneur? If yes, please provide an example (or more than an example).

Respondent 1 faced many challenges as an entrepreneur who also offered to offer pro-bono cases but learned much with exposure to the corporate world as well. **Respondent 2** cited that her desire for financial success inspired her to do what it takes to achieve success, despite hard work and long hours it took to raise funds via financial institutions, to set up her own factory and retail outlets to achieve her desire for wealth. **Respondent 3** faced many challenges such as suppliers (stock and late shipment), finance (capital) and also problems with her staff. However, none of these stopped her from fulfilling her dreams. **Respondent 4** said that finding herself in a career plateau, steered her venture into an online website business whereby she could expand her personal growth, talents and experience. **Respondent 5** faced many challenges to access resources needed but her motivational factors enabled her to focus on her goal instead of concentrating on the obstacles. **Respondent 6** cited the challenges, of the ups and downs of her all business her desire to be her own boss, caused her to persevere no matter whatever the circumstances were. **Respondent 9**, mentioned financial constraints are her main challenges but her motivation gave her the strength and determination to raise the funds via the charity drives which can be extremely exhausting. **Respondent 10** elaborated that her work was very time consuming but worthwhile to see her desire for self-fulfillment achieved. **Respondent 11** faced challenges in student recruitment with students facing culture shock, red tape and disciplinary problems but pursued her goals despite such challenges.

Respondent 12 faced challenges with an unresponsive audience, but her motivational goals encouraged her to forge on, no matter how hard the circumstances were. **Respondent 13** cited competitor's pricing and obtaining materials from suppliers at reasonable prices was a challenge she was motivated to overcome. **Respondent 14** expressed that her passion overcame critics who were opposed her choice to use only non-animal in her products and were adamant that leather products were the best quality. **Respondent 15** faced catering issues like running out of ideas on what to cook, providing healthy and balanced meals, but her motivation for work life balance made her adamant to continue.

Q8: Was money the main factor which motivated you? If not, then what?

Out of all the 15 respondents, only 2 (13.3%) – **Respondent 2 and 5** cited money as their only main factor. Respondent 2 did not elaborate on her choice while **Respondent 5** explained that she grew up in poverty. The remaining respondents (93%) have cited other factors besides money as their motivational factors. Nevertheless, even though the respondents cited other factors as their main motivational factors but 7 out of the 15 (46.67%) respondents (**Respondent 1, 3, 4, 8, 10, 12 and 14**) still states that money remains a very important factor

to them. They all agree that it takes money to run a business and to keep it going. Combined with the 3 other participants who cited money as their main factor (Respondent 2, 5 and 7), this results in 10 out of 15 (66.67%) in agreement of the importance of money as a motivational factor but not necessary the sole main motivational factor.

Looking from the Push and Pull Motivation Theory view, the motivational factors derived from this study reflect a strong majority of 86% from Category A which are the Pull factors. 13 out of the 15 respondents all indicated that their main motivational factors are all derived from the Category A which consists of the Pull factors.

Q9: Based on the 13 factors provided, please state the top 5 which motivated you. Please state the most important to you, followed by the 2nd most important and so forth.

Table 4: Sample 4

1 st Factor	2 nd Factor	3 rd Factor	4 th Factor	5 th Factor
Self-fulfillment (A)	Sense of achievement (A)	Job satisfaction (A)	Inadequate family income (B)	Work life balance (B)
Wealth (A)	Inadequate family income (B)	Status (A)	Sense of achievement (A)	Own boss (A)
Self-fulfillment (A)	Personal development (A)	Express creativity (A)	Status (A)	Sense of achievement (A)
Personal achievement (A)	Express creativity (A)	Influence others (A)	Own boss (A)	Wealth (A)
Inadequate family income (B)	Financial aspirations (A)	Own boss (A)	Work life balance (B)	Influence others (A)
Independence (A)	Own boss (A)	Financial aspirations (A)	Personal development (A)	Sense of achievement (A)
Influence (A) others	Own boss (A)	Economic advantage (A)	Sense of achievement (A)	Monetary (B)
Independence (A)	Financial aspirations (A)	Sense of achievement (A)	Personal Development (A)	Influence others (A)
Desire to influence others (A)	Achievement (A)	Self-fulfillment (A)	Personal Development (A)	Work life balance (B)
Self-fulfillment (A)	Express creativity (A)	Sense of achievement (A)	Glass ceiling at previous job (B)	Influence others (A)
Self-fulfillment (A)	Sense of achievement (A)	Independence (A)	Influence others (A)	Wealth (A)
Influence others (A)	Sense of achievement (A)	Independence (A)	Wealth (A)	Express creativity (A)
Independence (A)	Financial aspirations (A)	Self-fulfillment (A)	Personal development (A)	Sense of achievement (A)
Self-fulfillment (A)	Express creativity (A)	Influence others (A)	Personal development (A)	Work life balance (B)
Work life balance (B)	Own boss (A)	Glass ceiling (B)	Self-fulfillment (A)	Desire creativity (A)

In the analysis of the 5th top ranking motivational factors, as presented above in **Table 4**, there are 3 factors which stand out as the prevailing factors. These include the ability to influence others (Respondent 5, 8 and 10), work life balance (Respondent 1.9 and 14) and having a sense of achievement (Respondent 3, 6 and 13). These three factors make out 20 % each. This is followed by the desire to obtain wealth (Respondent 4 and 11) and to express creativity

(Respondent 12 and 15) which stands at 13% each. The other factors such as monetary need (Respondent 7) and to be their own boss (Respondent 2) make out the remaining 7% each. There are no new factors which have been introduced in this 5th ranking analysis.

The overall motivational factors from the Push category are consistently below 20% from the 1st to 5th ranking. This in turn, indicates that the overwhelming majority (more than 80%) motivational factors are derived from Pull factors and it is consistent throughout all the rankings. The motivational factor from the push category which is most cited is work life balance (46%), followed by inadequate family income (27%), glass ceilings from previous job (18%) and monetary commitments is the least at 9%. Work life balance and glass ceilings are 63% when combined and do not emphasis solely on monetary requirements. In fact, these motivational factors are inclined towards the intrinsic aspects. The outstanding motivational factor from the pull category is the sense of achievement (20%). By using coding (grouping similarities), this can be combined with the factor of achieving personal achievement (11%). This brings the total for pull motivational factors involving a desire for achievements at 31%. This is followed by the ability to influence others at 15% and self-fulfillment at 12%.

An interesting trend from this research is that the main motivational factors from both Push and Pull categories are not composed of monetary issues but more of intrinsic features such as the work life balance, glass ceilings at previous jobs, achieving achievements, ability to influence others and self-fulfillment.

Discussion and Conclusion

This study has been able to reinforce the conclusions of Sari and Trihoupoulou, (2005), Smith-Hunter and Boyd (2004) and Rani et. al (2012), that Pull factors are stronger than Push factors as motivational factors of women entrepreneurs. These studies were conducted in North America (Sari and Trihoupoulou, 2005), United Kingdom (Smith-Hunter and Byod, 2001) and India (Rani et. al., 2012) while this said research was conducted in Malaysia. Therefore, we can conclude that the trend in Malaysia is consistent with the trend in the different parts of the world. This study also reinforced the conclusions that the initial study by Hirsh & Brush in 1985 which concluded that Push factors were the major motivational factors of women entrepreneurs are no longer a valid trend.

The findings concluded that the main motivational factors selected by the majority of participants consists of need for sense of self –fulfillment, desire for the ability to influence others and the need to achieve financial aspirations. This is consistent with Sari and Trihoupoulou's (2005) findings that the major motivational factors of women entrepreneurs were the need for independence, self-fulfillment, the desire for status and creativity.

First, the findings of this research conclude that 100% of the participants attribute their success and their ability of overcome challenges to the factors which motivated them to become entrepreneurs. Second, the findings of this research concluded that money was not the main motivational factor (93%). The main motivational factor cited was the desire for self-fulfillment. Nevertheless, 66.67% of the participants still concluded that all though money was not the main motivational factor, it still played a very important role to them. It is apparent that self-fulfillment and sense of achievement rank top as the 1st, 2nd and 3rd motivational factors while personal development, the ability to influence others and work life balance rank top for the 4th and 5th motivational factors.

An interesting trend is that the major motivational factors whether push or pull, which have been selected, are not derived from monetary issues but the intrinsic aspects. Thus motivational factors are not solely prioritized by the same motives. Firstly, this study has been able to finalize the type and category of motives to reaffirm previous studies and also identify motives not stated in previous researches. Secondly, the findings in this study confirm that the motivational factors in the Malaysian retail industry are not prioritized by money related motives. However,

money still remains an important, though not the main factor. Thirdly, this study concluded that pull factors are more important compared to push factors in motivating women entrepreneurs in the Malaysian retail industry. Fourthly, the findings in this study identified pull factors as playing a more important role in motivating women entrepreneurs.

Future Recommendations From The Research

The main motivational factors from this category have been shortlisted to include self-fulfillment, sense of achievement, personal development, the ability to influence others. The Malaysian government and NGOs should focus on programs which include these aspects besides providing monetary supports. These organizations may feature these women entrepreneurs in their workshops, seminars and conferences with the aim of enabling them to influence others to follow in their successful footsteps. This in turn also inspires and motivates other women as well as providing ways of empowering them to become entrepreneurs themselves.

Examples of these events include WOW (Women do Wonder) campaigns with a series of talks and exhibition of successful women entrepreneurs and R.O.S.E KL which is a 2 day event held annually which features a line-up of corporate high-fliers, top talents, polished performers from the fields of business, corporations, sports, medicine, academia and social activism organized by the Malaysian Ministry Of Women and Community, Petronas and Agro Bank. These entities may be able to motivate more women to spend time on their business by setting up day care service or providing tax relief on children/ elderly care or food delivery services.

Another commendable training program which can be increased and simulated for women is the Retail Entrepreneurship Training Program which is organized by the Ministry of Domestic Trade, Cooperatives and Consumerism which is an annual program focused on the efforts to identify the Small Medium Enterprises (SME) with products which may potentially marketable in foreign hypermarkets in Malaysia such as Aeon Co., Aeon Big, Tesco and Giant and to train these SMEs to be able to meet the expectations of these hypermarkets. These programs provide the skills and mindset training. The current training program is catered for all SMEs and only held in the urban region of the Klang Valley. This would be more effective for women entrepreneurs if similar programs can be held in the various states across Malaysia.

The findings of this study concludes that the main motivational factors from the push category included self-fulfillment, sense of achievement, personal development and the ability to influence others. Even the main motivational factors from the push category which is most cited is work life balance and glass ceilings from previous job. All these motivational factors are inclined towards the intrinsic aspects and not monetary rewards. This would be a new area of research towards the reason for the motivational factors to be intrinsic and not extrinsic based.

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A study of news writing “Themes” in Citizen Journalism Malaysia (CJ.MY)

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Abstract

Purpose: This study looks into the themes addressed by a citizen journalist who contributed works to *CJ.MY*.

Design/methodology/approach: The first approach used in this study is a content analysis. 576 news samples were taken systematically according by day, week and month from *CJ.MY* web page. The second approach used was in-depth interviews. In-depth interviews were conducted with *CJ.MY* CEOs, Maren Perianan and four other citizen journalists who were among the contributors to the most news on *CJ.MY*.

Findings: A total of 16 themes were outlined in the review of the frequency of the themes contained in the news generated by citizen journalists in *CJ.MY*. Studies show along with their titles, citizen journalists prefer to write news on social elements, by 17.7%. News is produced locally and is in the vicinity of the residence of a citizen journalist. Some examples of community news is related to communal work, the monthly gathering of residents' associations, festivals or cultural events by a racial group in the community around the village or housing estates.

Research limitations/implications: This study focuses on news in *CJ.MY* only. It would be interesting for the future research to study on the *CJ.MY* and other citizen journalism website such as OhMyNews.

Practical implications: This study significant credence is to provide practical information news produce by Citizen Journalist in Malaysia especially on the understanding of news writing “Themes” by them.

Originality/value: This study is one of the first to discuss about citizen Journalis and its website in Malaysia.

Keywords: Citizen Journalism, CJ.MY, Web Page, Themes, Facts, Blog

Introduction

The term citizen journalism may be new, but the concept is actually really old (Bentley, 2011). Viewed from the aspect of the early history of the existence of citizen journalism, a study by Hughes (2010) found that in 1908 the University of Missouri-Columbia, USA, had established the first journalism school in the world and opened the door to produce professional journalists. However, journalists and traditional media existed before 1908. Hughes questions if before

1908, journalists and traditional media consists of journalists who are not professionals, can they be regarded as citizen journalists?

The importance of citizen journalism was identified during the London bombings on 7 July 2005. Most of the incidents that occurred on that tragic day were reported directly by the public who happened to be at the scene through short messaging system (SMS), telephone recording, audio and video. The first images of the London bombing were not received from high-quality video camera, or neither from TV sets or quality camera of a photojournalist (Bruns 2008). Images broadcasted by the BBC and other news networks were taken by people who are victims with their phones (Hattotuwa 2007). News of the bombings came from the public through mobile phones instead of a traditional photojournalist with a camera and other photo equipment (Dunleav 2005).

However the development of citizen journalism from the viewpoint of Malaysia, is still in its infancy and is still looking for a firm foothold. Media and society in Malaysia still does not know what is citizen journalism nor is it recognized. Citizen journalists' roles still seem vague and their contributions are only appreciated if they manage to trump trained journalists in getting the materials for news and events.

It can generally be rationalized that both traditional media in the form of print and broadcast media in Malaysia, accept materials from citizen journalists in their publications according to the situation. However, citizen journalists' contribution of online stands out with their work which are published without any restrictions as rigorous as traditional media.

Citizen Journalism in Malaysia

This phenomenon of online citizen journalism in Malaysia is looking for a site to stand and try to compete with other traditional media, including electronic and print media. The impact of citizen journalism in Malaysia began since 2007. This field was pioneered in depth by news portal *Malaysiakini*. This news portal in collaboration with the International Centre for Journalists in the United States (US) has initiated a program to train interested people from Malaysia to become citizen journalists. This program was the brainchild of CEO Premesh Chandran (*CJ.MY* 2015). Citizen journalism news portal Malaysia or *CJ.MY* is the first official citizen journalism news page that exists in Malaysia enabling people in the country to share and contribute information. *CJ.MY*'s existence is credited to *Malaysiakini* news portal's awareness that there are potential news out there that were not picked up by mainstream media. To enable the voice of the people to be shared and heard by others, *Malaysiakini* strides to produce citizens who can provide the information they care about the community of readers with citizen journalism courses (Maran Perianan 2015).

The idea behind this course is to equip the participants, regardless of background, with journalistic skills to improve their writing and hone new skills such as the use of video to tell a story. The basic objective is to create a good citizen journalist, responsible, ethical and impartial. They are also introduced to the world of journalism, ethics that will guide them and the features that will differentiate them from traditional media journalists.

Citizen journalists in Malaysia were given basic skills of journalism and the freedom to send their news to *CJ.MY* which is fully devoted to their work. *CJ. MY* only accepts news of those who attended the workshops or courses mentioned earlier. The reason why *CJ.MY* accepts news from only those who went for the courses or workshops is to prevent publication of facts that are not true. Publishing news that is biased and ones that does not reflect the principles of journalism is avoided by *CJ.MY*. News that has authentic news sources, credible and relevant while evading sensitive issues that could lead to civil unrest will be published (Maren Perianan 2015).

A number of four citizen journalism conferences were held to enable citizen journalists to give new input about the world of journalism as well as acknowledging their contributions. These

conferences brought together senior journalists from across the country highlighting various issues such as responsibility of journalists, the role and ethics of journalists held by citizens and citizen journalism courses. This has opened the way to a new revolution in journalism in Malaysia (Maren Perianan 2015).

The third conference witnessed the birth of Citizen Journalism Malaysia or *CJ.MY* page which was formerly known as *komunitikini*. Later in June 2012, sees *CJ. MY* standing alone without the patronage of *Malaysiakini*. *Malaysiakini* and *CJ.MY* has signed a Memorandum of Understanding (MoU). The MoU outlines carefully about the ongoing relationship between *Malaysiakini* and *CJ.MY*. This MoU explicitly stated *CJ.MY* as independent, allowing *CJ.MY* to become a private limited company (Maren Perianan 2015).

Method

The first approach used in this study is a content analysis. Content analysis is defined as research methods to interpret subjective data content, text through a systematic process of classification code and identifies themes or patterns (Hsieh & Shannon, 2005). The purpose of the analysis in this study is to identify themes and sub themes highlighted by journalists in the *CJ.MY*.

The sample for the study was purposive by taking *CJ.MY* as a case study. In this study, 576 news samples were taken systematically according by day, week and month from *CJ.MY* web page. News was taken on Monday, Wednesday and Friday on the first and third week. While in the second week and the fourth week the news was taken on Tuesday, Thursday and Saturday. This system continued for each month of the year 2011 to 2014. News on Sunday could not be examined because, usually less journalists donated news on Sunday and the news on that day is not consistent. This is because usually citizen journalists like to gather the news during the weekend and write the news on another day.

The second approach used was in-depth interviews. In-depth interviews were conducted with *CJ.MY* CEOs, Maren Perianan and four other citizen journalists who were among the contributors to the most news on *CJ.MY*. Maren Perianan was interviewed to gain an overview of *CJ.MY*'s operations along with its contents on the web page. All four citizen journalists were interviewed after the analysis of news content *CJ.MY* was collected to ascertain why they like to write certain stories and avoided others and so on. Citizen journalists are identified as CJ1, CJ2, CJ4, CJ3 respectively.

Findings

A total of 16 themes were outlined in the review of the frequency of the themes contained in the news generated by citizen journalists in *CJ.MY*. Studies show along with their titles, citizen journalists prefer to write news on social elements, by 17.7%. News is produced locally and is in the vicinity of the residence of a citizen journalist. Some examples of community news is related to communal work, the monthly gathering of residents' associations, festivals or cultural events by a racial group in the community around the village or housing estates.

News like this is favored by citizen journalists because it is a bridge that connects journalists and residents of local communities (Interviews CJ1, December 20, 2015). CJ2 and CJ4 mentioned to have love writing stories about community activity because by doing so they can make and give a feeling for this group that they are special and because it highlighted the news related to their reading material (Interviews CJ2 and CJ4, December 20, 2015). CJ3 said that community news is easily available as compared with other news and so that is why he focused on that beat (Interviews, CJ3, December 20, 2015).

Another theme of interest is community welfare, which recorded a 14.8% frequency. Welfare here is not just about people, but also for animals. Each of the issues raised, may be seen as a trivial matter, but citizen journalists consider it a matter that needs to be notified to the netizens

and need attention by the parties involved. Welfare themes addressed by citizen journalists is diverse and not limited to a particular group or community. Examples of welfare themes include road repairs in residential areas, dog and cat competitions, senior citizen issues, people who deal with natural disasters such as flood and more.

Answering the question of why this theme is focused by citizen journalists, informant CJ1, CJ2 and CJ4 believes that society often requires the attention of the media to obtain the help they need. They also need publicity to get sponsorship. However, the community is often ignored by traditional media on the grounds of hardship activity or they are non-issues. In this case, citizen journalists act as an outlet to give attention to these minor issues and try to get help to the people in need. They can also develop the issue as major events for people in need to be granted assistance by the government or those of others (Interviews CJ1, CJ2 and CJ4, December 20, 2015). CJ3 commented that writing on issues of welfare gives him a certain satisfaction, especially in using his writing talent to help others in need of help and attention (Interviews, CJ3, December 20, 2015).

Crime and safety is also a concern that received a frequency of 10.4%. Crime news gives attention not only to serious crime, but petty crime such as theft of goats in the village. Going deeper into this issue, all informants unanimously declared their intentions to write crime stories and local safety as a service to the population about unfavorable activities that occur in their residential areas and indirectly as a warning to be careful and always keep themselves and their families safe (Interviews CJ1, CJ2 and CJ3 and CJ4, December 20, 2015).

Themes centered on education are also often reported as much as 7.8%. Education news are not only about schools or universities, but also about the learning environment in kindergarten level. Examples of this kind of news is that the school football team practicing in a public field in preparation for the competition and more of the like. Educational news is seen from another angle by citizen journalists. This is due to citizen journalists who are still not widely acknowledged by most people in Malaysia and so cannot enter the educational premises of news on a whim. Because of that, journalists often write individual student's successes and activity stories from schools and kindergartens within the reporter's vicinity (Interviews, CJ2 and CJ4, December 20, 2015). CJ1 mentions that student's efforts should be given attention and encouraged from kindergarten up to university levels. By publishing their stories, these students are indirectly given encouragement to work harder in the future (Interviews, CJ1, December 20, 2015).

Cultural theme recorded a frequency of 7.1%. Much news produced tell the stories on the culture of the communities in residential areas. News like this is interesting to read because it involves people who are from unique backgrounds and may not be the same as in other parts of Malaysia (Interviews, CJ1, 20 December 2015). CJ2 mentioned that such activities should be considered as a lesson to the younger generation so that these cultural activities are not lost as time progress (Interviews, CJ2, December 20, 2015).

Many cultural activities take place in local communities each year such as *Chap Goh Meh*, *Pongal*, *Kartikai* and others. Although mainstream media provide coverage on this, but their writing is a corner of a larger angle. Citizen journalists engage in cultural activities and write through experience and from a perspective as an individual that really celebrates these activities (Interviews, CJ3, December 20, 2015). Cultural activities are also given coverage and support by citizen journalists to encourage the local population to continue performing these activities for years to come (Interviews, CJ4, December 20, 2015).

Although citizen journalists in *CJ.MY* do write about entertainment, for 6.3% of the time, it is on a small scale that does not involve VIPs or artists from within or outside the country (Interviews, CJ1, December 20, 2015). According to CJ2, elements of entertainment such as concerts, singing during wedding ceremonies, performances in temples or churches are considered to be reported (Interviews, CJ2, December 20, 2015). CJ3 also argued in terms of

entertainment, such as clown performers may introduce a local entertainment option to the local community of readers. This idea was also echoed by CJ4 (Interviews, CJ3 and CJ4 December 2015). The same answer was given by all four informants, which was on the theme of sportsmanship which recorded 5.2% in *CJ.MY* that they write about local sports talent and introduce the characters and local leaders to the world through *CJ.MY*.

Religious themes are same as sports with a share of 5.2%. There are much religious themed news involving Christianity, Buddhism and Hinduism produced by citizen journalists, however from 576 samples taken for the study this research failed to detect any news related to Islam produced by citizen journalists. Many religious issues are written by citizen journalists because often than not, mainstream press rarely give attention to religious issues, but for the citizen journalists it is an issue that should be given attention because of the possibility of many netizens who do not know about (Interviews, CJ1 and CJ4, December 20, 2015). As crime issues, religious issues must be addressed to provide information to local residents about religious activity around their homes (Interviews, CJ2, December 20, 2015). CJ3 suggests that, as adherents of a particular religion, it is his duty to spread the ideology in question in writing in order to respect the religious message to their readers (Interviews, CJ3, December 20, 2015). The activities of women, children and men and the environment had a share of 4.5% and food/cooking/gourmet was 4.1%. More than often these activities would be for the elderly, such as drawing, traditional cooking, repairing damaged village roads, fishing groups' activities and so forth (Interviews, CJ1 and CJ3, December 20, 2015). The elderly and children are approachable for a lot of information and interesting stories. These can be collected to write other news for seniors who often have a lot of experience and stories to be shared (Interviews, CJ2, December 20, 2015). Informant CJ4 also stated women, children and men themed activities often revolve around environmental activities and cuisine, which can be categorized as a their hobby (Interview, CJ4 December 2015).

Political news has a frequency of 4.7%. The level of political news covered citizen journalists here is that from the opposition as the representative of the Democratic Action Party (DAP), *Parti Keadilan Rakyat* (PACT) and *Parti Islam Se-Malaysia* (PAS). While news of the ruling party *United Malays National Organisation* (UMNO), the Malaysian Chinese Association (MCA) and Malaysian Indian Congress (MIC) are rarely given attention. This situation occurs because previously the ruling party, Barisan Nasional (BN) often does not recognize citizen journalism and is often alarmed by the presence of them. This contrasts with the opposition who is always trying to find an opportunity to get people's attention and often cooperate with citizen journalists (Interviews, CJ1, December 20, 2015).

Editorials or opinions rarely give attention by citizen journalists with the reason it requires research, interviews and careful planning when written. Malaysian citizen journalists, many of whom have no background in journalism experience writing and see this as an extremely burdensome (Interviews, CJ1, December 20, 2015). CJ4 and CJ2 also mentioned that they are more comfortable and happy writing news about events around them and more news can be produced as compared with editorials and opinion features (Interviews, CJ2 and CJ4, December 20, 2015). CJ3 said he was interested in writing editorials and opinion features, but due to time constraints and a full time job, he could not. But he does gather bits and pieces of information up to 3-4 weeks to produce an editorials or opinion, features when he can (Interviews, CJ3, December 20, 2015).

Themes that are given less attention to are Health and Economics, respectively by 2.1% and 1.9% frequencies. These themes are given less attention because they require numbers, facts and in-depth study of the issues (Interviews, CJ1 December 20, 2015). News like these are always difficult to be written by citizen journalists who operate voluntarily, because news of this calibre needs time to produce and citizen journalists have full time jobs and other personal commitments (Interviews, CJ2, December 20, 2015). Focus of many citizen journalists are

issues that are manageable, easily and quickly written and news that do not require much research (Interviews, CJ3, December 20, 2015). CJ4 also said the news should be given to those who are experts in the field and he was not interested in writing technical stories like this out of fear prevailing errors of facts (Interviews, CJ4, December 20, 2015).

Table 1: Centred Theme Frequencies

Themes	Frequency	Percentage
Social Elements	102	17.7
Community Welfare	85	14.8
Crime and Safety	60	10.4
Education	45	7.8
Culture	41	7.1
Entertainment	36	6.3
Religion	30	5.2
Sports	30	5.2
Women, children and men activities	28	4.9
Politics	27	4.7
Environment	26	4.5
Food/cooking/gourmet	24	4.1
Editorials and Opinion Features	12	2.1
Health	12	2.1
Economy	11	1.9
Miscellaneous	7	1.2
Total	576	100

Discussion and Conclusion

The focus of writing for citizen journalists in Malaysia is on social issues and welfare of the events within their vicinity. This focus is actually providing an opportunity for people to speak out and express their opinion on certain issues. Society is no longer a receiver for traditional media content, but can also act to give an opinion and shape the direction of the news produced and indirectly provide new angles to other readers and writers in Malaysia. Citizen journalists are seen as people trying to give the public an opportunity to speak concerning a focus on local issues.

Citizen journalists are also members of the community and tell a lot of news about the community's social activities in the vicinity of their homes. This situation allows citizen journalists to indirectly understand and learn about the lifestyle of the community in the neighbourhood and the issues that plagues them. For citizen journalists, the view of the government or of those who have a position of power is not important because it may already have been covered by the traditional media.

Apparently, citizen journalists writing is seen as more sincere and honest when compared to professional journalists because the latter only writes on the basis of responsibility and commitment, while the former writes on the basis of passion and interest. News produced are also more realistic by including video footage and photographs that strengthen their writing. Issues highlighted sometimes are too small but have news value of information for readers. This is an agenda that is brought by citizen journalists that everything that happens around them is information and it is the responsibility of journalists to inform residents of other communities on this information in the form of news.

Through this study, the researcher can conclude that the citizen journalists in Malaysia still have reservations on all kinds of writing and are currently writing what is happening around them, reporting what they see and hear. Citizen journalists in Malaysia respectively do not want to take the risk to write or publish anything explicit like investigative news, exposés or whistle blowing on political issues that are current. In short, citizen journalists in Malaysia don't dare to write or criticize the government because they are leashed by a range of laws and acts that have been outlined towards every journalist movement in Malaysia. A citizen journalist community in Malaysia who really are just people who limit themselves to reporting issues and don't dare go beyond the limits outlined by the Malaysian government.

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Towards New Era of Sustainable Collaboration: Preliminary Data of Malaysian Government- Industry-Academia Consortia

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Abstract

Purpose: The overall goal of the study was to determine how sustainability can best be implemented in selective GIAC by identifying the critical sustainability initiatives affecting the success of GIAC. The rationale for the various questions posed was to identify experiences and challenges faced by respondents collaborating in the GIAC programme, and to provide insights and guidance to consortium attempting to implement a sustainable approach to collaborate within the GIAC programme.

Design/methodology/approach: A case study involve an E&E consortium in Malaysia, employed in this qualitative research provided insights into the basics of the variables under study. A primary mode of data collection in this study was through face-to-face interviews. Eight respondents were interviewed. Information was also obtained through document review and analysis. Observations and field notes were additional sources of data acquired.

Findings: As the consortium involves with heterogeneous collaborators to be harmonised toward the same objective, the implementation of the even studied factors was not strictly enforced. Moreover, a range of purposive actions needs to be taken to increase the academic involvement and redefine the role of universities under the current circumstances down to activate complex mechanisms of collaboration instead of the current simple mechanisms.

Research limitations/implications: This preliminary data cover CREST only as it was the first phase of the ongoing research and the responses from the other Malaysian consortium, by then, may coincide or contrast with the current understanding.

Keywords: Collaboration Theory, Qualitative Study, Consortium, Sustainability

Introduction

Existing literature of collaboration mainly focused on collaboration theory (Wood & Gray, 1991) as one of the core aspects and starting point to the various current types of collaboration. However, these studies and literature was an attempt to conceptualise the collaboration towards a mature stage. However, the cooperative consortium and its processes were, unfortunately, a poorly understood collaboration phenomenon under government-industry-academia (GIA) alliance despite it is an essential constituent of current national strategies worldwide.

Consortium as intermediary organisations has valuable outcomes for both academia and industry (Dooley & Kirk, 2007), and could be defined depending on the consortium objectives. However, the GIA consortium (GIAC) primarily spurred on by increasing international competition (Guercini & Woodside, 2012), the rising costs of advanced research (Rich, 2013), leveraging of scarce scientific and technical skills (Srinivasa Rao, 2017), and the desire to share the risks associated with knowledge generation and commercialization (Wiley & Clarage, 2012).

Defining the concept of sustainability has always been a difficult task within and outside of consortium (Berchin et al., 2018), and being argued that sustainability must be explicitly defined if it is to be implemented (Missimer, Robèrt, & Broman, 2017a, 2017b). Other scholars are against the determination of a specific, single definition, arguing that because if the concept of sustainability is broad does not mean that it is vague (Ramsey, 2015). However, several definitions of collaboration sustainability, either explicitly or implicitly, address the sustainability as operational sustainability. Hence, this study adopted this direction and defined operational sustainability as the *“method of evaluating whether a business can maintain existing practices without placing future resources at risk”* (Nawaz & Koç, 2018). Past studies have explored sustainability transitions within R&D collaboration (Ferrer-Balas et al., 2010; Necoechea-Mondragón, Pineda-Domínguez, Pérez-Reveles, & Soto-Flores, 2017; Stephens & Graham, 2010), but unfortunately, none have focused on consortium sustainability. Sustainability according to these studies, however, can be understood regarding a broad set of factors that support operational sustainability. These include contractual completeness; behavioural transparency; stakeholder support; competition; appropriability; technological complexity; and government involvement (Faisal, Chong, & Yee, 2017).

This article seeks to explore the sustainability process through which a collaboration theory unconsciously creates and sustain R&D consortium. For this purpose, we believe it is essential to lay our research on the micro level of the consortium where consortium's failed to 'operationally' sustain. Meanwhile, a knowledge transfer as a core process of consortium inherently involves the concern of sustainability among strategists (Faisal et al., 2017). In a nutshell, our concern is how a sustainability factor influences the consortium evolution and development of collaboration theory. This study primary motivated by the following questions:

- (1) How does the consortium sustain?
- (2) What role does the sustainability factors play in consortium evolution?
- (3) How can sustainability pattern be legitimised within the collaboration theory?

Our concrete context is Collaborative Research in Engineering, Science and Technology (CREST) a well-known Malaysian consortium, which applies the knowledge transfer process (KTP). Our research reveals that through KTP, CREST unconsciously conducts a kind of sustainability, which justified through historical supportive institutional and economic environments.

Theoretical Context

The Gray (1989) study outlines five primary characteristics of any collaboration process with a three-stage model through which collaboration develops. However, the issue with this study was the broad characteristics which lead to an uncertainty of the implementations of this model. A more structured study by Wood & Gray (1991) proposed a revised theoretical perspective cover a range of collaborative relations including, public-private partnerships, industrial networks, and strategic alliances to clear the previous uncertainty.

However, the period followed the emergence of collaboration theory was a testing period until 2002/2003 economic crisis which opened the discussion again about the validity of the current theory and highlighted the difficulties of managing the collaboration and possibilities of disappointing outputs (Vangen & Huxham, 2008) with the emergence of sustainability without

direct naming, and some studies like Gajda (2004) denied Wood and Gray definition of collaboration and focused on strategic alliance only.

On the other hand, the implementations of collaboration theory within the context of GIAC have been highlighted in the vital literature like Aydinoglu, 2013; Butterfield et al., 2004; Downie et al., 2001; Duarte Alonso & Bressan, 2014; Dwyer, 2011; Frey et al., 2006; Fyall et al., 2012; Jamal & Getz, 1995; Marek et al., 2015; Miller & Hafner, 2008; Sobandi & Sudarmadji, 2015; To, 2016; Welty Peachey et al., 2017 where the studies applied the theoretical constructs of collaboration in different industries in order to offer insight into inter-organizational collaboration, build a model of collaboration among non-profit stakeholder groups, develop collaboration measuring scale, integrate the collaboration theory with different concepts, propose a multidimensional approach to theorising destination collaboration, understand Virtual Research Collaborations (VRC), consider collaboration theory in the context of micro firms and evaluate using Collaboration Assessment Tool (CAT).

