WORKPLACE GENDER EQUALITY IN KEDAH: AN EXPLORATORY ANALYSIS

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WORKPLACE GENDER EQUALITY IN KEDAH: AN EXPLORATORY ANALYSIS

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A dissertation submitted to

Othman Yeop Abdullah Graduate School of Business

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ABSTRACT

This study aims to identify the workplace gender equality or inequality in term of pay, promotion, decision making and training and development based on employees' perceptions in private sector, Kedah. Specifically, this paper identifies the relationships between gender equality/ inequality and perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness in the workplace. Besides, this study investigates either the facilities that regarding to gender equality are provided or not by employers in the workplace and also to examine the importance of those facilities based on their perception. Data collection method encompass on self-administered surveys to 150 workers in selected private sector companies through a systematic cluster and purposive sampling design. Questionnaires were equally distributed in three sectors which are retail/ wholesaler, manufacturing and services sectors. The data obtained were analyzed using descriptive analysis, Probit model and Pearson correlation test. Results from Probit regression indicate that respondents who have higher satisfaction of perceived pay fairness and perceived decision making are more likely to have gender equality in the workplace in the private sector, Kedah. This result shows that gender equality achieve in term of pay and decision making. Conversely, Pearson correlation test shows that there is a significant and strong positive relationship between gender equality and perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and development fairness.

Keywords: Gender Equality, Pay, Promotion, Decision Making, Training and Developments, Facilities, Probit Model, Pearson Correlation, Private Sector.

ABSTRAK

Kajian ini mengkaji kewujudan kesaksamaan jantina di tempat kerja dari segi gaji, kenaikan pangkat, membuat keputusan dan latihan dan pembangunan berdasarkan persepsi pekerja di sektor swasta, Kedah. Lebih spesifik, kertas ini ingin mengenal pasti hubungan antara kesaksamaan jantina dan gaji, promosi, membuat keputusan dan latihan dan perkembangan di tempat kerja. Selain itu, kajian ini juga mengkaji sama ada kemudahan mengenai kesaksamaan jantina diperuntukkan atau tidak oleh majikan di tempat kerja dan mengkaji kepentingan kemudahan tersebut berdasarkan persepsi pekerja. Pengumpulan data dibuat secara bancian menggunakan soal selidik yang direka khusus kepada 150 responden di sektor swasta di negeri Kedah berdasarkan rekabentuk persampelan kelompok dan bertujuan. Borang soal selidik telah diedarkan sama rata dalam tiga sektor iaitu runcit / pemborong, pembuatan dan perkhidmatan. Data yang diperolehi dianalisis menggunakan kaedah deskriptif, model Probit dan ujian korelasi Pearson. Berdasarkan regresi Probit yang dijalankan, dapatan menunjukkan bahawa responden yang mempunyai kepuasan yang lebih tinggi terhadap keadilan gaji dan keadilan membuat keputusan adalah lebih cenderung untuk mempunyai kesaksamaan jantina di tempat kerja dalam sektor swasta, Kedah. Dapatan ini juga menunjukkan bahawa kesaksamaan jantina dicapai dari segi gaji dan membuat keputusan. Walau bagaimanapun, ujian korelasi Pearson menunjukkan bahawa terdapat hubungan yang signifikan dan positif antara kesaksamaan jantina dan gaji, promosi, membuat keputusan dan latihan dan pembangunan.

Kata kunci: Kesaksamaan Jantina, Gaji, Kenaikan Pangkat, Membuat Keputusan, Latihan dan Perkembangan, Kemudahan, Probit Model, Ujian Korelasi Pearson, Sector Swasta.

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LIST OF ABBREVIATION

ACCA Association of Chartered Certified Accountants

CC Child Care Centre

CF Flexibilities of Career

MB Maternity Benefits

MDG 3 Third Millennium Development Goal

NPM National Policy for Woman

PMR Penilaian Menengah Rendah

SPM Sijil Pelajaran Malaysia

SPSS Statistical Package for Social Science

STATA Statistical Software

STPM Sijil Tinggi Pelajaran Malaysia

TalentCorp Talent Corporation Malaysia

UNICEF United Nations International Children's Emergency Funds

WEF World Economic Forum

WF Flexible Workplace Arrangements

CHAPTER 1

INTRODUCTION

1.1 Introduction

According to United Nations, gender equality can be defined as female and male should receive same treatment such as opportunities, responsibilities and rights which do not depend on their gender while gender equality doesn't refer that female and male are the same (UN Women, 2010). It is undeniable that gender equality is a human right issues and it is a necessity for economic development to enhance economic growth, reduce poverty and increase productivity. Therefore, every country is implementing the policies or programs to eliminate gender inequality which is a main barrier and challenge for human development that will influence the country developments.

World Economic Forum, the Global Gender Gap Report is created in 2006 to deliver a globally information regarding the gender equality for countries that listed in that report (World Economic Forum, 2014). In this context, the Global Gender Gap Index was introduced as a tool or framework for analysis and compares the progress of gender disparities and equality between and within the countries around the world. The Global Gender Gap Index was measured and compared based on economic participation and opportunity, education attainment, health and survival and political empowerment. From the overall performance, Iceland gets first ranking while Finland, Norway, Sweden and Denmark ranked 2th, 3th, 4th and 5th respectively from 142 countries that listed in

Global Gender Gap Report 2014. However, the worst five ranking of gender equality are Mali, Syria, Chad, Pakistan and Yemen.

Based on the result of the report, neither country has definitely closed the gender gap, but more than 80% of gender gap has been closed by all five of the Nordic countries (World Economic Forum, 2014). The gender gap of economic participation and opportunity of worldwide has increased only 4% from 56% in 2006 to 60% in 2014. The gender gap of health and survival is narrow to 96% globally while the gender gap of political empowerment remains wide which is 21 % globally. Then, the global gender gap of education is 94%.

1.2 Background of Study in Malaysia

Based on the Global Gender Gap Report 2014, Malaysia stands in 107th ranking out of 142 countries in 2014 (WEF, 2014). Specifically, Malaysia ranked 104th from the aspect of economic participation, ranked 100th for educational attainment, ranked 102th for health and survival and ranked 132 in political empowerment.

Table 1.1 shows the gender gap index in Malaysia from year 2006 to 2014. By comparing between countries, Malaysia's ranking in Global Gender Gap Report keeps dropping from 72th in 2006 to 107th in 2014 for overall although the gap of the score is just 0.001 from 2006 to 2014 if compare within the country. Besides, Malaysia's ranking also keeps decline from the four aspects of gender gap index. However, the gender gap index for educational attainment and health and survival from 2006 to 2014 are more than 0.9 and nearly to 1. This means that the gender gaps of Malaysia from those two aspects are

narrow. On the other hand, the gender gap of political empowerment in Malaysia is wide which the score of the index is less than 0.1 from 2006 to 2014. Hence, the government needs to take action by implementing the effective policies to reduce the gender inequality in political empowerment. Furthermore, the score of gender gap index for economic participation from 2006 to 2014 is just between the ranges of 0.5 to 0.6 which still need to improve to close the gap.

Table 1.1

Gender Gap Index in Malaysia from 2006 to 2014

| Gender Gap Index | Overall | | Economic Participation | | Education Attainment | | Health & Survival | | Political Empowerment | |
|------------------------------------|---------|-------|------------------------|-------|-------------------------|-------|----------------------|-------|--------------------------|-------|
| Year | Rank | Score | Rank | Score | Rank | Score | Rank | Score | Rank | Score |
| 2014 (out of 142 countries) | 107 | 0.652 | 104 | 0.617 | 100 | 0.969 | 102 | 0.969 | 132 | 0.052 |
| 2013 (out of 136 countries) | 102 | 0.652 | 100 | 0.590 | 73 | 0.991 | 75 | 0.973 | 121 | 0.053 |
| 2012 (out of 135 countries) | 100 | 0.654 | 98 | 0.599 | 72 | 0.991 | 78 | 0.973 | 120 | 0.053 |
| 2011 (out of 135 countries) | 97 | 0.653 | 95 | 0.594 | 65 | 0.991 | 78 | 0.974 | 115 | 0.052 |
| 2010 (out of 134 countries) | 98 | 0.648 | 99 | 0.576 | 65 | 0.990 | 76 | 0.974 | 110 | 0.052 |
| 2009 (out of 134 countries) | 100 | 0.647 | 103 | 0.565 | 77 | 0.989 | 103 | 0.969 | 113 | 0.063 |
| 2008 (out of 130 countries) | 96 | 0.644 | 100 | 0.555 | 75 | 0.990 | 98 | 0.969 | 109 | 0.063 |
| 2007 (out of 128 countries) | 92 | 0.644 | 93 | 0.567 | 71 | 0.985 | 97 | 0.969 | 101 | 0.056 |
| 2006 (out of 115 countries) | 72 | 0.651 | 68 | 0.592 | 63 | 0.985 | 80 | 0.970 | 90 | 0.056 |

Sources: Global Gender Gap Report 2014

This is undeniable that woman plays a vital role in the contribution of the country growth and development from economic and social aspect when the total number of females is nearly half of the total population in Malaysia (Nor' Aznin and Norehan, 2007). Various policies have been carried out to enhance women's participation rate in economic. For example, the government has implemented the National Policy on Women (NPW) in the 5th Malaysia Plan to improve the empowerment of women. In the 10th Malaysia Plan, the government aims to raise the female labor force participation rate to 55%.

Figure 1.1 illustrates the labor force participation rate in Malaysia from year 1986 to 2013. The female labor force participation rate in Malaysia is increasing from 1986 to 2013 which is from 46.4% to 52.4%, although the rate is decreasing in certain year due to the economic condition in the country (DOS Malaysia, 2013). However, the labor force participation rate for male is still significantly higher than female. This means that there is a participation gap between female and male in the labor market. Compared to OECD countries such as Iceland, Sweden and Switzerland, the labor force participation rate for female is still relatively low in Malaysia. For example, the rate for Iceland in 2010 is 82.7% based on the statistic from the OECD. (OECD, 2010)

Figure 1.2 illustrates the number of employment in Malaysia from 1986 to 2013. The number of female that been employed kept increasing from 2,006,600 people in 1986 to 4,972,600 people in 2013 which is 147.8% (DOS Malaysia, 2013). Increasing in employment of female in the market is the effort of the National Policy for Woman (NPW) that formulated in 1985 to enhance the participation of female in the labor market. However, the employment of men in the market is still more than women. In 2013, men

that employed in the market are 8,237,500 people compared to the female which is 4,972,600 people. In this context, number of female's employment is only half of the male's employment.

Although the female labor force participation rate and employment of female is increasing, does the gender equality exist in the workplace?

