TERTIARY EDUCATED MUSLIM WORKING WOMEN’S WORK DECISION

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Abstract

This paper tries to study the tertiary educated Muslim working women’s work decision. We use survey questionnaire and snowball sampling to collect information on the tertiary educated Muslim women’s reason for working and not working, job expectation, encouragement or support from reference groups and future work decision. Research findings reveal that the financial reason is the main reason for working among tertiary educated Muslim women who are currently working. Furthermore, the main factor to encourage these women to remain or to enter labour force is getting jobs that meet their expectation in term of salary and position. Therefore, to attain or to encourage women in the labour market, stakeholders must sufficient jobs that are family-friendly such as flexible working arrangement and jobs that meet their expectations in term of salary and position.

1. Introduction

This is a paper which studies motivation on tertiary educated Muslim working women’s work decision. The factors outlined in the paper are analysed using the theoretical framework of the theory of female labour supply, a theory that shows how the nature of female labour supply can take different forms and shapes due to cultural or structural differences between economies. The model is appropriate for this paper because it allows the reader to understand how the work-decision making process among Muslim women in Malaysia is influenced. A number of databases in fields such as sociology, social sciences, psychology and economics were used to acquire literature on the topic. Methods for conducting future research on the effects of experience on perceptions and attitudes towards welfare are provided. This conceptual paper is important because it highlights the case of improper utilisation of women’s labour, especially Muslim women’s labour, in which the government has invested heavily in tertiary education. If these human capitals exit from the labour force, it can have an effect on the development of the economy in Malaysia.
1.1 Tertiary educated Muslim women labour market in Malaysia

The participation of women in the labour force has been on a rising trend since Malaysia gained independence in 1957. They are engaged in paid employment in all the economic sectors or are employers, self-employed and unpaid family workers. Changes have been occurring in the employment pattern of women during the period of 1957–2000 in line with change in economic structure. This saw the country transforming from an agriculture-based economy to a manufacturing-based economy, particularly with the introduction of the New Economic Policy (NEP) in 1970. Unfortunately, the rise of women’s participation rate in the labour force has come to a standstill since 1987 until now where the percentage count does not exceed 48%.

Table 1 shows the comparison of the Labour Force Participation Rates (LFPR) of male and female in terms of tertiary educational attainment which reveals a large disparity between gender. These figures show that in the last five years, the number of female graduates outnumber the male graduates.

Table 1: Number of tertiary graduate students by gender, 2007-2011

<table>
<thead>
<tr>
<th>Year</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>72272</td>
<td>96607</td>
</tr>
<tr>
<td>2008</td>
<td>76028</td>
<td>103769</td>
</tr>
<tr>
<td>2009</td>
<td>83549</td>
<td>118654</td>
</tr>
<tr>
<td>2010</td>
<td>75413</td>
<td>113523</td>
</tr>
<tr>
<td>2011</td>
<td>61832</td>
<td>96856</td>
</tr>
</tbody>
</table>


As can be seen form Table 2, one wonders why the female LFPR is still considerably lower than the male LFPR, in spite of more and more females acquiring tertiary education. Based on the human capital theory, higher education means more chances of participating in the labour force and also higher productivity. This also brings us to the issue of high investment made by the Malaysian government in providing women with tertiary education.

Table 2: Malaysian LFPR by gender, with tertiary education, 2006-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>71.7</td>
<td>58.0</td>
</tr>
<tr>
<td>2007</td>
<td>71.9</td>
<td>58.9</td>
</tr>
<tr>
<td>2008</td>
<td>72.8</td>
<td>59.6</td>
</tr>
<tr>
<td>2009</td>
<td>71.5</td>
<td>60.0</td>
</tr>
<tr>
<td>2010</td>
<td>70.8</td>
<td>59.6</td>
</tr>
</tbody>
</table>

Source: Malaysia Department of Statistics, Labour force survey report 2010

Table 3 shows a comparison of LFPR by gender and ethnic group to see whether there is a difference between gender from different ethnic groups with the same tertiary educational level in 2010. From Table 3 we can see that there is a serious problem in the LFPR of Malay women who have tertiary education as their percentage count is low.
<table>
<thead>
<tr>
<th></th>
<th>Bumiputera</th>
<th>Non-Bumiputera</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Malay</td>
</tr>
<tr>
<td>Male</td>
<td>70.3</td>
<td><strong>70.2</strong></td>
</tr>
<tr>
<td>Female</td>
<td>59.8</td>
<td><strong>59.6</strong></td>
</tr>
</tbody>
</table>