The primary theoretical frameworks including Porter's Diamond Model, Collaboration Theory and the other sub-theories were considered in to investigate a role of GIAC. It can be concluded that in of these theories the efficiency of six main factors and effectiveness of government involvement to determine the sustainability of GIAC (Faisal et al., 2017). These include contractual completeness, behavioural transparency, stakeholder support, competition, appropriability and technological complexity. Increasing effectiveness of these factors, in addition to efficient government support, are usually considered as preconditions for creating sustainable R&D activities, where these activities can increase the efficiency of the national innovation system.

Research Context

Our inspiration of the sustainable consortium from the CREST, one of the two existing R&D consortia in Malaysia. With three working pillars of R&D, talent development, and commercialisation, together with the government endorsement and endowment of RM100m for starting up, CREST officially operated in June 2012. Through a wide range of 44 members from industries and academia, CREST builds its strategy toward 2020 based on three main phases and six strategic focus areas (clusters). Despite its success, CREST is still mainly laying on the initiated governmental fund which will naturally accompany with the fears about the consortium sustainability once the funding ends. However, CREST was able to prove the opposite and protect its sustainability through the various clusters which ensure the flow of industry-driven co-funded R&D Projects. Such industry-driven academic research is 100% industry collaboration from proposal stage and commitment till commercialising the results, with CREST intention to facilitate for other spillover opportunities through SME development, design challenges, connected labs. Overall, this study will analyse the reflection of collaboration theory and the GIAC sustainability factors on CREST operations.

Methodology

As this study is primarily intended to find out if the Malaysian consortium had brought any changes in the environment or physical improvements towards sustainability, the study will only look at the outcomes of collaboration retrospectively. Hence, this study is planted in a constructivist/ interpretivist paradigm, and the interviews, observation, field notes, and document review will be used to capture and understand the "*lived experience*" of the participant within the consortium (Creswell & Poth, 2018; Denzin & Lincoln, 2018; Merriam & Tisdell, 2015; Yin, 2014).

Data Collection

To receive various perspectives; interviews, participant observation and notes, documents and archives, media reports, government's published policies were utilised. First of all, we conducted open interviews with managerial level, collaborators from industries, government agencies, and academic researchers whom all of them have worked under the CREST. The process starts with informal free talk allowing them to express freely, which lead us to sharpen our comprehensive understanding of the research questions and to form a stable interview protocol. Table 1 shows a summary of the preliminary interviewee's information. In average, the interview lasts for 90min, and it includes observations and note-taking to be used for further analysis.

Moreover, the documents and archives from both CREST and government were reviewed to obtain background information. Unfortunately, due to the modernity of consortium in Malaysia, information available in the media or archives was relatively small. This issue mainly triggers our vigilant against the potentially biased opinions, to guarantee the reliability of our study critically.

Table 1: Summary of interviewee's information

Code	Position	Gender	Education	Working Experience
1CA	Director	Male	PhD	Consortium
2CA	Researcher	Female	PhD	Academic and Industry
3CA	Director	Female	MBA	Government Agency
4CA	Researcher	Female	Master	Academic
5CA	Researcher	Male	PhD	Academic and Industry
6CA	Researcher	Female	Master	Academic
7CA	Expert	Male	PhD	Financial Industry
8CA	Expert	Male	MBA	E&E Industry

According to (Carter, 1999), direct observation serves qualitative research well. Therefore, we use observations to supplement and clarify the data derived from participant interviews. Non-participant observation was recorded during the researcher's opportunity to move around at the seminars, workgroup meetings and through chats with consortium staff during the time permitted. Despite that skilled observation is the result of training and experience (Patton, 2015), unfortunately, the researcher is not formally trained for this purpose, but the experience, prior knowledge, creativity, and intuition related to the area of study which brought to the research sites, enabled the researcher to be very sensitive to look out for particular areas of interest that would be beneficial in the data analysis process.

Data Analysis

The data analysis in this study conducted parallelly and recursively with data collection. Therefore, this study followed Strauss approach of data analysis (Strauss & Corbin, 1998), wherein the coding occurs recursively according to a method of constant comparison, and each new piece of data will be compared to existing data to generate coherent categories of meaning. Moreover, ATLAS.ti 8 as a workbench software for qualitative data analysis to record and systematise the coded data in such extensive and complicated database, and to build links between the quotations and code new evidence to maximise the analysis' trustworthiness.

Initially, open coding was the first level of coding (Figure 1) in which transcribed data was broken down into units of meaning or concepts, labelled, and interrogated for alternative interpretations, conditions surrounding the meaning, and the gaps left unfilled in order to create initial observations and to note them on a coding form. As additional data were gathered, coded concepts are continually compared to existing data and categorised. The categories were modified continuously to incorporate new information and were continually interrogated for coherence and explanatory capacity. The axial coding came as the second level of coding in which relationship among categories are organised and further explicated and grouping them into more encompassing categories that subsume several subcategories. In this stage, data collection and incorporation usually will be ceased due to reaching the categorical saturation. Although the saturation reached with the current respondents, these results will remain as preliminary to assure the trustworthiness by proceeding with the interviews to be sophisticated enough to capture all the variations in participants' experiences.

The last stage analysis begins with selective coding, in which a central or core category is selected that integrates all the other categories into an explanatory whole (Strauss & Corbin, 1998). Table 2, Figure 2, however, illustrated the first-order categories and data structure and interviewee's quotation sample.

Findings

Sustainability Deficits

1. Contractual Completeness

The contractual relationship between the collaborators, in general, creates specific obligations for each party in this contract, such that any breach of which entails legal liability. However, in the case of the CREST, most of the contracts are memorandums of understanding (MOU's) where the legal part left for both the collaborators to determine. Research grants were the most common contractual type between the industry and academia under the CREST. Despite the attention to clarifying the contractual side where *"Contract and agreement have been developed and documented at the early stage within the collaborative (from board - line staff). The collaborating partners clearly understand their roles and responsibilities"* (2CA), but *"unfortunately, we did not have a good contract in the earlier stages, but I can say that we have a better one now"* (1CA). Little existing concerns about the contract were shown clearly during the discussion.

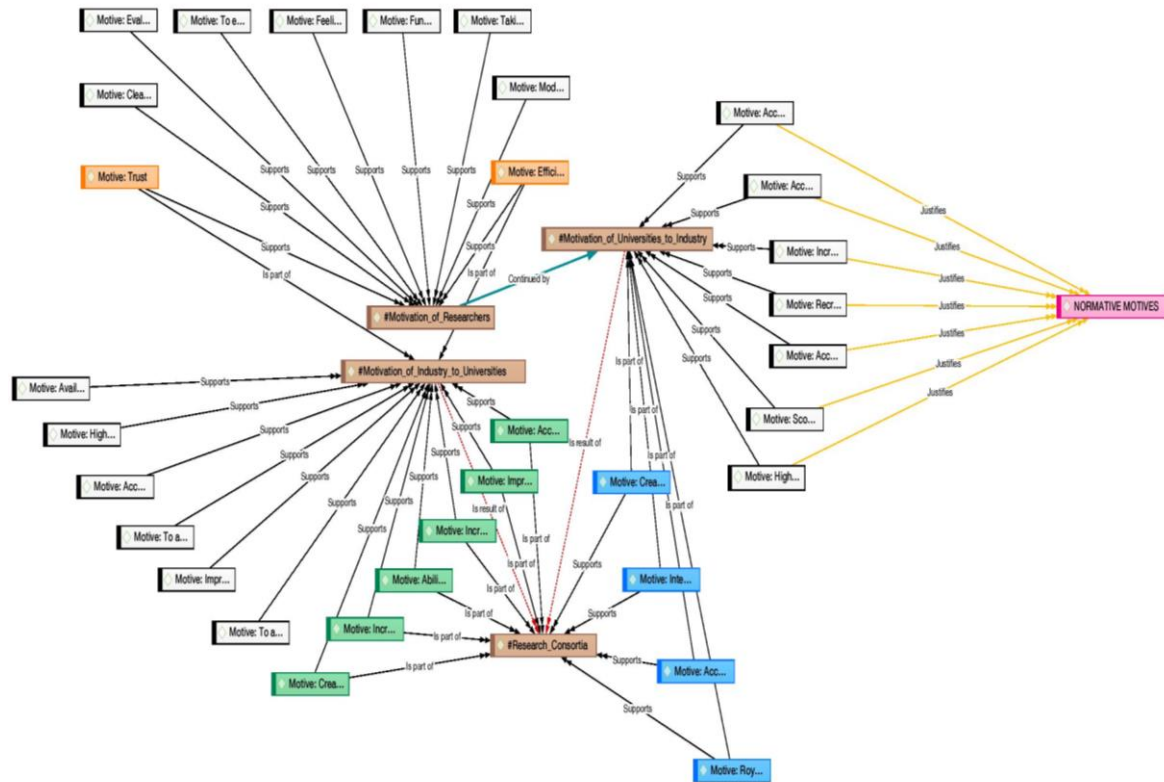


Figure 1: Initial Open Coding

According to Hendrikse & Windsperger (2011) study, contractual completeness, however, has a direct effect on the collaboration flexibility. Hence, the CREST flexibility of collaboration is the hidden reason for these concerns. Moreover, it could also be bolstered to Kaufmann, O'Neill, & York (2006) finding is as no significant relationship was reported of contractual completeness and the collaboration as joint venture sustainability.

Table 2: Dimensions, Themes, Categories and Quotations

Second-order themes and first-order categories	Interviewee's quotation
<i>Overarching dimension: Sustainability Deficits</i>	
1. Contractual Completeness	
A. Trust	"this requires an informed understanding of the clear articulation of vision and mission to achieve the organisation's goals, that will carry the organisation's work forward in the long-term. Clear decision-making guidelines involving all levels."
B. Commitment	"the contract normally specifies the rights and deliverables."
2. Behavioural Transparency	
C. Understanding of partners from each other' norms	"without mutual respect, understanding, and trust, it may affect the continuity of the project."
D. Decreasing cultural differences between partners	"the person handles the collaborators should have a decent idea or knowledge on the project."
3. Stakeholder Support	

E. A higher degree of intermediary involvement	“they want us to maximise the experience in general without a direct influence at first, but I cannot deny their support.”
F. Top management support (Efficient financial flow)	“willing to provide monetary support.”
<i>Overarching dimension: Industry-driven Sustainability</i>	
4. Appropriability	
G. Heterogeneous collaborators support	“collaborative group members often interact, updates each other regularly, shared information freely and promptly, and openly discusses the issue with each other.”
5. Technological Complexity	
H. Technological complexity level	“in our case yes it did for our case as we deal with E&E, but maybe it might be a different case for others, so I would say it depends, case by case.”
<i>Overarching dimension: Government-driven Sustainability</i>	
6. Competition	
I. Status of cluster	“it helps up to the level that we became a threat to the internal and external markets.”
J. Intermediary involvement and entrepreneurship environment	“the collaborators combining in such a way as to enhance or emphasise the qualities of each other to another”
7. Government Involvement	
K. The efficient national policy framework	“effective collaborations have the potential of fostering new and emerging leaders.”
L. Efficient government programme	“it will help the young generation these days if they were being given a chance to explore themselves in the collaboration.”
M. Stability of government regulations	“together with existing people in power, new and emerging leader find an opportunity to align themselves with an agreed upon shared focus and a wide range of people within the community who are committed to reaching positive outcomes.”

2. Behavioural Transparency

CREST hold more than 40 principal collaborators and few hundreds at projects level. Due to that, a constant apprehension from the behavioural transparency and its role during the decision making, the suspicious behavioural of their implementers, and possible suspicious stakeholders. Despite the followed procedures to enhance this transparency against the opportunistic behaviour of the collaborators, one participant noted that “*we face many difficulties regarding the behaviours, especially the opportunistic behaviour and yes, it is threatening the whole project existence*” (1CA). While the interview did not report any clear example of an existing or previous case of any suspicious behaviour, the participants, however, shows kind of willing to accept such behaviours through considering it as normal must-happening behaviour. Where the rest of the participants stressed the need to avoid such behaviours and “*It is important for the members to see collaboration as in their self-interest and cost benefits of participation*” (2CA).

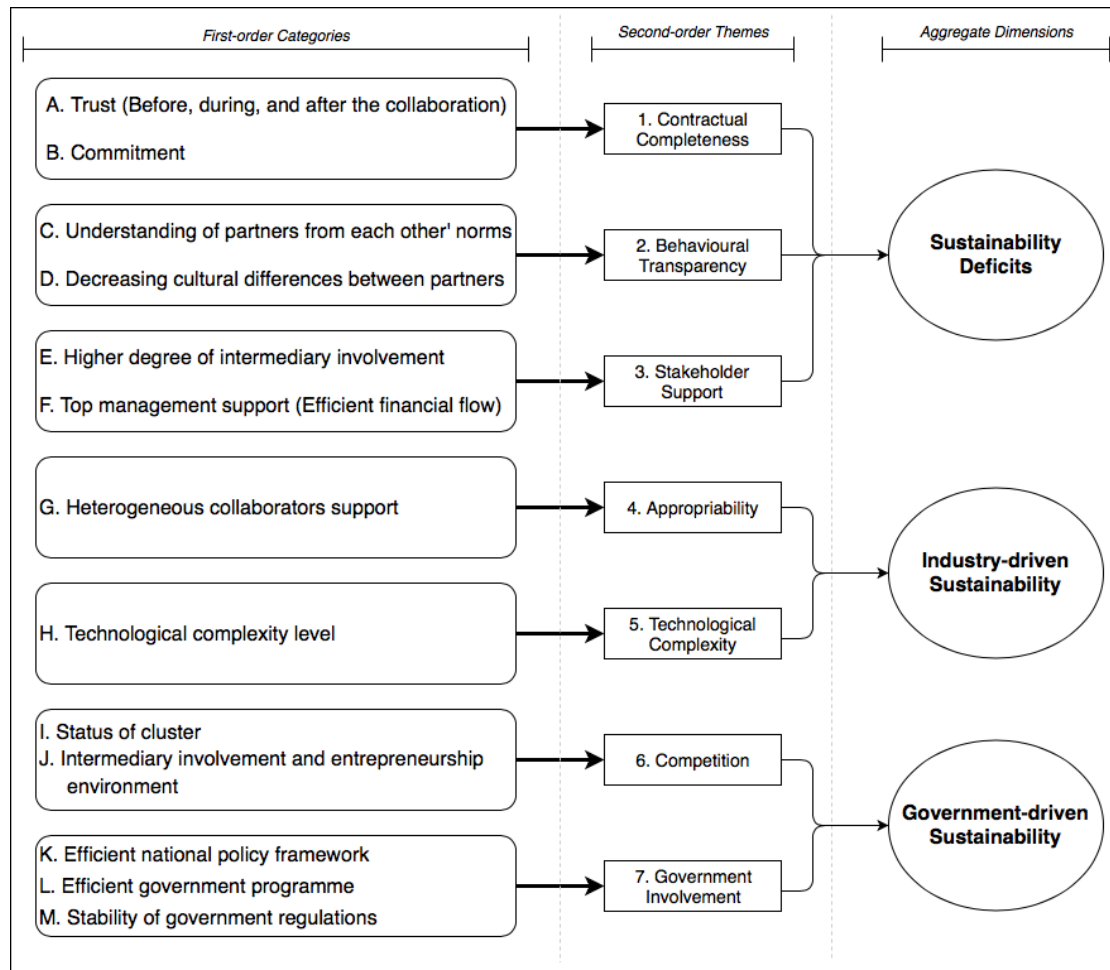


Figure 2: Data Structure

There is a consensus among the participant's answers and the reviewed literature about the crucial of a clear relationship to collaboration success. As concluded by Sinnewe, Charles, & Keast (2016), the weak partnership is often at the core of venture difficulties. The existing literature discussion was more detailed such as To (2016) who observed that such untrustworthy behaviour might cause avoiding a potential interacting or be requiring of costly assurances. The study of Hill, Kothari, & Shea (2010) highlight the detrimental effect on the reputation as a consequence of an opportunistic behaviour could be enough deterrent to prevent such behavior, considering the difficulty of detecting the opportunism behaviours immature consortium (Hill et al., 2010).

3. Stakeholder Support

Changing the thinking-way and the inspiring efforts of the stakeholders should not be limited to the consortium, but it should include the necessary changes within their organisation. That was the general content of the participants' responses regarding the stakeholder support. This understanding came an analysis of one participants' response informing that *"the stakeholders' role was changeable and unstable, wherein they want us to maximise the experience in general without a direct influence at first, but I cannot deny their support"* (1CA). 2CA is adding *"All of the stakeholders have compatible missions and values. The supporting techniques used were useful as members share a stake in both process and outcome. All of the stakeholders have ownership in both the way the group works and the results or product of its work"*, and the supported by 3CA who emphasise this opinion were *"supporting techniques used... yes,*

beneficial". However, one participants' response was quite conscious and far-sighted and deepened in stakeholder support to show some concern since *"It is woeful to set continuous support from the stakeholders to sustain the project"* (4CA). This perspective is the core of the sustainability effort as it aims to avert any potential threat might destabilising the collaboration once any of the stakeholder absent. Another striking aspect was noted in a brief answer about whether the stakeholders show any supporting to the project that has already been involved, the answer was *"Not really"* (6CA), without adding any further details. This particular case was highlighted as a particular case, where it might be related to personal experience or specific project failure.

The responses corresponded with the past literature, where studies such as Brink et al. (2016) who concluded that stakeholders support is critically essential for context-specific solutions that can enhance sustainability, down to the extent of pre-identifying of stakeholders who can maximise the collaboration outcomes (Butterfield et al., 2004; JESCHKE et al., 2014; Kull et al., 2011; Novoa et al., 2018; Smedlund, 2008).

Industry-Driven Sustainability

4. Appropriability

The participants' show some uncertainty in their responses. The participants' noted that *"it helps more in term of promoting us as a destination to innovate"* (1CA), and indirectly supporting this opinion noting *"collaborative group members often interact, updates each other regularly, shared information freely and promptly, and openly discusses the issue with each other"* (2CA). These responses came inline with the literature arguing that appropriability mechanisms within strong appropriability regimes could be useful for heterogeneous collaborators to increase the willingness to collaborate for innovation (Hagedoorn & Zobel, 2015; Pisano & Teece, 2007). Moreover, the rest of the responses reported in a succinct answer statement that reducing some of the firm's intellectual property rights may facilitate the cooperative collaboration (Chesbrough, 2010; von Hippel & von Krogh, 2006).

5. Technological Complexity

Once again, evidence of uncertainty appears during analysing this section, where the answers were no accurate in illustrating the effect of technological complexity on sustaining the consortium activity. The main reason was informed by the CREST officer saying that *"In our case yes it did for our case as we deal with E&E, but maybe it might be a different case for others, so I would say it depends, case by case"* (1CA), as the rest of the responses denied this point. The initial justification was due to the specialisation of the CREST in high technological complexity' products already which caused some difficulties for the participants to differentiate and compare with lesser technologically complex' consortium. This justification cannot be fully accepted until reaching the categorical saturation, noting the fact of most consortia usually deals with a similar level of technologically complex' products.

Government-Driven Sustainability

6. Competition

The participant's responses emphasise the argument in the reviewed literature where the competition was one of the motives to involve in collaborative research activities (Ugur, Trushin, & Solomon, 2016). Hence participant elaborate saying *"that it helps up to the level that we became a threat to the internal and external markets"* (1CA), and another participant spoke about the beneficial outcomes against the competition saying that it *"increase sales/revenue, good perception, increase the image, increase productivity"* (3CA).

This awareness about the impact of competition, about being a motive to sustain the consortium, where *"It should help in the long run/future"* (6CA), was met with some cautious

responses. This cautiousness was about *“few difficulties in accessing the collaborator’s resources especially from the government”* (4CA), and cautiousness/suspicion in the intentions of industries since *“the industry may not consider the said issues”* (5CA). These responses were striking as it might be as an attempt to refer to a lack of seriousness from the consortium’ participants or being as a side activity under *“improving companies public image in the society”*. This point was highlighted to be clarified in further interviews under both the competition and the behavioural sections.

The literature on the effect of competition on R&D, agree with the view that market concentration and R&D intensity are both endogenous to each other and are jointly determined in a market equilibrium system (Aghion, Blundell, Griffith, Howitt, & Prantl, 2009; Marín & Siotis, 2008; Nickel & Eikenberry, 2010). However, the empirical literature shows that the effects of competition on R&D may vary depending on the firm characteristics such as the type of innovations, product or process, the type of industries or countries chosen and the period of analysis (Gilbert, 2006), which might justify some of the previous mentioned cautious responses.

7. Government Involvement

The respondent responses were demonstrating the importance of the government involvement saying, *“for sure, the government play a good role for us in general”* (1CA) and repeating that *“it is highly recommended for the involvement of government to sustain consortia activities”* (2CA). Some responses include the consideration of the government abilities noting that *“effective collaborations have the potential of fostering new and emerging leaders. Together with existing people in power, new and emerging leader find an opportunity to align themselves with an agreed upon shared focus and a wide range of people within the community who are committed to reaching positive outcomes”* (2CA). The role of the government which been mentioned by 2CA is already implemented, as it appears in the Malaysia Education Blueprint 2015-2025 (MOHE, 2017), under the government accumulated support of enhancing graduate employability.

Moreover, the financial role of the government did not appear in the responses as expected and as what the past literature reported. However, participant 6CA highlighted the financial role saying *“it will help the young generation these days if they were being given a chance to explore themselves in the collaboration”* which meant to be as kind of small personal loans to run small businesses ideas inspired supported from the collaboration outcomes. The fact that the governmental financial funding and support highlighted under the efficient financial flow as part of the stakeholder support which represents the uniqueness of this study. In other words, the participants in this study were able to differentiate and separate the various roles played by the government from the financial role to policies, programmes, and regulations.

Discussion

Our objective in this study was to understand how the sustainable factors influence the sustainability of R&D consortium in Malaysia. For the first question of how the consortium sustains and the second question of the played role of sustainability factors in consortium evolution, we find the sincere attention toward maintaining the consortium activities among the participants contrarying the philosophical argument among the scholars about the feasibility of consortium continuity or limiting its presence to 3-5 years in term of duration. Moreover, due to the participant’s diversity (government, industry and academia), the opinions received were highly moderate and agreed on the crucial of stakeholder’s support to sustain the consortium. A documented sustainable framework can create some new working strategy close the current gap between the theory and the practice. With stakeholder support, the established working approach can last longer. For the last question of "How can sustainability pattern be

legitimised within the collaboration theory?", our analysis shows that feature adoption framework is needed.

Theoretical & Practical Implications

This study first questions the validity of collaboration theory on a new era of collaboration. Our finding revealed that sustainability is one of the shortcomings of the collaboration theory. Moreover, sustaining the KTP, which is emergent from the consortium's daily activities, is an operational sustainability channel, which is different from deliberate sustainable efforts and seems to be invisible for the most stakeholder.

The present findings also extend the scope of collaboration theory literature into sustainability. As discussed in theory context, literature reviews have indicated that there were no studies after Woodland & Hutton (2012) attempting to evolve the Wood & Gray (1991) fundamental collaboration theory. In this context, our study tackles the consortium 'generally' and the Malaysian consortium 'particularly' empirically and qualitatively, different from the existing literature which only studied the consortium theoretically. This research also enriches the heterogeneous collaborators' behaviour' research. Inquiring such behaviour helps to understand academia' behaviour within competition context and competitors becoming stakeholders and partners.

As for implication, the CREST management should start transforming their organisations' role from collaboration possibilities' creator to an innovator by itself, which will drag the attention of industry/academia to collaborate. The current strategy which poses the industry as innovative' ideas demander and academia as a research supplier is subtle, invisible way and hold high-risk level. The possibilities of such risk could illustrate in the industry acquisition of academic research capabilities.

Conclusion

Apart from consortium' sustainability, the seven studied factors influence the daily consortium activities. Based on the solid foundation of supportive stakeholders, the Malaysian consortium can push toward an evolutionary future of collaborative' economy in the country. Moreover, a range of purposive actions needs to be taken to increase the academic involvement and redefine the role of universities under the current circumstances down to activate complex mechanisms of collaboration instead of the present simple tools, which are limited to consultation and conferences. Training and educating new and existing participants of different roles in the consortium is crucial to last long this configuration under a supportive system. As this study has focused on the operational sustainability of the R&D consortium, future research could examine different aspects which need further investigation such as consortium leadership, innovation management, collaboration tools selection, planning and strategy development, and consortium business value.

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Exposing the Collaboration between Malaysian Media and Environmental Non-Governmental Organisations (ENGOS) in Environmental Communication

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Abstract

Purpose: The purpose of this study is to discuss about the collaboration that exist between the Malaysian media and environmental non-governmental organisations (ENGOS) in environmental communication.

Design/methodology/approach: For the purpose of this study, 24 interviewees from two media organisations (*Utusan Malaysia* and *The Star*) and two ENGOS organisations (World Wide Fund for Nature (WWF) and Malaysia Nature Society (MNS)) were interviewed.

Findings: The result of this study discovered that the current level of collaboration between the Malaysian media and ENGOS in environmental communication is still at the medium (coordination) level. This is because both of them have different aspirations, particularly the ENGOS, which are non-profit organisations, while the media need to gain a profit. Majority of the Malaysian media and ENGOS interviewees confirmed that collaboration between them is easy due to the positive attitudes of both social actors. The collaboration between the media and ENGOS in environmental communication is good and it indicates a symbiotic relationship between these two, as the ENGOS need the media as the channel for delivering environmental information to the public, whereas the media need the ENGOS as the sources for environmental information.

Research limitations/implications: This study focuses on the collaboration between two stakeholders only namely as the media and ENGOS. It would be interesting for the future research to study on the collaboration level and status between other stakeholders like scientist and government and compare with our findings.

Practical implications: From the practical standpoint, this study have provides a practical guide for the development of environmental communication by the media and the ENGOS in Malaysia especially on the understanding of the pivotal of collaboration between each other in communicating the environmental issues to the public.

Originality/value: Until this day, there are relatively limited and insufficient published research into collaboration between the media and ENGOS in environmental communication is available especially in the context of Malaysia and Asian countries. Thus, this study have offered new theoretical and practical insights into the study of environmental communication in Malaysia.

Keywords: Malaysia, Media, Engos, Environmental Communication, Collaboration

Introduction

Generally, the media needs the ENGOS as their news source and the ENGOS need the media as a channel for communicating about the environment and therefore it is safe to say that ENGOS and the media have a symbiotic relationship. This has been proven by past researchers like Xie (2011) who discovered that the ENGOS and the media worked closely together, where the media always assisted the ENGOS to broadcast their ideas, articles and reports to the public. However, the collaboration between the media and ENGOS is not always in a good condition and can be somewhat fragile. Krøvel (2012), for example, found that that Norwegian ENGOS struggled in their relationship with the media in order to promote their stories and organisation. Thus, it is critical for the ENGOS to maintain their collaboration with the media, as they need to properly understand the news making process and the journalists' needs (Waisbord, 2011). In fact, sometimes, the media can often become frustrated with the ENGOS if they do not fulfil their requirements and this may end with the relationship turning sour.

To prevent such a failure, this research will therefore be conducted with the aim of to understand both Malaysian media and ENGOS' views on the collaboration between them in environmental communication and strengthening the existing deficiency in mutual understanding and to achieve a better direction for environmental communication especially between the Malaysian media and ENGOS in the near future.

On the other hand, at present, relatively limited and insufficient published research into collaboration between the media and ENGOS is available especially in the context of Malaysia and Asian countries. Most of the previous studies focus on Western countries and these studies have generally examined the collaboration between the media or ENGOS with other stakeholders like scientist and government. It is legitimate to conclude that this area is still underexplored, it is therefore, we believe it is valuable to conduct this research, not only to contribute to the body of knowledge and fill the gaps in the literature, but also to compare our findings with previous significant research carried out locally and elsewhere, in order to identify the right way to improve environmental communication among the media and ENGOS in Malaysia. Next, the level of collaboration between the media and ENGOS will be explained.

The Level of Collaboration between the Media and ENGOS

Loosely speaking, the term "collaboration" has been widely defined by several academic studies and disciplines. D'Amour et al. (2008) and Frey et al. (2006), for instance, have defined "collaboration" as two or more entities working together and sharing the same goals. In describing the levels of collaboration, Horwath and Morrison (2007) have proposed five different levels of collaboration: (1) communication, (2) cooperation, (3) coordination, (4) coalition and (5) integration (p.56). Although this level of collaboration framework was originally developed for the study of the Western child welfare services system, it is still appropriate to be applied for this study, especially for explaining collaboration between the media and ENGOS in environmental communication. This collaboration framework is shown in Figure 1 below.

As illustrated in the formal framework of collaboration, the process of collaboration begins with communication activities as the lowest level (Figure 1). Horwath and Morrison (2007) define communication as a process of "two or more individuals from different disciplines talking and discussing together" (p. 56). It is worth remembering that an organisation is designed to conduct communication, whether internal or external (Leonard, Van Scotter & Pakdil, 2009). Communication is also known as a basic process of interaction between two or more groups of people (Park & Song 2005). Through myriad forms of communication like conversation, manuscripts and others (Cooren et al., 2011), together with varied methods of communication, particularly email, telephone and face-to-face (Dreiling et al., 2008), individuals or groups can start and develop a strong relationship with each other.

The second level of collaboration is cooperation, which is defined as “low key joint working on a case-by-case basis” (Horwath & Morrison 2007, p. 56). In this level of cooperation, an organisation is mostly focused on sharing information and expertise. Previous scholar like Kabdiyeva (2013) also agree that real cooperation involves sharing skills, resources and expertise, and sharing risks.

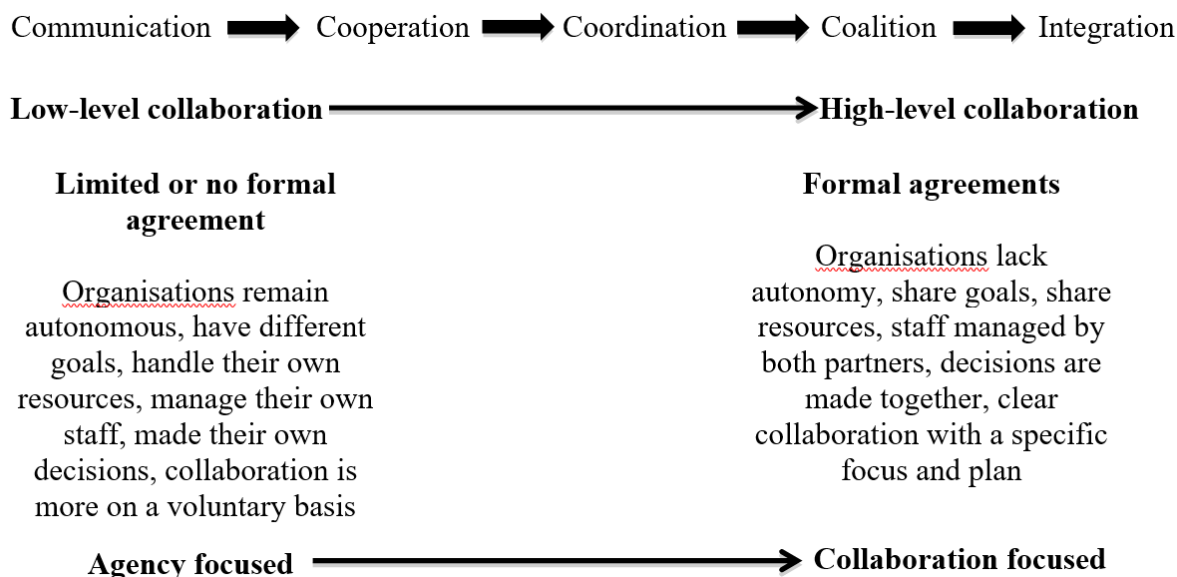


Figure 1: Characteristics of collaborative endeavours (adapted from Horwath and Morrison (2007, p.57))

The third level of collaboration is coordination, which is determined as “more formalised joint working, but no sanctions for non-compliance” (Horwath & Morrison, 2007, p. 56). At one level, coordinated collaboration indicates the interdependence and connection between two organisations, where these organisations actively pursue a common goal and adjust themselves for working together. In addition, it is important to understand that although the two organisations are coordinated with each other, they still have the power to control their own operations.

The fourth level of collaboration is a coalition, sometimes known as a temporary alliance, which means “a joint structure in sacrificing some autonomy” (Horwath & Morrison 2007, p. 56). The word “coalition” emerged from two Latin words: “*coalescere*”, which signifies togetherness in growth, and “*coulitio*”, which indicates the act of unification (Butterfoss, Goodmanl & Wandersman, 1993, p. 316). A coalition is the union of people or groups that can only happen when these people or groups have shared goals and are banded together (Kaplan, 1986).

The final and the highest level of collaboration is the integration, which can only occur if two organisations “merge to create a new joint identity” (Horwath & Morrison, 2007, p. 56). Integration can occur only when two organisations and their administrative structures merge together and become less autonomous. In short, integrative collaboration makes two different systems of organisations a unified whole. Through integration, organisations must be able and willing to allocate their resources to each other (Schiller & Almog-Bar, 2013).