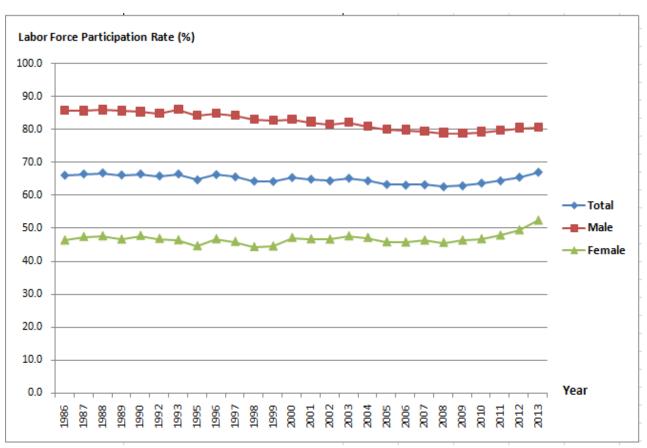


Figure 1.1 Labor Force Participation Rate in Malaysia from 1986 to 2013

Sources: Department of Statistic Malaysia, 2013

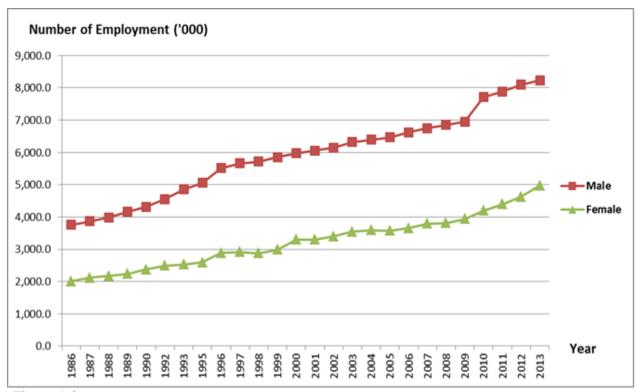


Figure 1.2

Number of Employment in Malaysia from 1986 to 2013

Sources: Department of Statistic Malaysia, 2013

Malaysian government implements various policies to increase the female labor force participation in economic for the purpose of achieving gender equality in the workplace since past several decades. This is because female plays an important role in contribution of economic development of a country since female labor force participation is nearly half of the working age population in that decade. In 1985, the National Policy for Woman (NPW) was formulated as a guide to enhance the participation of female in the progress of development through education and poverty reduction to improve the standard living of the woman (UNICEF Malaysia, 2007).

In the 6th Malaysia Plan (1991-1995) regarding the chapter of Woman and Development, government's intention is to solve the issues regarding the woman labor force participation in economic activities by providing special fund and others strategic to enhance woman empowerment and development in Malaysia (Economic Planning Unit, 1991). Furthermore, Malaysia national development plans which are 7th Malaysia Plan, 8th Malaysia Plan and 9th Malaysia Plan continue to enhance woman labor force participation in the labor market and implement effective strategies to fulfill the needs of woman to improve the status of woman in society (Chaynee, 2006).

In 1995, the commitments in the Beijing Platform for action at the UN Fourth World Conference on Women, Malaysia government agrees to protect the right of women and help to address challenges that faced by female in economic participation, such as increase the opportunities of woman in decision making, improve woman's social well-being, health and education. With the third goal of the Millennium Development Goal (MDG), government intends to reduce the gender inequality gap and enhancing female empowerment in Malaysia. According to Malaysia UNICEF, the Constitution of Malaysia was amended to disallow the discrimination in law regarding the matter of gender in August 2001. In the same year, Ministry of Woman and Family Development was created to increase the status of woman in society by eliminating the barriers that faced by female. In 2005, the budget that allocated to solving the issues related to woman was increased to RM 30.5 million from RM 1.8 million in 2001 (UNICEF Malaysia, 2007).

Under the 10th Malaysia Plan (2011-2015), the government also plays a role to enhance the empowerment of woman more further by implementing various efforts such as improve female labor force participation in the market and eliminate every kind of discrimination toward female to ensure they can contribute more effectively in the country's development either from the aspect of social or economic (Economic Planning Unit, 2011). Effort done by government to close the gap of gender and moving toward gender equality in the workplace, the participation of woman in employment and education of woman was improved. However, the estimated earned salary for female is only half of the income that being earned by male based on the Global Gender Gap Report 2014. (WEF, 2014)

1.3 Problem Statements

According to the Global Gender Gap Report 2014 of the World Economic Forum (WEF), Malaysia's gender equality ranking has declined from 2006 to 2014. The ranking of Malaysia from the aspect of economic participation and opportunity which can use to represent for the gender equality in the workplace is 104th out of 142. From this aspect, the ranking of Malaysia in term of pay equality for similar job is 5th with ratio of female to male is 0.81:1. Then, Malaysia gets 103th rank in term of estimated earned salary for a female which is only half of the income that being earned by male. Based on that report, the female labor force participation for overall is only within 59% of male, and the ratio of the number of managers, senior officials and legislators among woman and man is 0.27:1 while there is a ratio of 0.77:1 between female and male in term of technical

workers and professionals. Thus, this study aims to explore if the so-called discrimination scenario exists in the workplace.

According to the survey by JobStreet.com on May 2013, workplace discrimination of gender was believed doesn't happen with more than half of the employees that involve in that particular survey. Based on that survey, the majority of the respondents either male or female do not have a preference regarding the gender of the boss, they do not care either their boss was men or woman. In addition, 61 % of employees surveyed feel that there was no gender pay gap among the staffs that have the same level of position in the firm. Then, 61% of the married female employees with children didn't face the discrimination in their workplace. That survey also shows that most of the respondents believe that the promotion of the employees was based on the performance instead of the gender (Jobstreet.com, 2013). Hence, this study will explore the existence of the gender equality/inequality in the workplace.

Although the World Economic Forum shows that gender equality is closed in term of tertiary education and healthy life expectancy in Malaysia. However, according to statement that made by the head of the Gender Parity Program at World Economic Forum 2014, it would take roughly 81 years to completely close the gender gap in the workplace of the world. Research by Rahmah and Idris (2012) shows that the serious discrimination was existed in the all sectors of the whole Peninsular Malaysia in the survey that carried out in 2007/2008 that consists of 4535 working households. Therefore, the purpose of this study that carry out is to investigate and exploit the perceptions of the employees either the gender equality/inequality exist in the workplace in term of salary, promotion,

decision making, and training and development opportunities in private organizations in Kedah area.

Although policies and acts have been enforced in Malaysia to protect the rights of women namely the National Policy on Women, Third Millennium Development Goal (MDG 3), and Domestic Violence Act (DVA)1994, female workers claim that discrimination against women still existing in the workplace from the aspects of employment, assignment of job, compensations, opportunities of promotion, decision making and others in the forum on "Protecting The Rights of Women and Children: How Far Have We Achieved" in 2014 that has been carried out by the Legal Committee of Sabah Women's Advisory Council (MPWS) (Daily Express, Independent National Newspaper of East Malaysia, 2014). The chair of that forum, Mary Florence Gomez mentions that discrimination against women might still exist in the private sector. She said that actions must be taken in the private sector to address the issues of gender discrimination. So, the intention of this study is to investigate either the gender equality/ inequality occurs in the private sector in Kedah from the aspect of salary, promotion, decision making and training and development based on employee's perceptions.

For the past few decades, there is a perception that the traditional woman has played a role in childbearing, family caretakers of children and as a household. However, in this modern era, employment of females has kept increasing in the labor market and they have committed in the workplace. Based on the Department of Statistics Malaysia, the number of females that employed in the market has increased from 228,000 people in 1985 to 547,100 people in 2013. In the workplace, they face challenges as they have to

balance their role in between work and family. Hence, they might face discrimination as a woman. In this modern and global era, gender equality is important to boost up economic growth and productivity. Therefore, to eliminate the gender inequality is a concern of the world. Thus, this study will examine the perception of employees regarding the facilities provided for working mothers by the employers.

Talent Corporation Malaysia (TalentCorp) which was established under the Prime Minister's Department and the Association of Chartered Certified Accountants (ACCA) have carried out a survey in mid of 2012 regarding to the issues of retaining women in the workforce in Malaysia for the purpose of enhancing gender diversity (TalentCorp Malaysia & ACCA, 2012). This survey examines the perceptions of the respondents that selected regarding to the problem of workplace gender diversity and equality such as the reasons of women leave the workplace, the challenges that face by women to reenter the workplace and the policies that are implemented by employers to solve the problem. Based on their finding, women have to form the family, take care of their family and work-life unbalances in the organization are the reasons that cause women to leave their career. The survey found that the employers that provide childcare policy to their employees was only 7% and the policy of flexible work arrangements that implemented by the employer was only 30%. This shows that the programs or policies that related to gender diversity are not widely practice by employers in Malaysia. Based on this survey, they suggest that the policies or initiatives such as flexible work arrangements, flexibility of career, quality childcare and maternity benefits should be provided by the organization to retaining women in the workplace. Hence, this study intends to examine either those

kinds of policies are provided by employer or not in the private companies in Kedah and importance of the implementation of policies based on their perceptions?

1.4 Research Questions

This study outlined the research questions as follows:

- (a) Do gender equality/ inequality exist in the workplace from the aspect of the perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness?
- (b) What is the relationship between gender equality/ inequality and the perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness in the workplace?
- (c) Does the facilities provided for women in the workplace and how important are the facilities that provided in the organization to enhancing gender equality in the workplace?

1.5 Research Objectives

The general objective of this study is to investigate either the workplace gender equality/ inequality exists or not based on the perception of the employees in the private organizations in Kedah. The specified objectives of the study are as follows:

(a) To identify the workplace gender equality/ inequality from the aspect of perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness;

- (b) To identify the relationships between gender equality/ inequality and perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness in the workplace;
- (c) To investigate either the facilities that regarding to gender equality is provided or not by employers and to examine the importance of the policies based on their perception.

1.6 Significant of the study

The purpose of this study is to investigate the existence of the gender equality/ inequality in the workplace exists in term of pay, promotion, decision making and training and developments based on the perception of the employees. In Malaysia, there are only a few studies that being done regarding the workplace gender inequality. For example, Chapman and Harding, 1985; Latifah, 1998; Rahmah and Zulridah, 2005; Rahmah 2011, Rahmah and Idris, 2012. Previous studies usually just focused on the gender pay gap or pay inequality in the workplace while this study will include other aspects beside the pay namely promotion, decision making and training and development based on the perspective of workers. This means that this study will define the perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceives training and developments fairness for employees with can used to use to measure the existence of the gender equality in the workplace. Thus, the finding of this study will contribute to the knowledge of discrimination.

According to the survey that done by JobStreet.com, more than half of the respondents believed that gender discrimination in the workplace doesn't happen, although statistical based on WEF shows that gender inequality still exists in term economic participation. So,

by focusing only on Kedah area, we can realize that either the problem exists or not based on the perception of the employees. If it doesn't exist, it means that the workers in the Kedah area believe that man and woman have equal opportunities and treatments in the workplace. In this situation, they will satisfy with their job and perform well in the workplace. Then, the turnover rate in the workplace might decline. If it does exist, we can recognize from which aspect the gender discrimination exists in the workplace and the strength of the gender inequality. This study will significantly increase the awareness of society regarding the gender inequality issues in the workplace. Then, the authorities that related should take solution to solve the issues.

Survey that done by TalentCorp and ACCA shows that usually women leave the workplace because they have to raise a family, take care of the family member and lack of work-life balance. They also suggest that the policies or initiatives such as flexible work arrangements, flexibility of career, quality childcare and maternity benefits should be provided by the organization to retaining women in the workplace. Thus, this study can examine either those kind of facilities are provided or not in the private sector, Kedah and it can help employers to realize the facilities that needed by employees in the workplace. Hopefully, employers and the government can provide facilities or initiative that more effectively based on perception of workers to enhance the gender equality in the workplace. By providing the facilities that needed by women, it can reduce the barriers that face by women in the workforce. Therefore, women can fully participate in the labor market and contribute to economic growth. This study significantly will contribute to women to fight for their rights.