Source: Malaysia Department of Statistic, *Labour force survey report 2010*

It cannot be denied that since independence, with greater access to education, Malaysian women have progressed remarkably well as economic participants in line with the direction of the country’s economic development. However, without increasing the participation of women in the labour force, the economy of Malaysia will not progress to attain its full potential. With higher participation of women in the labour force, productivity will increase and the Gross Domestic Product (GDP) will also elevate. Demography is one of the factors that can be used to determine whether it has an influence on decision of tertiary educated women to enter the labour force. Other factors that can be consider influencing women LFPR before making a decision to work such as reason for work, future plan and encouragement from family and friends. It is important to examine every possible variable that women decide upon before entering the labour market so that the root of the problem can be identified and resolved thus increasing the LFPR of women and flourishing the growth of the country.

2. Literature Review

There exist differences between the preferences of men and women. These lead them to take different decisions in similar situations. Many empirical studies found that by giving household subsidies to a woman rather than a man leads to different outcomes in the household expenditures, notably child nutrition and schooling (see Senauer, Garcia & Jacinto, 1988; Hopkins, Levin & Haddad, 1994; Handa, 1999; Duflo, 2003; Gitter&Barham, 2008). Recently, there have been empirical studies suggesting differences in the household-decisions that can be attributed to differences in the power distribution between husbands and wives within households (Felkey, 2005; Lancaster, Maitra& Ray, 2006; Gitter&Barham, 2008).

Region is a combination of psychological and behavioural characteristics or shared value or collective identities in terms of politics, economics, cultures, or institutional connections bring states together as the whole. (Russet, 1967, Hurrell, 1995). According to Hill (2002), regional economic disparities hamper economic growth and that countries with a relatively even spatial distribution of income are likely to grow faster. A study by Hasnah and Sanep (2007) found that regions that economic activities are specialise in the agricultural sector have small low GDP per capita compared to region that specialize in the industrial sector.

Women working age is around 18 to 54 but for tertiary educated women their working age start from 20 to 22 as a fresh graduate. At this age, a normal human is at their peak in term of physically and mentally. According to OECD Employment Outlook (2002) young women start off with an employment rate with a small gap from young male but the gap widen over the year. In a case of Pakistan Malik et al. (1994) found out women’s age do not significantly determine women LFPR,
same finding that are obtained by Aly and Quisi (1996) for the case of Kuwaiti women. While Azidet al. (2001) finding is different as he found women’s age to have a positive and significant relation to Pakistani female FLPR that employed in cottage industry.

Researches by Badgett and Folbre (2003) suggest that when considering for work, young women who mostly single considered family responsibility into account. In the case of United Stated, Goldin and Katz (2000, 2002) found that single women that take oral contraceptive pill led to increase in female LFPR and delayed marriage. This is supported by Bailey (2006) where he found the same conclusion by previous researchers. Single women are more likely to go to work because they shoulder less responsibility when compared to married women. For the case of married women, Bratti and Staffolani (2009), Sue and Sue (1990), Yagi and Oh (1995) found that if their partner is unemployed, the women will then seek for a job so that she can increase the household income.

Smith-Hunter (2006) found that there is change in the last 50 years as women been actively become an income earner in a household. Mincer (1974) proposed that with increasing employment of married women in the labour force, income distribution in a household have been improved. Shariff (1979) and Thurow (1975) stated that in recent years, female LFPR are joined by women from high income family compared with women from low income family. Women whose husband has a high salary and high job position have been found as a barrier for married women to enter the labour force (Maume, 2006). Tolciu and Zierahn (2010) found that partner’s income do not influences on women decision to work.

Adolescent females’ decision to work and their mothers’ educational achievement has been noted to be a significant relationship (Signer & Saldana, 2001) Brown (2002) stated that family or group influence impacts both the decision making process and the career an individual chooses and in this case mothers’ education display greater impact to women work decision. The occupational status and educational level of females’ parents have had a substantial influence on female decision to work and career choice (Burlin, 1976). Parental occupation were closely related to what the children want to be in the future as indicate by Wahl and Blackhurst (2000). For adolescent females especially, mother’s occupation play an important factor on what there want to be in the future (Burlin, 1976; Wahl & Blackhurst, 2000).

3. Research Methodology

This research uses theory of female labour supply (Atal, 2011), a theory that shows how the nature of female labour supply can take different forms and shapes due to cultural or structural differences such as socio-economic, demographic and geographic between economies. This paper works with a general equilibrium model in which consumption and female labour supply decisions are made by households and power is determined endogenously.

![Figure 3.2: Framework of tertiary educated Muslim women’s decision to work](image-url)
Figure 3.2 shows the work decision of tertiary educated Muslim women framework that identify the reason for working, reference group that encourage work decision and future plan for currently working.