Throughout these five levels of collaboration, an organisation or agency, like the media and the ENGOS, has more autonomy at the lowest levels of collaboration. By contrast, through coalition and integration, both agencies are less autonomous in many aspects, including

decision-making, staff management and strategic plans. Within the context of this study, considering the importance of collaboration between both social actors, it is therefore interesting to investigate the level of collaboration that occurs between the media and ENGOS in environmental communication. The methodology of this study will be displayed in the next section.

Method

The goal of this study is to analyse the level of collaboration between the Malaysian media and ENGOS in environmental communication. To achieve this goal, a total of 24 interviewees from two selected mainstream Malaysian media organisations, namely as *The Star* and *Utusan Malaysia* and two Malaysian ENGOS organisations, namely as World Wide Fund for Nature (WWF) and the Malaysian Nature Society (MNS) were interviewed. The reason for choosing the media interviewees from *The Star* and *Utusan Malaysia* was because of these two newspapers have high daily publication circulation in Malaysia. *The Star* has a circulation of 288,916 copies while *Utusan Malaysia* has a circulation of 178,211 copies per day (July to December 2012) (Audit Bureau of Circulation Malaysia 2012). In addition, the ENGOS interviewees were selected from WWF and MNS are due to the fact that both ENGOS organisations have been recognised as among most active ENGOS organisations in Malaysia in three main areas namely as research, education and conservation efforts (Rusli and Sheikh 2005). The number of interviewees were determined by using the data saturation technique.

For the in-depth interviews, the sample was first selected using purposive sampling, which only the media and ENGOS interviewees that have the experience in dealing with environmental communication such in writing environmental articles were selected for this study. The criteria for the interviewees was refined after the pilot interview which was conducted with two media and two ENGOS interviewees where it was found that is necessary to only interview the media and ENGOS interviewees that have had at least a year of working experience as they are more informative regarding environmental topics compared to the new staff. It is worth noting that besides purposive sampling, snowballing sampling method was also adopted where some of the potential ENGOS members', journalists' and editors' contact details were retrieved from their colleagues. This is because in Malaysia, it is difficult to reach experienced journalists that specifically focus on the environment, as there is no specific environmental desk in the Malaysian media and most journalists are required to do all types of news coverage (Nik Norma, 2007).

For the interview data analysis, qualitative data management software namely the MAXQDA software was used in this study to analyze all the transcripts. All of the interview data were then analyzed and organized using Braun and Clarke's (2006) thematic analysis to find a theme and sub-theme related to the collaboration between the Malaysian media and ENGOS in environmental communication. Next, the demographic profile of interviewees will be displayed.

Findings

In terms of the demographic profile of the interviewees, the finding of this study discovered that there are almost equal numbers of interviewees from both the media and ENGOS, including 11 (46%) interviewees from two ENGOS organisations (WWF and MNS) and 13 (54%) interviewees from two media organisations (*The Star* and *Utusan Malaysia*) involved in this study. In terms of language used in interview, majority of interviewees (N=14) (58.33%) preferred to use English, the second language of Malaysia; the other 10 (41.67%) interviewees preferred Malay, the national language. The interviewees' language preference was made by them in accordance with the language that they are comfortable with as some of them, like those from *The Star* and WWF preferred to be interviewed in English as their organisations'

medium of communication are in English while those from *Utusan Malaysia* are more comfortable using Malay language as they are working with a Malay medium newspaper. In fact, most of the interviewees in this study graduated from foreign universities in Australia, the US and the UK, which made them more comfortable in using English than Malay. Besides that, some of interviewees also used code switching of English and Malay during the interview session, which quite common among English or Malay speakers in Malaysia.

Furthermore, a majority of interviewees in this study are female (N=17) (70.83%) and majority of them only have 1-5 years of working experiences (N=14) (58.33%). This could due the fact there are smaller numbers of journalists and ENGOS staffs that have acquired more work experiences as majority of them are not editors or ENGOS managers. Out of 24 interviewees of this study, 23 (95.8%) of them have acquired at least a bachelor degree and only 1 (4.2%) from *Utusan Malaysia* only have high school certificate. Interestingly, two (8.3%) of the interviewees including one from ENGOS and one from media have a master's degree. This indicates that the media and ENGOS staff in Malaysia belongs to the professional and elite group that acquired higher education. Conversely, it is worth to note that most of media interviewees came from communication and journalism background, while those from ENGOS graduated from various of backgrounds including science, environment, sustainability and other fields such as business and education. It is crucial to note that the profile of the interviewees have no relation to the interview result but only serves as an overview to get to know the background of interviewees involved in this study. Next, the result of interview will be presented.

Table 1: Profile of interviewees

Criteria	The Star	Utusan Malaysia	WWF	MNS	Total
Number of interviewees	6 (25.00%)	7 (29.17%)	6 (25.00%)	5 (20.83%)	24 (100%)
Language used in the interview					
Malay	0 (0.00%)	7 (29.17%)	0 (0.00%)	3 (12.50%)	10 (41.67%)
English	6 (25.00%)	0 (0.00%)	6 (25.00%)	2 (8.33%)	14 (58.33%)
Gender					
Male	2 (8.33%)	4 (16.67%)	0 (0.00%)	1 (4.17%)	7 (29.17%)
Female	4 (16.67%)	3 (12.50%)	6 (25.00%)	4 (16.67%)	17 (70.83%)
Education level					
High school	0 (0.00%)	1 (4.17%)	0 (0.00%)	0 (0.00%)	1 (4.17%)
Bachelor degree	6 (25.00%)	6 (25.00%)	5 (20.83%)	4 (16.67%)	21 (87.50%)
Master degree	0 (0.00%)	0 (0.00%)	1 (4.17%)	1 (4.17%)	2 (8.33%)
Background of study					
Communication and journalism	4 (16.67%)	3 (12.50%)	1 (4.17%)	0 (0.00%)	8 (33.33%)
Environment	0 (0.00%)	3 (12.50%)	0 (0.00%)	2 (8.33%)	5 (20.83%)
Sustainability	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (4.17%)	1 (4.17%)
Science	1 (4.17%)	0 (0.00%)	0 (0.00%)	1 (4.17%)	2 (8.33%)
Electronic	1 (4.17%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (4.17%)
Art	0 (0.00%)	1 (4.17%)	0 (0.00%)	0 (0.00%)	1 (4.17%)
Education	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	1 (4.17%)
Graphic design	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	1 (4.17%)
History	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	1 (4.17%)
Psychology	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	1 (4.17%)
English literature	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	1 (4.17%)
Business administration	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (4.17%)	1 (4.17%)

Work experience	4 (16.67%)	2 (8.33%)	3 (12.50%)	5 (20.83%)	14 (58.33%)
1-5 years	1 (4.17%)	0 (0.00%)	3 (12.50%)	0 (0.00%)	4 (16.67%)
6-10 years	0 (0.00%)	3 (12.50%)	0 (0.00%)	0 (0.00%)	3 (12.50%)
11-15 years	1 (4.17%)	2 (8.33%)	0 (0.00%)	0 (0.00%)	3 (12.50%)
16 years and above					
Position in organisation					
Journalist	4 (16.67%)	2 (8.33%)	0 (0.00%)	0 (0.00%)	6 (25.00%)
Former journalist	1 (4.17%)	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (4.17%)
(Chief) editor	1 (4.17%)	2 (8.33%)	0 (0.00%)	0 (0.00%)	3 (12.50%)
Assistant editor	0 (0.00%)	2 (8.33%)	0 (0.00%)	0 (0.00%)	2 (8.33%)
Former editor	0 (0.00%)	1 (4.17%)	0 (0.00%)	0 (0.00%)	1 (4.17%)
Manager	0 (0.00%)	0 (0.00%)	3 (12.50%)	1 (4.17%)	4 (16.67%)
Communication officer	0 (0.00%)	0 (0.00%)	2 (8.33%)	0 (0.00%)	2 (8.33%)
Former communication officer					1 (4.17%)
E-media officer	0 (0.00%)	0 (0.00%)	1 (4.17%)	0 (0.00%)	
Programme officer	0 (0.00%)	0 (0.00%)	0 (0.00%)	1 (4.17%)	1 (4.17%)
	0 (0.00%)	0 (0.00%)	0 (0.00%)	3 (12.50%)	3 (12.50%)

The main themes for the level of collaboration between both ENGOs and media are aligned with Horwath and Morrison's (2007) level of collaboration framework, which include: (a) communication, (b) cooperation, (c) coordination, and (d) coalition and integration. We also discovered three new themes from the interview namely as: (e) easy collaboration, (f) hard and challenging collaboration, and (g) symbiotic relationship between media and ENGOs, as explained below.

(a) Communication

Communication is the lowest level of collaboration, where two or more individuals from different organisations talk, interact and discuss with each other. Six out of 13 media interviewees and 4 out of 11 ENGO interviewees explained that they have communicated with each other. In other words, the ENGOs and media have at least demonstrated the lowest level of collaboration. Furthermore, based on the interview, 4 out of 11 media interviewees and 1 out of 11 ENGO interviewees revealed that communication between the media and the ENGOs is mostly seasonal. For the media, they only communicate and interact with the ENGOs when there is an environmental issue that requires them to talk to the ENGOs, as pointed out by one of media interviewees:

“...No, I would say, every time when issue surfaced; for example, that week you have two environmental issues, then that's the amount of calls we [are] going to give to the ENGO... If, like, say, there are no calls, there are no environmental issues throughout the month, then we might not communicate with them at all...”
(ID EJ1).

In relation to the media, the ENGO interviewees, particularly EN2 from WWF described their communication with the media as seasonal, which signifies a short-term relationship. This is because, the ENGOs only communicate and interact with the media when they are organising some environmental events which need media coverage or when the media contacted them to get their insights or comments on certain environmental issues:

“...We do not have a long-term relationship with the media... It is always every time we have something to run, and then only we would actually contact them [the

media]... Or if they need us to respond to any of the issues, let us say, for example, someone writes a letter of opinion and I said ‘What do you think about this and this?’ And only then they would contact us...” (ID EN2).

(b) Cooperation

In contrast to communication, a large majority of the media interviewees (10 out of 13) pointed out that they had cooperated with the ENGOs; on the contrary, only 3 out of 11 ENGO interviewees revealed that they had cooperated with the media for environmental communication. Additionally, two media interviewees spoke about sharing expertise as part of their cooperation with the ENGOs. For the media, the practice of sharing expertise mostly happens between the media and an environmental expert from the ENGO shares his/her environmental knowledge and information with the media on certain environmental issues. This is mostly based on the exchange of opinions.

“...Because they [ENGOs] have an expert and do their own research; hence we exchanging our opinions...” (ID EJ10).

In addition, unlike the sharing of expertise, almost half of the media interviewees (6 out of 13) and a few of the ENGO interviewees (3 out of 11) revealed that they shared environmental information with each other as another part of cooperation. For instance, EJ11 from *Utusan Malaysia* stated that most of the ENGOs shared their environmental information through press releases, which is consistent with EN3 from WWF, who revealed the use of press releases and letters to the editor to share information with the media:

“...The way we work is that if we do any press release or any letter to [the] editor anything [like] this, we send it out to all the media...” (ID EN3).

Another interesting finding in this study is that some of the media interviewees (2 out of 13) and almost half of the ENGO interviewees (5 out of 11) said that the cooperation between them is evident through the support given by the media to the environmental events organised by the ENGOs. The ENGOs described this support as taking form of attendance, the appearance of the media at their environmental events (ID EN4, EN10, EN11) and the coverage given by the media to their environmental events (ID EN5). In fact, the Malaysian media is very supportive of their environmental events and are even willing to be their official partners.

“...Cooperate with the media, you know; ask the media to become our official partner...” (ID EN8).

(c) Coordination

The third level of collaboration is coordination. The interview analysis suggests that 4 out of 13 media interviewees and 4 out of 11 ENGO interviewees indicated that they have reached the coordination level. In other words, both the media and ENGOs have coordinated with each other for environmental communication. Coordination is described by some media and ENGO interviewees as working together on certain environmental issues. One interviewee from *The Star* gave the example of how the media had invited the ENGOs for a trip to join and work with them on a story about a zoo:

“...Because often when we hear about a thing, we will say ‘Can you come with us and take us around?’... I did the zoo story recently; I actually called the NGO and said ‘You come with me; we will go together, ‘cause I won’t know what to look for; you will know what to look for’... You do things together...” (ID EJ5).

Additionally, some ENGO interviewees said that the reason for coordination between the ENGOs and media was to pursue a common goal for environmental communication. The first common goal, as pointed out by the two interviewees from WWF, is that both the media and the ENGOs need environmental stories for their newspapers and newsletters, with the aim of raising awareness and changing the readers’ attitude towards the environment. Another

common goal between the ENGOs and the media is to create a better future, putting the emphasis on the importance of sustainability in Malaysian society.

“...We [ENGOs and media] overlap... We want to create public good, so, I mean, like, all our mission is basically... Because we want to build a better future where man exists in harmony with nature... So we want to conserve biodiversity; we want to move towards sustainability... A better future... (ID EN4).

(d) Coalition and integration

In addition, coalition and integration are the highest levels of collaboration. However, the results of the analysis discovered that none of the media and ENGO interviewees spoke about a coalition between the media and ENGOs. Only one ENGO interviewee, EN3 from WWF, clearly stated that there was no integration between media and ENGOs, while some other interviewees (two from the media and two from the ENGOs) revealed that integration rarely occurred between the media and the ENGOs. This is because the media and the ENGOs have different objectives and missions, as stated by one ENGO interviewee:

“...Because, I think, the media houses and ENGOs have different objectives and different missions...” (ID EN4).

In fact, both the media and the ENGOs want to maintain their organisation’s autonomy and avoid being manipulated by others:

“...Like I said before, we [media] still [hesitate] to cooperate with other organisations... I do not want to be manipulated by them...” (ID EJ8).

Next, the second part of the result of this study will clarify the interviewees’ perspectives of the current status of collaboration between the ENGOs and the media in environmental communication. There are three major themes that emerged from the interview, including: (a) easy collaboration, (b) hard and challenging collaboration, and (c) symbiotic relationships, as discussed below.

(e) Easy collaboration

More than half of the media interviewees (7 out of 13) and nearly half of the ENGO interviewees (5 out of 11) explained that collaboration between the Malaysian media and ENGOs is easy to conduct. Based on the interview, eight media interviewees said that the people who work for ENGOs have positive attitudes such as being helpful (ID EJ2, EJ5, EJ8, EJ9, EJ10), very friendly (ID EJ3, EJ5), very active (ID EJ7) and always ready and willing to share their views and give statements to the media (ID EJ1, EJ2, EJ5, EJ7). One media interviewee commented:

“...Like I said before, when we [media] have one particular issue, we will ask them... They are ready in 24 hours; they [are] always ready to give their opinions... Never say no to us; if they think it is under their area and they can give an opinion, they will give the opinion... At least they will say, ‘OK, wait; I will make my preparation, I will study the issue and then I will attach my statement...” (ID EJ7).

In contrast to the media, only one interviewee from WWF explained that the media’s positive attitude made collaboration between these two different organisations easier:

“...They will proactively come to us, and ask us, you know, what they can cover and what is the series that they should develop with us in terms of wildlife...” (ID EN6).

In addition, collaboration between the media and ENGOs is also considerably easy is because the Malaysian ENGOs need the media to be their channel for delivering the environmental information (ID EJ2, EJ12). When the ENGOs need the media, they always take the first step to approach the media (ID EJ7, EJ11), ask the media to promote their events (ID EJ8, EJ9, EJ11) and want the media to cover or highlight their environmental stories (ID EJ4, EJ8) as

frequently as possible. These factors have made the media's job easier, as explained by nine media interviewees. Interestingly, some ENGO interviewees (EN1, EN2, EN4, EN6, EN7, EN10 and EN11) agreed with some of the media interviewees that they need the media as a channel to deliver their environmental information to the stakeholders.

"...Yeah, because obviously [for] your promotion and publicity, you depend on them [media]..." (ID EN5).

(f) Hard and challenging collaboration

Despite the large majority of media and the ENGO interviewees from this study who described the collaboration between them as easy, three ENGO interviewees (two from WWF and one from MNS) noted that their collaboration with the media has been difficult and challenging. However, none of the media interviewees spoke about the difficulties and challenges of collaboration with the ENGOs. Furthermore, one interviewee from MNS stated that one of the reasons for the difficulties and challenges in collaboration is due to the bureaucratic practices of the Malaysian media:

"...For example, I want to invite them for a press conference... Communicating with them is not easy... Because some of them require email, some of them still work with fax and all that... So it is quite annoying, and secondly, if we send to them early they will say, 'Oh you have to send it one day before; only then we can check,' and all that..." (ID EN7).

On the other hand, another two interviewees from WWF noted that collaboration between the ENGOs and media is difficult and challenging because the environment is not the top priority of the Malaysian media, as they are inclined towards other issues like economics, politics and entertainment.

"...Because environmental issues are not top priority... Because no one [is] really bothered, it's not an issue that people can... It's not like politics... Because it is not [a] priority, people are more concerned about economics, about politics, about entertainment..." (ID EN5).

(g) Symbiotic relationships between media and ENGOs

A few of the media and ENGO interviewees (seven from media and four from the ENGOs) stressed that there is a symbiotic relationship between the Malaysian ENGOs and the media. A symbiotic relationship was described by some interviewees as the conditions where both the media and ENGOs need and help each other (ID EJ1, EJ3, EJ4, EJ5, EJ9, EN1, EN5, EN7). Some of the media and the ENGO interviewees (six from the media and five from the ENGOs) from this study highlighted that the symbiotic relationship between them occurred because the media are a crucial channel for ENGOs to spread their environmental information. This is consistent with the earlier discussion on the reasons why the collaboration between both organisations is easy to do. One media interviewee explained on the role of media as a platform for the ENGOs to share their work to the public:

"...Cause they [ENGOs] want a platform to share the work they are doing and the events they are holding..." (ID EJ3).

On the other hand, another reason for the symbiotic relationship between the media and ENGOs is associated with the fact that the media also need the ENGOs to be their sources for environmental communication, particularly for providing environmental information and to be quoted in environmental news. This is also consistent with how most media interviewees indicated that they have a lot of collaboration with the ENGOs compared to other stakeholders; this is because ENGOs are essential sources for environmental information. Six out of 13 media interviewees and 4 out of 11 ENGO interviewees agreed that the media need the ENGOs as

their sources. One ENGO interviewee from WWF explained how the media need them as their sources for their environmental news articles:

“...They sometimes need to do a story; they need our quote, so they will ask me, ‘[EN1], can I get quote from this?’ Then I work on it...” (ID EN1).

Discussion and Conclusion

As a whole, the results from the interview analysis in this study suggest that both the ENGO and media interviewees mentioned and discussed almost all levels of collaboration between them, including the levels of communication, cooperation, coordination, coalition and integration. It is interesting to note that Horwath and Morrison labelled communication as the lowest level of collaboration and integration is the highest. Remarkably, in relation to the level of collaboration, there are differences between the views of the Malaysian ENGOs and those of the media.

Based on the interview, the majority of media interviewees in this study described their collaboration with the ENGOs as mostly at the cooperation level, whereas none of the ENGO interviewees had described any particular level of collaboration. In other words, the Malaysian ENGO interviewees in this study have a variety of views on the level of collaboration between them and the media, as some of them said that it was more on the communication level but some indicated that it was at either the cooperation or coordination level. The only similarity between the opinions of the media and the ENGO interviewees was that none of them spoke about coalition and integration (the highest level), except a few who revealed that integration between the media and the ENGOs is very rare due to the different objectives of both organisations.

As mentioned above, most of the Malaysian media interviewees and some ENGO interviewees viewed the level of collaboration between them to be at the cooperation level, which is the second level of collaboration. In brief, cooperation was defined by Horwath and Morrison (2007) as “low key joint working on a case-by-case basis” (p. 56). Meanwhile, other scholars like Paternotte (2014) explained that cooperation is a collective action such as acting together to build a link between two different agencies. Interestingly, the results of the analysis in this study resemble the claims by Horwath and Morrison’s (2007) that cooperation involves sharing information and expertise between organisations. Here, both the media and ENGO interviewees stated that they regularly shared environmental information with each other. The ENGOs usually share the environmental information regarding their events with the media through press releases or letters to the editor. The media stated that ENGOs will share their opinions on a particular environmental issue, but only if they have knowledge and expertise on it. This is probably because the ENGOs want to maintain their credibility by not talking about any environmental issues that are not related to their area of interest.

However, unlike sharing environmental information, the empirical results revealed that only a small number of interviewees (two media interviewees) spoke about the sharing of expertise as part of the cooperation between the Malaysian media and ENGOs. Sharing expertise was described by one of media interviewee as more the exchanging of opinions and knowledge among experts in the media and the ENGOs on certain environmental issues. Without a doubt, sharing expertise is crucial in environmental communication especially for filling the knowledge gaps among the environmental communicators, as both the media and the ENGOs will be able to obtain more environmental information in areas outside their expertise. Taking this remark into account, it will be vital for both the media and ENGOs to seize any opportunities to share the environmental information and knowledge in the future. According to Ipe (2003), there are two types of opportunities for sharing the knowledge: formal opportunities like through training programmes, and informal opportunities like social networks and personal interactions.

Interestingly, alongside information and expertise sharing being parts of the cooperation between the Malaysian media and ENGOs, this study discovered two more parts of cooperation: sharing sources and support for ENGOs' environmental events, which were not mentioned by Horwath and Morrison (2007). In terms of sharing sources of environmental information, the media interviewees said that the ENGOs have been very helpful in suggesting news sources they could talk to regarding the environmental issues they intend to cover. In fact, the ENGO interviewees from this study also agreed that they have no inhibitions about sharing their sources of environmental information with the media. As the ENGOs help the media to find news sources, the media, on the other hand, cooperate with the ENGOs through their support of the environmental events organised by the ENGOs. The media show their support for the ENGOs by giving them free publicity given for their environmental events, either through coverage in the newspapers or by being the official partner for the events. The media are indeed very powerful, as some environmental issues fail to generate public concerns if this issue was deemed not to be newsworthy by the media (Hannigan, 2006). Hence, it is absolutely vital for the ENGOs to acquire as much support as possible from the media, particularly free publicity for their events.

According to the result of this study, nearly half of the media interviewees as well as some media interviewees indicated that they have reached the first or lowest level of collaboration, which is communication. Hence, it is not surprising that both the media and ENGOs have communicated once at least with each other, as they were working for the same environmental cause. However, it is interesting to note some interviewees labelled their communication as being more seasonal communication than regular or sustained communication. Seasonal communication means they will only contact or communicate with each other for certain purposes for a certain period of time. For instance, some interviewees confirmed that the media would only contact the ENGOs when there were environmental issues that they needed the ENGOs to comment on, while the ENGOs only communicated with the media when they needed publicity for their events. This could perhaps be because environmental issues are still not a priority but are more of a seasonal issue in the Malaysian media. As explained by some media interviewees in this study, until recently, there was no specific desk for environmental content in the Malaysian media. In fact, most Malaysian journalists were required to multitask and hence none of them is trained to cover environmental issues specifically, as they also need to cover other stories like sport, politics and economics (Nik Norma, 2007). As a result, the media only communicate with sources like the ENGOs when an environmental issue surfaces. Similarly, some of the ENGOs' activities or projects, like research projects, did not necessarily need media coverage. Therefore, the ENGOs would only communicate with the media when they needed the publicity. This is consistent with a recent survey conducted by Lo and Peters (2015) which discovered that only 8.2% of Taiwanese and 13.7% German scientists had contacted the media more than ten times in a period of three years. This shows that most of their respondents contacted the media less than ten times in three years. This indicates that this phenomenon does not only occur in Malaysia but also all around the world, calling for the need to solve it in the near future.

Moreover, this study suggests that some media and ENGO interviewees agreed that they are now at the third level of collaboration, which is coordination. Horwath and Morrison (2007) defined coordination as "more formalised joint working, but no sanctions for non-compliance" (p. 56) as these organisations are actively pursuing a common goal and adjust themselves to work together. In line with Horwath and Morrison's definition of coordination, some media and ENGO interviewees from this study explained that the reason why they coordinate with each other is because they are pursuing a common goal, which is to get environmental information published in newspapers and newsletters to create public awareness, as well as reaching the goals of sustainability, environmental protection and a better future. As mentioned

by a prior study (Roper, 2002), one of the critical factors of productive collaboration is that both parties must be clear about the goals of collaboration. Both the media and ENGOS for this study showed that they were clear about the goal of collaboration, which is to maintain sustainability. Hence, they are able to cooperate with each other. In addition, another reason for the coordination between the media and ENGOS in environmental communication is that both of them have been working together to cover the same environmental issues. According to the interviewees, sometimes the media invite the ENGOS to join them on a trip, as the ENGOS are experts in environmental issues; at times, the ENGOS themselves prearrange a trip for the media to give them an opportunity to cover the environmental issues.

Interestingly, the overall findings of this study also showed that the media and ENGOS have not reached the highest level of collaboration, which is coalition and integration. This might be because both organisations have different objectives and missions. The main objective of the media is to gain profit for their businesses, while the ENGOS are more focused on volunteering and non-profit scientific research and activities. It is a quite hard for both organisations to integrate, which means growing together as a union (Butterfoss, Goodman & Wandersman, 1993) and banding together (Kaplan, 1986). It is also impossible for both organisations to integrate with each other and creates new joint identity (Horwath & Morrison, 2007), as both organisations want to operate on their own without being controlled by others. In fact, to ensure the autonomy of their organisation, a media interviewee (the editor for *Utusan Malaysia*) even used the phrase “do not want to be manipulated by them” to explain why they do not want to collaborate with the ENGOS at the integration level.

On the other hand, we also discovered two intriguing perspectives regarding the current status of collaboration between the Malaysian ENGOS and the media in environmental communication: collaboration could be easy or difficult. Most of the media and ENGO interviewees in this study confirmed that collaboration between them is easy due to two main factors: the positive attitudes of the ENGOS and the media, and the ENGOS’ need for the media as a channel of communication. Undoubtedly, positive attitudes, particularly being helpful, active, proactive and friendly, are the factor that made collaboration easier and more effective. The media also labelled ENGOS as proactive in the collaboration, as they always initialised the approach to contact the media to get publicity.

On the contrary, although only a small number of interviewees (three from ENGOS) who spoke about the difficulty of collaboration between the ENGOS and media, it is still important to discuss this aspect, as this kind of information can be a great guide for improving collaboration in future. As described by one ENGO interviewee, it is hard and challenging to collaborate with the media due to their bureaucratic practices like requesting the ENGOS to send them a formal email or fax. This is in contrast to the working style of the ENGOS, which is more flexible and less bureaucratic. Prior scholars like Volti (2012) stated that bureaucracy works for organisations which have regular routines such as the state departments, which handle thousands of licence applications every day, but it is ill-suited for an organisation which deals with unpredictable things, such as scientists doing research who do not know when they will get the results of a test.

In addition, we should also note that the journalists are also flooded with a massive amount of press releases, letters to the editor and phone calls from various parties who seek coverage in the newspaper (Hansen, 1994). Hence, the journalist has sometimes limited time to cooperate with particular people like the ENGOS. Given both sides of the question, the Malaysian media can at least rethink this bureaucratic practice, as they also need to deal with environmental issues, which are usually unpredictable, especially if it is related to disaster issues like tsunamis, floods and landslides. If they still exercise bureaucracy, it will be difficult for the ENGOS to approach and inform them of some new environmental issues that have suddenly surfaced. In

the meantime, the ENGOS also need to understand the nature of media work, which is usually busy with many other things.

Meanwhile, another reason for the difficulty in collaboration between the media and ENGOS is because the environmental issues themselves are not a priority for the Malaysian media. One interviewee from WWF and one from MNS stated that the Malaysian media are not interested in picking up environmental issues compared to other issues like politics, economics and entertainment. This is consistent with the prior discussion on seasonal communication between the media and ENGOS, as environmental issues are not the priority of the Malaysian media. This is absolutely difficult for the ENGOS as they are focused on the environmental issues and they have a lot of environmental information to share with the media; unfortunately, the media have very limited space to cover environmental issues, as there are many spaces that need to be filled by other stories as well. As a result, the ENGOS are struggling to collaborate with the media.

In addition, in relation to the current status of collaboration between the Malaysian ENGOS and the media, we also discovered another interesting theme, which is that of symbiotic relationships. Despite some past researchers like Frangonikolopoulos (2014), based on the Greek perspective, claiming that the relationship between the media and NGOs is more a one-way relationship (meaning that only the ENGOS need the media but the media do not need NGOs to survive), this study found a contradictory reality where both the Malaysian media and the ENGOS revealed that they need each other, which shows that their relationship is not one-way but more a two-way relationship. Some of the media and ENGO interviewees from this study even used phrases like “need each other” and “helping each other” to demonstrate their symbiotic relationship. Hence, it can be concluded that both the Malaysian media and the ENGOS need each other for different purposes. The media needs the ENGOS for news input and sources for environmental news articles; the ENGOS need the media as a channel to reach the stakeholders.

To summarise, it is legitimate to conclude that the collaboration between the Malaysian media and ENGOS has only reached the medium level, which is coordination. Furthermore, unlike the media, ENGO interviewees tended to be split roughly evenly among the three lowest levels (communication, cooperation and coordination). Although both the media and ENGOS only reached the third level of collaboration, the reasons why they did not proceed to the highest level are very understandable and clear, as both the media and the ENGOS have different objectives and want to keep their organisations autonomous. In terms of the status of collaboration, both media and ENGOS agreed that they are easy to cooperate with each other as both parties are very cooperative in environmental communication.

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Conceptual Framework on Factors That Influencing the Intention of Accounting Staff To Use E-Collection System in State-Owned Tertiary Institutions in Nigeria

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Abstract

Purpose: Recently Federal Government of Nigeria adopt the Treasury Single Account (TSA) through full implementation of e-payment and e-collection system, many state governments within the country had started an effort to adopt the system. The purpose of this paper is to investigate the factors that influences the intention to use e-collection system among the accounting staff of state-owned tertiary institutions in Nigeria

Design/methodology/approach: Survey method would be used in this study in which data would be collected through questionnaire from the accounting staff of state-owned tertiary. This is because; these staff are responsible for using and operating the proposed e-collection system in state-owned tertiary institutions.

Findings: It is expected that finding from the study would be beneficial to the policymakers at state government level. Specifically, it would provide a policy guideline on TSA implementation in relation to tertiary institutions and specifically on e-collection component of the TSA.

Originality/value: This study proposes a framework to examine the influencing factors among the accounting staff of state-owned tertiary institutions with regards to their intention to use e-collection system. Technology Acceptance Model (TAM) was adopted with the extension of subjective norm, IT Experience was also incorporated as moderating variables. The extension of the TAM model would contribute to the body of knowledge and confirm the moderating effect of IT experience in the use of e-collection system in Nigerian context.

Keywords: Treasury Single Account, E-collection, Perceived Usefulness, Perceived Ease of Use, Subjective Norm, TAM

Introduction

It is very explicit that Information and Communication Technology (ICT) is the basis for the development of any nation. ICT plays an important role in enhancing the operations and strategy for organizational decision making. Therefore, various government around the globe employ the electronic system in discharging the public services (Kabir et al., 2017). In line with the above development the Federal Government of Nigeria made efforts to change its way of collecting revenue from traditional to a digital system. This was done by adopting the Treasury Single Account (TSA) in the year 2015 through full implementation of e-payments

and e-collections system. Specifically, the Federal Government of Nigeria on 9th February 2015 order all federal government ministries, departments and agencies, as a matter of urgent to close their account with commercial banks and start paying all the collected revenue, incomes, and receipts in to consolidated revenue fund and Treasury Single Account (TSA) as a new electronic revenue collection platform. Consequently, All incomes and receipts due to the federal government or any of its agencies must be paid into TSA or designated accounts maintained and operate by Central Bank of Nigeria (CBN) expect otherwise expressly approved (Kifasi, 2015). The new electronic collection platform is aimed to increase the internally generated revenue in the face of declining world oil prices. The electronic collection platform involves the process where cash is no longer accepted at cash point center of the revenue agencies. In line with the above development, many state governments within the country have started an effort to adopt the TSA in their respective states for examples, in Kaduna State (El-rufai, 2016), in Lagos State (Akinkunmi, 2016), in Plateau State (Lalong, 2016), and Ogun State (Amosun, 2014). All the above-mentioned States had implemented the electronic revenue collection system by their governors and they drive the benefits of implementing it by increasing the internally generated revenue. According to Akande (2015) TSA is a unified structure of government bank accounts enabling consolidation and optimal utilization of government cash resources. It is a set and linked of bank accounts through which the government transacts all its receipts and payments and gets a consolidated view of its cash position at any given time. Furthermore, TSA cannot be fully implemented without strong IT infrastructures such as e-payments and e-collection systems.

Electronic collection (e-collection) system is a computer-based revenue collection system designed to replace traditional collection system and improve the effectiveness and efficiency of revenue collections (Mukherjee, 2017; Esther & Henry, 2017; Wakabala et al., 2017) through the means of new technology, that is electronic collection systems so that all cash leaks and fund shortage within the public sector organizations in Nigeria could be mitigate (Kabir, et al., 2017). E-Collection system was introduced in the year 2015 by the Federal Government of Nigeria to reduce the risk of cash related crimes and help to control revenue related corrupt practices in the country. It was also introduced purposely to monitor and safeguard government cash collection from fraud, theft, and misappropriation by the employees responsible for collecting the revenue. According to Fatokun, (2015) said that new system is a solution for the collection of government revenue, government fees, taxes and customs duties which allows the government agencies to exploit the full capabilities of the technology to transform its services to the public. In addition, report from the office of the accountant general of the federation said that implementation of electronic revenue collection system under treasury single account (TSA) has brought the significant gain to the federal government and Nigerian economy at large.