1.7 Scope of the Study

This study will be carried out in the Kedah area to examine the gender equality/inequality in the workplace because this can minimize the cost and time that need to spend. Besides, this study will focus only on the private sector in Kedah because according to senior lawyer, Mary Florence Gomez, who is the Chair of Forum on "Protecting The Right of Women And Children: How Far Have We Achieved" that carried out in Kota Kinabalu in 2014, the discrimination toward female was no longer exist in the public sector but gender discrimination might still happen in the private sector. (Daily Express, Independent National Newspaper of East Malaysia, 2014). Thus, this study was examined in the private sector to investigate the existence of gender equality/ inequality in the private sector.

1.8 Organization of the Study

This study is divided into five chapters. Chapter one consists of the background of the study, problem statement, objectives of the study, significance of the study and the scope of the study. The second chapter discusses about theoretical and empirical reviews that related to this study. Third chapter explains about data description and methodology that applied to achieve the research objectives. Fourth chapter indicates the empirical result of this study and last chapter provides the discussion and conclusion of the study.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter presents the theoretical framework of gender inequality from the aspect of economic theories and sociology theories. This chapter also includes the empirical review of studies regarding the gender equality/inequality and workplace gender equality/inequalities which are the gender pay gap, differentials of gender promotion, gender decision making opportunity and training and development opportunity between genders. Reviews research regarding to facilities that can help to enhance gender equality also included.

2.2 Theoretical Framework

Based on economic theory of Adam Smith, differential of wages in the labor market will be mainly determined by differences in occupations (Rahmah and Zulridah, 2005). Smith's theory explains that wages for certain occupations in the labor market will be adjusted to achieve the equilibrium. According to Adam Smith, occupations have several of characteristics such as some of the jobs are pleasant while some of the jobs are unpleasant as workers have to work for a heavy duty for a long hour. He suggests that wages will be adjusted to ensure there are sufficient employees for each type of occupations in the market. Hence, the worker who works in unpleasant occupations will receive higher wages compare to the worker who works at pleasant jobs. Furthermore,

occupations that need higher education will be paid higher than occupations that do not need many pre-requisites.

Besides that, human capital theory of Becker is applicable to the differentials of wage. Becker theory suggests that labor will be more valuable by improving their skill through education which invests in "human capital". Usually, employers predict that employees who have higher levels of education are expected to be more productive and paid higher salaries. According to Becker (1964), human capital and productivity have a positive relationship. In this context, salaries of labor depend on the marginal productivity of labor. Thus, differences in the worker's productivity will cause wages among workers to be not equal.

However, marginal productivity theory which is a neoclassical theory is more appropriate to describe the differentials of gender wage as the productivity of female are expected to be lower because human capital attainment is lower (Rahmah and Zulridah, 2005). Generally, women have participated in occupations that are less challenging and overcrowding in particular occupations. In addition, dual labor market theory also can be applied in explaining the differences of wage between genders. This theory describes that labor market can be categories into two types which are primary labor market and secondary labor market. In this context, the primary labor market is more organized and structured while the secondary labor market is organized and unstructured. Most of the women are involved in the secondary labor market as female is predicted to have lower skill compared to men. According to Barron and Norris (1976), women are more

appropriate to involve in the secondary labor market, which consequently mentioned as the female's labor market with less level of wage.

On the other hand, "taste-based' theory of discrimination proposed by Becker (1957) in the book "The Economics of Discrimination" can be applied to explain gender discrimination in the workplace. This kind of discrimination exists when individuals such as employers, employees or customer prefer to interact with particular individual or groups that don't have pecuniary cost compare to others. Based on this theory, men employees might receive better treatment from employers compare to women due to several reasons. First, employers more prefer male to be workers instead of the women. Second, male employees don't like to work together with female, especially in a lower position on hierarchy system. Third, consumers are less likely to interact with women workers. The discrimination of employer's hypothesis need the assumption that profit maximizing of employers in more general form of utility maximization. Employer's utility is based on rising in profit and decline in the number of females that employed by the employer. Then the employer will employ female only if involvement of women in the labor market will increase the profit with the condition that female are paid less.

Furthermore, statistical discrimination is a theory of economics, which was developed by Kenneth Arrow and Edmund Phelps that can be used to explain the gender inequality based on stereotypes. This theory explains that inequality may occur among the demographic groups, although individuals or groups are non-prejudiced and rational. According to Phelps (1972), and Aigner and Cain (1977), this theory can give clarification of the reasons regarding employers who are rational and without having a

taste-based theory of discrimination might still practice the discrimination toward women. Statistical discrimination exists in the labor market that have imperfect information regarding to the productivity of the employees because it is costly and difficult for employers to gain enough and perfect information to evaluate accurately the productivity of each employee. Usually, an employer who aims to maximize profit will pay higher wages for men compare to women and more prefer to hire men as expectation of men's productivity was higher compared to female. This is because the cost of turnover for women was higher than men and the changes of women in the market were more than men. Hence, how far statistical discrimination exists in the market will depend on the average net productivity and costs for male and female.

From the aspect of sociology, liberal feminist theory which is one form of the reform feminist theories can apply to explain the gender inequality. Based on this theory, female and male were believed to have the same ability and they are equal, although they are different from the aspect of biology. Hence, women and men should be given equal opportunities and right such as education level and working opportunity. Then, under the law, female should be treated equally as male and not differently. Liberal feminism argues that women can move toward equality through social reform and legal way. In this content, through the affirmative action, anti-discrimination legislation, educational reforms and other liberal feminist programs or government policies, they intend to address gender inequality issues in the employment market such as gendered job market and differential of gender pay to protect the woman's right (Lorber, 1997). Liberal feminism makes a contribution through increase the awareness of society regarding the existence of discrimination toward women. According to Lorber (1997), some of the

obstacles that prevent female to enter the work that dominated by male in United States has been eliminated and pay gap among gender has been reduced. However, this theory has been criticized that women and men cannot be similar. For example, Scott (1988) suggests that female and male cannot be equal as they can't be identical to each other's. Anyway, the important point of the liberal feminist theory is female and male should be treated equally and given equal chance to eliminate the gender inequality.

2.3 Empirical Reviews

Empirical reviews in this study divide to 6 sections which are gender equality/ inequality, gender pay gap, differential of gender promotion, gender decision making opportunity, gender training and developments opportunity, and facilities as show below:

2.3.1 Gender Equality/ Inequality

There are a lot of studies regarding to gender inequality from different aspects or areas. Some of the previous studies examine the status or condition of women in the country based on several aspects. For example, Hossain and Tisdell (2005) intend to analyze the female's status in Bangladesh from the aspect of macro level indicators which are educational attainments, labor force participation and salaries compare to men through the descriptive statistics. Finding shows there is improvement of women status in Bangladesh from the aspect of education and labor force participation. The earnings gap between male and female have been reduced in many industrial for few decades, although female have received less pay compare to men. By using correlation and regression method, they found that education of the female is highly correlated with the labor force

participation in the labor market. Besides, Castellano and Rocca (2014) investigate the situations of female in labor market by making a comparison across 26 European countries in terms of different economic, social, and cultural by combining different information regarding the involvement of female in the employment market, the wage gap between gender, discrimination, segregation and human capital characteristics through the composite indicator technique. Evidences show that the condition of women in the labor market in Ireland and Scandinavian countries are the best while the female condition are the bottom in majority of Southern and Eastern countries. On the other hand, by applying micro data from the Labor Force Survey (LFS) for the second quarter of Greece in 2000 to 2004 and of the UK in 2001 to 2004, Livanos et al. (2009) found that gender gap occurred in Greece and UK through the logit models. However, the gap between genders is significantly larger in Greece compare to UK. Through the Oaxaca-Blinder decomposition method, they found that employment discrimination again women existed in both labor markets.

Furthermore, various studies examine the relationship between gender equality/ inequality in education and economic growth, income or economic development. Most of the previous studies show that gender inequality in education has a significant effect on economic growth. For example, Hill and King, 1995; Dollar and Gatti, 1999; Klasen, 1999; Knowles, Paula, and Owen, 2002; Klasen and Lamanna, 2009. Klasen (2002) intent to analyze the extent and how gender inequality in education brings impact to economic growth in the long term by using cross-country and panel regression in 1960 to 1992. Researcher found that the decline in economic growth directly affected by the gender inequality in education through lowering average human capital while it's

affected indirectly through population growth and investment. His findings are consistent with the results that show by Chaudhry (2007) who applying econometric analysis by using time series data from 1970 to 2005 to investigate the economic growth in Pakistan by the impact of gender inequality in education. He finds that the ratio of females to males of enrollment rates at the primary level and overall literacy rate ratio of females to males for age 10 years and above have positive relationships with economic growth. He also suggests that equality in education from the aspect of gender is one of the major determinants of economic development. The researcher also recommends that women should be given better opportunities in education and health to enhance economic capability to improve economic growth in the country. Besides, Mitra, Bang & Biswas (2015) apply an exploratory factor analysis with an unbalanced panel of 101 countries observed from the time period between 1990 until 2000 to examine the effect of gender equality on economic growth from two different dimensions which are equality of economic opportunity and equality in economic and political outcomes. The finding shows that there is a significant increment in growth based on greater equality in opportunity for developing economies while greater equality in outcomes significantly improves the growth for developed societies. However, Baliamoune-Lutz and Mcgillivray (2015) investigate the influence of gender inequality in education on income per capita by using panel data from Sub-Saharan African (SSA), North African and Middle Eastern (MENA) countries for eight periods in between 1989 to 2012 with an average over 3 years through GMM-SYS method. Their results show that gender inequalities in primary and secondary education have a negative relationship with income and this relationship is stronger in MENA countries compared to SSA countries. They

also suggest that higher trade openness that might occur due to the issues of gender inequality for lower educated women tend to over-represented in export sectors will cause income to be higher.

2.3.2 Gender Pay Gap

The differential of salary between genders is one of the basic issues of the gender inequality in the workplace. For example, Hannan et al., 1990; Groshen, 1991; Stroh et al., 1992; Blau and Kahn, 2006. There are a lot of studies that examine the existing of gender pay gap and the determinants of the gender wage gap such as below. Bamberger, Admati-Dvir, and Harel (1995) collect data from previous study to examine the gender discrimination of scientists and professionals from the aspect of salary in Israeli hightechnology companies that unionized and non- unionized through the ordinary-leastsquares (OLS) regression method. Results show that the pay gap between gender in scientist and professionals was higher in the non-union organization compare to companies that unionized. However, their finding contradicted with the result that shows by Temesgen (2008) which is the pay gaps are wider in Nigeria's firms that have union since the member of the unions are mostly man and less of a woman. Besides, Temesgen (2008) also examine that characteristic of firms will affect the gender pay inequality in Africa by applying two-stage approach with survey data from Nigeria industry. Based on the survey, the public sector firms compared to the private sector have narrow gender pay gaps and the firm that provides training opportunities for female employees are less likely to have gender inequality of wages.

Ginther and Hayes (1999) found that the unequal pay between women and men in Academic fields from U.S. institution was happening based on academic rank by using the Survey of Doctorate Recipients (SDR) data from 1977 to 1993. Other that determinants that mention above, Khoreva (2011) found that individual factors such as gender, education, age, marital status, gender role orientation, pay expectations, and perceived pay fairness can influence the income gap between female and male based on their perception through the conceptual framework. Moreover, organization factors like gender composition of employment sector and occupational status also play a role in determining the perceived gender, salary gap while the welfare state regime and public awareness which are societal dimensions are other factors of pay gap between genders.