According to Greetings (1974) the sample size for group greatly between seven to 30 people is suitable for experimental studies while for this research 139 samples were taken from the population. The researcher use online questionnaires and snowball sampling collect information on the tertiary educated Muslim women in Malaysia. For this study statistical analysis used bivariate analysis while descriptive statistics describe the relationship between two different variables which is appropriate for this study. In the case of bivariate analysis, descriptive statistics include cross-tabulations and contingency tables.

4. Findings

Tertiary educated women are asked to rank three most important reasons for working, rank one being the most important reason and rank three being the least important reason. Financial reasons such as to cover the cost of living and to support family financially are listed among the top reasons in rank one and two. While non-financial reasons such as to do something for own self and to gain work experience are the top reasons being rank three. In short, tertiary educated Muslim women chose to work mainly because of financial reasons. Currently working Muslim women with tertiary education who cited financial reasons as their reasons for working are mainly with parents that have lower education. Their mothers are likely to be blue-collar worker (71.4%) or housewife (67.7%). On the other hand, women who stated non-financial reasons as reason for working are mainly have mothers who are professional worker (61.1%). This may indicate that tertiary educated women who are currently working because of financial reasons are mainly from lower income families. They are likely to work for less money compare to those from higher income families.

The factors considered by tertiary educated Muslim women when choosing a job are ranked according to the most important factor (rank 1) to the least important factor (rank 3). The most important factor in Rank 1 is expected job salary (46.8%). This is followed by expected job position (23%) in Rank 2 and support from family (26.6%) in Rank 3. The least important factors considered when choosing a job is the access to elderly care facilities or child care facilities. Majority of tertiary educated Muslim women (70.3%) that live in the central region stated that job expectation as the most important factors considered when choosing a job. Almost two thirds (69.8%) of women who are single stated the factors considered when choosing a job is job expectation. Meanwhile almost half of married women (43.5%) responded that support from family as the most important factors considered when choosing a job.

Next are reference groups that encourage currently working women to work. Majority chose their mother or father as the person that encourage them to work. More than half of the women from both age groups, 24 years and below (68.5%) and 25 years and above (63.5%) are encourage by parents to go to work. More than two thirds (69.8%) of the women who are single stated that their parents encourage them to go to work while majority of women (47.8%) who are married cited immediate family as reference group that encourage them to go to work. Almost four fifths (74%) of women with personal income of RM2000 reported that their parents as reference group that encourage them to work. Furthermore, more than two thirds (69.6%) of women with a father’s education level of secondary and below also cited parents as reference group that encourage them to work.
For future work decision plan for women who are currently working. Majority chose to continue working after marriage. After that age group have significant relationship with women’s decision to work in the future. Majority of the women (98.1%) in the age group of 24 years and below stated they are going to continue working compared to only 88.2 percent of the women in the age group of 25 years and above. This maybe indicates that with increase in age the women will tend to quit the labour force.

5. **Conclusion and Recommendation**

   Based on the findings from the survey responses is safe to conclude that any effective policies or interventions to retain women in the workforce must be family-oriented. In order to create a truly family-friendly environment, companies are also encouraged to provide other facilities and benefits such as extended maternity leave, paternity leave, nursing rooms at their premises, and medical benefits for the entire family. In light of rising medical costs, the latter could be an incentive to encourage employee loyalty and to attract and retain the best talents. It was suggested that the government could help incentivise employers to offer these family-focused benefits by offering tax breaks and deductions for the establishment and operation of such facilities and programmes. This study also recommends organisations should set up their own childcare services onsite to cater for employees with families. Absolutely it will increase the cost for employer, therefore organisations within the same locality and community might come together to set up joint childcare centres to better manage investment and reducing the operating costs as well.

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6. **Future Research**

   Future research should investigate factors that can contribute to the knowledge of why tertiary educated Muslim women’s work decision such as gender discrimination, wage discrimination, job satisfaction, barrier from re-entering labour force after exiting. These factors could be identified through observation and interview as part of the research.

   The causes of low tertiary Muslim women labour force participation rate are many and varied. Clearly, more research needs to be done to identify target groups for directing women labour force participation rate alleviation strategies and to determine the strategies that are likely to be effective. Future research can utilize a different model of regression such Probit Model, Tobit Model, Multiple
Regression Model, Binomial Model and other econometric models that are suitable for the related research. Lastly, it is hoped that the present study is a step and direction for future research.

7. Bibliography


Malaysia Department of Statistic, Labour force survey report 2010