Thus, e-collection system is at infancy stage in Nigerian context. Therefore, in literature evidence of e-collection system is yet to be documented in relation to tertiary institutions. In view of the above, the researcher reviewed different technology adoption research done within and outside Nigeria to enable him to identify the possible factors that would influence the intention to use the system among the accounting staff of state-owned tertiary institutions. For example, Perceived usefulness was found among the influencing factor as reported by (Chamchalao & Naenna, 2013; Olakitan & Charles, 2014; Chatzoglou, Chatzoudes, & Symeonidis, 2015; Natarajan, Balasubramanian, & Kasilingam, 2017). Likewise, perceived ease of use was found as a strong factor that influences individual's behavioral intention in accepting new technology as described by (Nyaboga, Marwa, & Kabata, 2015; Kalinic & Marinkovic, 2016; LAI, 2016; Chittoo & Dhotah, 2016; Elkaseh, Wong, & Fung, 2016; Hoque, 2016). Another significant factor is subjective norm as demonstrated in the work of (Alqasa, 2014; Dehbini, Birjandi, & Birjandi, 2015; Hasbullah et al., 2016; Lim, Osman, Salahuddin,

Romle, & Abdallah, 2016). Moreover, Ramos-de-luna et al (2016) in their study acceptance of NFC technology as a payment system suggested that future researchers should include the analysis of moderating effects of factors such as age, gender, and experience in similar payment tools. Furthermore, TAM Model was made opened to incorporate any additional predictor variable that can possibly explain the acceptance of new system. Hence, it is assumed that prior IT experience may likely enhance the acceptance of technology. In line with the above, this study would consider IT experience as moderating variable. Therefore, in line with the above and with the support of Technology Acceptance Model Theory this study is aim to investigate the influence of perceived usefulness, perceived ease of use, and subjective norm with moderating effect of IT experience on accounting staff intention to use e-collection system in state-owned tertiary institutions in Nigeria.

Literature Review

Technology Acceptance Model

Previous researchers in the Information System (IS) field have concerned in investigating the models that would explain and predict the user behavior (Venkatesh et al., 2003). several models were developed by the researchers to study user's behavioral intention to accept or use a new technology. The more applied theories include theory of reasoned of action (TRA) developed by (Fishbein & Ajzen, 1975), theory of planned behavior (TPB) developed by (Ajzen, 1985), technology acceptance model (TAM) (Davis, 1989), decomposed theory of planned behavior (DTPB) (Tailor & Todd, 1995), diffusion of innovation (DOI) (Rogers, 1995), unified theory of acceptance and use of technology (UTAUT) (Venkatesh et al., 2003). This study used technology acceptance model as its theoretical base. TAM was found to be the best model because of its wide usage and empirical evidence from various studies of individual's technology acceptance researcher (Chuttur, 2009). TAM was also proved to be a useful theoretical model that assist to explicate and understand the user behavior in IS implementation (Legris, Ingham, & Colletette, 2003). Furthermore, the simplicity of the TAM and the empirical support it has acquired made it widely popular among IT/IS researchers (Nath, Bhal, & Kapoor, 2013). TAM has frequently been used in different area of technology acceptance such as electronic banking and internet banking (Olakitan & Charles, 2014; Kassim & Ramayah, 2015), electronic payment and mobile payment (Ming-Yen Toeh et al., 2013; LAI, 2016; Dastan & Gurler, 2016; Anggar Riskinanto, Bayu Kelana, 2017), electronic commerce (Renny et al., 2013; Juniwati, 2014), electronic government (Chomchalao & Naenna, 2013; Rabaai, 2015), electronic learning (Punnoose, 2012; Elkaseh et al., 2016) and lastly mobile health (Hoque, 2016). In overall, TAM was reported to provide the empirical evidence for explaining 40% accuracy in predicting the behavioral intention of an individual for acceptance and usage of the system (Jen, et al., 2009; Legris, et al., 2003)

Conceptual Framework and Hypothesis Development

Technology acceptance model TAM was originally proposed by Davis (1989) it was a modification of Theory of Reasoned Action (TRA) which modified specifically to explain the usage and acceptance of information technology. TAM comes with two variables to examine the individual's behavioral intention toward the use of new technology. Davis (1989) assert that usage of new system or technology is strongly determined by the user's belief in its perceived usefulness (PU) and perceived ease of use (PEOU). Perceived usefulness is the extent to which a user of information technology system believes that using a new system will improve his or her job performance and effectiveness while Perceived ease of use is the degree to which a person's or users of information system believe that using a new technology system will be effortless, that is simple or easy to handle. Davis (1989) belief that these two variables determined the user's attitude toward the use of technology, which leads to influence the

behavioral intention and actual use. Various researchers have modified and extended the original TAM according to the particular context and certain problem under investigation (Juan-Gabriel Cegarra-Navarro, Alexeis Garcia-perez, & Jose Lius Moreno-Cegarra 2014; Amin, Rezaei, & Abolghasemi, 2014; Chin & Ahmad, 2015; Zoran Kalinic & Veljko Marinkovic 2016). Moreover, Dutot (2015) pointed out that in order to maintain or improve its predictive power, its need additional variables. Thus, since the e-collection system is a new technology in Nigerian context more especially in state-owned tertiary institutions TAM constructs may possibly not be enough to influence the intention of its usage among the accounting staff. Therefore, the present study found that TAM requires an extension to accommodate some constructs according to the need for a certain study. In line with the above the researcher extended the TAM with the subjective norm variable. This is due to the fact that this variable has been applied in technology acceptance researches and found to be the strong factor in influencing user intention to use new system (Dehbini et al 2015). In addition, IT experience variable was also incorporated to test the moderating effect of it in the acceptance of e-collection system in Nigeria context. Hence, the above variables were proposed to be used in this study as discussed hereunder. Figure1 below shows the proposed framework of this study

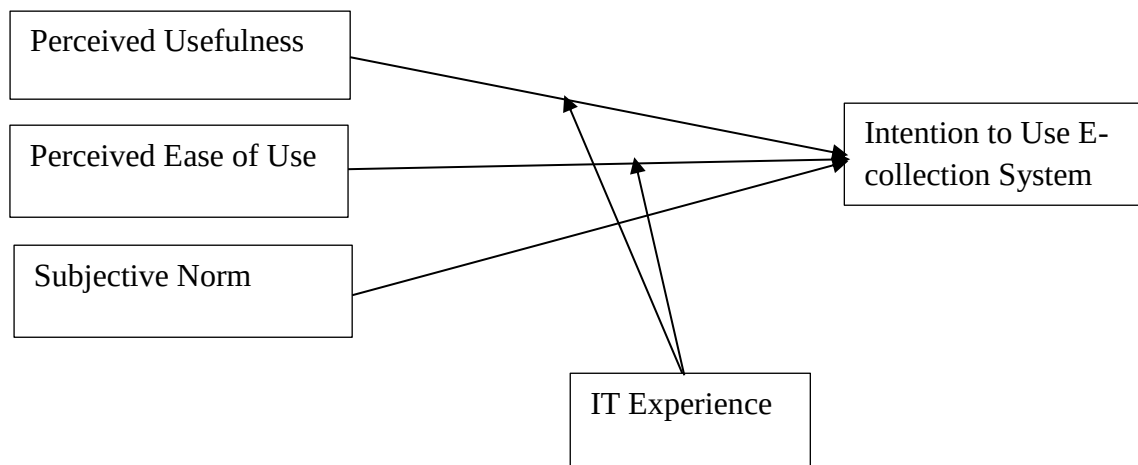


Figure 1: conceptual framework of the study

Perceived Usefulness

Perceived usefulness has been defined as the extent to which an individual or users of information technology system believes that using a new technology system will improve his or her job performance and effectiveness (Davis, 1989). Perceived usefulness has been studied by previous researchers and found it to be a significant factor that influence individuals' behavioral intention towards the acceptance of new technology. Chomchalao & Naenna (2013) studied the acceptance of electronic government among the citizens and found perceived usefulness as the most important factor in predicting the intention to use the system. Similarly, perceived usefulness was also found as a significant factor that influences individual behavioral intention to use new technology. This was obtained in the study of (Olakitan & Charles, 2014) assessing the customer intention to use internet banking in Nigeria. Moreover, in measuring the acceptance and use of electronic government services Chatzoglou et al (2015) proved that there is positive and strong relationship between perceived usefulness and behavioral intention in enhancing the use of e-government services. Likewise, Nwatu and Ezech, (2017) agreed to the fact that perceived usefulness had the positive and significant impact of POS adoption. Hence, based on the above presumption perceived usefulness could be a proper and important factor in the Nigerian context, most especially in state-owned tertiary institutions level to

examine its significant and positive influence on intention to use electronic collection system among the accounting staff. The following hypothesis is formulated:

H1: Perceived usefulness positively influences intention to use electronic revenue collection system among the accounting staff of state-owned tertiary institutions in Nigeria

Perceived Ease of Use

According to Davis (1989) Perceived ease of use is the degree to which a person's or users of information system believe that using a new technology system will be effortless, meaning that the system is simple or easy handle. Various researchers had paid attention to perceived ease of use been found as a significant variable in accepting the new technology among the individual user's. In a study determinant of user's intention to use mobile commerce by Kalinic and Marinovic (2016) proved that perceived ease of use has positive and direct effect on users' behavioral intention to use mobile commerce. In the same vein, Nyaboga et al (2015) provided the relevance of perceived ease of use in a study motivational factors and use of mobile services. More so, LAI (2016) in his study measuring the individuals' intention to use single platform e-payment, the result affirmed that perceived ease of use has a positive influenced on user intention to utilize a single platform payment system. In accepting the electronic tax filling among the citizen of Mauritius Chitto & Dhotah (2016) demonstrated that perceived ease of use has a significant influence on intention to use electronic tax filing. Evidence from recent studied showed a significant influence of perceived ease of use on intention to use e-collection system among staff of federal government hospitals in Nigeria (Kabir et al., 2017). In view of the above assumption, perceived ease of use may possibly be a significant factor that influences the intention to use electronic collection system among the accounting staff of the state-owned tertiary institutions. The following hypothesis was postulated:

H2: Perceived ease of use positively influences intention to use electronic collection system among the accounting staff of state-owned tertiary institutions in Nigeria.

Subjective Norm

Subjective norm referred to an individual perception opinion of others on whether persons should perform or not perform the behaviour in question. According to Fishbein and Ajzen, (1975) Subjective norm refers to the perception of individual that people around him/her or that are important to him/her think that he/she should perform or not perform a certain behaviour. Prior researchers revealed subjective norm as important variable that influence behavioral intention of individual in accepting new technology. For instance, in using banking services among the student study of Alqasa (2014) provided the empirical evidence of positive and significant relationship between student subjective norm and their intention to use banking services. Similarly, on accepting the electronic payment cards Dehbini et al (2015) revealed subjective norm as a significant factor on the acceptance of electronic payment cards among the user's. In addition, subjective norm was also found as a significant factor that influences youth intention to participate in online purchase (Hasbullah et al., 2016). In the same vein, Lim et al (2016) found the positive and significant influence of subjective norm on the intention to purchase online among Malaysian. Therefore, in line with the above presumption, the subjective norm may possibly be a significant factor that influences intention to use electronic collection system in state-owned tertiary institutions in Nigeria. The following hypothesis formulated:

H3: Subjective norm significantly influences intention to use electronic collection system among the accounting staff of state-owned tertiary institutions in Nigeria.

IT Experience

Experience refers to the knowledge acquired by a person for using a certain system or technology. This means that when a technology is used in longer period, users will obtain more experience thereby giving them the ability to use it efficiently when compared to the unexperienced users. Experience has been considered as an important factor in classifying individual differences and has been a major factor that influences the individual's attitude in adapting a certain technology (Natarajan et al., 2017). Moreover, prior studies have used experience as a moderating variable to study the individual behavioral intention in the acceptance of new technology (Venkatesh & Davis, 2000; Venkatesh et al., 2003; Liébana-Cabanillas et al., 2014, 2016; Natarajan et al., 2017). In their study Venkatesh and Davis (2000) incorporated experience as a moderating variable to test the original model, but the result revealed the negative effect of experience on the relationship between perceived usefulness and behavioral intention. Liébana-Cabanillas et al. (2014) in their study adoption of mobile payment tools. The researchers used experience as a moderating variable and revealed that user experience increases the intention to adopt mobile payment tools. Lin (2011) conducted a study on continuance intention to use e-learning and used experience as a moderator. Their finding revealed that users with previous experience are more intent to adopt and use e-learning. Similarly, Al-alak and Alnawas (2011) reported that experience plays a significant role in explaining the adoption of electronic learning. Campo and Breugelmans (2015) demonstrated that users with previous experience in online purchasing are more likely to buy goods online compared to their counterpart. In view of the above presumption this study would consider IT Experience to moderate the influence of PU, PEOU on intention to use e-collection system among the accounting staff of state-owned tertiary institutions. The following hypothesis is hereby formulated:

H4: Influence of perceived usefulness, perceived ease of use on intention to use e-collection system is moderated by IT experience

Method

Because of the nature of the respondents' survey method would be used in this study, data would be collected through questionnaire from the accounting staff of state-owned tertiary. This is because; these particular staff are responsible for using and operating the proposed e-collection system in state-owned tertiary institutions. Moreover, since the target respondents are specific (accounting staff) purposive sampling technique would be considered appropriate for this study. Purposive sampling is a non-probability sampling technique in which the required information would be collected from specific target or special group of people on some rational basis.

Conclusion

In literature evidence of e-collection system is yet to be documented in Nigerian context. Therefore, the researcher used previous technology adoption research within and outside Nigeria to identify the possible factors that could influence the intention to use the e-collection system among the accounting staff in state-owned tertiary institutions in Nigeria. In view of the above, this study proposed a framework to investigate the influence of perceived usefulness, perceived ease of use, and subjective norm with moderating effect of IT experience on intention to use e-collection system. The proposed framework is based on the Technology Acceptance Model and extended it with subjective norm and IT experience. The extension leads to better understanding and explanation of the theory by applying it to factors that influence intention to use e-collection system among the accounting staff. The study would contribute to existing literature on the application and the theory in the accounting information system in tertiary institutions in Nigeria. In terms of practical, the study would contribute to the body of

knowledge through the provision of evidence from developing country like Nigeria, and specifically in state-owned tertiary institutions where literature is lacking on accounting information system. Additionally, it is expected that finding from the study would also be beneficial to the policymakers at State government level because it would provide a policy guideline on TSA implementation in relation to the tertiary institutions and specifically on e-collection component of the TSA.

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Change Management Designed for Schools: Expanding the Continuum of UTAUT on Education Reform

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Abstract

Purpose: Every nation needs the right human capital in embracing what lies ahead. However, this complexity affects the current education delivery to the future generation. With increasing complexity in school changes, the mounting inattention is palpable. The purpose of this study is to conceptualize a change management framework on education reform underpinned by the established model of UTAUT.

Design/methodology/approach: This paper follows the criteria of a conceptual paper proposed by the past research. Accordingly, review and synthesis from secondary data sources are made to formulate the framework.

Findings: An integration of contextual mechanism, moderating mechanism and new outcome mechanism is embedded in the model of UTAUT that made perceivably tally to education reform based on the evidence presented. The measurements items are also proposed.

Research limitations/implications: This conceptual paper needs to be carried out empirically in future research to validate the propose framework. Additionally, the contextual mechanism may vary across education reform as this paper believes that each change is unique and could have different contextual measurements as opposed to the current view on the measurement of change.

Practical implications: Change practitioners and the relevant Ministry may have broader insight on the precursors of attaining successful change on education reform. The teachers will have more magnitude in giving their scores on the proposed mechanisms.

Originality/value: This paper integrates the organizational change theory with UTAUT and provide criticism on how the education change was handled. To date, the framework in managing education reform is still inconclusive and requires a systemic effort.

Keywords: Education, Change Management, School Change, UTAUT, Conceptual Paper

Introduction

The topic of nation's standard of education is constantly one of the important issues raised over the years (Canter, 2015). As the world is getting more progressive, there is a great need for education reformers to align the road ahead to ensure that the school education is not obsolete. The important of having the right education is detrimental for establishing a great nation. Education is seen as the primary instrument of nation-building (Hon-Chan, 2017). The chief

instrumental value of education lies in its capacity to change and accommodate the education for the citizens of tomorrow. A change can only be effective if it carries everyone to the point of change. However, change is not easy and it is a continuous process that requires a holistic effort from all level of management. A synthesized findings of organizational change failure statistics illustrated that the figures are still dominant throughout the years (Fadzil, Mohamad & Hassan, 2017). Similarly, such event could also happen in the education reform as it involves with change and transformation. The arena of education reform is nebulous as involves with personal, emotional and visceral response from parents and teachers. These feedback serves as formidable catalyst in ways that education reform may be embraced or rejected (Wijnendaele, 2014). Though this might be the scenario, a positive and effective change in education delivery is still equivocal. The evidence on a global scale shows that educational reform is not attaining great outcomes for all (Arini et al., 2007). Therefore, this study proposed a conceptual framework that can aid in the education reform from the context of the teachers.

Literature Review

Education Reform

There are different embodiments of education reform throughout the literature. Arini et al. (2007) defined education reform as the removal of faults and the drive for better education outcomes. The authors posit that educational reform should be beneficial as it should lead to the best opportunities for learners and advancement in local and global communities. Meanwhile, study by Entry (2008) described it as an educational aspiration with the goals to realize deep, systemic and sustained restructuring of public schools. Further study on the literature suggested that many education reform issues occurred in curriculum reform as compared to the others. The evident can be seen in the study of Mahizer and Azli (2016), Hiong and Umbit (2015), Thah (2014) and others.

Underpinning Theories and Framework

There is a great paucity of research in regards to a framework in managing education change. This study however attempts to propose an education reform framework through the assessment from the teachers underpinned based on the established UTAUT model and various frameworks on change. Additionally, the initial context of UTAUT is modified and extended to enrich the measurement which evidently related to school education reform. The future recommendations of UTAUT/UTAU2 from the pioneers were also followed closely in formulating this framework (Venkatesh, Thong & Xu, 2016).

The Unified Theory of Acceptance and Use of Technology (UTAUT) is widely tested and validated across many disciplines and not just meant for the study of information technology adoption only. Contrary to the common perception and belief, this theory was also tested in marketing, social psychology and management (Williams et al., 2011). This study believes that UTAUT can be related to many other theories and frameworks since the nature of the theory is quite similar than the others. The advancement of UTAUT was followed by a vast number of studies across different context, integration and multiple disciplines. Venkatesh, Thong and Xu (2016) mentioned that the main effects of UTAUT/UTAU2 should serve as the baseline model of future research. Its' similarities with other theories and models have position itself to be a strong core theory and a basis for integration. The same could be applied to organizational change research as the structural model of many organizational change frameworks are somewhat related to UTAUT. To explain further, the Change Recipient's Model is depicted in Figure 1.

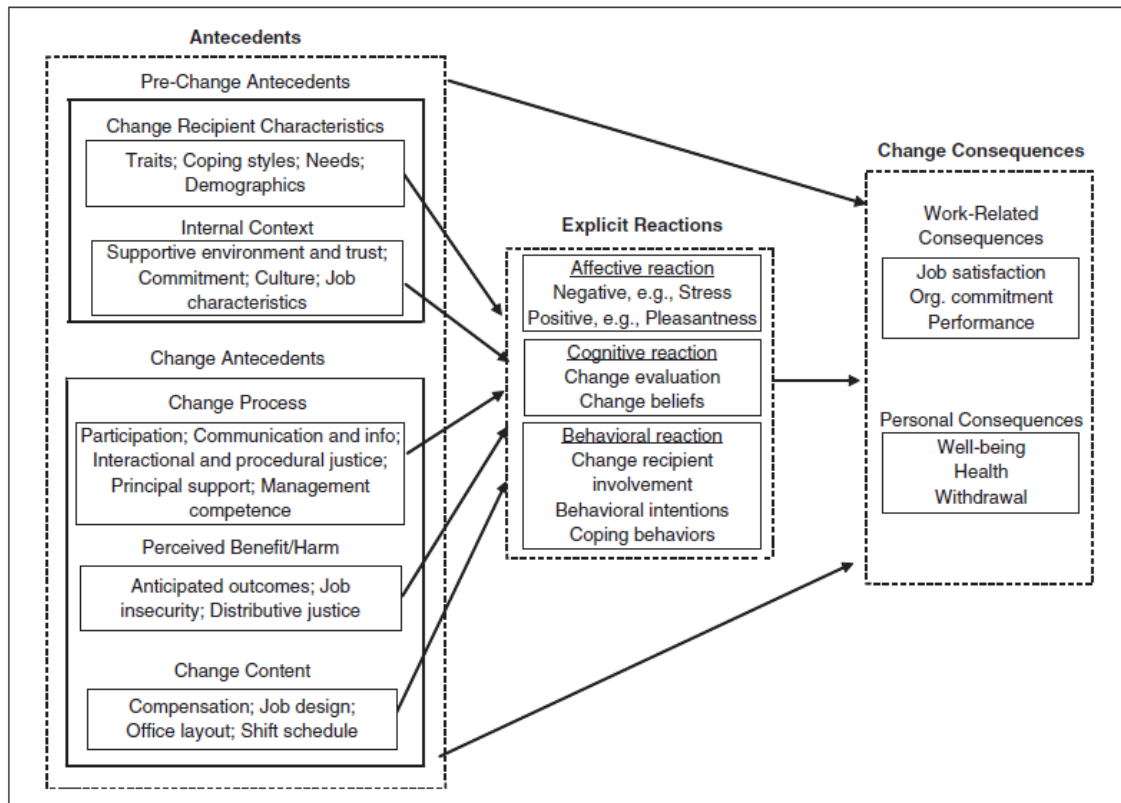


Figure 1: Change Recipient Reaction Model (Oreg, Vakola & Armenakis, 2011)

The Change Recipient's Model proposed by Oreg, Valkola and Armenakis (2011) is the result of 60 years of review on organizational change study. The study acknowledged the relationship between the predictors and the explicit reactions as a result of organizational changes which include behavioural reaction. In the similar vein, the model of UTAUT also measures the effect of predictor variables towards behavioral component of an individual on change which eventually leads to usage behaviour as the change consequence. By using this basis, the adapted theory of UTAUT used as the core theory for this study is justified through the similarity that it possesses. To further articulate the integration of the model on the education reform, this study took a great interest in the recommendations for future research on UTAUT outlined by Venkatesh, Thong and Xu (2016) as illustrated in Figure 2. The authors advocated future research to put focus on exploring new endogenous and exogenous mechanisms, new moderation mechanisms and new outcome mechanisms.

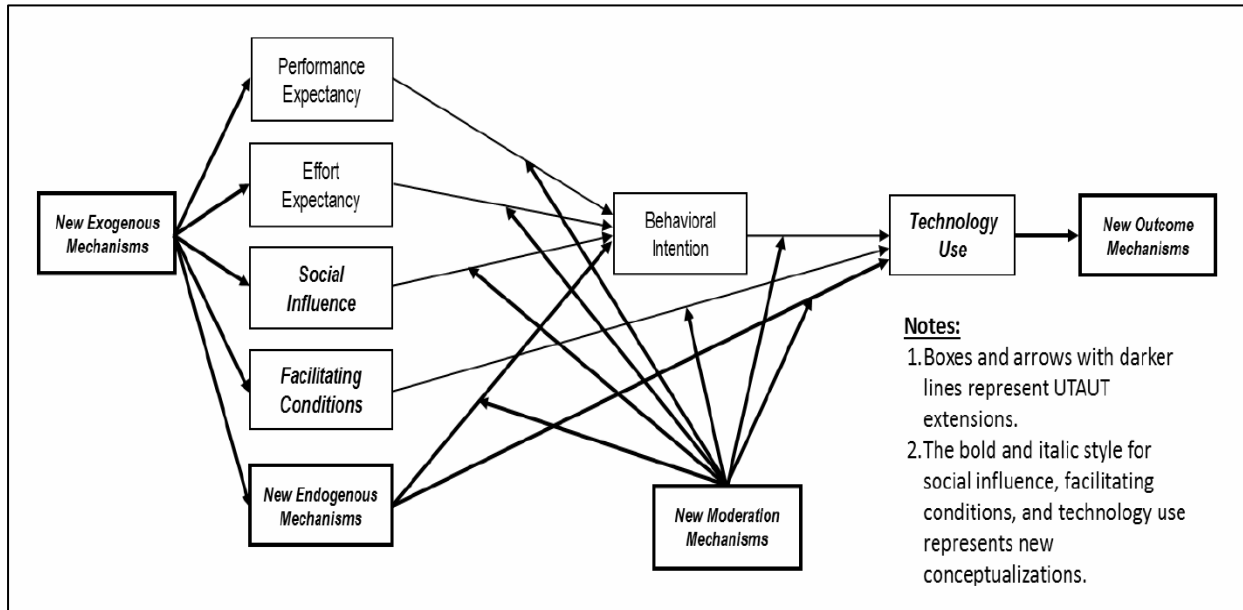


Figure 2: Proposed Mechanisms of Variables in UTAUT (Venkatesh, Thong and Xu, 2016).

Method

The current study was conducted through a review of secondary data sources from academic journals identified through word searches on “education reform”, “change management” and “UTAUT”. The articles identified were then screened for suitable titles, abstracts, keywords and frameworks. The relevancy of previous studies and credentials of the authors have become the selection criteria for this study. Criteria for concept paper was given emphasize based on the recommendations by Gilson and Goldberg (2015) by providing integrated literatures, provide framework for the concept as well as establishing relationships among them, bridging theories and expand the scope of thinking and provide logical arguments to compensate absent of empirical data.

Findings and Discussion

Through the review and synthesis of the literatures between change and education reform, this study formulated a new conceptual framework. The conceptual framework is depicted in Figure 3. The variables’ relationships are also outlined to show the potential hypothesis that can be constructed.

A. The New Endogenous Mechanisms

This study proposed that the existing variables of UTAUT is modified and extended since UTAUT has reached its practical limit (Venkatesh, Thong & Xu, 2012). This study argues that in order for the proposed model to be robust, it should encompass wider variables which accounted the elements of education change from the perspective of the individuals, the change programme and the institution (Fadzil, Mohamad & Hassan, 2018). Several research on UTAUT include education level as the moderation mechanism but not the context of the education change (Liew, Vaithilingam & Nair, 2014). Though their direct relationships towards behavioural intention is still much inconclusive, the extended context which consists of workload expectancy, constructivists pedagogical beliefs and school culture have established their credentials in influencing intention and belief on education reform in the study of Askiyanto, Soetjipto and Suharto (2018), Sang et al. (2010) and Deal and Peterson (2009).

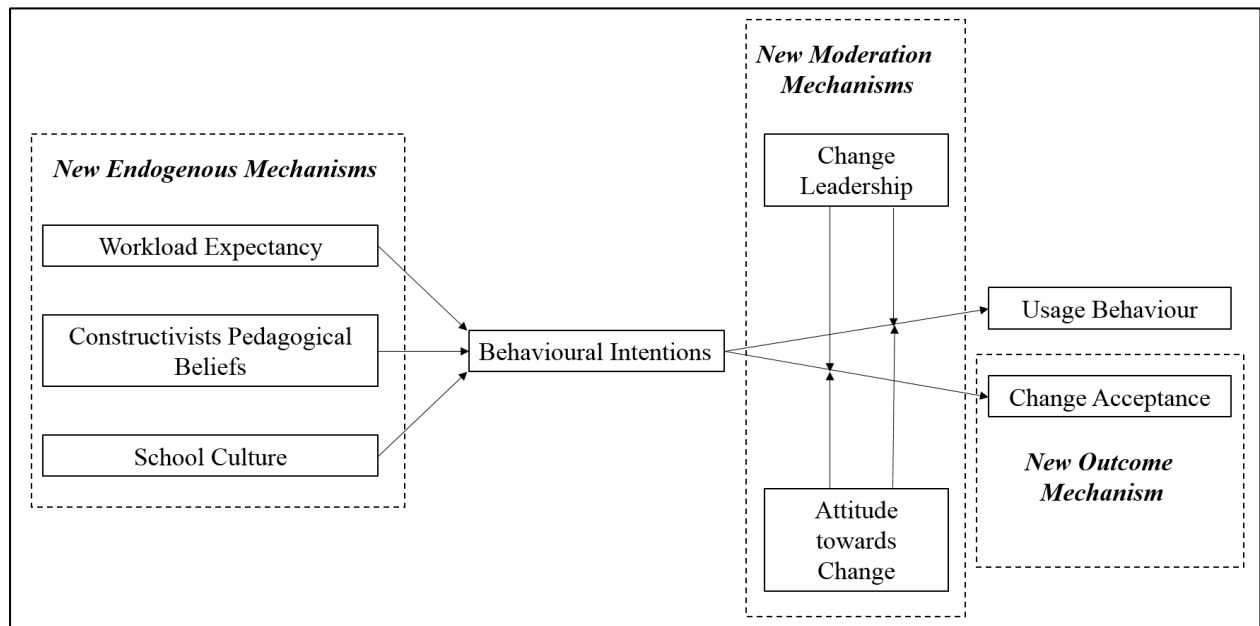


Figure 3: Proposed Conceptual Framework for Managing Education Reform. (Source: Authors)

Workload Expectancy

Workload can be defined as the amount of time consumed by the teachers in performing various tasks ranging from meetings, co-curricular activities, teaching and learning and other related official tasks as a teaching during or after school hours (Azita, 2012). This definition is further supported by Sharifah et al. (2014) in which they expounded workload as the amount of time taken by teachers to set up their official duties both inside and outside school hours. Additionally, a study by Ferguson, Frost and Hall (2012) discovered that workload is one of the significant predictors of depression and anxiety among the teachers. The study mentioned that the teachers who have left the profession have a lower level of job satisfaction. Meanwhile, a recent research found that workload has a significant positive affect on turnover intention (Askianto, Soetjipto & Suharto, 2018). Evidently, these evidence presented posit that workload has effect on behavioural intention.

Constructivist Pedagogical Beliefs

Pedagogical beliefs refer to the preferred ways of teaching by teachers (Chai, 2010) while constructivist approach involves new roles and demands on teachers consisting of broader set of roles, behaviours and strategies to meet the students' needs in the classrooms (Anagun & Anilan, 2013). A study by Sang et al. (2010) discovered that the the same pedagogical beliefs facilitated technology integration on teachers during the education reform. As constructivist approach empowers meaningful learning, it is opined that this teaching and learning characteristics influence the outcome of education change (Aydogdu & Selanik-Ay, 2016). Hence, it is suggestedly implied that the teachers who possessed constructivists pedagogical beliefs have better behavioural intention to execute a particular education reform.

School Culture

Researchers have described essential elements and common features of a school culture which include policies, procedures and professional learning communities: shared purpose, shared values, shared leadership, a collaborative culture, collective inquiry, and a focus on continuous improvement (Brendefur et al., 2014). School culture is complex and can be manifested differently in different schools. School culture has the essence to impact education reform

(Fullan, 2012). A study found that a positive school culture ensures a positive focus on the implementation of change (Deal & Peterson, 2009). Additionally, student achievement and school improvement are influenced by teacher professional learning communities which can also be reflected as part of the school culture (Schechter, 2008). Taken together, it is evident that school culture can serve as a significant driver for behavioural intention for the teachers in implementing the education reform.

B. The New Moderations Mechanisms

The elements of change leadership and attitude towards change are introduced as the moderator to assess their effects toward the relationships between behavioural intention on change acceptance and behavioural usage. The moderating effect on change leadership is not something uncommon in organizational change study. A study by Herold, Fedor and Caldwell (2008) explored the moderating effect of change leadership between transformational leadership and commitment to change. Meanwhile, there are different opinions in regards to attitude towards change since different authors articulated attitude towards change differently (Choi, 2011). Desired change or obligations will be more likely fulfilled when the individual's attitude is positive (Smitsen, Schalk, & Freese, 2013) which may strongly suggest a positive change consequence including the usage behaviour.

Change Leadership

The criteria of change leadership can be seen through two general behaviours; leader that adopts behaviours to help the employees more comfortable with the change and a motivated leader that shows task behaviours to attain the end goal of a change (Northouse, 2013). A leader should exhibit positive attitude towards the strategic efforts conducted to promote and facilitate the change and should as well act as a role model that is committed to the change (Abrell-Vogel & Rowold, 2014). Change leadership can influence acceptance of change and reduce employee resistance, leading to collaboration between leaders and employees so that they can construct the change together (Griffith-Cooper and King, 2007). Consequently, the leaders are perceived as both supporters of organizational change and as change agents (Nazim et al., 2014), which positively impact and encourage change-oriented behaviours in employees (Li et al., 2016).

Attitude towards Change

Study has long acknowledged that attitudes were the keys to understand human behaviour as attitude will directly influence behaviour and this principle still remains the same in the current setting (Marlene, 2015). The measurement of organizational change has been studied in multidimensional construct involving the interactions between affective, behavioural and cognitive responses one may portrayed resulted from organizational change (Piderit, 2000). In another research by Brenner (2013), teachers' efficacy was used to measure attitude towards change. Research on attitude towards change on organizational change discovered that employees who have high organizational commitment tend to develop positive attitude towards change in organization (Nafei, 2014) which is detrimental for organizational change success. In the similar context, possessing the right attitude towards change can help in facilitating education reform among the teachers.