Moreover, the studies regarding to differentials of gender pay gap in top level positions in the organization have been carried out. Betrand and Hallock (2001) analyze the gap of compensation between female and male executives in the high level positions of U.S. public company by applying the ExecuComp data set from 1992 to 1997. They found that among the executives in the sample, around 2.4% were female and their salaries were 45% less than male executive. The 75% of this gender gap mostly is due to the reasons of less number of women executives in the larger organizations and there is scarcity of women Chair, Vice-Chairs, CEOs, and Presidents in the corporation. They also found that unexplained pay gap between genders in higher position levels was less than 5% and mostly female executives in this sample were younger and less seniority compare to male managers in organizations. However, this does not show any evidence of discrimination through gender segregation or unfair promotion. Their finding was similar with Burress and Zucca (2004) that applying the same data set in the same time period to examine the

study related to equality of the gender gap in the America higher corporate executive position Hence, both of the studies shows that no evidence of gender discrimination of compensation in the executive levels.

In Malaysia, they are few studies that have been carried out to examine the determinants of pay differentials. According to Chapman and Harding (1985), differences in the occupational distribution between male and female are the most dominant factors of wage differentials in Malaysia. In this context, female are more likely to participate in lower earning occupations. The result indicates that wages of women are only about 71% of the men's wages. Latifah (1998) found that the gender pay gap occurs in Peninsular Malaysia with 59% of unadjusted female and male pay ratio by using data from Malaysia Family Life Survey 2 (MFLS2) through Oaxaca and Ransom's (1994) Wage Decomposition Model. Results show that the important factors of gender pay gap are occupational distribution, productivity characteristics and present family variables of male and female. The large gap in pay between male and female is based on discrimination in the labor market, which is due to favoritisms towards men.

Rahmah and Zulridah (2005) found that the salary that earned by females are lower compared to male in Malaysis and this is due to several factors such as characteristics of the job, education level and different sectors. After controlling the productivity, the differentials of pay between male and female might due to the gender discrimination in the workplace. Besides, they examine the determinants of gender pay gap in the manufacturing sector in Malaysia which are characteristics of industrial, characteristic of job, demographic background and human capital. In this context, they found that human

capital and demographic background are the main factors that lead to a salary gap between male and female. Rahmah (2011) founds that the differentials of pay between women and men in the services sector, Malaysia can be explained by human capital, characteristic of industry and ethnicity. However, he finds that a serious discriminatory practice occurs in the service sector that indicates by the high percentage of unexplained variables of unfair salary between male and female.

Rahmah and Idris (2012) apply the questionnaire to conduct the survey regarding the discrimination in the labor market and differential wages of gender for all sectors of the whole Peninsular Malaysia in 2007/2008 that consists of 4535 working households. The study found that the wages were different from the aspect of the races, institution's place, characteristic of job and level of education and region in those particular models. Moreover, the study also shows that working experience of employees and human capital variables which are education level and training playing a crucial role in determine wages. Then, other factors such as demographic factors and job characteristic also affect the differentials of gender wage. There is evidence that shows the serious discrimination is exist in the employment sector of Malaysia. Then, Okpara (2006) and Jamali et al. (2008) have similar views with these researchers regarding to education and experience play a significant influence on gender income gap.

2.3.3 Differential of Gender Promotion

Besides just focus on gender pay gap, some of the researchers also carry out the study regarding the differentials of promotion among the gender in the workplace. The study related to the gender discrimination of scientists and professionals from the aspect of

promotion in Israeli high-technology companies that unionized and not was carried out by Bamberger, Admati-Dvir, and Harel (1995) through the ordinary-least-squares (OLS) regression method. In both organizations that unionized and not, significantly gender had an impact on promotions that will affect the worker salary. However, researchers found that discrimination of promotion has less impact on employees' salaries in the company that unionized compare to non-union company due to the lower differential in hierarchical wage.

Furthermore, Ginther and Hayes (1999) carry out an empirical study to estimate the inequality gap of promotion among gender in Academic fields from U.S. institutions through the Survey of Doctorate Recipients (SDR) data from 1977 to 1993 with two different sample groups of doctorate in the humanities. Researchers found that the promotion opportunity is not equal between genders after control several variables such as productivity, discipline and demographic characteristics. Therefore, there is evidence that gender inequality exists in U.S. institutions. The findings of this study are in line with the result of Okpara (2006) that shows that the chance or probability of promotion for the female is not fair compare to male from the perception of women managers by distributing the questionnaires to the bank managers of the Chartered Institution in Nigeria. Hence, the satisfactions of men managers on promotion policy in banking area were higher than female manager.

On the other hand, the empirical study was carried out by Pekkarinen and Vartiainen (2006) to examine the differences among gender in promotion on a job ladder of workers in metal industry of Finnish by applying the panel data from 1990 to 2000. In this context,

there is evidence that shows the promotion of female employees is less likely compare to male for the same type of jobs even though there was no difference between the productivity of female and male. However, the productivity among women and men was different if we divide the employees in that particular sector into two different groups which are promoted and non-promoted. Based on the study, the productivity for promoting and non-promoted female workers are higher compared to man. Then, the probability rate for young women employees that quit the job was higher than male workers.

2.3.4 Gender Decision Making Opportunity

Previously, studies regarding to the differentials of gender opportunity in decision making are limited. According to Rindfleish (2002), the women from the public and private sectors in Australia have the same perception that female staff should be given more opportunity to involve in decision making. Besides, Andaleeb and Wolford (2004) investigate the perception of female and male regarding their involvement in decision making and examine the factors that affect genders perceived participation in the workplace based on interview approach in public and private sector in Dhaka, Bangladesh. Based on few factors in firms that affect their view in decision making involvement such as communication, climate of organization, subtle inhibitors and conservatism, researchers tend to analyze either those factors are different or not from the perception of the gender. The analysis show that the involvement of female and male in decision making is comparable based on their perception. The climates of the organization affect the participation of workers strongly and significantly, especially for

women while the comfortable situation of communication between male and female is not a main obstacle in workplace for them to participate in decision making. Furthermore, subtle inhibitors play a negative relationship with their participation, but it is stronger for female employees. Then, conservatism influences inversely on their involvement for both gender and it is waning.

Sharma et.al (2013) found that the involvement of female in decision making that related to the farm and activities that generate income was lower compared to men through the research that done in three villages of Jammu District, India by random sampling method. Those researchers also suggest that participation of woman in decision making is important to develop the economy of the country. On the other hand, by using survey technique, Hora (2014) carry out the study to examine the participation and involvement of female employees in public leadership and the position of decision making in Bedele town administration especially the factors that prevent women in the involvement of decision making. The result shows that there is a lack of female's participation at that level compare to male and this is due to several factors such as perception of the traditional role of female, structure of companies and negative attitudes of male towards the involvement of female, and lack of experiences and education from women.

2.3.5 Gender Training and Developments Opportunity

There are limited studies regarding to gender training and development opportunity. Jagaciniski (1987) investigate that the advancement chance for female is low in the upper level of positions in an organization in United State. According to Lyness and Thompson (1997), the satisfaction of women for their career opportunities in the future is less

compares to men. Furthermore, Davies-Netzley (1998) also suggests that training and development in career is one of the common challenges for female in the workplace in Southern California. Then, Lyness and Thompson (2000) conduct a survey to investigate the perceived barriers that face by women and men executive when climbing the career ladder. They found that usually female executive compares to male executive face more challenges in their career. Based on the finding, lack of mentoring or training opportunity is one of the main barriers that faced by women in their career that lead them to face difficulties of advancement in the workplace. Besides, they also suggest that mentoring is recognized as important tools that enhance career advancement of women in the workplace. Moreover, the research that is done by Culter and Jackson (2002) analyze that training and development is one aspect of the discrimination that faced by female employees in the firm. However, they also suggest that other types of discrimination toward women are salary, recruitment practices and opportunity of promotion.

2.3.6 Facilities

Pascall and Lewis (2004) conduct the studies to examine the implications of gender equality and gender policy from several levels, such as household, individual, civil society and state in the European. They found that gender equality is still taking time to achieve in the European but the gender policy is the innovative social policy that has been recognized. Based on the information from the US National Study of the Changing Workforce, Halpern (2005) suggests that work flexibility policies that provide in the workplace can give advantages to employees and employers. In this context, this kind of policies will help to release the stress that face by the employees and it can help them to

reduce work-life conflicts and increase their performance more effectively while this will benefit the employers as it can reduce cost that bear by employers and the commitment that give by employees was high. Crespi (2009) suggests that gender mainstreaming is the main solution that used globally to achieve gender equality in European. This study shows that involvement of female in the market is increasing due to the childcare facilities that provided in the workplace and promotion of qualification actions, although there are some challenges regarding the sustainability and quality of the strategies and the implication on families.

Chou and Cheung (2013) carry out the study to investigate the issues regarding to the effectiveness and availability of the implementation of the family friendly policies in Hong Kong through the telephone survey. Based on their study, they found that the labor force in Hong Kong was facing the different kind of work-life issues and the implementation of this policy is not enough. Hence, they suggest that if the private sectors fail to implement family friendly policies in the workplace, then the government should provide the regulatory framework to ensure this kind of policies can be implemented effectively. According to Leung (2014), lack of childcare is a main reason that causes the involvement of female in the employment market to decline in Hong Kong. This is because childcare was viewed as the individual family's responsibility instead of the right of citizen. Provided of childcare, raising financial help and carry out the family-friendly policies are the plans that should be involved to enhance the lives of female and male in Hong Kong from the aspect of gender mainstream childcare policies.

2.4 Conclusion

Based on the economic theories and liberal feminist theory, this study aims to investigate the issues of gender inequality in the workplace in term of pay, promotion, decision making and training and development. Most of the previous study highlights that the gender pay gap is the most basic issues of the discrimination against women in the workplace and there are different determinants of gender pay gap such as unionization in the firm, characteristic of the firm, education level of employees and the employee's experience. However, there are limited studies regarding the gender inequality from the aspect of promotion, decision making and training and development. Next chapter will discuss the research methodology that employed in this study.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

A research methodology is a systematic way that employed to provide the plan with stepby step specification and description of what, how and why it will be done in the specified manner to solve the research problem. In this chapter, methods that used to answer the objectives on this study will be discussed. This chapter consists of several sections which include the conceptual framework; data, population and sampling; questionnaire design; operational definitions and measurement of variables; method of data analysis; validity and reliability of the study.

3.2 Conceptual Framework

As discussed in Chapter 2, human capital theory, marginal productivity theory, dual labor market theory, "taste-based" theory of discrimination and statistical discrimination theory are appropriate to explain gender inequality in the workplace. According to Rahmah and Zulridah (2005), marginal productivity theory is suitable to explain the gender pay gap as productivity of female are expected to be lower as human capital attainment is low. Based on statistical discrimination theory which was developed by Kenneth Arrow and Edmund Phelps, an employer who target to maximize profit will pay higher wages for men compare to women and more prefer to hire men as expectation of men's productivity was higher compared to female due to imperfect information in the market. So, marginal productivity theory and statistical discrimination theory are appropriate to describe

gender inequality in term or pay. On the other hands, "taste-based" theory of discrimination (Becker, 1957) is suitable to explain gender inequality in term of promotion, decision making and training. This is because men might receive better treatment from employers instead of women when this kind of discrimination exists in the situation of employers more prefer to interact with particular individual or groups that don't have pecuniary cost compare to others. Based on liberal feminist theory, female and male should be given equal opportunity and treat equally to eliminate gender inequality in the workplace. As a result, this study was carried out to examine gender equality/ inequality from the aspect of pay, promotion, decision making and training and developments.