C. The New Outcome Mechanism

An outcome mechanism of change acceptance is added as the second dependent variable in the UTAUT2 model. This new outcome mechanism will bring new concept in understanding the conception of acceptance and use. The baseline model of UTAUT/UTAUT2 only measures the change outcome as behavioural usage (Venkatesh et al., 2003; Venkatesh et al., 2012). Therefore, this study argues that the criterion variable of behavioural usage alone is not enough

in measuring the adoption of the change. Rather, it is imperative for a study to include other related outcome mechanism to compensate the limitation of the initial criterion variable from the psychological aspect as well. The concept of change acceptance as the dependent variable can be seen in the study of Gagne and Koestner (2000) and Miller, Johnson and Grau (1994).

Change Acceptance

Acceptance of change can be described as the tendency to embrace the change rather than shy away from it (Di Fabio & Gori, 2016). Acceptance of change and resistance to change can be viewed as opposite poles. A study by Kavanagh and Ashkanasy (2006), discovered that employees who shows a positive sign of change acceptance are more enthusiastic on moving towards the change. In the meantime, the study found that the leaders are partly responsible in creating the climate for change by demonstrating a psychological safety, encourage employees to be involved and validated themselves with new beliefs and values from the change and exploring the possibility to personally contribute to the change. On the contrary, in a case where change acceptance was not evident, employees were disgruntled and did not support the change (Fleming, 2017). Therefore, the same context could be applied to education reforms where the acceptance of change from the teachers are tantamount to the success of an education reform.

D. The Proposed Measurement Items

This study proposed potential measurement items that can be used in measuring the variables in the proposed framework through Likert-scale. The measurements are tabulated in Table 1.

Table 1: Measurement Items

Variable	Item	Authors
Workload Expectancy	Worked too many hours.	Shirom, Nirel and Vinokur (2010) ($\alpha = .92$)
	Worked too hard.	
	Had too many students.	
Constructivist Pedagogical Belief	Learning means students have ample opportunities to explore, discuss and express their ideas.	Liu, Lin and Zhang (2017) ($\alpha = .82$)
	Every student is unique or special and deserves an education tailored to his or her particular needs.	
	It is important that a teacher understands the feelings of the students.	
	Good teachers always encourage students to thinks for answers themselves.	
School Culture	This school stresses excellence.	Anderman (1991) ($\alpha = .79$ to $.90$)
	Employees here receive a lot of attention	
	Competition among teachers is actively encouraged in this school	
	This school really care about me as a person.	
Behavioural Intention	I intend to participate with what the <i>education reform</i> brings in the future.	Baptista and Oliveira (2015) *Adapted items ($\alpha = .858$)
	I will always try to participate with the <i>education reform</i> in my daily teaching activities.	
	I plan to continue to participate with the <i>education reform</i> frequently.	
	Principal made it clear why the <i>education reform</i> was necessary.	
Change Leadership	Principal carefully monitored and communicated progress on the <i>education reform</i> implementation.	Herold et al. (2007) *Adapted items
	Principal gave individual attention to those who has trouble with the <i>education reform</i> .	

	Principal developed a clear vision for what was going to be achieved by practicing the <i>education reform</i> .	
Attitude towards Change	I am interested with the <i>education reform</i> . I seek clarification about the <i>education reform</i> . I believed that the <i>education reform</i> is necessary for the students' development. I believe that the <i>education reform</i> promotes better way of learning.	Piderit (2000) *Adapted items
Change Acceptance	To what extents do you accept the implemented change? To what extent do you see the change as stimulating for you?	(Gagne, Koestner & Zuckerman, 2000) ($\alpha = .71$)
Usage Behaviour	What is your actual frequency of practicing the <i>education reform</i> ? (I) Have not use (ii) Once a year (iii) Once in six months (iv) Once in three months (v) Once a month (vi) Once a week (vii) Once in 4-5 days (viii) Once in 2-3 days (ix) Almost every day (x) Every day (xi) Several times a day	Baptista and Oliveira (2015) *Adapted items

Notes: *Education reform* may be renamed according to the name of the initiative to suit the context better.

Conclusion

The ethos of education reform has affected the education delivery irrespective of the country's development. Education reform is one of the monumental key areas in sustaining the national interest through the cultivation of early human capital development. The education today is continuously being reshaped for students and teachers alike through new innovative teaching methods, improvised curriculum and education through information and technology communication. Education reform can only be successful through effective implementation from various stakeholders. However, the key stakeholders in the transition process of education reform are the teachers themselves since they will be the one to deliver the product of the education change to the students. The education reform will be likely to succeed if the teachers are willing to change according to new paradigm shift. With the right support to change by the top, teachers should not be indoctrinated by the past pedagogical beliefs as the idea of the way forward should be instilled in the teachers' affective and cognitive components from the start of their career. However, this paper lacks of empirical justification as it relies heavily on the past literature and findings. The proposed framework cannot be extrapolated to all types of education reforms as some deal with more strategic and technical aspect of education. More endogenous mechanisms could be introduced with more justifications through further studies. Future study should opt to use the proposed instrument to authenticate this proposed framework either through quantitative basis or qualitative basis to strengthen the reliability and validity of the model. A longitudinal study is highly preferred as it may give clearer evident on the impact of the variables of interest.

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The Effects of Role Conflict and Work-Life Conflict on the Turnover Intention of Academic Employees

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Abstract

Purpose: The aim of this paper is to investigate the effects of role conflict, and work-life conflict on the academic employees' turnover intention in university and college in Malaysia.

Design/methodology/approach: Descriptive and inferential statistics that aligned with the objectives and hypotheses of this study were used to analyze the data collected.

Findings: Results showed that both selected exogenous constructs explained turnover intention among academic employees.

Research limitations/implications: The findings of present study provide insights on ways to develop a better understanding on turnover intention.

Practical implications: Provide an added value on Human Resource Development (HRD) practices in Malaysia, specifically, HRD practitioners in the education industry.

Originality/value: This study highlights the need to focus on turnover intention from non-Western perspectives.

Keywords: Role Conflict, Work-Life Conflict, Turnover Intention, Academic Employee, Human Resource Development

Introduction

Today's organizations are still facing the same difficulties in recruiting and retaining valuable employees, specifically, academic employees in university and college in Malaysia. Manogharan, Thivaharan and Rahman (2018) stressed that effort in retaining employees in private higher education institutions is a challenging task.

They also highlighted that the actual turnover behavior from talented employees in which these employees are the prospects to promote as senior lecturer or head of faculty is relatively high. In addition, the turnover rates of new lecturer shows equally high as well (Manogharan, Thivaharan & Rahman, 2018). The issue of turnover of academic employee is thus, has continued to plague education institutions in Malaysia (Feng & Angeline, 2010).

The purpose of this study is to explore the effects of role conflict, and work-life conflict on the academic employees' turnover intention in university and college in Malaysia. Behavioral

intention is, based on researchers such as Igbaria and Greenhaus (1992), and Ajzen and Fishbein (1980), stated that it is the most direct indicator for actual behavior. The efforts in gaining access to understand the employees who have actually executed the behavior to leave are already too late if organization wants to investigate their prior situation (Firth, Mellor, Moore & Loquet, 2004). Empirical evidence and findings from Sager (1991) provides the validity in studying intentions from the workplace that leavers and stayers were found to discriminate effectively in terms of intention to leave.

Previous researchers using different terms such as intention to leave, intention to quit or turnover intention in finding the answer for the question on what determines individual's turnover intention by examining possible antecedents of employees' turnover intention (Firth, Mellor, Moore & Loquet, 2004; Kalliath & Beck, 2001; Saks, 1996; Kramer, Callister & Turban, 1995). In this study, it is likely that academic employees who are in the high degree of role conflict, and work-life conflict tend to be contributed into higher level of turnover intention. This paper begins by reviewing the literature related to the study constructs. Next, methodological parts of the research are discussed. Finally, analysis of data, and findings from the research and discussion, followed by conclusion are outlined.

Literature Review

It is equally essential to understand the employee's quitting intention, although majority of the organizations are cared on actual human turnover (Pradhan, Jena & Mohapatra, 2018). As mentioned earlier, behavioral intention is the most direct indicator for actual behavior. Pradhan, Jena and Mohapatra (2018) highlighted that behavioral intention precede the actual behavior, and can be altered along the time. For example, intention to quit or turnover intention. Therefore, if organization wants to investigate their employees' situation prior the actual behavior to quit, intention to quit or turnover intention is one of the strongest determinants of actual employees' turnover (Griffeth, Hom & Gaertner, 2000; Sager, 1991; Bluedorn, 1982). From the organization direction, turnover refers to the voluntary movement of individual from one workplace to another (Takawira, Coetzee & Schreuder, 2014), whereas turnover intention is often linked with job search behavior (Sousa-Poza & Henneberger, 2002). Job search behavior is the employee retaliatory behavior against the problematic experience in the workplace (Sambrook & Stewart, 2007). Problematic experience such as role conflict, and work-life conflict can motivate employees' turnover intention increases.

Based on Kahn, Wolfe, Quinn, Snoek and Rosenthal (1964), role conflict divided into four components, known as, intrasender conflict refers to superior demands a subordinate to execute the order given that the task cannot proceed in the normal procedures and simultaneously, restrict him or her not to break the standard (McPherson, 1965), intersender conflict refers to role sender demand on role requirement or expectations happen to against one or more other parties, person-role conflict refers to incongruent between role requirements and personal values (Robinowitz & Stumpf, 1987), and role overload refers to over demanded of role expectation by force to an individual beyond the time or ability to accomplish (Robinowitz & Stumpf, 1987).

Role conflict refers to two or more conflicting work requests arise simultaneously, challenge can happen in the other work as the individual attempts to satisfy one of the work requests (Brooke & Price, 1989). A similar concept of work-life conflict from the work-family conflict used to define as a form of interrole conflict that the role stresses resulting from the family and work areas are mutually mismatched in some manner (Allen & Finkelstein, 2014). Therefore, this study proposes:

H_{a1}: Role conflict (H_{a1a}), and work-life conflict (H_{a1b}) have a significant relationship on academic employees turnover intention.

Method

Self-administered questionnaire was employed to collect data for the current study. This procedure displays objectivity, and is free from researcher bias and values (Kimiyağhalam, Mansori, Safari & Yap, 2017; Yap, Chong, Leow & Chok, 2017; Dillman, 1978). A total of 15 items with five-point Likert response choices ranging from 1 “strongly disagree” to 5 “strongly agree” was applied to all continuous dependent and independent variables in the questionnaire. All the questions in the questionnaires were completely answered by all 200 respondents ($n = 200$).

Reliability refers to dependability or consistency (Yap, Chong & Leow, 2017; Kimiyağhalam & Yap, 2017; Zandi, Yap, Aslam & Singh, 2015). Based on Nunnally and Bernstein (1994), the Cronbach’s alpha of .6 is acceptable, and Cronbach’s alpha of .7 is considered good. Table 1 shows the Cronbach’s alpha coefficient for all constructs in this study achieved the cut-off point of Cronbach’s alpha of .7. In other words, it is reflecting the instrument employed in the constructs achieved the satisfactory internal consistency reliability. Pearson correlation was applied to test the study’s hypothesis using IBM SPSS statistical software.

Table 1: Cronbach’s Alpha Coefficient of Reliability ($n = 200$)

Variables Under Investigation	Total Items	Cronbach’s Alpha
Turnover intention	5	.722
Role conflict	5	.830
Work-life conflict	5	.728

Findings

Table 2 shows the results for research hypothesis between exogenous and endogenous constructs using Pearson correlation from IBM SPSS statistical software as proposed in this study. The correlation coefficient (r) between one construct and another construct were determined by the strength and direction of relationship. Guilford’s (1956) rule of thumb was applied to determine the strength of the relationship. The strength of relationship between two constructs was presented as follows: negligible relationship ($r < .2$), weak relationship ($r = .2$ to $.4$), moderate relationship ($r = .4$ to $.7$), strong relationship ($r = .7$ to $.9$), and very strong relationship ($r > .9$). Meanwhile, the direction of the relationship between two constructs was based on the positive or negative indication.

Table 2 shows a positive and moderate relationship between role conflict and turnover intention ($r = .456$). The relationship between work-life conflict and turnover intention was $.347$ ($r = .347$), indicating a positive and weak relationship towards turnover intention. Overall, role conflict and work-life conflict have positive relationship with turnover intention.

Table 2: The Correlations between Exogenous and Endogenous Constructs

Constructs	Turnover Intention
Role conflict; Sig. (2-tailed)	.456**; .000
Work-life conflict; Sig. (2-tailed)	.347**; .000

Note: ** correlation is significant at the 0.01 level (2-tailed).

Discussion and Conclusion

In general, there was a significant and positive relationship between role conflict and work-life conflict, and turnover intention among academic employees in university and college in Malaysia.

A moderate relationship was seen between role conflict and turnover intention ($r = .456$) in this study. When academic employees were facing two or more conflicting work requests arise

simultaneously, such as teaching duties, student coaching responsibilities and administrative tasks calling, all of these work requests caused greater likelihood on the turnover intention among them. The increases of turnover intention was due to they find hard to reach the satisfaction level as required from every role that need to be performed.

On the other hand, there was a weak relationship between work-life conflict and turnover intention ($r = .347$). In general, even academic employees felt that there were conflicts in their current job role, but their work life, and family life were not affected, hence, their turnover intention from present jobs was weak.

Organizations that concerned with their financial investment, and should understand the loss in human capital investment is equally costly in which new employees have to be hired and trained (Govaerts, Kyndt, Dochy & Baert, 2011). In this regard, employee turnover not only causing additional recruitment and training, but it also loss in organizational memory, and the negative effects on organization growth (Guchait & Cho, 2010). To all organizations and human resource development (HRD) practitioners, factors such as role conflict and work-life conflict need to be highly concerned before the employees turn their turnover intention into actual behavior to quit.

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Critical Success Factors for Educational Exhibition Projects; Insights from Malaysia

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Abstract

Purpose: Identifying, and prioritizing the critical success factors (CSFs) in organizing an event, in this case, the education exhibition will be a golden key, which increases the odds of success to meet the Malaysia's sixth national plan mission. Although this research area has been studied extensively, but there is, no research has been conducted so far to investigate what are the critical success factor, which should have been considered in organizing an efficient educational exhibition. Thus, uncovering and determining the Critical Success Factors (CSFs) in organizing the education exhibition are of utmost important.

Design/methodology/approach: Two-round of Delphi technique questionnaire survey is conducted. This research has been mounted in Kuala Lumpur, Malaysia considering the education exhibitions, held in 2016. Regarding prioritization of CSFs, a novel approach is discussed considering a genetic algorithm based association rule mining algorithm

Findings: The identified results not only are promising to future enhancements in this field but also can be a success criterion before organizing educational exhibition event.

Research limitations/implications: A small sample of respondents can be seen as a research limit.

Originality/value: The results are promising to scholars and practitioners as well as leading to the future enhancements in this research area.

Keywords: CSFs, Educational Exhibition Fair, Genetic Algorithm

Introduction

Malaysia aspires to reach to the level of a fully developed nation by the year 2020. This vision, known as "Vision 2020" only will be realized through addressing nine strategic challenges which have been clarified by the government of former Prime Minister Tun Dr. Mahathir bin Mohamad. These strategic challenges have been categorized as (Islam, 2010): (1) Establishing a united Malaysian nation, (2) Creating a psychologically liberated, secure, and developed Malaysian society, (3) Developing a mature democratic society, (4) Forming a community that has high morale, ethics, and religious strength, (5) Establishing a mature, liberal and tolerant society, (6) Establishing a scientific and progressive society, (7) Establishing a fully caring society, (8) Ensuring an economically just society, and (9) Establishing a prosperous society. This study decisively and selectively takes the sixth one into consideration, "Establishing a

scientific and progressive society". This strategic challenge has been provoked a debate about to extent to which and how the Malaysia will be known as an education hub necessitating developing education industry as an export one with the aim of developing, upskilling and sustaining Malaysia within this industry sphere (Ashton, Green, James, and Sung, 2005). Malaysia has targeted for attracting and retaining about 200,000 international students by the year 2020 (Ndanusa, Harada, Romle, and Olanrewaju, 2015). Statistics reveal that out of 1.1 million higher education students only 80,000 are international students (Malakolunthu and Rengasamy, 2016) which are about 7.27 percent of the total students study in higher education. So it can be highlighted that, Malaysia not only is not on track but also this number is far from meeting its 2020 mission to become the world's 6th largest education destination. Malaysia needs to ensure that it uses an effective educational exhibition strategy as an effective medium to promote its message. It was in this context that this study undertaken to uncover the underlying Critical Success Factors (CSF) which are of utmost important in organizing this type of event. On this basis, the main goal stated in this study is to identify, and rank, based on the *critical success factors (CSFs)* that will constitute a guide for companies/organizations and practitioners in the implementation and diagnosis of an effective educational exhibition strategy following Malaysia's 2020 vision. It should be noted that in order to achieve the reliable result after conducting the surveys the genetic algorithm (GA) is implemented to determine the priority of each factor. The details of the implementation of GA in MATLAB software and procedures are presented in the following section.

Background of the Study

Number of books have written and number of studies have extensively conducted about organizing seminars, exhibitions and fairs with the aim of operationalizing the vision and mission behind events and event management (Sarji, 1993, 1996; Yeoh, 1993). One of the way to attract students, especially international ones in Malaysia is an education exhibition fairs. The educational vision in Malaysia draws from its national vision, known as vision 2020 (Bajunid, 1995). Malaysia spends around 19 percent of the country's national budget on education, which contributes to employing 6.7 percent of the total man power (Saha and Rowley, 2014).

Iranians, Chinese, Arabs, Indonesians, Nigerians and Bangladeshis are attracted in pursuing their academic career in Malaysia (Sidhu and Kaur, 2011). To become a developed nation, one attribute which needs to be obtained is being efficient and well-qualified in the education system (Day, Sachs, Day, and Sachs, 2004; Wilkinson and Yussof, 2005). To do so, the Malaysian government has recognized that there is a need for mass competitive research to be globally recognized and to be internally a knowledge-led economy. An initiative was launched in 2008, known as "MyBrain15" to produce 60,000 Malaysian Ph.D. graduates, focusing on encouraging research and development in such area as biotechnology and tropical medicine (Loke, 2011). This means killing two birds with one stone, increasing the knowledge output efficacy along with adding an additional revenue stream to the national GDP (Gross Domestic Product). Malaysia has shown to what extent is serious about these enhancements through setting up of Educity in Iskandar Malaysia and Kuala Lumpur Education City (KLEC (Grapragasem, Krishnan, and Mansor, 2014).

Accordingly, the numerous education exhibitions have been organizing both within the country and internationally to attract international students. Historically, the exhibition industry has been performing a significant economic function (Cheng and AI, 2008; Getz, 2002; Hu and Yang, 2006) in attracting huge number of audiences with the aim of providing a mutually beneficial channel to share updated knowledge and information, to sell or to buy both products and services, to introduce a new products and services, and to negotiate deals and contracts (Rogers, 2003). The potential of exhibiting as an effective and efficient marketing way, has

been stated as a pathway in which new product can be announced, information can be provided, new technology can be introduced, and also a suitable place where people can interact and communicate (Bonoma, 1983). Thus, the exhibitions can be seen as a systematic, and tactical approach of marketing to obtain a strategic business aim and to enhance communization with customers, either potential or prospective ones (Blythe, 2002). Notably, the exhibitions and marketing have a common objective – to increase sales via human activities, improved promotions, and last but not least business interactions (Lee, 2007). Understanding the desires of customers before participating in the exhibition is of central importance in this project. Therefore, the larger number of participants is the factor in evaluating the success of the exhibition (Ling-yee, 2006). On the other hand, understanding critical success factors considering each specified business sector will be a golden key which increases odds of success. However, no research has been conducted to investigate what are the critical success factor which should have been considered in organizing an efficient educational exhibition. Malaysia needs to ensure that it uses an effective educational exhibition strategy as an effective medium to promote its message. Therefore, uncovering the underlying critical success factors (CSF) considering organizing this sort of project is the most ought to. One of the preliminary contributions to the development of the CSF concept has generated a discussion on the management information crisis, considering identifying areas in which organizations need to enhance to be successful (Daniel, 1961). Notably, as the concept has developed, many scholars have emphasized on the significance of industries in determining CSF. In regard to, the context-dependency of CSF and definition of an industry as a source for potential CSF has been highlighted (Leidecker and Bruno, 1984). Indeed, the CSFs differ from one sector to another and have a conditional nature because they are tightly dependent on industry situations (De Vasconcellos, Sousa, and Hambrick, 1989). More specifically, within each sector, CSFs depend on that typical sector's technological and economic characteristics (Hofer, Mauriello, and Schendel, 1987). Therefore, the CSF has defined precisely as all factors within a sector that affect an organization's sustainable growth (Grant, 2010). Central to debate about organizing exhibition projects, in particular educational exhibitions in Malaysia, is the question of what are the critical success factors (CSF) for national and international educational exhibitions following Malaysia's national educational goal (*Establishing a scientific and progressive society*), to be an international education hub within Asia (*acquiring 200,000 international students by 2020*).

Event Management: A Retrospective Exhibit

Event management has made manifest its role encompassing various types; congress management, corporate events, fairs and exhibitions ranging from commercial and educational to societal activities. Increasing growth of the event industry has been demanding for greater collaborative activities between event organizers and academia to enhance the efficiency effectiveness (Getz, 2000). Events have been categorized as; business events, cultural events and sports events (Arcodia and Barker, 2003). Lots of research endeavours have been conducted so far (Arcodia and Barker, 2003; Damm, 2011; Harris and Jago, 1999; Li and Petrick, 2006; Perry, Foley, and Rumpf, 1996; Shone and Parry, 2004; Thomas, Hermes, and Loos, 2008), the results can be articulated as follows, as one might hope.

- (1) There are ten knowledge areas and attributes required for best practice (Davenport, De Long, and Beers, 1998; Perry et al., 1996; Silvers, Bowdin, O'Toole, and Nelson, 2005; Van der Wagen, 2010):
 - Project management
 - Time management
 - Media management

- Budget management
- Human Resource Management
- Business strategic planning
- Stakeholder management
- Contingency management
- Marketing management
- Sponsoring and networking

The above-mentioned knowledge spheres have been classified and categorized under five holistic domains; (1) contextual and ethical, (2) legal and finance, (3) economic and analytical, (4) management, (5) marketing and public relations. In regard to, it can be noted that, high organizational culture and skills, vision, leadership style and adaptability along with cross-cultural knowledge are the essential attributes to be successful in this knowledge area (Perry et al., 1996). Moreover, other factors which are pertinent to success within the global market context are; front-end planning and project definition, on-cost and on-time performance, and project fit into program suitability (Taherdoost and Keshavarzsaleh, 2016).

(2) There are well-integrated knowledge which should be incorporated in event management training such as (Harris and Jago, 1999);

- A retrospective knowledge about the background of events
- The event types and their historical evolution
- Current analysis and knowledge about the trend of demand and supply
- What are the motivations and benefits of such events?
- How events contribute societally, culturally, environmentally
- Why events and who should organize
- Style and concept of the event program
- Setting up and coordination
- Operational perception and unique managerial style
- Marketing wise perspective

(3) Disciplinary perspective on events provides a high understanding about the global actualities toward event management and how would be perceived (Getz, 2000), table 1:

Table 1: Disciplinary perspective on events

Environmental Perspective	(Related disciplines: natural and environmental science; physical geography; environmental design and psychology) • Trends: new event themes (e.g., whale festival in BC) • Greening of events (e.g., Olympics) • Ecologically sustainable tourism and sustainable events (criteria) • Festival/event venues
Community Perspective	(Related disciplines/fields: anthropology; sociology; community planning) • Events as leisure and social opportunities; celebration • Cross-cultural studies; Social problem at events • Social/cultural impacts on the community; host-guest interactions • Cause-related events
Economic Perspective	(Economics; finance; tourism; economic development) • Place marketing image • Tourism; seasons; animation • Economic impacts; Costs and benefits

Event Programming	(Recreation and sport; arts and entertainment) • Education through events • Retailing and exhibiting effectiveness
Law	• Impact of the regulatory environment; risk management; incorporation or charitable status; protection of name, logo, designs, etc.
Management Perspective	(Business, public administration, and not-for-profit) • Organizational management (marketing; human resources; finance; controls and evaluation; organization and co-ordination; • Hospitality management (events as service encounters; quality assurance) • Tourism destination management (competitiveness; image enhancement; marketing)
Psychological Perspective	(Psychology; social-psychology) • Motivation to attend and benefits sought from events; links to satisfaction • Gender, culture, demographic and age factors affecting demand
Political Perspective	(Political science) • Political goals • Propaganda through events and sell events

(4) Lesson learned from the event management trends can increase the odds of success. To do so, a projective trend in event management is tabulated and deduced from an excellent research example (Getz, 2000; Goldblatt, 2000), see table 2:

Table 2: A summative analysis of major trend impacting a future for event management

Year	Trend	Trigger Events/Early Warning	Response
2005	Environmental	Energy costs escalate	Use of alternative energy/power sources such as methane gas and wind to power event technical systems
2005	Technological	E-commerce achieves full penetration	Shifts to on-line registration/ticket sales and tracking for many events
2005	Human Resource	Generation X and Y desire shorter work week/job sharing	Re-define role and scope of full and part-time event management positions
2010	Environmental	State, Provincial, and Federal environmental regulations impact event industry	Green events certification program through non-governmental organizations (NGO's) develop voluntary standards
2010	Technological	Internet2 provides wide band real time events opportunities	Hybridization between live in-person events and on-line live (virtual) events improves yield management and guest interaction
2010	Human Resource	Females dominate event management executive level	Shift in organization from traditional hierarchical systems to collaborative structures; increased job sharing, flexible

			time bands, on-site or nearby day care, paternity leave
2015	Technological	Complete systems integration	Events and technology achieve harmonious relationship with 24 hours, seven day per week event opportunities for guests who desire to forecast, attend, and review their participation in an event
2015	Human Resource	Increased number of deaths due to aging of North American baby boomers	Funeral events increase in frequency among human life cycle event category, purpose built facilities such as “Life Celebration Centers” replace traditional funeral homes, alternatives rituals are introduced to reflect immigration trends in US and creativity of baby boomers and their children (i.e. pyrotechnic displays containing ashes of deceased as well as friends, family)
2020	Environmental	Water scarcity crisis	Developed countries conserve water and develop improved recycling and purification systems for events
2020	Technological	Interplanetary broadcasting	Guests of planet earth and guests of other planets conduct interplanetary event using advanced communication technology
2020	Human Resource	Human capital needs are replaced by technological capital advances	Events staff become highly specialized as more and more functions are performed electronically
2025	Environmental	Major advances in medicine, agriculture, and other sciences	Incident and risk exposure is significantly reduced at events due to precise forecasting in intervention measures. Health of event staff will improve due to early diagnosis resulting in alteration of Lifestyles, medications, and medical procedures. This will result in a much wider age span for event staff including octogenarians as well as young adults.
2025	Technological	Full robotic capability	Events are totally automated enabling event professionals to significantly expand the number of simultaneous events being produced using fewer human staff
2025	Human Resource	Lifelong learning systems developed	Human beings will be capable of significant intellectual development throughout their lives (now averaging over 100 years) and therefore the qualified workforce for events will improve and increase as well as age.

Critical Success Factors

Critical Success Factor (CSFs) were introduced by Daniel in 1961 (Daniel, 1961) and popularized by Rockart in 1979 (Rockart, 1978). Recently, CSF concept is at the pivotal point of its history. CSF is defined as the limited number of indicators in which if the results of implementation are satisfactory, then the organization competitive performance will be successfully deployed (Leidecker and Bruno, 1984). Therefore, study of CSF will give the chance to any project-based activities to decide if they possess the necessary capabilities to meet them toward best practice performance. It can be concluded that, the CSFs concept is the most important for overall organisational objectives, mission and strategies (Freund, 1988).

Methodology

The systematic methodological framework proposed to identify and to rank the CSFs and their metrics through incorporating genetic algorithm in order to ranking and prioritizing (see figure 1).

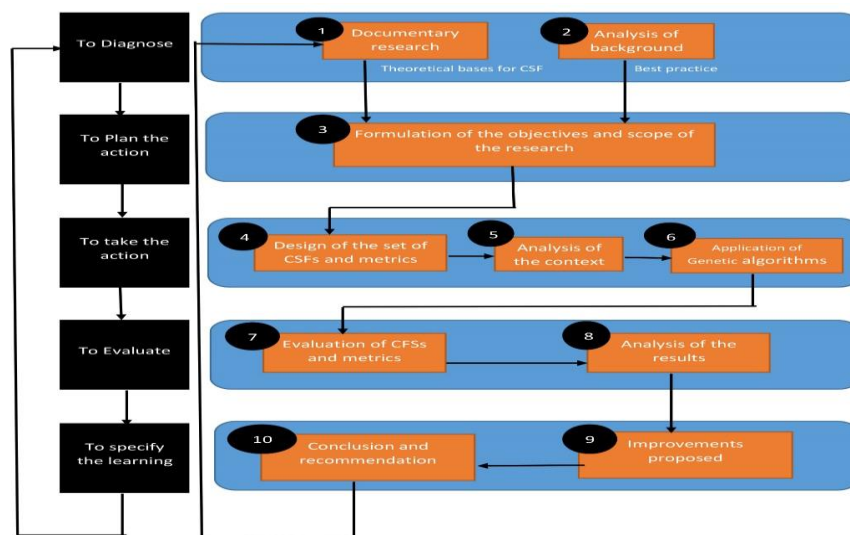


Figure 1: A systematic Research Framework

Two round Delphi survey are conducted prior to the genetic algorithms in order to identify and screen the CSFs. Factors extracted out of an in-depth literature review concerning exhibition/fair/event management and organizing. Around twenty-five factors have been identified from the study of (a) Harris and Jago in 1999 , (b) Getz in 2000 and Goldblatt in 2000 and (c) project success criteria (Shrnhur, Levy, and Dvir, 1997) which have been identified as crucial best practice indicators to perform within global project market context by Taherdoost and Keshavarzsaleh in 2016 (see table 3). Also based on the gathered information raw data is imported into MATLAB for genetic algorithm analysis.

Data Analysis

In the first round of the survey, the managerial panel is involved, encompassing fifteen respondents with a rigorous background in event organizing in Kuala Lumpur, between 2016 and 2017. The respondents are decisively selected based on their designations; all of them were decision makers within their event organizing period. They have asked to rate the level of significance the CSFs between 0 and 7 (7-point Likert scale: Extremely Insignificant=1, Very Insignificant=2, Insignificant=3, Significant=4, Somewhat Significant=5, Very Significant=6, Extremely Significant=7). The second round of survey is conducted among the same panel of respondents, to evaluate the degree of agreeability. Data collected is tabulated in table 4.

Table 3: CSFs identified (Getz, 2000; Goldblatt, 2000)

Note: F stands for Factor

Authors	Factors used as the case of CSFs in this research
Technical know-how in event management training (Harris & Jago, 1999)	• F1: A retrospective knowledge about the background of events • F2: The event types and their historical evolution • F3: Current analysis and knowledge about the trend of demand and supply • F4: What are the motivations and benefits of such events? • F5: How events contribute societally, culturally, environmentally • F6: Why events and who should organize • F7: Style and concept of the event program • F8: Setting up and coordination • F9: Operational perception and unique managerial style • F10: Marketing wise perspective
10 golden body of knowledge in event management (Getz, 2000; Goldblatt, 2000)	• F11: Project management • F12: Time management • F13: Media management • F14: Budget management • F15: Human Resource Management • F16: Business strategic planning • F17: Stakeholder management • F18: Contingency management • F19: Marketing management • F20: Sponsoring and Networking
Critical factors for successful projects within Global Marketplace (Taherdoost & Keshavarzsaleh, 2016)	• F21: Front-end planning • F22: Project definition • F23: On-time performance • F24: On-cost performance • F25: Projects fit into programs

Table 4: First panel Delphi survey (level of Significance)

Factors/ Fs	Extremely Insignificant t=1	Very Insignificant t=2	Insignifican t=3	Significant =4	Somewhat Significant =5	Very Significant =6	Extremely Significant =7
F1					6	5	4
F2			1	6	2	5	1
F3			2	4	5	3	1
F4		1	3	2	3	4	2
F5				4	4	7	
F6				2	6	7	
F7				1	7	6	1
F8			2	5	5	3	
F9				3	8	4	
F10					8	7	
F11				2	10	3	
F12				4	3	8	
F13					7	8	
F14			1	3	10	1	
F15			3	5	3	4	
F16				3	8	4	
F17			2	7	3	3	
F18			2	5	6	1	1
F19				5	7	3	
F20			2	8	5		
F21			1	2	5	7	
F22			3	5	3	4	
F23			4	5	2	4	

F24				1	7	7	
F25			2	8		3	2

Based on these gathered information Critical Success Factors (CSFs) are analysed in MATLAB software. In order to analyse these data first of all based on the normalization equation the required parameters are defined. The normalization equation can be summarized as follow for the Critical Success Factors.

$$TF = w_1 \left(\frac{F_{max}^1 - F_1}{F_{max}^1 - F_{min}^1} \right) - w_2 \left(\frac{F_{max}^2 - F_2}{F_{max}^2 - F_{min}^2} \right) - w_3 \left(\frac{F_{max}^3 - F_3}{F_{max}^3 - F_{min}^3} \right) + \dots$$

Figure 2: The achieved details of the GA in MATLAB

Where in this equation F_i represent the each Critical Success Factor and w_i refers to the defined weight of each factor that can be illustrated from the survey data. Based on these equation and GA function of the MATLAB software a script is developed to achieve the final result and determine the priority of each Critical Success Factor. The steps which are considered in the MATLAB script to develop the code can be summarized as:

- The required data of surveys are imported
- The weight of each parameters for CSFs are calculated based on the surveys data
- The normalization equation is implemented
- The fitness function and number of variables for the genetic algorithm are defined
- The GA is implemented and achieved results are presented

Based on this procedure and the data of the surveys the priority of each Critical Success Factor is determined. It should be noted that this proposed model can be expand for many ranking modelling while the required parameters are available

Results and Discussion

Based on the explained details and steps the achieved results are determined. First of all based on the genetic algorithm the number of generation and the weight of each chromosome is defined which the details are shown in figure 2. On the hand based of the normalization equation the final selected generation should come to the final result of one. The achieved result of the implemented GA is shown in figure 3. It should be noted that while this parameter is equal to 1 the final result is reliable.