Previously, there are a lot of studies that done regarding gender pay gap. For example, Chapman and Harding (1985), Latifah (1998), Rahmah and Zulridah (2005) and Rahmah (2011) found that gender inequality exist in term of pay in Malaysia from different areas. However, Betrand and Hallock (2001) and Zucca (2004) found that there is no evidence of gender discrimination of compensation in the executive levels in U.S. There are only limited studies that carried out regarding differential of gender promotion, gender decision making and gender training and developments. From the aspect of promotion, Ginther and Hayes (1999), Okpara (2006) and Pekkarinen and Vartiainen (2006) found that the opportunity of promotion for male and female is not equal. Moreover, research that done by Sharma et.al (2013) and Hora (2014) shows that involvement of female in decision making is lower compared to female. Findings of Davies-Netzley (1998) and Culter and Jackson (2002) indicates that training and development in career is one of the common challenges or discrimination that faced by female in the workplace. Hence,

based on previous studies, this paper intend to investigate gender equality/ inequality in term of pay, promotion, decision making and training from the perception of employees in private sector, Kedah.

Furthermore, it is undeniable that job satisfaction of employees can influence the performance of employees in an organization. According to Coomber and Barriball (2007), job satisfaction bring to higher productivity, organizational responsibility, physical and mental health to ensure employees work in good condition, improve their skills and finally enhancing employees performance. Generally, there are a lot of factors that can affect job satisfaction of employees in the workplace such as salary, ability to influence decisions, job security, workload, advancement and new opportunities, training and education, recognition, interpersonal relations and so on. Specifically, factors that influencing employee's job satisfactions are financial rewards such as pay; development opportunities such as promotion and opportunity of training; working condition such as flexibility and empowerment and participation such as involvement in decision making (Mwiti, 2012). Moreover, Culter and Jackson (2002) analyze that types of discrimination that faced by female employees in the organization are salary, recruitment practices, training and development and opportunity of promotion. Thus, this study aim to identify workplace gender equality/ inequality in term of pay, promotion, decision making, and training and developments based on perception of employees as these variables are the factors that affect satisfaction of employees that can lead to gender equality/ inequality. More specifically, these variables are namely perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training fairness

which mean that the satisfaction of employees toward fairness of pay, promotion, decision making and training that perceived by employees in term of gender in this study.

Based on the theories, previous studies and reasons that discussed above, conceptual framework in this study was developed as shown in Figure 3.1 which illustrates the relationship between dependent variable and independent variables.

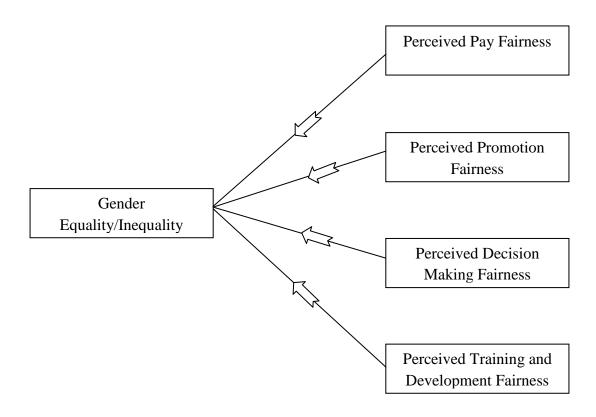


Figure 3.1 Relationship between Workplace Gender Equality/Inequality and Perceived Pay Fairness, Perceived Promotion Fairness, Perceived Decision Making Fairness, Perceived Training and Development Fairness.

3.3 Data, Population, and Sampling Design

Primary data were used in this study to collect the information from the respondents which were selected through the sampling of the population. The questionnaire method will be employed in this research to collect data and information from the sample. In this context, questionnaires will be distributed to respondents to examine their perception regarding the gender equality/inequality from several aspects that stated in the objective sections. Through the questionnaires, the satisfaction of employees toward the condition of the gender equality/inequality, perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness will be measured based on six Likert Scale which are extremely disagreed, disagreed, slightly disagreed, agreed and extremely agreed. Then, this tool also will be used to study either any facility or initiative is provided by the organizations to eliminate the gender inequality issues and the importance of the policies based on perceptions of employees. This method will be applied as it involved only the minimum cost and can get the information faster based on the employee's perception compare to other methods.

The population in this research paper covers all the permanent employees in the private organizations in Kedah, Malaysia. According to Sekaran (2003), there is a table regarding to suggestion of sample size that should be consist in the study for a given population size. However, the total population of private sector in Kedah can't be defined. According to Roscoe (1975), the rule of thumb for deciding the appropriate sample size should be between 30 and 500 and this range is suitable for most of the study. Hence, we roughly estimate the sample size of 150 due to time constraint. Then, 150 of

questionnaires will be distributed to the employees in the private organizations which have a difference demography background, such as gender, age, marital status, education level, and sector. Systematic cluster and purposive sampling design will be applied in this study by distributing questionnaires equally in three sectors which are retail/ wholesaler, manufacturing and services sectors as shown in Figure 3.2. So, 50 sets of questionnaires will be distributed respectively to each cluster evenly. The survey was conducted in April 2014. The response rate of the survey is 100% which means that all the questionnaires that distributed was collected.

Figure 3.2 shows the sampling design as follow:

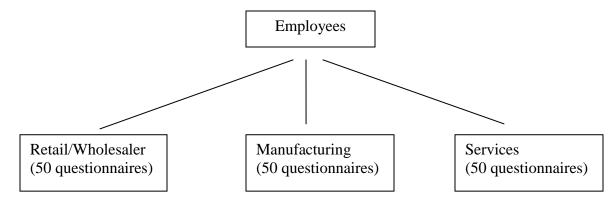


Figure 3.2
Systematic Cluster and Purposive Sampling Design

3.4 Questionnaire Design

In this study, a set of questionnaire will be developed based on the researcher objective to examine the existence of the gender equality/ inequality in organization from the particular aspects based on the employee's perception. The questionnaire consists of four sections as below:

Section A consists of the questions regarding to demographic backgrounds which including gender, age, marital status, education level, sector, length of service, salary, position and number of dependents. Respondents required to tick on the space that provided based on their choice.

Section B consists of the questions that used to measure the gender equality in the workplace. The level of satisfaction of employees regarding gender equality will measure based on six Likert Scale.

Section C consists of the questions regarding to 4 dimensions which are perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness. Similar with Section B, the level of satisfaction of employees from those 4 aspects will be measure based on six Likert Scale.

Section D consists of the questions regarding to the implementation of the facilities in the organization and the importance of the facilities. Respondents have to choose yes or no to answer the question of either the facilities that mentions is provided by employers in the organization. Furthermore, they required to state the importance of those policies based on Likert Scale.

3.5 Operational Definitions and Measurement of Variables

The dependent variable in this study is gender equality/ inequality. In the survey, gender equality/ inequality is measure based on respondent's perception regarding the existence of gender equality/ inequality in the workplace by using six Likert Scales which are extremely disagreed, disagreed, slightly disagreed, slightly agreed, agreed and extremely agreed. Based on Likert Scale that selected by respondents, it is converted to mean. Then, value of mean that higher than 3.5 is consider as 1 which stand for gender equality while value of mean that less than 3.5 is consider as 0 which stand for gender inequality. Besides, the main exploratory variables which are perceived pay fairness, perceived promotion fairness, perceived decision making fairness have been selected based on the literature and conceptual framework that discussed in Chapter 2 and 3. These variables can be defined as respondent's satisfaction toward fairness of pay, promotion, decision making and training that perceived by employees in term of gender in this study. According to Heneman (1985), perceived pay fairness can be refer to the difference between pay level that estimated and pay that employees thinks that they should receive. These variables are measured in mean which is converted from Likert Scale that same for dependent variables.

In addition, demography backgrounds which are gender, age, education level, marital status, sector, length of service, position and salary are included as control variables in this study. The gender of respondents is either male or female while the age of respondents is divide into 3 ranges which are below 20 years to 30, 31 to 40 years and 41 years above. Highest level of education of respondents is measure based on 3 categories

namely secondary school (PMR and SPM), STPM/ diploma and degree and above. Marital status of respondents is categories as single and married. Respondent, who is unmarried, widowed or divorced is category as single. According to Rosen (2014), people who is unmarried, divorced, legally separated or widowed is consider as single. By using systematic cluster and purposive sampling design, respondents are involved in sector retail/ wholesaler, manufacturing and services. Service's length of employees is categories into 4 which are less than 5 years, 5 to 10 years, 11 to 18 years and 19 years and above. Position of respondents is categories into non-officer level and officer level. Monthly salary of respondents is measure in 5 categories which are less than RM 1000, RM1000 to RM 2000, RM 2001 to RM3000, RM 3001 to RM 4000 and more than RM 40000.

In between, there are 4 categories regarding number of dependent of respondents which are 0 (no dependent), 1 to 2, 3 to 4 and 5 and above. In the survey, respondents have been asking the existence of discrimination in the workplace either yes or no based on their perception. Furthermore, based on facilities that suggested by TalentCorp and ACCA which can enhance the gender equality in the workplace, this paper aim to examine either facilities namely childcare center, flexibility work Arrangement, flexibilities of career, maternity benefits and others are provided by employers or not. Then, respondents have been asking about the importance of facilities that suggested either is not importance, slightly not importance, importance and extremely importance. In this survey, suggestion of facilities that needed by employees has been asking.

Table 3.1 illustrates the operational definitions of variables.

Table 3.1 *Operational Definitions of Variables*

| Variables | Definition | | | | |
|---------------------|---|--|--|--|--|
| Gender | Gender of respondents | | | | |
| | 1 = male | | | | |
| | 2 = female | | | | |
| Age | Age of respondents based on ranges | | | | |
| | 1= Below 20 years to 30 | | | | |
| | 2= 31 to 40 years | | | | |
| | 3 = 41 years above | | | | |
| Education level | Highest level of education of respondents based on categories | | | | |
| | 1= Secondary school | | | | |
| | 2= STPM/ Diploma | | | | |
| | 3= Degree and above | | | | |
| Marital status | Marital status of respondents | | | | |
| | 1= Single (unmarried, widowed, divorced) | | | | |
| | 2= Married | | | | |
| Sector | Job sector that respondents involve | | | | |
| | 1 = Retail/ Wholesaler | | | | |
| | 2 = Manufacturing | | | | |
| | 3 = Services | | | | |
| Length of service | Number of years of respondents work in that particular | | | | |
| | company | | | | |
| | 1 = Less than 5 years | | | | |
| | 2 = 5 to 10 years | | | | |
| | 3 = 11 to 18 years | | | | |
| | 4 = 19 years and above | | | | |
| Position level | Position level of respondents | | | | |
| | 1 = Non officer level | | | | |
| | 2 = Officer level | | | | |
| Salary | Monthly salary of respondents in ranges | | | | |
| | 1 = Less than RM1000 | | | | |
| | 2 = RM1000 - RM2000 | | | | |
| | 3 = RM2001 - RM3000 | | | | |
| | 4 = RM3001 - RM4000 | | | | |
| | 5 = More than RM4000 | | | | |
| Number of dependent | Number of dependent of respondents | | | | |
| | 1=0 (no dependent) | | | | |
| | 2 = 1 to 2 | | | | |
| | 3 = 3 to 4 | | | | |
| | 4= 5 and above | | | | |

Table 3.1 (continue)

| Perception of discrimination | Respondent's perception regarding the existence of discrimination in the workplace $1 = Yes$ $2 = No$ |
|---|---|
| Gender equality/inequality (Dependent Variable) | Respondent's perception regarding the existence of gender equality/ inequality in the workplace 1= Gender Equality (mean > 3.5) 0= Gender Inequality (mean <3.5) |
| Perceived pay fairness Perceived promotion fairness Perceived decision Making fairness Perceived training & developments fairness (Independent Variables) | Respondent's satisfaction toward fairness of pay, promotion, decision making and training that perceived by employees in term of gender which measure in means |
| Facilities that provided by employer | Facilities that provided in organization namely "Childcare Center", "Flexibility Work Arrangement", "Flexibilities of Career", "Maternity Benefits" and "Others" 1 = Yes 2 = No |
| Importance of facilities based on employees | Importance of facilities namely " Childcare Center", " Flexibility Work Arrangement", " Flexibilities of Career", " Maternity Benefits" and "Others" 1 = Not Important 2 = Slightly Not Important 3 = Important 4 = Extremely Important |
| Suggestion of facilities that needed | Respondent suggestion regarding the facilities that needed by employees |

3.6 Method of Data Analysis

The information that collected from the questionnaires is processes using Statistical Package for Social Science (SPSS) version 21 and Data Analysis and Statistical Software (STATA) version 13. Quantitative method will be used to analyze the data that gather from respondents. In this context, descriptive analysis, probit model analysis and Pearson correlation analysis will be applied in this study.

3.6.1 Descriptive Analysis

According to De Vaus (2002), descriptive analysis is used to describe the characteristic of the sample. Hence, descriptive statistical tools such as frequencies, percentage, mean, tables, graphs and chart are used to interpret the characteristic of the sample in this study. Descriptive statistical tools also used to explain regarding facilities that provided by employer and the importance of the facilities that suggested based on employees' perception. All variables and items will be coded in order to carry out analysis. This analysis will be carried out by using SPSS.

3.6.2 Probit Model Analysis

Usually, probit model is used widely for studying data with binomial distributions for the dichotomous or binary outcome variables. Probit model is suitable to use when the dependent variable can take only two values. In this study, probit model will be used to study the relationship between dependent and independent variables by applying STATA version 13. This is because this study aim to explore either gender equality or inequality exists in term of perceived pay fairness, perceived promotion fairness, perceived decision

making fairness and perceived training and developments fairness in the private sector, Kedah. Demography background namely gender, age, education, marital status, job sector, length of service, salary and position also included as control variables in this model. Probit regression method is appropriate to apply because the dependent variable in this study has only two possible outcomes which are gender equality and gender inequality which are called dummy variables or dichotomous variables (1 = Gender Equality, 0 = Gender Inequality). In this context, mean of gender equality for each respondent which is higher than 3.5 is consider as 1 which stand for gender equality while value of mean that is less than 3.5 is consider as 0 which stand for gender inequality. The mean of gender equality is converted from Likert Scale that selected by respondents.

Latent variable model will be applied in this probit model. Let y_i^* represent this latent variable and assume that y_i^* is a linear function of x_i . So, equation can be written as:

$$y_i^* = \sum_{i=1}^n \beta x_i + \mathcal{E}_i \tag{1}$$

$$y_i = \begin{cases} 1 & \text{if } y_i^* > 0 \\ 0 & \text{if } y_i^* \le 0 \end{cases}$$
 (2)

Where,

 y_i = Observed Dichotomous Dependent Variable (1 = Gender Equality, 0 = Gender Inequality)

 y_i^* = Underlying Latent Variable that indexes gender equality in the workplace

 $x_i = \text{Vector Regressor}$

 β = Vector of parameter to be estimated

 \mathcal{E}_i = Error term which is assumed to have a standard Normal Distribution

Assume that the error term in the latent equation (1) follows a normal distribution, the probit model can be expressed in probability as be follow:

$$Prob(Y = 1) = Prob(y^* > 1) = Prob(x'\beta + \mathcal{E}) = Prob(\mathcal{E} < x'\beta) = \phi(x'\beta)$$
 (3)

$$Prob(Y = 0) = 1 - Prob(y = 1) = 1 - \phi(x'\beta)$$
 (4)

The ϕ = Cumulative Distribution Function (CDF) of the standard normal distribution. The maximum parameter estimates (MLE) are obtained by maximizing the the following log likelihood function:

$$LF(\beta) = \sum_{i=1}^{n} y_i \ln(\phi(x'\beta)) + (1 - y_i) \ln(1 - (\phi(x'\beta)))$$
(5)

The model will be estimated with the robust variance estimates (Huber/ White/ sandwich estimator of variance). This means that estimates of the standard errors that are robust is needed in the regression when error term is not identically distributed to ensure the valid statistical inference about the population paremeter coefficients.

3.6.3 Pearson Correlation Test

The Pearson correlation test is used to measure the significant and the strength of the relationship between two linear variables. According to Davies (1971), magnitude of correlation that can used to analyze the strength of the relationship between independent variable and dependent variable are described as table 3.1. Therefore, Pearson correlation

analysis is used to investigate the direction and the strength of the relationship between gender equality, pay, promotion, and training and development.

Table 3.2 Pearson Correlation Coefficient

| Pearson Correlation Coefficient (r) | Strengths of Relationship |
|--|---------------------------|
| 1.0 | Perfect relationship |
| 0.7 -0.99 | Very strong relationship |
| 0.50 - 0.69 | Strong relationship |
| 0.30 - 0.49 | Moderate relationship |
| 0.10 - 0.29 | Low relationship |
| 0.01 - 0.09 | Negligible |

3.7 Validity of the Study

Pilot test will be used to test the validity of the questionnaire that created before its use to collect information from the questionnaire. In this context, 10 people from target group will be involved in this test to identify either the questionnaires that design by the researcher are understandable and make sense by respondents or not. This test also investigates either respondents able to follow the guidelines or instruction that indicated or not. Hence, pilot test will be applied to detect the errors that might occur and make corrections and adjustments to make sure the survey that designed are appropriate to respondents. This is to make sure the study is valid and effective.

3.8 Reliability of the Study

The purpose of the reliability test is to check the reliability and appropriateness of the questionnaire that has been designed by researchers to measure the variables. Usually the Cronbach's Alpha testing was applied as a reliability test tool in the study. According Sekaran (2003), the Cronbach measures were as below:

- (i) Reliability coefficient which is less than 0.6 are considered as poor.
- (ii) Reliability coefficient which is in the range of 0.7 are considered as acceptable.
- (iii) Reliability coefficient which is more than 0.8 are considered as well.

3.9 Conclusion

This chapter has discussed about research design and methodology that applied in this study. The realization and application of appropriate methodology are essential to ensure the research study can be carried out smoothly and achieve research objectives. Hence, the details of the methods that used to analyze the data such as descriptive statistic, probit regression model, and Pearson correlation test have been discuss clearly in this chapter. Hence, the findings of the survey will be discussed in chapter 4.

CHAPTER 4

ANALYSIS AND INTERPRETATION OF RESULT

4.1 Introduction

This chapter will interpret the findings from the data analysis based on the methods that mentioned in the previous chapter. The discussion covers all of the objectives in this study regarding the issues of gender inequality in the private sector, Kedah. The result of empirical analysis will be analyzed in this chapter. In this context, descriptive analysis will be applied to explain the characteristic of the sample and it also use to analyze the provided and importance of the facilities that suggested based on employees' perception. Besides, probit regression analysis is used to investigate the perception of gender equality/ inequality in term of pay, promotion, decision making, training and demographic factors also included as control variables. Pearson correlation analysis is used to investigate the strength of the relationship between the dependent variable and independent variables. The reliability test which is the cronbach's alpha test was applied to check the reliability of the questionnaire before the data analysis is started.

4.2 Reliability Test

Before this study starts to analyze the finding, reliability test need to be carry out to ensure the reliability and appropriateness of the questionnaire. The reliability statistics in Table 4.1 shows that the cronbach's alpha is 0.917 which is considered very high according to Sekaran (2003). Thus, this means that the questionnaire design is reliable for this study and the next sections of data analysis can be proceed.

Table 4.1 Reliability Statistics

| Reliability Statistics | |
|------------------------|---------------|
| Cronbach's Alpha | N of Items |
| Cronoach's Aipha | TV OI Itellis |
| | |
| | |
| | |
| .917 | 5 |
| .717 | 3 |
| | |

4.3 Descriptive Analysis of Characteristics of Sample

This section will discuss the distribution of the demography background of the respondents such as gender, age, level of education, marital status, job sector, work experience, position, salary and perception of discrimination in the workplace through the descriptive analysis. Table 4.2 illustrates the descriptive analysis of demography background of 150 respondents based on frequency and percentage.

Table 4.2

Descriptive Analysis for Demography Background

| Content | Details | Frequency | Percent (%) |
|-----------------|----------------------|-----------|-------------|
| Gender | Male | 59 | 39.3 |
| | Female | 91 | 60.7 |
| | Total | 150 | 100 |
| Age | Below 20 to 30 years | 84 | 56 |
| | 31 to 40 years | 39 | 26 |
| | 41 years and above | 27 | 18 |
| | Total | 150 | 100 |
| Education level | Secondary school | 62 | 41.3 |
| | STPM/ Diploma | 55 | 36.7 |
| | Degree and above | 33 | 22 |
| | Total | 150 | 100 |
| Marital status | Single | 74 | 49.3 |
| | Married | 76 | 50.7 |
| | Total | 150 | 100 |
| sector | Retail & wholesale | 50 | 33.3 |
| | Manufacturing | 50 | 33.3 |
| | Services | 50 | 33.3 |
| | Total | 150 | 100 |

Table 4.2 (continue)

| Length of service | Less than 5 years | 84 | 56 |
|-------------------|--------------------|-----|------|
| | 5 to 10 years | 26 | 17.3 |
| | 11 to 18 years | 23 | 15.3 |
| | 19 years and above | 17 | 11.3 |
| | Total | 150 | 100 |
| Position level | Non officer level | 54 | 36 |
| | Officer level | 96 | 64 |
| | Total | 150 | 100 |
| Salary | Below RM1000 | 27 | 18 |
| | RM1000-RM2000 | 79 | 52.7 |
| | RM2001-RM3000 | 27 | 18.0 |
| | RM3001-RM4000 | 10 | 6.7 |
| | RM4000 and above | 7 | 4.7 |
| | Total | 150 | 100 |
| Number of | 0 | 44 | 29.4 |
| dependent | 1 to 2 | 34 | 22.7 |
| | 3 to 4 | 28 | 18.7 |
| | 5 and above | 8 | 5.3 |
| | Missing | 36 | 24 |
| | Total | 150 | 100 |
| Discrimination | Yes | 93 | 62 |
| | No | 57 | 38 |
| | Total | 150 | 100 |

There are 59 male respondents and 91 female respondents that participating in this study. This means that female is 60.7 % of the total respondents and male is 39.3% of the total respondents. This frequency shows that women are more than men in the private organization in Kedah. From the aspect of age, 56% of total respondents are in the range of below 20 to 30 years, 26% of respondents are in the range of 31 to 40 years and 18% of respondents are in the range of 41 and above. So, most of the respondents that involved in this study are the age of below 20 to 30 years.