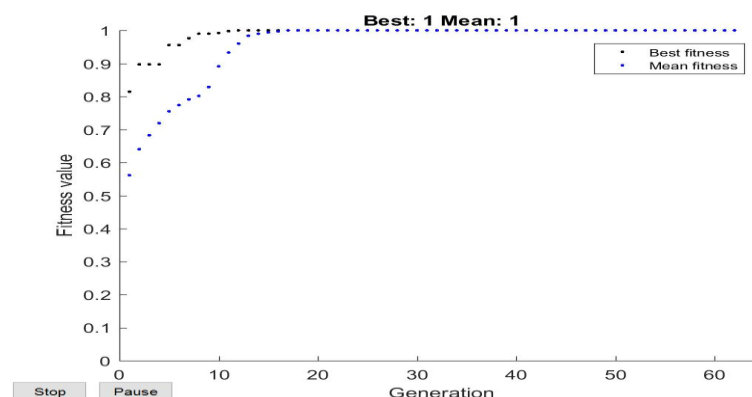


Figure 3: The final total quality of normalization which is achieved to 1

As the final result of the implementation the rank of each Critical Success Factor is determined by the application of genetic algorithms for the prioritization of association rules (Kumar and Iyakutti, 2011). The achieved result is presented in following table.

Table 5: The final achieved results of ranking the Critical Success Factor

Factor	Rank	Factor	Rank	Factor	Rank	Factor	Rank	Factor	Rank
F1	6	F6	3	F11	5	F16	5	F21	5
F2	10	F7	4	F12	4	F17	12	F22	12
F3	11	F8	11	F13	1	F18	13	F23	12
F4	14	F9	5	F14	8	F19	7	F24	3
F5	5	F10	2	F15	12	F20	14	F25	15

Recommendations and implications

Central to debate about the sustainable and an effective organization of the educational exhibition fairs, is the question of why organize fair to lead generation to be encouraged and be easily guided to decide what field to study and which university or country to choose to study. To elaborate, the quality of an exchanging value correlates with the attempts exerted to interact with the audiences in almost every fair. Convince someone to take a day out of the daily business affairs or to motivate students to come to your fair is still under critical research. This research applied a novel hybrid methodology, incorporating genetic algorithms and Delphi method to bring about most applicable CSFs with educational exhibition fair. The implication of this research can be formed as a best portfolio practice among practitioners. Following is the practical portfolio stages to consider all identified CSFs in Educational exhibition fairs. So we divide these CSFs into following stages:

1. **Idea:** this is about the initiation phase where there is a need to either obtain technical know-how or review the lessons learned from the latest events. Technical know-how in event management training (Harris & Jago, 1999), see table 6.

Table 6: Initiation Phase Check List (Idea)

Initiation Phase Check List (Idea)
To extent to do you have a knowledge background about different events?
What are the various event types and how have they been revolutionized and revolutionised?
What are the current trends of demand and supply?
What are the motivations? What are the prospective benefits?
What factors to be considered as contributory factors to society, culture and environmental?
Why to organize and who can concomitantly operationalize?
What style is going to be taken? What is the concept of the event program?
What are the settings up and coordination phases?
What managerial style/leadership style is going to be taken?
What would be your marketing approach?

2. **What and how:** refers to definition and designing respectively. An in-depth and critical evaluation of 10 golden body of knowledge in event management (Getz, 2000; Goldblatt, 2000) will substantially pay off, see table 7.

Table 7: What and how (definition and designing)

What and how (definition and designing)
Why this event?
Is it feasible?
Who are possible and potential partners?
What should the deliverables be?
What the boundaries/ assumptions?
What are the pertinent risks?
What would be the performance targets?

- 3. Implementation and post-event phase:** Critical factors for successful projects within Global Marketplace (Taherdoost & Keshavarzsaleh, 2016) can be integrated to be practical within the event itself, see table 8.

Table 8: Success criteria within implementation and post-event phase

Front-end planning and definition
• Clear mission and vision: unanimous goals with agreed success criteria (F1 to F25), along with clear understanding of the desired values. • Key sponsors and networking: understanding of the goals with a clear and agreed statement of defined outcome • Plan/program/method: all parties are agreed about provisions of the reserves and contingencies • Feasibility analysis: in terms of resources, risks and contingencies • Resource planning and identification, Human resource capacity identifications: proper task allocation • Communication channels, tools and techniques • External influences: agreed structure
On-time performance
• Company-wide education: covering risk concepts • Making risk register visible, Documentation • Rational duration and stage definition
On-cost performance
• Scope plan specification • Performance measurement, Value and benefit management • Incorporating and integrating project management and frontline management
Project fit into program
• Portfolio and program management • Program and portfolio metrics: provides direct line of sight feedback on the current performance, Learning from experience, Audiences' post evaluation

Conclusion

A novel genetic algorithms based association rule which is known as mining algorithm is incorporated along with a Delphi method for the first time in order to uncover the underlying CSFs within educational exhibition fair. GA is integrated in order to rank each CSFs which have been identified and listed in table 3. The identified results not only are promising to future enhancements in this field but also can be a success criterion before organizing each event. A small sample of respondents can be seen as a research limit. A future research can be suggested to focus on study of the real case educational exhibition fairs as well as analytically trial run

the proposed approach. To conclude, there is a little doubt that thinks before you act as beneficial. So these aforementioned implications have the idea of “think before act.” Each phase has its own presumptions which should be notices substantially.

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The Effect of Understanding Companion's Needs, Companion's Satisfaction, Companion's Delight towards Behavioural Intention in Malaysia Medical Tourism

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Abstract

Purpose: Medical tourist needs their companion for the continuation of care, safety reason coupled with decision-making and comfortness. The study investigates the effect of understanding companion's need, companion's satisfaction, companion's delight on behavioural intention in medical tourism.

Design/methodology/approach: A cross-sectional study has been conducted in four private hospitals in Malaysia involving 438 patient's companion using purposive and judgmental sampling and analysed using the Statistical Package for Social Science (SPSS) software for windows (20) and Partial Least Squares (PLS).

Findings: Understanding companion's need, companion's satisfaction and companion's delight are proven to have a significant effect towards behavioural intention. Companion is seen as an important contributor and indicator used in assessing the quality of service in private hospitals.

Research limitations/implications: Many studies in the past focused on patient's perspective and tend to neglect the presence of patient's companion. Positive experience through companion's satisfaction, delight and needs will project positive advertisement on the quality of service provided by the private hospitals.

Practical implications: This study significant credence is to provide practical information and valuable recommendation in the development of actions for the healthcare service provider and the Malaysian Health Tourism Council.

Originality/value: This study is one of the first to introduce the importance and significant of addressing companion's delight in the medical tourism industry as they could relay positive word-of-mouth and promotion towards sustainability of medical tourism industry.

Keywords: Medical Tourism, Understanding Companions Need, Companion Satisfaction, Companion Delight

Introduction

Medical tourism is one of the fastest growing “new” businesses in the world, facilitated by medical technology advancements, more affordable travel, and the availability of information through the Internet with rapidly growing medical tourism brokerage industry globally. Currently, medical tourism in developing countries not only provides an alternative option for better access in health services to inbound tourists, but also helps in sustaining their growth domestic products, due to fluctuation of economy in many Asian countries (e.g. Asian Economic Crisis in late 1990s) (Musa, Thirumoorthi, & Doshi, 2011). In 2016, the medical tourism sector in Asia-Pacific accounted for 10 million patients and 15-17 billion euros in revenues. Health tourism also known as “medical tourism” or “medical travel” is a rapidly growing industry catering to patients who travel to another country to receive medical treatment (Yap, Chen, & Nones, 2008). In Southeast Asia, medical tourism has become a common phenomenon with the established hospitals such as Apollo Group of Hospitals (India), Fortis-Escorts Heart Institute (India), Bumrungrad Hospital (Thailand), Prince Court Medical Centre (Malaysia), and the Raffles Hospital (Singapore) (Gopal, 2008). Patients who visit these hospitals receive elective procedures such as cosmetic surgery and specialist treatments, chemotherapy for cancer, dental care, or routine health checks. In addition, leisure activities are integrated into a package for the patient and their companion, hence making the phrase of “health tourism”.

Literature Review***Medical Tourism in Malaysia***

In 2009, Malaysia Healthcare Travel Council was established as the primary agency to promote and develop the industry as well as positioning Malaysia as a healthcare hub in the region (Malaysia Healthcare Travel Council, 2010). The Malaysian government has identified healthcare industry as one of the potential services to generate national economic growth as the country is fast gaining recognition as the preferred destination for healthcare travellers. In line with the greater focus on healthcare development, under the Tenth Malaysia Plan (2011-2015), a total of RM20 billion has been allocated to promote private sector investment in strategic priority areas which include the healthcare industry. Specifically, healthcare has been announced as one of the 12 National Key Economic Areas (NKEAs) priority sector investment as it has the potential to drive the economic growth of the country (Lai, 2011). In 2016 revenue from medical tourism stood at RM1b in its financial year with 860,000 medical travellers pursuing medical treatment in Malaysia with an average spending of RM1000 per visit (MHTC, 2017).

Role of Companion

In medical tourism, accompanied companion does play an important role as facilitator for medical tourist receiving treatment in another country due to the different culture and environment. Numerous studies suggest that healthcare quality can be assessed through an observer, such as friends and family perceptions. According to Strasser, Stephen, Sharon, Gerald, and Burge (1995), these observer groups represent potential future customers which act or catalyst as major influences on patient healthcare choices in medical tourism. Companions perceived that they “provide comfort and protection” to the patient who was vulnerable and defenseless during the procedures (Meyers et al., 2000). Patients described “being comforted” as how they felt safer and less afraid and not alone, loved, and supported when with companions. In addition, patients also perceived the roles of their companions as “receiving help” where this companion acting as their advocates especially in the emergency department (ED). The companions shared the burden of the need to understand and assumed responsibility for interpreting and explaining information to the patient (Eichhorn et al., 2001).

A study by Schilling et al. (2002) in Oncology Department, found that companions may perform additional functions such as providing emotional support and helping the patient understand and recall information provided during the visits. Companions such as spouses, children and relatives play an important role as caregivers in end-of-life care and frequently serve as both formal and informal proxy decision makers for patients (Levin et al., 1999; Shalowitz, Garrett-Mayer, & Wendler, 2006). Consequently, medical tourist may be in a state of deteriorating condition, thus, the decline in physical health and mental cognition prevent the patient from providing their own feedback (Dean & McClement, 2002). Therefore, it becomes critically important to solicit the views of companions accompanying the patients.

Theoretical Framework and Hypothesis Development

Understanding Companion's Needs

Accompanied family, friends and partners will have continuous interaction with nurses, staff and physicians especially patients that need to be hospitalised. Hospitals realised the support needed by the family, but truthfully these supports and needs are being ignored and forgotten (Daley, 1984). However, many healthcare professionals are not sufficiently aware the needs of patient's companion (Quinn, Redmond, & Begley, 1996) and research identification on these perceived needs had not guided the practitioners laterally (Wesson, 1996). Several studies have compared the needs of patient's companion self-reported perceptions to the perceptions of critical care nurses (Dockter, Black, & Hovell, 1998; Forrester, Murphy, Price, & Monaghan, 1990; Norris & Grove, 1986; O'Malley et al., 1991; Prowse, 1984; Quinn et al., 1996) in which nurses generally underestimate companions' needs. In medical tourism, the patient's companion normally stays with patients for several days. Therefore, the hospitals staff and physicians should consider the patient's companion feelings of helplessness during their stay with each companion having different role and experience. Although hospitals advertise attractive cost and sales packages to attract international patients, quality of care in the hospital is still a valid and important concern to medical tourist and their companion. Thus, it is compulsory to measure the current performance and improve the healthcare services. Hence, the following hypotheses were proposed.

- H1: Understanding the companions' needs have a positive relationship with companion's delight.
- H2: Understanding the companions' needs have a positive relationship with companion's satisfaction.

Companion's Satisfaction

Most research on satisfaction in health care focused more on patient perspective. Yet, individuals who accompany patients are potential consumers whereby their satisfaction with medical care may influence patients' healthcare outcomes as well as their own healthcare needs in the future. For example, Ekwall, Gerdtz, and Manias (2008) emphasised on how accompanied persons experience in the emergency care visit may give valuable information for future quality improvements with emergency care. In addition, companion's satisfaction with the service provided by a specific hospital affects preferences regarding admission if hospitalisation is needed as well as recommendations to others (Vom Eigen, Edgman-Levitan, Cleary, & Delbanco, 1999). Harvey (2004), described how the crisis of a critical illness affects both the patient and the family, identifying companion's satisfaction as a surrogate for patient satisfaction in critical care. However, only a few studies, have described companion's satisfaction with care of patients who are in a critical care setting (Harvey, 2004). These satisfied companions give support to the care intervention of the patient and helped improve patient outcomes (Miracle, 2006). Understanding of the factors in which satisfaction (at both transaction and global levels) gives effect on behavioural intention needs to be determined so

that healthcare provider can better understand the key factors that influence companions' behavioural intention. Based on the above discussion, these hypotheses were proposed:

H3: Companion's satisfaction positively leads to companion's delight.

Companion's Delight

Emotions as well as its expressions are shown to depend on social and interpersonal dynamics (Heise, 1989; Lovaglia & Houser, 1996; Parkinson, 1995). The importance of the emotional expectations placed on employees performing the service receives great attention both by customers as well as organisations (Ashforth & Humphrey, 1993; Hennig-Thurou, Groth, Paul, & Gremler, 2006; Morris & Thomas, 2001; Pugh, 2001; Rafaeli & Sutton, 1987; Van Maanen & Kunda, 1989). Yet, studies towards service experience on the effects of emotional expectations placed on customers and subsequent potential customer emotion management are under-studied (Tumbat, 2011). Emotion control by customers (or service recipients such as patients or companion) are extremely crucial and have greater consequences in interactive and extended service encounters than in distinct ones such as in the healthcare sector (see Grayson, 1998). Delight goes beyond satisfaction and has been measured differently from customer satisfaction (Richard L. Oliver, 1999). Adding to this, researchers found that customer delight has the most potential to influence future customer behaviour (Berman, 2005; Finn, 2005; McNeilly & Barr, 2006; R. L. Oliver, Rust, & Varki, 1997). Customer delight is the customer's positive emotional reaction when they receive a service or product that not only satisfies, but provides an unexpected value (Berman, 2005). Indeed, positive repurchase intention are the most common reported outcomes of customer delight (Arnold, Reynolds, Ponder, & Lueg, 2005; Finn, 2005; McNeilly & Barr, 2006; Reichheld & Teal, 1996) as well as willingness to recommend (Berman, 2005; Crotts & Magnini, 2011; Heskett, 2002; Torres & Kline, 2006). Significantly is the question of whether patients and companion will increase the resources in their control for example, to remain loyal, repurchase, willingness to pay more and carrying word-of-mouth. In response to this significant gap in the literature, the current research attempts to understand the phenomenon through formulation of the following hypothesis:

H5: Companion's delight positively leads to behavioural intention.

Underlying Theories

Three important theories underlie the integration development of the theoretical framework. The expectancy-disconfirmation theory (EDT) developed by Richard L. Oliver (1980) is the main theory governing the framework, tied up with social information processing theory by Salancik and Pfeffer (1978) and psychoevolutionary theory of emotions by (Plutchik, 1980).

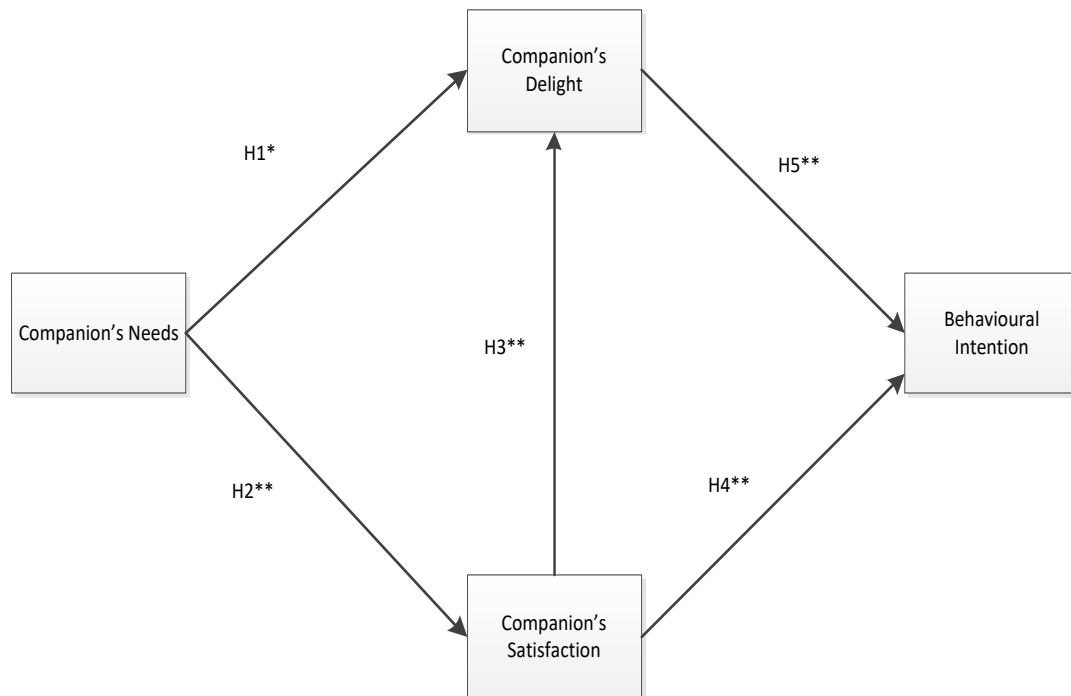


Figure 1: Theoretical Framework

Method

Demographic Profile

The target population of this study was the patient's companion (spouses, parents, children, relatives, friends or partners) who stayed for at least a day while accompanying the medical tourist seeking medical treatments in Malaysia private hospitals. According to Musa et al. (2011), 47.1% of medical tourist travelled to Malaysia in the company of their family and/or relatives (such as spouses and friends). In addition, 64.5% medical tourists stayed for a period of 6-10 days for treatment purposes with travel companions varied from none to 13 with an average of two companions (Musa et al., 2011).

Table 1: Respondent's Demographic Profile

Demographics	Category	Frequency	Percentage
Gender	Male	207	47.3
	Female	231	52.7
Age	18-19	8	1.8
	20-29	71	16.2
	30-39	100	22.8
	40-49	120	27.4
	50-60	97	22.1
	More than 60	42	9.6
Religion	Muslim	133	30.4
	Christian	178	40.6
	Buddhist	125	28.5
	Hindu	1	.2
	Others	1	.2
Nationality	Indonesian	428	97.7

Occupation	Singaporean	2	.5
	Australian	2	.5
	American	4	.9
	Others	2	.5
	Professional	106	24.2
	Self-employed	191	43.6
	Retiree	17	3.9
Education Level	Housewife	96	21.9
	Sportsman	7	1.6
	Others	21	4.8
	Post-graduate	43	9.8
	Graduate	156	35.6
	College	23	5.3
	High school	181	41.3
	Primary school	33	7.5
	Others	2	.5

Methodology

A cross-sectional study has been conducted in a hospital environment setting where the variables in this study were measured at the individual level. The population was the medical tourist's companion (spouses, parents, children, relatives, friends or partners) who stayed for at least a day while accompanying the medical tourist in Malaysia private hospitals. Purposive sampling method was used with the judgment sampling types as the most suitable to this sample design. The medical tourist's companion is in the best position to provide information required for this study through their experience and expert knowledge. Data collection was done through a self-administered questionnaire distributed via hard copy to the respondents. The questionnaire was prepared in English and translated into Bahasa Indonesia catering for 98% of the respondents with 438 valid questionnaires being analysed. Data was analysed using the statistical package for Social Science (SPSS) software for windows (20) and Partial Least Squares (PLS).

Findings

The model developed for this study was tested with structural equation modelling (SEM) technique using partial least squares (PLS) with SmartPLS 3.0 (Ringle, Wende, & Becker, 2015) software. SmartPLS is second generation analysis software that can be used to test complex model with latent variables. The two-stage analytical procedures recommended by Anderson and Gerbing (1988), whereby the measurement model is tested first to validate the instruments, followed by the structural model testing to test the hypothesized relationships.

Measurement Model Analysis

To assess the measurement model, literature suggests the researchers to look at the indicator loadings, average variance extracted and also the composite reliability values which measures convergent validity. Convergent validity evaluates whether or not the items represent one and the same underlying construct. Assessments on the loadings of the indicators were examined to ensure that they were above the threshold of 0.6 (Chin, Gopal, & Salisbury, 1997; Gholami, Sulaiman, Ramayah, & Molla, 2013), the average variance extracted (AVE) should be above

0.5 and the composite reliability (CR) should be above 0.7 (Hair, Black, Babin, & Anderson, 2010). As can be seen in Table 2 all the values were above the recommended values thus ensuring convergent validity is achieved.

Table 2: Measurement Model

Construct	Item	Loadings	AVE	CR
Behavioural Intention	BInt1	0.897	0.805	0.954
	BInt2	0.904		
	BInt3	0.925		
	BInt4	0.902		
	BInt5	0.857		
Companion's Delight	CDEL1a	0.61	0.58	0.942
	CDEL1b	0.653		
	CDEL1c	0.646		
	CDEL2a	0.784		
	CDEL2b	0.776		
	CDEL2c	0.709		
	CDEL3a	0.833		
	CDEL3b	0.844		
	CDEL3c	0.816		
	CDEL4a	0.835		
	CDEL4b	0.796		
	CDEL4c	0.784		
Companion's Needs	CSAT1	0.855	0.754	0.948
	CSAT2	0.722		
	CSAT3	0.907		
	CSAT4	0.895		
	CSAT5	0.69		
Companion's Satisfaction	SQUCN1	0.796	0.67	0.909
	SQUCN2	0.892		
	SQUCN3	0.86		
	SQUCN4	0.841		
	SQUCN5	0.914		
	SQUCN6	0.904		

Many prior studies have used the Fornell and Larcker (1981) criterion for testing discriminant validity. There has been a recent criticism of the Fornell-Larcker (1981) criterion do not reliably detect the lack of discriminant validity in common research situations (Henseler, Ringle, & Sarstedt, 2015). They have suggested an alternative approach, based on the multitrait-multimethod matrix, to assess discriminant validity: the heterotrait-monotrait ratio of correlations. Henseler et al. (2015), also went on to demonstrate the superior performance of this method by means of a Monte Carlo simulation study. Hence, we have also tested the discriminant validity using this new suggested method and the results are shown in Table 3. To test this they mentioned that if the HTMT value is greater than HTMT.85 value of 0.85 (Kline, 2011), or HTMT.90 value of 0.90 (Gold, Malhotra, & Segars, 2001) then there is a problem of discriminant validity. As shown in Table 3 all the values passed the HTMT.90 (Gold et al., 2001) and also the HTMT.85 (Kline, 2011), thus indicating that discriminant validity has been ascertained.

Table 3: Heterotrait-Monotrait Ratio (HTMT) of correlations test for Discriminant Validity

Construct	1	2	3	4	5
1. Behavioural Intention					
2. Companion's Delight	0.496				
3. Companion's Needs	0.606	0.391			
4. Companion's Satisfaction	0.786	0.475	0.781		

Structural Model Analysis

Table 4 presents the results of the hypotheses testing. The structural model shows that Companion's Needs to be positively related ($\beta = 0.098$, $p < 0.05$) to Companion's Delight and explaining 22.5% of the variance and Companion's Needs positively influence Companion's Satisfaction ($\beta = 0.709$, $p < 0.01$) explaining 50.3% of the variance. Companion's Satisfaction positively related ($\beta = 0.4$, $p < 0.01$) to Companion's Delight, Companion's Satisfaction positively influence Behavioural Intention ($\beta = 0.631$, $p < 0.01$) and Companion's Delight positively related to Behavioural Intention ($\beta = 0.195$, $p < 0.01$) explaining 55.2% of the variance. Thus H1, H2, H3, H4 and H5 are supported. The predictive relevance (Q^2) were higher than 0 as suggested by Fornell and Cha (1994) with Companion's Delight ($Q^2 = 0.112$), Companion's Satisfaction ($Q^2 = 0.315$) and Behavioural Intention ($Q^2 = 0.415$). The f^2 values were all greater than 0.02 indicating that there is substantive significance on top of statistical significance. On the other hand, we further checked if multicollinearity is an issue but all the VIF values were less than 5 as suggested by J. F. Hair, Hult, Ringle, and Sarstedt (2014).

Table 4: Hypotheses Testing

Hypothesis		Std. Beta	Std. Error	t-value	Decision	f ²	Q ²	R ²	VIF
H1	Companion's Needs -> Companion's Delight	0.098	0.052	1.869*	Supported	0.006	0.112	0.225	2.012
H2	Companion's Needs -> Companion's Satisfaction	0.709	0.023	30.89**	Supported	1.012	0.315	0.503	1.000
H3	Companion's Satisfaction -> Companion's Delight	0.4	0.057	7.024**	Supported	0.102			2.012
H4	Companion's Satisfaction - >Behavioural Intention	0.631	0.036	17.454**	Supported	0.695	0.415	0.552	1.282
H5	Companion's Delight -> Behavioural Intention	0.195	0.035	5.554**	Supported	0.066			1.282

**p< 0.01, *p< 0.05

Discussion and Conclusion

Many studies in the past focused on patient's perspective and tend to neglect the presence of patient's companion. This study significant credence is to provide practical information and valuable recommendation in the development of actions for the healthcare service provider and the Malaysian Health Tourism Council. Companion could be seen as an important contributor and indicator used in assessing the quality of service in private hospitals in which the importance of companion's presence easing the burdening feelings of medical tourist being on their own. The presence of companion will also contribute towards the sustainability of tourism sector with the continuance usage of hotel, transportation and airline services. This study is one of the first to introduce the importance of the companion's delight in the medical tourism industry as most research studied customer delight in other servicing industry such as travelling. The significant of addressing companion's delight will motivate and probe the health service providers on the concept of delight to promote these companions to relay positive word-of-mouth to others. The growth of medical tourism in Malaysia shows that private healthcare industry has a strong potential gearing the economic growth of our country.

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Performance Management System Effectiveness: Synthesizing a Literature and Methodology Review

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Abstract

Purpose: The paper sets out to identify the effectiveness of an organisation's performance management system (PMS) which still has great relevancy even in modern day performance evaluations. Even though there were vast research in the PMS area, yet there is no comprehensiveness in synthesizing the whole literature nor were there extended research methodology towards PMS which were not addressed or remained unclear.

Design/methodology/approach: The paper uses a systematic approach in reviewing and examining existing PMS and non-PMS articles that focus on PMS from 1990 (January) to 2012 (November) and thereafter focused PMS literatures from 1 January 2014 to 31 December 2018 (5-year period). In addition, this study will advocate a mixed method research deploying a sequential design of both quantitative and qualitative methods and assessing the influence of both appraiser and appraisee on the critical factors affecting effectiveness of PMS.

Findings: This paper will produce an outcome that will provide contribution and extend knowledge to existing PMS literatures in several ways: relevant gap identification that are yet to be addressed to fulfil the body of knowledge on PMS researches; confirmation on the influence of appraiser and appraisee on the critical factors which affects PMS effectiveness and recommendation of future assessment and future research utilising a mixed method approach for comprehensiveness to holistic implementations of PMS.

Practical implications: It contributes to the HRM practices by covering the literature gaps identified for a successful PMS implementation, the different methodology used, and this study also demonstrate the need to take into account not only the evaluation of appraisee but also that of appraiser.

Originality/value: This research has originality and value as it supports the view that PMS is affected by both the critical factors and the methodology of assessment of PMS. As there are no studies conducted on these comprehensive relationships especially utilising a different approach to PM assessment with mixed method in a Malaysian context, this research will add value to the body of knowledge and thus contributes further to theory building and future research efforts.

Keywords: Performance Management System, Critical Factor, Mixed Method Research, Literature and Methodology Review

Paper type: Literature review

1. Introduction

Over the last 30 years, the formal evaluation of employee performance has garnered much intense interest but informally such was in existence since centuries ago. Performance Management (PM) involved a systematic process that integrates various human resources activities with organisation objectives through performance achievement by its employees.

More specifically, it involves the process of rating, ranking and rewarding employees based on such evaluations and if beyond expectations the to yank such employees (Armstrong and Taylor, 2014).

According to Murphy and Cleveland (2004), PM are conducted to document performance, provide feedback for within person and promotion purposes between persons.

The prerequisite for PM implementation requires the presence of an effective implementation and established organizational design and management systems. Nevertheless, plenty of time and resources were expended on this annual assessment that it became a ritual process. The process is regarded as subjective, do not help much on performance improvement and both appraiser and appraisee struggled to agree on ratings, uneasy with it being linked to rewards (McKinsey, 2016), and appraisers were hard to articulate feedbacks especially if it was a corporate enforced Gaussian bell curve distribution ranking (Schleicher et al, 2009).

The essence of PM is about assessment to employee, for employee, with employee and by employee. Organization need to assess both of what has been achieved and how they were achieved.

There are differences between researchers as to what is true performance and inconclusive on the term good performance and under par. According to Deming (1986), what drives performances are often system rather than individuals. Yet others viewed instead on the importance of context which determine how PM functions, the various approaches to PM, and postulated that one size don't fit all.

According to Armstrong & Murlis (2007), PM or narrower Performance Appraisal (PA) has been criticised as an annual dishonest event and to some it is a means to exploit employees. PA is dependent on managers who lacked skills to carry them out. Some organisations are also reluctant to evaluate effectiveness of PM nor adopt research results.

1.1 Relevance

Recent studies suggested that ratings may impact employee engagement negatively. General Electric Co. Ltd. (GE) was famous for its PA method where employees were assigned individual performance rating and compared against their peers in the process of stacking, ranking and yanking employees. Yearly, GE determined the lowest 10% ratings and terminated them to replace with new deemed better employee (Duggan, 2015). But in 2013, GE abandoned this traditional performance review process where some ascribed them as being company wallpaper and now were in favour of real-time open communication and feedback, focus on developmental needs, coaching and some used real time interactive assessment via cell phone programs.

However, surveys at World At Work found that more than half of organisations deemed that their own PMS was below par in that their own PMS system failed when subjected to evaluation by its very own evaluation method (Forbes, 2012).

Nevertheless, PMS is only a vehicle to an end and not an end. PMS process will align individual employee performances with organisational goals. This newer strategy adopted by GE does not vary much from the traditional assessment system as organization still embraces the fundamentals that required an open communication, suitable feedbacks, and coaching. The only difference this time is that the focus is shifted by assessing in real time (Windust, 2015). It has been five years but multi-national companies (MNC) and those in Malaysia are yet to jump into this bandwagon.

Kaplan and Norton (1996) who created The Balanced Scorecard in 1996 discussed about performance measurement and indicators that leads and lags. However, by year 2000 Kaplan again revisited the PM concept and felt that organisation still needed to revisit the necessity of having a PM process to evaluate, respond, and align performance measurement to reach effectiveness. According to Siska (2015), after an extensive and comprehensive review of all

literatures, it was found that PM and management control system is still relevant as propounded by Kaplan in year 2000.

Performance measurement and performance management complements each other but are different practices. This research is about assessment of the PMS as it affects employees and not an evaluation of the performance management outcomes such as achieving financials, meeting strategic objectives, nor performance measurement of organisational effectiveness such as Key Performance Indicator, Key Business Area or Business Score Card. Thus, traditional PMS assessment still hold ground and are adopted in this research.

For over thirty years, researchers who dwell on PMS, often dwell on various variables and usefulness but few discussed optimisation or comprehensiveness of PMS by looking at the total aspect. Thus, the aim of this paper is to address the lack of research rigor on the above and the remaining section are as follows: Section 2 discusses the literature review, Section 3 on methodology review, Section 4 deal with the findings, and Section 5 with conclusion.

2. Literature Review

2.1 Research agenda

This research agenda is about the understanding of the effectiveness of PMS. For the review, the set of search keys used in order to conduct the literature survey are: performance management, performance management system, critical factors, appraiser and appraisee, and mixed method.

2.2 Literature search criteria

The search criteria consisting of books, government publications, theses, dissertations, peer reviewed journal and other relevant works (Choong, 2013).

2.3 Literature search procedure

In compiling the search, each selected article was evaluated in content for PMS relevancy and excluded articles that has passing reference only, insufficient coverage, referenced to certain cases only, or has comparability or generalisability issues (Choong, 2013).

An extensive search were performed using popular search engine of Emerald Insight, JStor, Taylor Francis, EBSCOhost, and Google Scholar for the entire duration till March 2018.

The initial search results on PM reveal that a total of 1,577,470 articles were found from various textbooks, academic and professional journals, and other publications. A further narrower specific search on PM reveal 112,229 articles. With critical factors identified as additional search, the results were 18,505 articles. When moderator/mediator and CF approach is thrown in, the total results were down to 67 and when included the aspect of appraiser and appraisee, the results were 26 articles only but most are non-relevant, and there were 0 articles when all elements under study were combined in the search. The resultant search and the findings are tabulated as per Table 1.

Table 1: Popular search engine results on PM and related topics

Popular Search Engines Search returns on PM related topics					
Tier 1 topic					
Performance Management (PM)	154,529	414,562	721,090	4,379	283,000
Tier 2 topic					
PM + moderator + mediator	6,638	1,695	32,519	177	69,600
PM + Moderating + Mediating	7,061	2,453	35,267	2	92,000
Tier 3 topic					
PM +Critical Factors (CF)	0	0	0	5	18,500
PM + moderator + mediator + CF	0	0	0	5	67
Tier 4 topic					
PM + moderator + mediator + CF + Dyadic + Appraiser + Appraisee	0	0	0	26 (Non-related)	0

In another avenue, literature searches were performed using University Malaya's vast search engines and mainstream databases literature search engines such as Web of Science and EBSCO Discovery. The search criterion for the publication period is from 1 January 2014 to 31 December 2018 (5- year period).

The initial search results on PM with University Malaya portal reveal that a total of 2,874,907 articles were found from various textbooks, academic and professional journals, and other publications. A further specific search on PMS reveal 2,092,021 articles. With mixed method identified as additional search, the results were 457,516 articles. When dyadic approach is thrown in, the total results were down to 13,832 and when included the aspect of appraiser and appraisee, the results were 27 articles only but most are non-relevant, and there were 0 articles when all elements under study were combined in the search. The resultant search and the findings are tabulated as per Table 2.

Table 2: Search returns on PMS related topics from University Malaya search engines

Search Engines Search returns on PM related topics		University Malaya Library Portal Links	University Malaya - Web of Science	University Malaya - EBSCO Discovery
Tier 1 topic				
Performance Management (PM)		22	193,210	2,681,675
Tier 2 topic				
Performance Management System (PMS)		0	112,392	1,979,629
PMS + Mixed Method		0	3,192	454,324
Tier 3 topic				
PMS + Dyadic Approach		0	25	23,275
PM + Mixed Method + Dyadic Approach			1 (not relevant)	13,831
PMS + Mixed Method + Dyadic Approach + Appraiser + Appraisee		0	0	27 (not relevant)
PMS + Mixed Method + Dyadic Approach + Appraiser + Appraisee +Malaysian Companies		0	0	0

The PMS related articles generated from the extensive search engines produced a diverse range of topics of which most are remotely related to PMS. However, there are no coherent topics on PMS related to CF and PMS utilising a dyadic approach and mixed methodology. This represent gaps for further future research.

2.4 Literature on Critical Factors and PMS

Performance Management (PM) involved a systematic and continual improvement of performance of organisation by developing individual and team performances (Armstrong and Ward, 2005). PMS involved the measurement and management of performance related to employee to ultimately increase effectiveness of organisation (Den Hartog et al, 2004).

PMS is the systematic event that strategically drives yearly performance reviews of employees with the stacking or ranking of performance against established goals or calibrating them with and ultimately using them as benchmark for rewards, for assessment of development avenue, or for exercising a Performance Improvement Plan (PIP) with the intention to improve their performance, or if they are beyond capability to improve further then to yank them (Armstrong and Taylor, 2014). Murphy and Cleveland (2004) noted that PMS are carried out to document employee performance, to provide feedback for within person and to use for promotion purposes between person.

The prerequisite for PMS success requires the presence of implementation effectiveness and established organizational design and management systems. Nevertheless, plenty of time and resources were expended on this annual assessment that it becomes a ritual process. The process is regarded as subjective, do not help much on performance improvement and both appraiser and appraisee struggles to agree on ratings, uneasy with it being linked to rewards (McKinsey, 2016), and appraisers are hard to articulate feedbacks especially if it is a corporate enforced Gaussian bell curve distribution ranking (Schleicher et al, 2009).

The essence of PMS is not only about assessment to people but also assessment for the organisation. Organisation need to take into consideration both of what has been achieved and how they were achieved. Organisation must place emphasis not only on evaluation but also thereafter on development via practical assignment, High Performance Work Culture (HPWC) experiences and on the job (OTJ) experiences. Appraisers should rate what was accomplished in relation to agreed predetermined targets and provide feedbacks for deviations thereof.

There are differences between researchers as to what is true performance and inconclusive on the term good performance and under par. According to Deming (1986), what drives performances are often system rather than individuals. Yet others viewed instead on the importance of context which determine how PMS functions, the various approaches to PMS, and postulated that one size do not fit all.

PM or Performance Appraisal (PA) or Performance Management System (PMS) can be viewed as an annual dishonest event. Some organisation suggested that PMS are conducted by line managements who are not trained to do so. Some organisations are also reluctant to evaluate PMS nor adopt research results.

Critical Factor: Factors affecting the effective implementation of PMS

This research examined the concept of the DV being the effective PMS, the IDV being Management, Trust, Training, Communication, the Rewards-Rating Linkages and collectively as CF, while the mediator (ME) being the appraiser/appraisee. The emphasis of this section of study is to seek out the literature gap on the above variables and examine critically the relationship between these variables of DV, ME and IDV as per Table 3.

Table 3: CF being the determinants of an effective PMS

	Longenecker, 1997	Bann, 2009	Aisyah, 2011	Ochoti et al, 2012	Fredie et al, 2015	Researcher, 2017
Independent Variables	Performance Criteria & Structures	Objectivity or Transparency of system	Appraisal System	Implementation Process of PM	Management Process affects Implementation	Implementation Process of PM
	Relationship with Superior	-	-	Interpersonal Relationship	Level of Trust	Interpersonal Relationship
	Rating Skills of Superior	Training of Appraiser	Raters credibility	Accuracy of Appraiser	Training of Appraiser & Appraisee	Training of Appraiser and Appraisee
	-	-	-	Level of Information Exchange	Communication	Communication
	-	-	-	Attitude of Employees	-	Attitude
	-	-	Rewards-Rating Linkages	-	-	Rewards-Rating Linkages

(Source: Adapted from Fredie et al, 2015; Ochoti et al, 2012; Aisyah, 2011; Bann, 2009; Longenecker, 1997)

The independent variables deemed to have significant relationships with PMS effectiveness were filtered as in Figure 1.

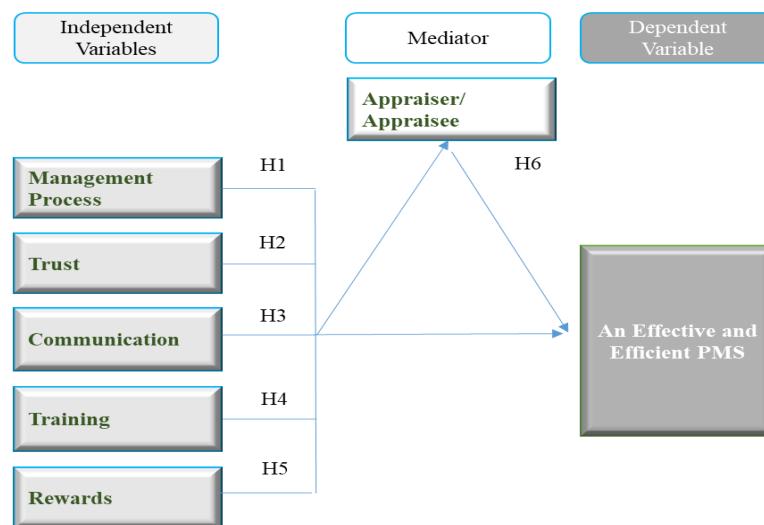


Figure 1: Research framework showing influence of Appraiser / Appraisee mediating the relationship between independent variables (H1 – H5) and dependent variables

In turn, the filtered independent variables are examined with further constructs determined in Figure 2.

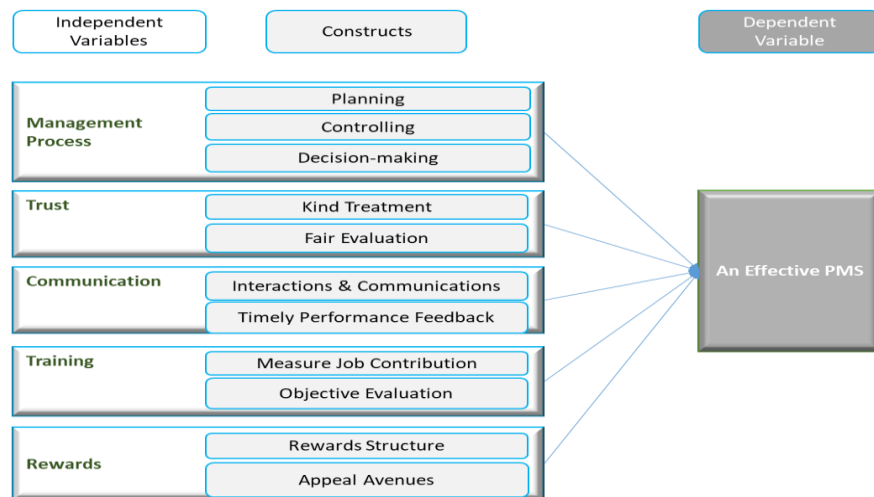


Figure 2: Research framework showing the breakdown of constructs of Appraiser / Appraisee mediating the relationship between independent variables (H1 – H5) and dependent variables (Source: Adapted from Fredie et al, 2015; Ochoti et al, 2012; Aisyah, 2011; Bann, 2009; Longenecker, 1997)

Latham & Locke (1979) asserted that person allocated with goals that are challenging will out-performed those allocated with goals that are less challenging because those with challenging goals will be initiated to make a difference. Furthermore, with sight of performance in relation to goals, incentive provisions will affect motivation. With goals setting participation, a subordinate's goal will have easier acceptance especially when set together with the superior as role clarification will be jointly agreed. After goal setting, individual's performance progress will be monitored and feedback given wherein individuals will adjust their effort level respectively. We need to remember that an appraiser can be an appraisee at the same time.

Management Involvement and PMS Theory

Whether management is an art or science, its process entails planning, organizing, leading, controlling employee effort, and optimising limited scarce organisational resource to realise planned organisational objectives. Robbins (2013) stated that management is a form of art in managing activity completion by utilising other people. To Krietner (2009) it means work together with others and utilising others to achieve goal, manage scarce resources, and resolve environmental changes.

According to Longenecker & Goff (1992), PMS supports organisation in setting and communicating performance standards and identify core competency. It facilitates optimisation of workplace performance environment by demonstrating to employee to link their individual performance and support individual achievement of goals which contributes to organisational objectives. This shows that their individual effort has direct contribution to organisational improvements. When PMS is being played as part of the process of managing, it will show its effectiveness in performance improvement by 15-20 per cent (Risher, 2005).

This management process includes planning, controlling and decision making.

Planning

Planning involve drafting plans of activities for the future. In the PMS context, the appraiser must make plans and communicate well in advance the appraisal meeting to the appraisee to enable sufficient time for appraisee to prepare (Kreitner, 2009). Planning can be carried out at departmental levels between appraisee and appraiser to facilitate improved performance. Plans

provide avenue to obtain and deploy scarce resources necessary for reaching its goals. Employees will continually carry out task that are aligned to goals for monitoring, measuring and taking corrective measures for any deviations.

Controlling

There must be an element of controllability of the appraisal by the appraiser on comparison of expected performance with actual performance and to utilise remedial actions to close gaps (Kreitner, 2009). In addition, controls are needed to ensure appraisals are proper and conducted over certain period. Management will guide appraisee to close all actions and meet the desired organisational goals. Thus, the three functions are; setting desired performance standards, comparing actual performance versus desired performance, and taking remedial actions for correction of deviations.

Decision making

When dealing with decision required on performance assessment, the appraiser will review performances and take appropriate decisions with respect to such review which may entails promotion, demotion, transfer, or termination of employee (Kreitner, 2009). The decision will require a total assessment and transparent assessment to be mutually beneficial to both the employee and the organisation as the appraisee need to acknowledge the performance assessment results. The appraiser may be required to comply to organisation enforced bell-curve distribution allocation to arrive at a rating and to be communicated to the appraisee irrespective of agreement or otherwise by the appraisee. If the appraiser did not plan the evaluation meeting well, then the appraisee will not have enough time to have prior preparation before the evaluation meeting.

The significant context

Jones (1995) asserted that it is more strategic to manage context than employee performances. Management has the function of providing goals that are clear and defined, providing availability of resources, and providing organisational structures and organisational policies in place. It will create a context with multiplier effect on the willingness and the competency to perform. In addition, Den Hartog et al (2004) stated that to change performance of an individual, it required a deeper understanding of the context in relation to the performance. According to Latham et al (1979), a continual appraisal assessment can be more effective than an annual appraisal in driving change behaviour of employee.

However, researchers like Meyer et al (2009) are not convinced. They explained that there was no evidence that appraisal improves motivation in General Electric Company. According to Longenecker (1997), a PMS is an enabler to identify competencies and performance standard and an enabler to communicate these to the employee.

With appraisals, organisation can identify the developmental needs of employee, gauge the efficiency of assigned task, and focus on training need analysis of employee (Longenecker, 1997). According to Boice and Kleiner (1997), before execution of PMS, the objectives of organisation needs to be established. Thereafter, departmental goals are formulated and cascaded and then followed by individual goals which are aligned to organisational objectives.

The Trust, Training, Communication and PMS Theory

Level of Trust between Appraiser and Appraisee

Trust involves a component of effectiveness and motivation. Superiors solicits for trust to prove their trustworthiness to others. Employees will demonstrate the level of trust in proportion to the organisational commitment level (Abu-Doleh & Weir, 2007).

Appraisers play an important role in culture building and trust building. According to Herzberg's motivation theory, the relationship between employee and their job are established but employee's behaviour at work varies and this may contribute to their success or otherwise. Management gains trust from people's experiences and observations of how they treat them or others. An employee may trust that an appraisal be carried out fairly and equitably but also expects a fair and equitable rewards (Decenzo & Robbins, 2010).

Appraisee may look upon the traditional PMS with flaws as they may view them as counterproductive as the original objective is to assess past performances and did not assess improvement of performance (Lee, 2005). Greenberg (1986) stated that factors such as interpersonal one played a role in the interactions between employee and organisation and thus may be perceived as fairness. According to Greenberg (1986), appraisers evaluate performances of appraisee and ascribe a value on the appraisee. Thus, the appraiser need to treat the appraisee fairly to create a mutually trusting environment. However, Murphy et al (2004) stated that there may be appraiser with different agenda or different objective and will thus provide difference in ratings. When respect and trust prevail, then the opinions are valued. Collaboration, honesty and a caring attitude supports for effective appraisal and creates an open dialogue (Armstrong and Murlis, 2007).

When measuring individual performance, an organisation faces difficulties. A common approach is to deploy supervisory ratings. However, they are prone to subjectivity, personal favour, biasness, distortion by intention, unintended rating errors which cast doubt on its validity and accuracy (Campbell et al, 1998).

Ratings are deemed to have the effect of destruction and counterproductive as it affects people when they are assigned a rating for their work. To the people at large, they will be affected psychologically and most of the time negatively except for those obtaining higher ratings. Usually, ratings disappoint employees (Furnham, 2004). Similarly, Lee (2005) stated that poor ratings can produce a stigma on appraisee's performance with a resultant effect of resistance or refusal to the acknowledge feedback. And appraiser has a problem to communicate the lowest scale or poor ratings as it represents the worst feedback. However, feedback itself may provide the same objective as ratings but without negative side effects.

Rating grade can take the form numerically (1 – 7) or adjectively (Top Achiever, Outstanding, Excellent, Satisfactory, Developing, Need Improvement, and Unacceptable). Assigning ratings are more difficult than facilitating a feedback discussion. Most people view rating as uncomprehensive, demoralising and treating experienced individuals like a school boy (Meyer, 1991). Risher (2005) viewed grading as a classification bucket and it is subjective as it requires input from both appraiser and appraiser's superior. Deming (1986) thinks that rating is illogical as differences in performances may be due to system variation. Irrespective of the above, some academicians still think that rating are necessary. DeNisi (1992) reiterated that when appraisers conduct assessment analytically, then appraisers will still influence appraisal. However, according to DeNisi and Pritchard (2006), most of researches only focussed on measurement issues such as bias in ratings. However, Wherry and Bartlett (1982) suggested for a rating theory that can control biasness.

Level of Training between Appraiser and Appraisee

Training facilitates identification of training gaps and consequential improvement of required performance level.

Effective PMS require appraisers to be trained (Longenecker & Goff, 1992). Appraiser needs to know how to evaluate, manage, and motivate appraisee. PMS is not just a stop and fix process but need to be dealt with in a comprehensive sense. Appraiser need to be trained on performance standard setting, conflicts management, coaching and supervisory skills,

provision of feedback that is constructive, and linking the ratings to rewards (Boice & Kleiner, 1997).

Boice and Kleiner (1997) stated that appraisers should do away with their vulnerable method of selective memory and instead review performance of appraisee continually and frequently which will reduce surprises at year-end review process. Some appraiser only can remember the last quarter performances rather than the full year performances.

Even with the most efficient and effective job screening method, there may still be shortcomings of capability and experience of appraisers. Thus, appraisal training will reduce these gap before appraisal commenced (Kreitner, 2009).

Appraisee needs to be guided on the self-review of their performances. Robbins and Judge (2013) noted that a flatter organization structure will provide team to grow, barriers of departments reduced, and job becomes more varied thus necessitating a detailed knowledge of organization's activities. This training still is needed even if mid-year or year-end self-review is carried out.

Appraisals are used by management and appraiser as a tool and when carried out to perfection, it will be easily understood and adopted by employees (Murphy & Cleveland, 2004). According to Dessler (2005) and Fletcher (2001), appraisers and appraisee has a mutual objective about implementation of PMS and if they do not fully understand them, then confusion and rejection sets in and may fail the system.

According to Prowse and Prowse (2009), the main activity of performance appraisal is the performance measures. An effective PMS will measure the appraisee's performance rather than behaviour. However, to establish a PMS that accurately depicts performances is difficult as it needed the matching of employee and organisational requirements. Appraiser's subjective personal prejudices may affect evaluation accuracy and ratings (Murphy et al, 2004).

DeNisi (1992) noted that even if appraiser attended error trainings, it will not increase their accuracy. However, the rating quality could be improved by providing the appraiser with performance expectations, job behaviour required, forms and format provided to collect performance data, and coaching of interpretation of data to enable decision making.

Level of Communication between Appraiser and Appraisee

Communication is a social process that involves information transfer and interactions between persons or group (Kreitner, 2009). It is a process that allow managers to carry out job and responsibility through accomplishment of plans, organizing, leading and controlling (Robbins & Judge, 2013). It provides motivation by clarifying what and how performance has been done and if below par, then what more need to be done (Robbins & Judge, 2013). It is an enabler that facilitates a smooth appraisal process. It can take the form of oral, written and electronically, gestures such as movement of eye, body or hand, face expressions, and pitch of voice.

In a study involving 9 organisations with 860 employees, it was found that the frequencies and quality of interactions and communications between the appraiser and appraisee will influence the PMS process (Fletcher & Williams, 1996). They will arrange frequent meetings to discuss action plans and resolved any issues.

Western organisation embracing western cultures emphasized on longer-term and high uncertainty avoidance index (UAI). Thus, they adopted the 360-degree feedback system but an eastern organisation embracing eastern culture will adopt a 180-degree feedback option (Cokins, 2011). Typically, in a 360-degree feedback, all the peers, subordinates, superiors and the appraisee are involved in the evaluation of the appraisee. It may involve customers, suppliers, or service providers, too. McDowall and Fletcher (2004) stated that these comprehensive feedbacks are costly but very comprehensive as all person or parties that has direct dealing with the appraisee could provide feedbacks. According to Meyer (1991), when

the appraiser commenced a performance review with the appraisee, it is clear who is doing the assessment and the role of superior and subordinate is set out clearly.

According to Furnham (2004), an appraisee is receptive to negative feedback if it is based on trustworthy evidence and the appraisee is guided on the next steps for prevention and countermeasure for closure. Longenecker (1997) stated that appraiser should continually provide feedback to the appraisee on their competencies relative to expectations and such should be brief, accurate, relevant, specific, timely, and actionable (Lee, 2005).

Bailey and Fletcher (2002) conducted a study of 104 managers (appraiser and appraisee) by utilising a 360-degree feedback assessment. When managers themselves and their subordinates perceived that the managers' capability has increased, developmental needs are reduced and similarity in co-worker rating prevailed. In a study conducted by London and Smither (1995), it was found that multi-rater feedback improves own understanding and is a source for development and performance improvements.

Employee can demonstrate their satisfaction with the PMS through their attitude. McDowall & Fletcher (2004) stated that such perceptions of system fairness will decide its effectiveness. Where biasness, irrelevance, or inequality of system are perceived, the system may cripple (Murphy & Cleveland, 2004).

Perception of being fair depends on existence of a formal performance appraisal, having appeal avenues, appraisee having excellent job knowledge, the performance dimensions are known and relevant, and action plans are readily available to overcome system weaknesses. The organisational climate will dictate either cooperation or competition (Murphy & Cleveland, 2004). The attitude of appraiser will also influence the quality of appraisal. Some appraiser declined to exercise appraisals, deeming them as an exercise to eradicate poor performers.

Performance appraisal can be carried out verbally between appraiser and appraisee. Both parties documented agreed targets but separately input their comments in the system. For operator level, because of the masses they may not be enough resources available to access the system and thus it is unilaterally assessed by the superior and will be at the mercy of the superior.

The Rewards-Rating identification between Appraiser and Appraisee

According to Townley (1993), the linkage between performance and rewards will increase the motivation, commitment and level of performance especially if deployed on a regular basis for incentives, increment, bonus, upgrading and promotion decisions. Thus, the appraisals can be a basis for justifying such decisions.

Through the linkages, employee will realise that meeting their performance goals are important as it directly correlates to rewards for them (Prowse & Prowse, 2009). However, according to Gray (2002) and Armstrong and Murlis (2007), although managers may evaluate performance with following monetary rewards with the view that employees will work hard and stay long, but there is little correlation or evidence that PMS secured the desired outcome. On the other hand, most jobs are team performances which is not representative of an individual effort (Gray, 2002).

Appraisers can appeal against a rating decision which are deemed as inadequately evaluated to avail fairness to appraisee (Townley, 1993). This will also cushion the organisation from any accusations. If a system is comprehensive, an appraiser's evaluation will be fair because it will be reviewed by another level of the organisation (Murphy & Cleveland, 2004).

Even though organisations may distinctly separate pay relative to ratings, there will still be a reference to pay as reflective of appraisal ratings (Armstrong, 2006). Employees should be remunerated base on their current worth and potential market worth and compared in relation to both internal and external peers. Although motivation theories suggested high rewards to match high performances, the difference between lower performers and higher performers are

very narrow. On the contrary, outstanding employees could be bestowed with other rewards or non-monetary rewards such as shares and qualitative benefits respectively.

Rewards may be the main motivator for retention cases. However, if appraisee perceived unfairness, they may work to rule, refuse overtime, work less efficiently, or else decide to work in a more effective manner in other greener pasture by resigning from the organisation.

There may be flaw in PMS process to the extent of not producing more efficient employees (Gray, 2002). In certain cases, some reasons or barriers exist. There will be no motivation because while business can recognise team effort, rewards cannot recognise team effort in consolidated manner but can rather recognise effort individually. If there is no much difference between the highest rating and lowest rating or too negligible, there will be no motivation to work harder to get higher rating.

Certain ratings or evaluation may be too close that the process decided that most of the people will fall in the average category but employees do not want to associate their work to average performances only. As final performance assessments are usually at year end, management and organisation are tasked to compare with limited resources between allocated budgets and actual pay-out.

Gray (2002) proposed a variable method that links a person's performance partly to organisational performance and partly to individual performances where both compensation management and performance management are integrated. Malaysian companies used this system for bonus only and not for increments.

Conclusion

This paper undertakes a review of the literature to identify the effectiveness of an organisation's performance management system (PMS) which still has great relevancy even in modern day performance evaluations. Even though there were vast research in the PMS area, yet there is no comprehensiveness in synthesizing the whole literature nor were there extended research methodology towards PMS which were not addressed or remained unclear.

It contributes to the HRM practices by covering the literature gaps identified for a successful PMS implementation, the different methodology used, and this study also demonstrate the need to take into account not only the evaluation of appraisee but also that of appraiser.

This research has originality and value as it supports the view that PMS is affected by both the critical factors and the methodology of assessment of PMS. As there are no studies conducted on these comprehensive relationships especially utilising a different approach to PM assessment with mixed method in a Malaysian context, this research will add value to the body of knowledge and thus contributes further to theory building and future research efforts. Surely, synthesizing the literature and methodology review brings about the emergence of an effective PMS.

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Creating Better Humans towards the Sustainable Competitive Advantage of Small and Medium-Sized Accounting Firms in Malaysia

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Abstract

You will find this study a bit different than others in the sense that it pierces directly into the human hearts. The world current economy is full of mysterious and uncertainty. There are plenty of different perspectives, but who can guarantee that they are right? The root of the problems of all issues generally come from the human heart. If we able to deal with human issues, it sorts out almost all the problems. The purpose of this study is to determine the contributing factors towards the sustainable competitive advantage (SCA) of small and medium-sized accounting firms (SMPs) in Malaysia. It aims to have a long-term impact on the prospects to the practitioners and the accounting professions. It becomes an attention to the world when numerous accounting scandals being published, and they jeopardized the accounting professions' reputations. There are a few undisclosed cases especially it dealt with compliance, corporate tax, GST, money laundering and other issues, not only in Malaysia but other countries as well. As such, my study focuses on creating better humans. Key findings from the literature highlighted the deficiencies in core competencies of the firms. They are related to human capital and most of the researchers pinpointed the importance of knowledge, skills, capabilities in which it links to competencies in the corporate environment. The resource-based view of the firm is a common theory used by researchers as a mean of explaining competitive advantage and superior performance amongst the firms. And most of them stress the necessity to meet customer needs and expectation to create a sustainable competitive advantages.

Keywords: Sustainable Competitive Advantage, Better Humans, Knowledge, Skills, Abilities, Competencies, Accounting Firms, Practitioners

Introduction

Doing business is exactly like going to the battlefield. The survivor wins. If you were dead, people forget you within three days. But if you survive, you always have a chance of success. There are various reasons for one person to be successful, but there are almost the same reasons for people to fail – greedy, wrong team, run too fast with too much money. Learn to face these mistakes and troubles when it arrives (Quote by Jack Ma).

Siti-Nabiha, Scapens, (2005) reveal that stability and change have become the focus of the accounting profession and are not necessarily contradictory and opposing forces but interlink in an evolutionary process of change.

The mission of the Organisation for Economic Co-operation and Development (OECD) to promote policies that will improve the economic and social well-being of people around the world, effect the birth of Corporate Governance have improved in many countries and companies including Malaysia. It serves as a deterrent to future unhealthy emergent issues after numerous unexpected accounting scandals in the world occurred. SMPs must equip themselves with solid armour to face the challenge ahead. The quote in Sun-Tzu War of Management states “know yourself know your enemy, one will win the battle. Know the weather know the climate, the victory shall be yours.” In short, the SMPs has to be prepared before they are affected, or it will be too late.

Brian Blood, Chief Executive of Confederation of Asian and Pacific Accountants (2016) addressed the role of accounting in powering economic prosperity in Asia at the second Financial Reform for Economic Development Forum (FRED II) and conclude the need for strong public financial management and the importance of professional accountancy organisations in engaging with the public sector to bring about change, noting that “good decision making is founded on good information”.

In recent years, there has been a growing need in Asian countries to appreciate the roles of SMPs in the accounting industry. It is simply because of many practitioners in these countries are comprised of SMPs who employ professional accountants and contribute to employment creation in the industry. Another reason is SMPs are greatly engaged to provide valuable business support to small and medium enterprises (SMEs) (Williams, O'Donovan, 2015) which are currently considered as the engines of economic development both in developed and developing countries. In Malaysia, there is no exception in leniency of accounting practices in the market. The Ministry of Finance has set up the Committee to Strengthen the Accountancy Profession (CSAP), which aims at addressing the strategic challenges facing the accounting profession in the country. Hence, an accountant's knowledge is priceless when assessing an organisation's financial health and performance. Whether it is a small firm or a multinational corporation, accounting professions are depended upon in steering the business towards success.

Research problems

The study focuses on creating better humans towards the sustainable competitive advantage of SMPs in Malaysia. The international scandals have put the accounting profession under public and regulatory scrutiny. The public's perception of the accounting profession has changed putting high expectation on them to lend credibility to publish financial reports (Zabihollah Razaee, 2004) and be always in high competency level. Accordingly, restoring public confidence in auditors' judgments and reputation is necessary. Accountants must align themselves with strategic ways to adhere to the compliance issues. In addition, the accounting professions were under a strict monitoring of Malaysian Audit Oversight Board (AOB) and Malaysian Institute of Accountants (MIA). Therefore, the better humans cannot be overlooked and more competent accountants are needed in the market.

As a result, the accounting professional landscape is continuously changing, particularly the new laws and auditing standards. The accountant needs to develop the habit to regularly update themselves with the latest information (Palmer, Ziegenfuss, Pinsker, 2004). It shows that other than general business knowledge and accounting knowledge, personal attitudes towards the learning capabilities and initiatives are also significant.

Francis, (1994), cited in Nagy, Cenker, (2007) also say that those changes lead to the works of accounting professions to be structured and standardized, but has limited their subjectivity. Lack of conceptual skills and professional judgment capabilities disqualify them to stay relevant not only in Malaysia but also across international borders. For example, a Malaysian firm may do business with multinational clients or they may have subsidiaries overseas. Not simply that, the general business knowledge and personal attitudes and capabilities are questionable as well. It is clearly the internal weaknesses of the accounting practitioners. These core competency skills fall part of the KSA mentioned above.

No doubt that the tight laws, principles and regulations are secure for the industries, external auditors experienced increased stress because of increased expectation of independence. A lot of compliance work, restricted higher audit fees and greater reporting responsibility add on stress on them. Stress management and self-responsibility practices within the workplace have created accountability and leadership accomplishments. Nagy, Cenker, (2017) suggests that a good communication skill to bridge the tension of auditors/client relationship during the long meeting and regular dialogues would create a competitive advantage to the practitioners. Communication skills, interpersonal skills, and personal attitudes and capabilities are internal weaknesses to be improved.

McDowall, Jackling (2010), Stefan Bunea (2017), Marriott and Marriott, (2003), find that the lack of core competencies start from the students in colleges and universities affecting communication skills, interpersonal skills, general business knowledge, accounting knowledge, problem-solving skills, information technology and computer skills, and personal attitudes and capabilities. The educators have crucial roles to reverse the effects.

Janvrin D., Bierstaker J., and Lowe J. D. (2009) argue that whether it is auditors or the clients, the use of information system (IS) tools is a norm in the technology world. Ahmi A, Saidin S. Z. and Abdullah A (2014) however, recommend that if they have not fully adopted IS, they should at least be in the process of adoption or having a positive perception towards technology usage. It is unknown exactly how powerful of new technology will change our lives and works. One thing for sure is that technologies will take over more and more routine tasks, so our goal must keep creating new tasks that are not routine.

The appropriate research question is, therefore: *What are the major factors contributing to SCA of SMPs?* Hence, the research objective is *to determine the major factors contributing towards the SCA of SMPs.*

Literature review

The literature review must bring clarity and focus to the research problem, improving the research methodology, broadening the knowledge base in the research area and with the hope enabling to contextualize any findings.

Sustainable competitive advantage

The strategic management is a plan of action designed to achieve a long-term or overall design using the allocated available resources (Chandler, 1962). It would be pointless if the strategy could not address the internal and external issues affecting the organisation. This is what we want to do and how we intend to do which enable the organisation to adopt the master plan in the future (Abell, 1993).

Dess, Lumpkin, Eisner, McNamara, (2014) in their book ‘Strategic Management’, 7th Edition, McGraw Hill, Chapter 1, state that competitive advantage is a firm’s resources and capabilities

that enable it to overcome the competitive forces in the industry. However, it is the best to determine how a firm is to compete that are sustainable over a length of time. The firm should position itself to minimize its costs of service or develop services that are unique for customers and will enable the firm to charge premium prices.

Sustainable competitive advantage can be achieved through enhancing the operational effectiveness and competitive dynamic. It is directed at overall organizational goals, includes multiple stakeholders, incorporates both short-term and long-term perspectives, and incorporates trade-offs between efficiency and effectiveness.

Competitive advantages provide an edge over rivals and an ability to generate greater value for a firm and its shareholders. The more sustainable the competitive advantage, the more difficult it is for competitors to neutralize the advantage. The two main types of competitive advantages are comparative advantage and differential advantage.