Besides, 62 respondents have higher education level of secondary school (PMR or SPM), 55 respondents have STPM or diploma as higher education level and 33 respondents have higher education of degree and above. For marital status, ratio of respondents whose are single and married are almost the same. 50.7% of respondents in this study are married while 49.3% of respondents are single.

Employees in this sample that involve in retail/ wholesale, manufacturing and services sectors are 50 respectively. This is due to the cluster and purposive sampling method that applied in this study. Descriptive analysis shows that 56% of employees have less than 5 years of service in the workplace, 17.3% of employees have 5 to 10 years' service, 15.3% of employees have 11 to 18 years of service and 11.3% of employees have 19 years and above of service in the workplace. This indicates that most of the respondents have less than 5 years of experiences in that particular company. Moreover, 64% of respondents are work as officer and 36% of respondent are work as non-officer in the workplace. Example of officer that employees work as are supervisor, manager, department executive, and other while example of non-officer that employees work as are sales, technician, mechanical, engineer, and others

Most of the respondents which are 52.7% of respondents are receiving monthly salaries in the range of RM1000 to RM2000 while only 4.7% of respondents receiving monthly salaries above RM4000 and 7% of respondents are paid in the range between RM3001 and RM4000. Then, 18% of the respondents' salaries are in below RM1000 and in the range of the RM2001 to RM3000 respectively.

There are 24% of respondents didn't fill up the information regarding to the number of dependent that relies on them. On the other hand, 29.4% of employees don't have any dependents that depend on them and this might due to their age are just between 20 to 30 years which might just enter the market, who are single and who does not need to contribute to their family. Meanwhile, 22.7% of respondents have 1 to 2 dependents, 18.7% of respondents have 3 to 4 dependents and 5.3% of respondents have 5 dependents and above. Based on information that received, most of their dependents are their children whose are in schooling and not. Then, some of dependents are parents, grandparents and sibling.

Based on the perception of the employees in this study, 93 respondents (62%) believe that discrimination exists in the workplace while 57 (38%) respondents believe that discrimination is not exists in the workplace. However, this study not sure that either gender discrimination or gender inequality exist in the workplace or not based on their perception, although most of them believe that discrimination exists in the labor market. Hence, this issue will be discussed in the next sections.

4.4 Descriptive Analysis for Perception regarding Gender Equality

In the section B and section C of questionnaire, employees perception regarding to gender equality, perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness have been measured based on Likert Scale of satisfaction namely "Extremely Disagreed", "Disagreed", "Slightly Disagree", "Slightly Agree", "Agreed" and "Extremely Agreed". Table 4.3 illustrates the descriptive statistic for perception regarding gender equality, perceived pay

fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness.

Table 4.3 shows that the overall mean scores for gender equality is 4.34, perceived pay fairness is 4.35, perceived promotion fairness is 4.41, perceived decision making fairness is 4.34 and perceived training and developments fairness is 4.42. The mean scores for each aspect are in the range between 4.3 and 4.5. Based on descriptive analysis of mean, employees are satisfied with condition of gender equality, pay, promotion, decision making and training and developments in the workplace as the mean is higher than 4. However, either gender equality achieves in term of pay, promotion, decision or training will be discussed in the probit analysis.

Table 4.3

Descriptive Statistics for Perception

| | N | Minimum | Maximum | Mean | Std. Deviation | |
|--------------------|-----|---------|---------|--------|----------------|--|
| genderequality | 150 | 2.20 | 6.00 | 4.3427 | .77800 | |
| Pay | 150 | 1.60 | 6.00 | 4.3533 | .84358 | |
| promotion | 150 | 2.20 | 6.00 | 4.4080 | .77369 | |
| decision | 150 | 2.00 | 6.00 | 4.3440 | .79465 | |
| training | 150 | 1.00 | 6.00 | 4.4173 | .96013 | |
| Valid N (listwise) | 150 | | | | | |

4.5 Probit Analysis

In this study, researcher aim to explore either gender equality or inequality occurs in term of pay, promotion, decision making and training and developments in the private sector, Kedah. Besides, author also intends to investigate either the demography factors as control variables can affect the gender equality/ inequality or not in the workplace such as gender, age, education, marital status, sector, length of service, salary and position. In research, probit model is used to model dichotomous or binary outcome variables. Hence, probit regression is appropriate to apply in this study to achieve the objective that mentions because dependent variable have only binary outcome which are gender equality or no gender equality (inequality) while the independents variables are continuous and categorical variables.

Operational definitions for the variables are as below.

In this case, dependent variable is dummy variable which have only two outcomes which are 1 = gender equality exists in the workplace and 0= gender equality doesn't exists in the workplace (gender inequality). From the aspect of the explanatory variables, perceived pay fairness (X1), perceived promotion fairness (X2), perceived decision making fairness (X3) and perceived training and developments fairness(X4) are continuous variables because they are taking mean values while gender (X5), age (X6), education (X7), marital status (X8), job sector (X9), length of service (X10), salary (X11) and position (X12) are categorical variables. For categorical variables, gender is categories into 1= male and 2= female, age is categories into 1= below 20 years to 30, 2= 31 to 40 years and 3= 41 years above, education is categories as 1= secondary school

(PMR and SPM), 2= STPM/ diploma and 3= degree and above and marital status is divided to two which are 1= single and 2= married. Job sectors are categories into 3 namely 1= retail and wholesale, 2= manufacturing, 3= services while length of service divided to 1= less than 5 years, 2= 5 to 10 years, 3= 11 to 18 years, 4= 19 years and above. Salary is categories into 5 which are 1= less than RM1000, 2 = RM1000- RM2000, 3 = RM2001- RM3000, 4 = RM3001- RM4000, and 5 = more than RM4000. There are two categories of position which are 1= non officer level and 2=officer level. Moreover, the lowest numbered groups of categories variables which mean the first category of each categories variable are choose as reference group.

Table 4.4 *Goodness of Fit Statistics*

| | P-value |
|--------------------------------|---------|
| Overall fit test (Wald test) | 0.0000 |
| Pseudo R ² | 0.4852 |
| Percentage correctly predicted | 88.11% |

Table 4.4 presents the results of various goodness of fit test for the estimated probit model. Based on statistics, the estimated probit model is fit to the data significantly with the p-value of 0 and pseudo R² of 0.4852. Pseudo R² indicates that the independent variables that included in the probit model explain about 48.52 % of the variation in the gender equality. Besides, the percentage correctly predicted is found to be 88.11%. Hence, the estimated probit is found to have high goodness of fit statistically.

Table 4.5 *Variance Inflation Factors (VIF)*

| variance injunion i actors (vii) | |
|-----------------------------------|------|
| Variable | VIF |
| Promotion | 4.45 |
| Decision | 3.30 |
| Pay | 3.09 |
| Taining | 2.99 |
| Age | 2.86 |
| Length of service | 2.82 |
| Salary | 2.60 |
| Education | 1.63 |
| Marital Status | 1.61 |
| Sector | 1.34 |
| Position | 1.26 |
| Gender | 1.15 |
| Mean VIF | 2.43 |
| | |

Based on multicollinearity test that shows in Table 4.5, the values of Variance Inflation Factors (VIF) are found to be in ranged from 1.15 to 4.45 and the mean of VIF is 2.43 which is less than value of 10. This indicates that the estimated probit model does not suffer serious multicollinearity problem.

Table 4.6 *Probit Estimation Result*

| Variables | Probit | | Probit Average Marginal Effect | | | |
|--------------------------|--------------|-------------|--------------------------------|---------|-------------|---------|
| v arrables | coefficients | T-statistic | P-value | dy/dx | T-statistic | P-value |
| Perceived Pay | 1.1635 | 2.91 | 0.004** | 0.1320 | 3.15 | 0.002** |
| Fairness | | | | | | |
| Perceived | 0.4356 | 0.88 | 0.380 | 0.0494 | 0.87 | 0.382 |
| Promotion | | | | | | |
| Fairness | | | | | | |
| Perceived | 0.8833 | 1.96 | 0.051* | 0.1002 | 1.93 | 0.054* |
| Decision | | | | | | |
| Fairness | | | | | | |
| Perceived | -0.1938 | -0.64 | 0.523 | -0.2198 | -0.64 | 0.523 |
| Training Fairness | | | | | | |

Table 4.6 (continue)

| Gender | | | | | | |
|-------------------|-----------|-------|---------------|---------|-------|---------|
| Female | 0.4096 | 1.14 | 0.254 | 0.0468 | 1.14 | 0.255 |
| Age | | | | | | |
| 31 to 40 | -4.1872 | -0.73 | 0.465 | -0.0499 | -0.73 | 0.467 |
| ≥40 | 1.0058 | 1.01 | 0.314 | 0.0891 | 1.17 | 0.242 |
| Education | | | | | | |
| STPM/ Diploma | -1.1548 | -2.23 | 0.025** | -0.1466 | -2.52 | 0.012** |
| ≥ Degree | 0.2715 | 0.57 | 0.655 | 0.0354 | 0.49 | 0.621 |
| Marital status | | | | | | |
| Married | 0.2715 | 0.57 | 0.565 | 0.0305 | 0.58 | 0.565 |
| Sector | | | | | | |
| Manufacturing | 0.7498 | 1.50 | 0.135 | 0.0902 | 1.52 | 0.130 |
| Service | 0.7400 | 1.36 | 0.174 | 0.0892 | 1.41 | 0.160 |
| Length of service | | | | | | |
| 5 to 10 | -0.7704 | -1.55 | 0.121 | -0.0910 | -1.55 | 0.120 |
| 11 to 18 | -0.1287 | -0.18 | 0.854 | -0.0135 | -0.18 | 0.855 |
| ≥19 | -0.5337 | -0.43 | 0.665 | -0.0603 | -0.41 | 0.684 |
| Salary | | | | | | |
| 1000 to 2000 | 0.3474 | 0.64 | 0.522 | 0.0390 | 0.63 | 0.529 |
| 2001 to 3000 | 0.8517 | 0.92 | 0.360 | 0.0849 | 0.99 | 0.323 |
| 3001 to 4000 | -0.5823 | -0.58 | 0.562 | -0.0780 | -0.56 | 0.574 |
| >4000 | 0 (empty) | | Not estimable | | | |
| Position | | | | | | |
| Officer | 0.9021 | 0.21 | 0.834 | 0.0102 | 0.21 | 0.834 |

Note: ** Significant at 0.05 levels and *Significant at 0.1 levels

Table 4.6 shows that out of 4 main exploratory variables, only the p-value of two variables which are perceived pay fairness and perceived decision making fairness are significant at 0.05 levels and 0.1 levels respectively. There is a positive sign of perceived pay fairness and perceived decision making fairness toward the gender equality. This means that perceived pay fairness and perceived decision making fairness can explained the probability of gender equality positively in private sector, Kedah.