Comparative advantage is generated by a firm's ability to produce a good or service at a lower cost than its competitors. This gives the firm the ability sells its goods or services at a lower price than its competitors or to generate a larger margin on sales. Rational consumers will choose the cheaper of any two perfect substitutes offered. If the effects of comparative advantage are partially offset by imperfect substitution, higher margins for the lowest-cost producers will eventually benefit shareholders through superior returns or provide the company with more resources for marketing, research and development or administrative infrastructure improvements to support future growth. Comparative advantage can be derived from economies of scale, more efficient internal systems, location in geographies with low labour or low property expenses. These do not always imply the company can produce a better product or service, but rather they can offer a product or service at a lower price. In the context of international trade economics, comparative advantages are determined by opportunity cost, and any part has a comparative advantage at something.

A differential advantage is created when a firm's products or services differ from its competitors and are superior to a competitive offering. Differential advantages can be driven by more advanced technology, patent-protected products or processes, superior personnel, or a strong brand identity. These factors support wide margins and large market shares.

Hill, Jones, (2008) stress the approach of a mission to meet the need for a customer-oriented rather than a product-oriented business. The customer-oriented business derives the questions of 'who is being satisfied?', 'what is being satisfied?', and 'how customer needs are being satisfied?'. It focuses on customer groups, customer needs and distinctive competencies.

Williams, O'Donovan, (2015) question the deficiencies in the effectiveness of the accounting profession in supporting SMEs in implementing Small Business Practitioners (SBPs) despite a request from clients for accountants to provide this advice and a belief that accountants are best placed to do so. The SMPs should create competitive advantage by priorities more of its quality and time with the customers and assist the doubts of the clients. The results show potential benefits of implementing SBPs which include improved customer loyalty, cost savings and reduced risk of government-posed regulation.

In explaining sustainable competitive advantages, the literature by Johannessen, Olsen, (2009) shows two major paradigms, the industrial organization (IO) theory and the resource-based perspective. They explain that the firms need to exert monopoly power to make supernormal profits and are possible by limiting competitive forces through creating entry barriers at the industry level.

Better humans – Knowledge, skills and abilities (KSA)

There are various works on core competencies that support the essence of knowledge, skills, and abilities in knowledge management systems and theories. Palmer *et al.*, (2004) conclude the common and specialized competencies are related to knowledge, skills, and abilities which can be used by any interested parties to design hiring and evaluation aspect. The components are communication skills, interpersonal skills, general business knowledge, accounting knowledge, problem-solving skills, information technology and computer skills, personal attitudes and capabilities.

Study title	Organization	Year completed
Perspectives on education: capabilities for success in the accounting profession (The Big Eight White Paper)	Big Eight firms	1989
Objectives of education for accountants: accounting education change commission position statement number one	AECC	1990
What corporate America wants in entry-level accountants	IMA	1994
The 1996 practice analysis of management accounting	IMA	1996
Competence-based approaches to the professional preparation of accountants	IFAC	1998
The 1999 practice analysis of management accounting	IMA	1999
Competency framework for internal auditing	IIA	1999
The AICPA core competency framework for entry into the accounting profession	AICPA	1999
Towards competent professional accountants	IFAC	2003

The organization in the table above shows the research topics and completed year. The result from the authors on its comparison of the various competency studies as to whether they are the important criteria for the competency level in the practical world are shown in the table below:

	Studies							
	White Paper	AECC	AECC	IMA	IMA	IIA	AICPA	IFAC
Communications skills	X	X	X	X	X	X	X	X
Interpersonal skills	X	X	X	X	X	X	X	X
General business knowledge	X	X	X	X	X	X	X	X
Accounting knowledge	X	X	X	X	X	X	X	X
Problem-solving skills (intellectual skills)	X	X	X	X		X	X	X
Information technology	X	X	X		X	X		X
Attitudes, capabilities professionalism	X	X	X		X	X		X
Computer skills	X	X	X	X				X
Leadership	X				X			X

Communication skills

Johannessen, Olsen, (2009) point out the importance of innovation as a process of percolation. There are two classes of forces termed as connectivity and receptivity. Connectivity can be used among the agents in the network, and receptivity can be used by each agent's capacity to absorb the information received. In short, it is concluded that proactive firms have a greater extent of adaptation, more external connectivity and a better integration of electronic data interchange

information. Information richness theory (Daft, Lengel, 1986, cited in Johannessen, Olsen, 2009) argues that communication media vary in their capacity to process rich information. It may decrease its richness through face-to-face, telephone, personal documents such as letters and memos, impersonal written documents, and numeric documents. Lee, 1994 argued that in view of information richness theory, electronic mail filters out important cues such as body language and tone of voice and, unlike face-to-face meetings, is not conducive to immediate feedback. Stone, (2011) indicates that accountants adopt communication approaches with small managers must prove its needs of the economically significant in the small business sector. Colbert, (2002) addresses the communication as significant for internal and external auditors after the required implementation of corporate governance, and both the International Standards of Auditing (ISAs) and the Practice Advisories (PAs).

Interpersonal skills

Interpersonal skills have the positive effects of work engagement on outcome measures of transformational leadership and leader well-being at work (Mencl, Wefald, Ittersum, 2016). It consists of emotional and political skills, in which results show that they are important capability contributing to transformational leadership and leaders' job satisfaction. Transformational leadership is well aligned with management in the modern knowledge economy because of the nature of work is characterized by personal interactions and meet individualized needs. Organisations will benefit from implementing ways to engage managers in their work to facilitate transformational leader behaviours and well-being.

Sahai, Jain, Bahguna, (2014) pinpoint that bridging the gap using training in interpersonal communication helps in improving customer service experience. The Functional Fluency model helps in identifying the dominant response style and the variables emergent for a group of frontline staff. This can help in designing training programs that will assist in employees enhancing their interpersonal communication from positive functioning and being cautious or exercise restraint on the negative functioning of Functional Fluency model.

Problem-solving skills

Glover, Champion, Daniels, Boocock, (2016) using Capital Theory to explore problem-solving and innovation in small firms reveal that firms which possess higher levels of social and cultural capital have a higher success rate in problem-solving and are more likely to engage in the innovative activity. Social and cultural capitals complement and reinforce one another in small firms enhanced ability to utilize networks and to access a greater diversity of knowledge.

IT and computer skills

Katamba, Angelina Yee Seow Voon, How Shi Min, Hsin Vonn Seow, (2017) stress the critical of audit firms to adopt different technologies to support their activities. By doing so, they will improve the competency level to build public confidence in them. Gary Pan, Sayyen Teoh, Poh Sun Seow, (2014) identify two actions that were instrumental in enriching resources in IT capability development process which are collective leadership and managing change. Three attributes that supported the resource-enrichment process include effective governance structure, extensive IT knowledge and business experience, and stakeholder commitment.

General business knowledge, accounting knowledge, and personal attitudes and capabilities

Zabihollah Razaee, (2004) reminds the accounting professions to lend credibility to publish financial reports and to rebuild and restore public confidence in auditors' judgments and

reputation. Therefore, SMPs must change their attitude of managing firms with integrity and transparency and improve their capabilities to absorb additional knowledge (general business knowledge and accounting knowledge) and enhance other competencies skills. The perceptions of corporate governance, auditing standards, accounting standards, acts and regulations etc. should be taken positively as an opportunity to strengthen the core competencies to create a sustainable competitive advantage.

Relationship between SCA and KSA

Companies of all sizes and industries are undergoing a digital transformation. They are developing operations and overhauling infrastructure to better attend to clients, partners and employees and respond more rapidly to shifting market conditions.

Simple tools let business users design and adapt their own process. Dynamic processes allow people to break out the rigid workflows and collaborate on issue resolution. And the integration of the content with process adds intelligence to automated information flows so employees work more efficiently and effectively.

Theories and models

Fang Huang, Gardner, Moayer, (2016) highlights the key components and applications of the new Strategic Knowledge Management (SKM) conceptual model for actively and purposefully integrating explicit and tacit knowledge rooted within organization systems and bigger social business intelligence networks. It aligned managerial practices through enabling organizational learning, building organizational memory, encouraging knowledge sharing and collaborative decision support (Liao, 2003, cited in Fang Huang, Gardner, Moayer, 2016).

At today's peak of competition, business process management (BPM) is viewed as a best practice management principle that can help companies in sustaining competitive advantage. Established on the reassessment of the literature, the study of BPM can be analysed based on dynamic capability theory (Nadarajah, Abdul Kadir, 2014). Process alignment and people involved are the focal points. They are based on few theories such as systems theory, organizational theory, alignment theory and strategic theory. The results indicated that when systems, process and people are perfectly aligned, it can work to harness the organisation's sustainability.

The BPM life cycle in Figure 3.1 shows the flow of the process from design to optimization.

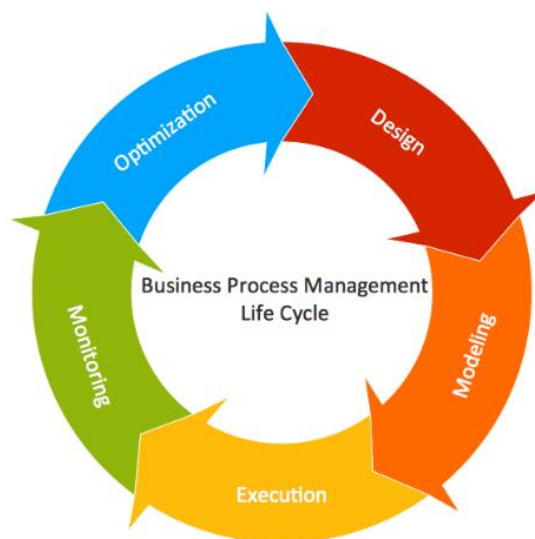


Figure 3.1: Business Process Management Life Cycle

Remy Magnier-Watanabe, Dai Senoo, (2009), on the other hand, find that the perceived importance of knowledge management activities, especially the combination, appears as an important source of competitive advantage related to technical knowledge. More time spent on knowledge management tasks, socialisation, contributes to a competitive advantage related to affective knowledge. They use the “*knowledge-creation theory*” based on this paradigm that all knowledge can be classified in either tacit knowledge (Polanyi, 1966) or explicit knowledge. On the one hand, tacit knowledge is the cognitive knowledge that is hard to express with language or numbers: for example, beliefs, points of view, technical skills and know-how are all part of tacit knowledge. On the other hand, explicit knowledge is the objective and rational knowledge that can be expressed with language or numbers: texts, equations, specifications and manuals are a few examples.

Nagy, Cenker, (2007) however, argue that the increase in oversight board monitoring and workload have changed the nature of the external audit function to more compliance type work, and the environment has created much concern for the auditors. The new reform has significantly impacted the audit environment in terms of scope of services, client assessment procedures, management and audit committee relationships with the external auditors, audit firm personnel management, and the long-term outlook of the profession. It means that the strategy has also focus and consider an improvement in operational activities.

Adams, Lamont, (2003) further suggest that firms must learn to re-bundle internal competencies and resources to maintain competitive advantages over time. Applying the resource-based view of the firm and dynamic capabilities perspectives, the roles that absorptive and transformative capacity played in the organizational innovation with specific emphasis placed on the role and effectiveness of knowledge management systems is a determinant of innovative practices.

Manson, McCartney, Sherer, (2001) show that audit automation cannot be viewed simply as a technology for improving the quality and/or productivity of the audit process. It also has value as a symbol of the firm's market competitiveness and hence helps to promote the firm to clients and internally. In addition, the research shows that audit automation offers considerable opportunities

for greater managerial surveillance and control, but at the same time it facilitates a less hierarchical and more informal organisational structure.

Conclusion and implication

The 2017 Data & Analytics Report of MIT Sloan Management Review finds that the percentage of companies deriving competitive advantage from analytics increased for the first time in four years. Incorporating survey results and interviews with practitioners and scholars, the report finds that companies' increasing ability to innovate with analytics is driving a resurgence of strategic benefits from analytics across industries. The report is based, in part, on MIT SMR's seventh annual data and analytics, global survey, which includes responses from 2,602 business executives, managers, and analytics professionals from organizations located around the world (Sam Ransbotham and David Kiron, 2017).

Throughout the study, there are three important areas which stem the sustainable competitive advantage of an organisation. They are organisation structure, organisation culture and leadership. Leadership is the key factor and superior to the others to ensure the strategy formulation and implementation are successfully and effectively work out for the organisation. Effective leadership, therefore, is the drive to lead the organisation into a sustainable competitive advantage. The intent of the study is reaffirmed what are the existed problems that affect the industry. The predicted outcomes are that there is a significant relationship between the KSA and SCA of SMPs. The message I am trying to convey to the audience is about the culture. Culture is what people do with the world. But clearly more needs to be said that not everything we do becomes part of the culture. For example, people commit murder and that behaviour is seen as criminal and anti-social. In short, there is something not right with the culture we are living in now. According to sociologist Peter Berger, "Every human society is an enterprise of world-building." We build bridges to connect islands to the mainland so that we can build houses, shops, universities and theatres there. We make movies to show in theatres, so we can overcharge for popcorn. We call this externalization. Humans externalize their values, imaginations, innovations, and ideas on the world around them by what they do. Most of what we do is consistent with our culture, but not always. That is why cultures change. New things are created, and old things are left behind. When what we do becomes part of our normal way of living together, it is called objectification. Culture are environments we create for ourselves. What is normal in a place is not necessarily normal in another place. The power of what we experience as normal, though largely unnoticed until we experience the different, determine much in our daily lives. Internalization is the word for how culture shapes us. We internalize culture as we settle into its routines, lifestyles, and habits. To summarise my points, culture consists of human activities that have collectively taken on a life of their own. As we live in a culture, we become committed to its vision of life, unless we are intentional otherwise. In other words, we make our cultures, and then our cultures shape us.

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A Study on Parenting Styles and Parental Attachment in Overcoming Internet Addiction among Children

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Abstract

Many studies have revealed about Internet use and Internet addiction. Most research focuses on the jeopardy and opportunities about active Internet usage however very limited empirical research emphasis on the role of parents in this context. Hence, this research paper explored the parenting styles and parental attachment in overcoming Internet addiction among children in Klang Valley, Malaysia. The parenting styles model and attachment theory have been used in this research. The Internet has created a new platform for the development of children, which offers various possibilities and also difficulties. Malaysian children are actually very in need to be safe during online thus, parents are encouraged to play their parental role in preparing their children to become better digital citizens.

Keywords: Parenting Styles, Parental Attachment, Internet Addiction and Children

Introduction

Many studies have proven that internet addiction has given an impact to the children as they were born into a virtual world where they become avid users and spending more time with technology than they do in school or with their family. Internet addiction can be defined as overuse of the Internet leading to impairment of an individual's psychological state (both mental and emotional), as well as their scholastic or occupational and social interactions (Beard & Wolf, 2001). The number of internet users has been increased from 1999 to 2013 (Internet Live Stats. Internet users), and research on addictive Internet use has been increased as well. DeBell and Champman (2003) from the National Center for Education Statistics found that 23% of children in nursery school use the Internet, where the most popular uses belonged to children 5-9 years old. Results showed that about 20.5% spent their time playing games, while 11.7% of their time was spent on homework. Roberts, L.D., Smith, L.M. & Pollak, C. (2005) highlighted that 8-10 years olds are the most likely of all age groups to have a video gaming device in the bedroom, spending about 60 minutes a day playing games. Moreover, young children under the age of 3 or 4 years old are more likely to use the internet to watch video clips (Childwise 2012; Findahl 2012; Teuwen, J., De Groff, D., & Zaman, B., 2012). All these evidences have proven that young children are growing up and reliant on technology in their day-to-day lives.

In Malaysia, there are numerous cases occurred due to internet addictions which is at an alarming rate. Based on studies, International Society of Internet Addiction (ISIA) revealed that 37% of Malaysian parents worried that their children's online life was contradicting with their home and school obligation while 18% of children were neglecting basic social activities. As children grow and develop, they need to learn appropriate social behaviours, such as sharing, cooperating, and respecting the property of others in order for them to have a higher self-esteem and show a greater willingness to interact with their environment. Psychiatrist and Malaysian Mental Health Association deputy president Datuk Dr Andrew Mohanraj also agreed that there is a high risk of internet addiction among shy or socially awkward children while International Society of Internet Addiction spokesman and child psychologist Dr Norharlina Bahar said being online excessively affects the brain and causes biological changes.

Nowadays, there is a worry concerning the internet addiction of children and many studies have discovered this matter as well as important role of parents in overcoming this issue. Parents play a vital role as a coach who engages with children to use technology in creative and interesting ways, apart from games and flashing lights. One of the researches undertaken by Cho and Choi (2005) have found that a positive parent-child attachment can reduces children's exposure to the risky Internet content. Parents' believed that the new technology can be beneficial for their children (e.g seeking information for homework purposes and developing their online skills). Nevertheless, the same technology could also take their children to the danger of the Internet (Guan & Subrahmanyam, 2009). As a nutshell, this creates awareness within the researcher to discover more in detail about parenting styles and parental attachment in overcoming Internet addiction among children.

Research Problem

Internet addiction is a very real problem, with real consequences. People who spend hours on the Internet eventually start to see its effects in their lives. The effects of internet addiction gradually minimize the people, activities and pursuits that occupied a person's time before the Internet became an issue. In other words, it can be defined as virtual world orientation which is purpose-built for entertainment, social, educational, training and various other purposes. Today, virtual worlds depict a world very similar to reality, with real-world rules and real-time actions and communications. The most important part here is, it comprises exactly what has captivated children.

Internet addiction has both positive and negative impacts on children. A comprehensive systematic review of epidemiological research of Internet addiction (Kuss DJ, Griffiths MD, Karila L, Billieux J Curr Pharm Des, 2014) reported there are various risk factors associated with Internet addiction, such as sociodemographic variables (male cohort, younger age, and higher family income), Internet use variables (time spent online, using social and gaming applications), psycho-social factors (including impulsivity, neuroticism, and loneliness), and comorbid symptoms (depression, anxiety, and psychopathology in general) are contributing to increase of Internet-use related problems. Rideout, Foehr and Roberts (2010) has announced that children are the most rapidly growing Internet population in the world as well as the most Internet users who spent more time during online.

An addiction refers to the usage of smart phones frequently without being separated from the device. These tendencies are consisted of life disorders which is not able to manage daily life effectively, virtual-world orientation which is being comfortable with the virtual space within the smart phone instead of real life chores and finally withdrawal symptoms such as anxiety and nervousness being away from using the smart phone.

There are many factors that cause Internet addiction. The attractiveness of the Internet could be one of the reasons of frequent use especially for children. Prior research argued that it is not about the Internet addictive, instead it's the applications which become addictive, especially highly interactive applications like online chatting, dating, or online gaming (Young, 1998b). In addition, evidence suggested that socialization is also one of the pulling factors behind the power of Internet Addiction (Preece, 2000; Wellman & Gulia, 1999). Family performs a crucial position within the personality development of children and adolescents (Ribeiro, 2007; Relvas & Vaz, 2007). Most parents considered the Internet is beneficial for their children which is helping with homework, and assisting self-realization (Pew Internet & American Life Projects, 2005). However, many parents are deeply worried about their children's exposure to the Internet and the consequences [35]. Internet addiction among children can be controlled by parents because they are the best mentor to guide and educate their children. Many studies have revealed that quality of parent-child attachment is one of the important factors in identifying the problems that already or may have been occurred among children (Liu Q-X, Fang X-Y, Zhou Z-K, Zhang J-T, Deng L-Y, 2013; Harakeh, Z., Scholte, R. H., Vermulst, A. A., De Vries, H., & Engels, R. C. M. E., 2004; Van der Vorst, H., Engels, R. C. M. E., Meeus, W., Dekovic, M., & Van Leeuwe, J., 2005). Hence, who might be the gatekeepers of children in overcoming Internet addiction? What could be motivating them? The answer is definitely Parents. Attachment theory explained that children will formed attachments in their early formative years with their parents that will shapes their patterns of thought, feeling, and motivation in their future adulthood (Bowlby, 1969). That said, parents could overcome this issue and create a healthy technology usage among children.

Literature Review

As Internet addiction and electronic entertainment continue to develop and work their way into more children's lives, a rising fear among parents is that children are becoming more susceptible to health-related issues, such as obesity and developmental challenges.

This study is focusing on parenting styles and parental attachment in overcoming Internet addiction among children as parents' words, actions, love and attachment affect their children's developing self-esteem, health and behavior more than anything else. Research reviews are clearly stated that parental involvement and the domestic environment they create are very important for children's early development (AAP, 1999, 2011), and that long-term social inequalities in well being and learning outcomes are shaped by early life experiences, with parental influence being a powerful factor (HM Government, 2014).

Malaysia is an appropriate location for this study because of the extensive use of the nation's aggressive push for Internet connectedness (Malaysian Communications and Multimedia Commission, 2016), parallel to evidence of parental concerns about the impact of the Internet upon children (Soh, P.C.H., Charlton, J., Chew, K.W., 2014).

Parenting Styles

Parenting styles defines as a set of methodologies or strategies adopted by parents while raising their children [43], and [34] while [24] theory on "parenting styles" concentrated on the effects of home-based parental involvement. However, "A parenting styles is used to capture normal variations in parents' attempts to control and socialize their children" [6]. Originally the theory of Baumrind described on the dimension of control which is parental demandingness, defined as behavioral control refers to "the extent to which parents desire children to become integrated into the family whole, by their maturity demands, supervision, disciplinary efforts and willingness to confront the child who disobeys" [6]. She has discovered three different styles: authoritarian, authoritative, and permissive.

Subsequently, the second dimension has been developed by [41], focuses on parental warmth that expanding Baumrind's permissive parenting into two different types: indulgent (permissive) parenting and neglectful (uninvolved) parenting. The combination of parental control and parental warmth known as 'parenting styles'.

On the base of the two dimensions (parental control and parental warmth), there are four broad categories of parenting styles as illustrated in figure 1.

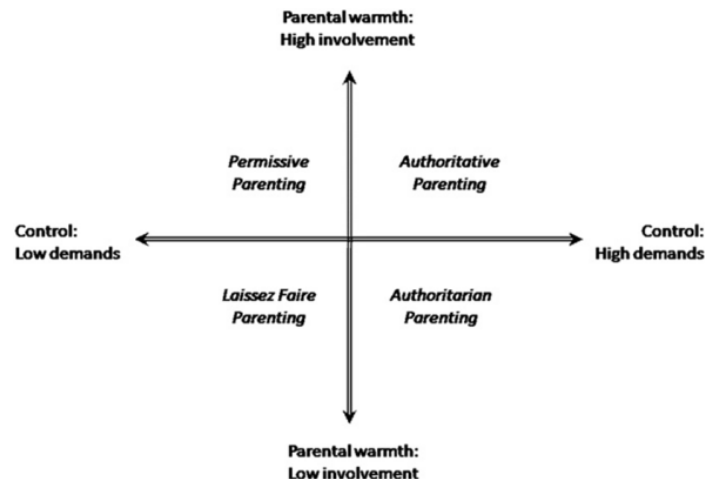


Figure 1: Parenting styles (based on Baumrind, 1991; Maccoby & Martin, 1983)

- *Authoritative parenting styles* is known to be highly responsive yet very demanding, along with nurturing and warm. This type of parenting is thought of as the "best" type of parenting as it's associated with the most successful child outcomes.
- *Authoritarian parenting styles* is characterized by rigid rules and high demands made by parents. Children are expected to follow the rules, all of the time, with no room for negotiation or exceptions.
- *Permissive-indulgent parenting styles* known as being indulgent, extremely loving, affectionate and responsive however, they don't expect a lot of their kids and don't offer much in the way of advice or guidelines.
- *Permissive-neglectful parenting styles* known as parents who do not involve in their kid's lives and typically expect their kids to raise themselves.

Each of these styles have different effects on children based on different background and characteristics of the parents. For instance, authoritative parents are easy to recognize, as they have expectations with an understanding and support. They construct the healthiest environment for a growing child. However, controlling parents create rules and expect their children to follow the rules without explanation (Baumrind, 1971; Chen, X., Dong, Q., & Zhou, H., 1997; Ishak, Z., Low, S. F., & Lau, P. L., 2012; Kang & Moore, 2011; McKinney, Milone, & Renk, 2011). Besides, permissive parents sets few rules for the children and the rules are inconsistent when they do exist and these children show the least amount of self-confidence. Neglectful parenting is one of the most harmful styles that can be used on a child. They let their children have their way because they do not want to get involved (Jutengren, G., & Palmerus, K., 2006). Therefore, the present study examines the relationship between parenting styles and Internet addiction among children.

Parental Attachment

Another variable associated significantly with Internet addiction among children is parental attachment. Parental attachment is correlated with Internet addiction and risky online behavior whereby weak parental-attachment was reported to be a risk factor for children's risky online activities (Lei and Wu, 2007; Yang M. J., (2016) and internet addiction (Soh, et al. 2014). Besides, a significant large body of literature have stated that parents provide a strong foundation towards their children development and have huge influence on their children's behaviour and attitude (Goodman & Gregg, 2010; Ainsworth, 1989; Armsden & Greenberg, 1987). Attachment theory explained that children will be attached to the parents in their early formative years that will creates their underlying patterns of thought, feeling, and motivation in their future adulthood (Bowlby, 1969).

Parents in Malaysia has different reactions upon their children's online activities and behaviours, whereby only 4 out of 10 parents know what their children are doing and what they are accessing during online time (Ismail, 2011). Moreover, currently in Malaysia, there is few research conducted on the subject of the risks of internet addiction among children and parental attachment (Soh, C. H., 2010). Therefore, this study is an attempt to fill the gap in the literature that may exist between those lines and explore Internet use, motivations and addiction of children in Malaysia. The researchers also investigate the roles of parents in influencing children online usage, motivations and addiction.

Internet Addiction

Children nowadays are born and raised having technology as an integral part of their daily activities using the internet at home and at school. Goldberg I (1995), a New York-based psychiatrist, first described this condition as an Internet Addiction Disorders. He also defined Internet Addiction as a maladaptive pattern of Internet use leading to clinical impairment or distress, characterized by the presence of typical symptoms. Internet addiction describes the concept that an individual could be too focused and engaged in their online activities that their well-being is neglected (Widyanto and Griffiths, 2006). Besides, the psychological literature generally uses the term 'addiction' to refer to a person's physiological dependence on a stimulus (Davis, 2001).

In Malaysia, more than 90% of children are using Internet around Klang Valley (Ramayah & Jantan, 2004) via high speed broadband or smartphone to have an easy access almost anywhere (Zikuhr & Smith, 2013). What causes them to get addicted to Internet and what are the parental roles to overcome this issue, lead to the questions that have motivated to do this study on the Internet addiction among children in Malaysian. If no precautions are taken, children and young people might face serious dangers and become the victims of internet crimes.

Conceptual Framework

This conceptual framework indicates the significant relationship between parenting styles, parental attachment and children's Internet addiction. Different parenting styles has different characteristic patterns of thoughts, feelings, and behaviours while parental attachment is also play an important role in children's life.

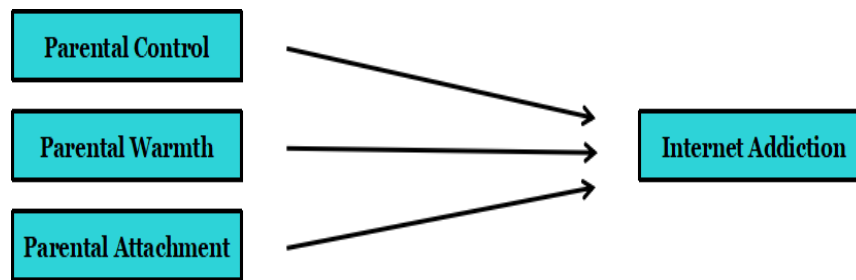


Figure 2: Conceptual Framework of the Research

Parenting Styles and Internet Addiction

Literature reviews point at a positive impact when parents surf together with their children on the Internet and recommend specific websites (Lee & Chae, 2007). Most studies refer to types of parental control and parental warmth to identify successful parent interventions (Chou & Peng, 2007; Heim, J., Brandtzaeg, P., Hertzberg, B., & Endstad, T., 2007; Kerbs, 2005; Lwin, M. O., Stanaland, A., & Miyazaki, A., 2008; Valcke, M., Schellens, T., Van Keer, H., & Gerarts, M., 2007, submitted for publication). Valcke, M, et al. 2007 has also found that children that experience explicit parental control report less Internet risk behavior while support of parents leads to safer Internet usage (Fleming et al., 2006). Support and discuss about the Internet seems to result in more educational types of Internet usage and a larger share of positive online interactive behavior (Lee & Chae, 2007) because children understand to a better extent the complexity of the Internet (Lwin et al., 2008).

However, these are in contrast to the results of some studies which also related to negative findings. For an example, according to (Lee & Chae, 2007), there is no relationship between restrictive behavior of parents and actual Internet usage of children and this is confirmed by the results of (Heim et al. 2007). A first study about parental control of Eastin, M., Greenberg, B., & Hofschire, L. (2006) explained that parenting styles did not impact time online which shows less positive impact. In recent times, research has focused on this 'control dimension' of parenting behaviour, arising from research findings that low levels of parental monitoring and high levels of permissiveness are associated with high levels of problem behaviour (Kerr and Stattin, 2003). In addition, (Baumrind, et al. 2011; McKinney, et al. 2011) agreed that controlling parents create an environment with restrictive discipline and punishment (Chan & Chan, 2005). This harsh and unwarranted punishment will eventually damage the children.

Parental Attachment and Internet Addiction

Children are considered to be attached when they are too close and communicate with a specific caregiver during distress, illness and tiredness (Bowlby, 1969). In the study of Liu and Kuo (2007), it is revealed from a group of Taiwanese students that healthy parent-child relationships and interpersonal relationships correlated negatively with Internet addiction whereas parent-child conflict was founded as positively associated with Internet addiction (Yen, J. Y., Yen, C. F., Chen, C.C., Chen, S. H., & Ko, C. H., 2007).

Furthermore, Beniot (2004) stated that attachment is different from other aspects of parenting, such as disciplining, entertaining and teaching. Besides, Armsden and Greenberg (in Pearson & Child, 2007) defined that a strong emotional bond between parents and children can be created by constructing a clear communication in parental attachment. According to a study (Sarina Yusuf, Mohd. Nizam Osman, Md. Salleh Hj. Hassan & Misha Teimoury, 2014), parent's mutual attachment-trust towards their children is the main

indicator of how they can mitigate the danger and threats that their children may encounter during online.

One of the researches indicated that the quality of a child's attachment creates the child's beliefs regarding the responsiveness and trustworthiness of others (Zeinali, Sharifi, Enayati, Asgari, & Pasha, 2011) as well as determines the level of security with which that child explores the world, and these early relationships form the models from which future relationships in adolescence and adulthood are developed (Bowlby, 1969; Jenkins-Guarnieri, Wright, & Hudiburgh, 2012).

Practical Contribution

Looking at the bigger picture, Malaysia is experiencing both tremendous urbanization processes and challenges. Simultaneously, the process of urbanization brings risks, threats, and challenges. According to the Malaysian Charter (1996), preparing the urban authorities to increase the demands of new era, development and the protection of children is being one of the biggest responsibility. In addition, problems associated with urbanization in Malaysia include the increasing gap in family relations, isolations, and cultural conflicts (Yahaya, 1995). Thus, this study is finding solution on the challenges facing by children nowadays and how could parents play a role influencing on Internet addiction of children. On the other hand, smartphones, tablets, gaming systems, with so many options it seems almost impossible to limit what (and how much) children views. Thus, industry like Internet Service Provider (ISP) plays a key role in designing the next generation of parental controls, as they significantly shape children's future media experiences. Industry has started to respond to children's online safety matters by adjusting their technical solutions to comply with legal obligations (e.g., regarding content that can or cannot be seen by children), launching parental control features, and/or awareness-raising initiatives. Therefore, the significance of this study is also to address the Industry's responsibility in shaping future importance of parental controls, and making the internet a better place for children.

Conclusion and Implication

The main objectives of this study is to examine the parenting styles in overcoming Internet addiction among children and to examine the role of parental attachment in overcoming Internet addiction among children. Past studies indicated that the level of Internet usage among children in Malaysia is alarming.

According to past literature, children that experience clear parental control reports less Internet risk behavior while support of parents leads to safer Internet usage. On the other hand, some studies are also related to negative findings such as punishment will eventually damage the children and associated with high levels of problem behavior.

In addition, attachment between parents and children is also a mutually secure connection, developed over time from birth into the early years of a child's life, and beyond. Thus, it is suggested that the healthy home environment and secure attachments with parents also play a role in the development of internet addiction. Furthermore, this study is important for parents since they reflect the vital role of parent-child relationship in the development of this new disorder – Internet addiction, which if not controlled well in time might become a major problem to encounter with.

By understanding the seriousness of Internet addiction that may affects the children, the concerned parents would probably choose the right parenting styles and implement the appropriate solutions – human-based and technological based. Therefore, the practical strategies of parenting styles in digital culture are highly desirable in raising mobile and web generation.

Finally, regulating Internet content is one of the ways to deter the people especially children from doing wrongful act in the cyber world. One of the key points mentioned in the Malaysian Cyber Law is that there will be no censorship of the Internet (The New Straits Times, 30th April 2007). Therefore, Malaysian Government should take initiative to impose the Internet service provider (ISP) and the telecommunications companies in regulating Internet content and to have optional filtering services for its users.

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