A statistically significant positive coefficient of perceived pay fairness indicates that the respondents who have higher satisfaction toward perceived pay fairness are more likely

to have gender equality in the workplace. By using probit average marginal effect, a one unit change in the perceived pay fairness will increases the probability of gender equality status by 0.1320. This finding also can point out that gender equality exists in term of pay based on their perception. This is because employees perceive gender equality in the workplace as they satisfied with the fairness of pay that they receive if compare to opposite gender. Since employees are satisfied and perceived fair with the condition of pay that they received, so they perceived gender equality in term of pay in the workplace. They believe that employees regardless of male of female receive fair pay in companies. Thus, employees in private organizations, Kedah perceived that there is no gender pay gap and gender equality exists in term of pay as respondents are satisfied with the perceived pay fairness although a statistical source which is Global Gender Gap Report, 2014 indicates that the ratio of female to male is 0.81:1 in term of pay equality. This finding has similar view with some of the researchers that suggest gender pay gap was not occurs based on respondents 'perception even though this gap was clearly shows by statistical resources (Hill and Silva, 2005; Lange, 2008; Sidani and Kobeissi, 2008; Judge and Livingston, 2008). However, the findings of this study is contradict with results from most of the previous studies such as Chapman and Harding (1985), Latifah (1998), Rahmah and Zulridah (2005) and Rahmah (2011) found that gender inequality exist in term of pay in Malaysia from different areas.

Furthermore, positive coefficient of perceived decision making fairness shows that the respondents who have higher satisfaction toward perceived decision making fairness are more likely to achieve gender equality in the workplace. The value of probit average marginal effect indicates that change in one unit of the perceived decision making

fairness will cause the probability of gender equality status increases by 0.1002. This is because employees feel fair and satisfied with the opportunity to involve in decision making that given by employer to employees regardless of male and female in the organization that leads them to perceive workplace gender equality from the aspect of decision making. Employees trust that female and male receive the fair opportunity in the involvement of decision making in the organization. Therefore, employees believed that the workplace gender equality achieve in term of decision making in private sector, Kedah based on their perception. This result is contradict with the results from Sharma et.al (2013) and Hora (2014) which shows that involvement of female in decision making was lower compared to female. For the overall, findings of this paper can be supported by Khoreva (2012) that gender inequality in organizations doesn't exist based on perception of employees. However in this study, gender inequality doesn't exist in term of pay and decision making based on employees perception. Besides, it also can be supported by survey that done by Jobstreer.com on May 2013, workplace gender discrimination of gender was believed doesn't exist based on employees perceptions.

However, only the education out of the all control variables can influence the gender equality. The significant p-value and negative sign of education in category of STPM/diploma shows that it can negatively affect the gender equality or it can lead to gender inequality. Based on the value of probit average marginal effect, respondents who have STPM/diploma as higher level of education versus secondary school as higher level of education (reference group) will decrease the probability of gender equality by 0.1466. This result is similar with the view of Davis and Robinson (1991) which shows education was a determinant of workplace gender equality based on employees' perception. They

suggest that employees are more knowledgeable if they are highly educated and this will increase their awareness regarding to gender pay gap and gender inequality compare to employees that receive low education.

4.6 Pearson Correlation Analysis

Pearson analysis is using to analyze the significant relationships between dependent variable which is gender equality with independent variables which are perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness in the private sectors in Kedah. Table 4.7 illustrates the relationships between dependent variable and independent variables.

Hypothesis Testing

H₀: There is no relationship between gender equality and independent variables

H₁: There is a relationship between gender equality and independent variables

Table 4.7

Pearson Correlation between Dependent Variable and Independent Variables

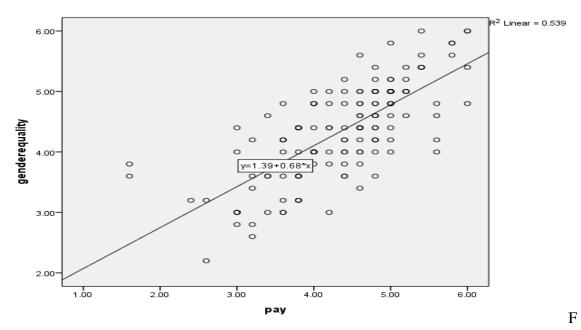
| 2 con service contraction of the | | | | | |
|--|---------------------|----------------|--|--|--|
| Independent Variable | Pearson Correlation | Sig (2 tailed) | | | |
| | Coefficient (r) | P-value | | | |
| Perceived Pay Fairness | 0.734** | 0.000 | | | |
| Perceived Promotion | 0.707** | 0.000 | | | |
| Fairness | | | | | |
| Perceived Decision | 0.682** | 0.000 | | | |
| Making Fairness | | | | | |
| Perceived Training& | 0.618** | 0.000 | | | |
| Developments Fairness | | | | | |

Note: ** Correlation is significant at 0.01 levels (2-tailed)

Based on Table 4.7, the p-value for each independent variable are less than 0.05 which is significant, so the null hypothesis (H_{0}) is rejected. Hence, the positive sign of the coefficient shows that there is a significant and strong positive relationship between the

gender equality and perceived pay fairness (r = 0.73), perceived promotion fairness (r = 0.71), perceived decision making fairness (r = 0.68) and perceived training and development fairness (r = 0.62).

In addition, scatter plot in figure 4.1, 4.2, 4.3, and 4.4 shows a strong and positive correlation between gender equality and all independent variables because all the points are neatly arranged in a narrow cigar shape and there is positive linear regression line main cluster of the point. These relationships suggest that employers should give equal opportunity and treatment to employee regardless of male or female in the workplace from every aspect especially in term of pay, chance of promotion, involvements in decision making and training and development as they have strong and positive relationships.



igure 4.1
Relationship between Gender Equality and Perceived Pay Fairness

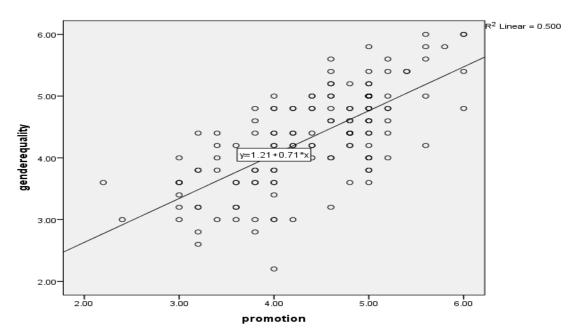


Figure 4.2 Relationship between Gender Equality and Perceived Promotion Fairness

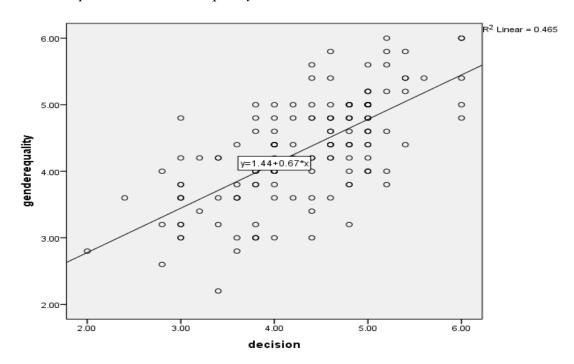


Figure 4.3
Relationship between Gender Equality and Perceived Decision Making Fairness

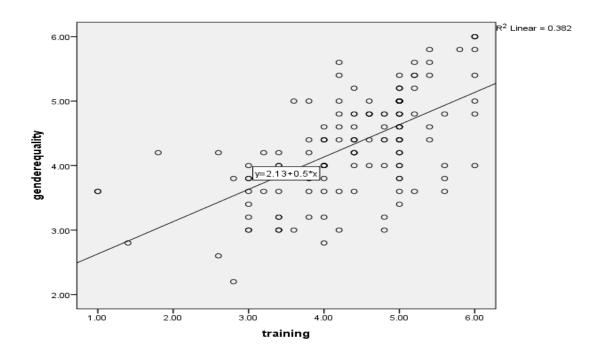


Figure 4.4
Relationship between Gender Equality and Perceived Training & Developments Fairness

4.7 Descriptive Analysis regarding the Important of The Facilities

In this section, this study intends to examine either those facilities that suggested by Talent Corporation Malaysia (TalentCorp) and Association of Chartered Certified Accountants (ACCA) in order to enhancing gender equality in the market namely childcare center, flexibility work arrangement, flexibilities of career and maternity benefits are provided or not in private companies in Kedah. On the other hands, this study also aims to examine the importance of those facilities based on employees' perceptions. Descriptive analysis will be applied in this discussion.

Table 4.8 Facilities that Provided in the Workplace

| | Facilities or Initiatives that provided (Respondents) | | | | | |
|----------------|---|--|------------------------------------|-------------------------------|-----------------|--|
| Sectors | Childcare Center (CC) | Flexibile work arrangement (WF) | Flexibilities of career (CF) | Maternity benefits (MB) | Others (OTH) | |
| R&W | 0 | 33 | 16 | 16 | 3 | |
| Manufacturing | 0 | 19 | 12 | 32 | 5 | |
| Services | 0 | 32 | 29 | 25 | 2 | |
| Total Provided | 0 | 84 | 57 | 73 | 10 | |

Table 4.8 shows that childcare facilities are not provided by employers in retail/wholesale, manufacturing and services sectors in private sector in Kedah. This is might because of it is too costly for employer to provide childcare facilities in the workplace and current policy might not attractive for employer to implement it. Besides, there are 84 out of 150 respondents receive a flexible work arrangement, 57 out of 150 respondents receive flexibilities of career, 73 out of 150 respondents receive maternity benefits and 10 out of 150 respondents receive others initiative such as free medical in the workplace. This finding indicates that most of the facilities that provided for employees are flexibility work arrangement and maternity benefits. This might due to the reason of employers realize that these kinds of facilities are important for workers, especially for women to ensure they can perform well and increase their productivity in the workplace. From the aspect of sectors, the flexible work arrangement is more likely being provided compare to others facilities in retail and wholesale and services sectors. In manufacturing sectors, employers are more prefer to provide maternity benefits to employees.

Table 4.9
Importance of the Facilities that Provided in the Workplace

| Importance of the facilities | Childcare Center (CC) (%) | Flexibile work arrangement (WF) (%) | Flexibilities of career (CF) (%) | Maternity benefits (MB) (%) |
|------------------------------|---------------------------------|---|----------------------------------|-----------------------------------|
| Not important | 6 | 0.7 | - | 2.7 |
| Slightly Not Important | 7.3 | 2.7 | 0.7 | 2.7 |
| Important | 40 | 30.7 | 33.3 | 34 |
| Extremely Important | 46.7 | 65.9 | 66 | 60.7 |
| Total | 100 | 100 | 100 | 100 |

From the perspectives of the respondents, more than 60% of the respondents believed that the flexible work arrangement, flexibilities of career and maternity benefits are extremely important for them to enhancing gender equality in the workplace (Table 4.9). Then, 46.7 % of respondents believed that childcare center are extremely important for them. Furthermore, more than 30% of employees consider those facilities are important for them. Therefore, employers should provide those policies efficiently to employee especially the childcare facilities that haven't implement in Kedah area for private sector. Besides, government should implement effective policy and give hand to employers in providing childcare center for employees because it is quite costly for employers.

4.8 Conclusion

The main purpose on this study is to examine the gender equality/ inequality in term of pay, promotion, decision making and training and development in private sector in Kedah. By using probit analysis, this study found that perceived pay fairness and perceived decision making can influence the probability of gender equality positively in the workplace while education in category of STPM/ diploma compared to secondary school can influence the probability of gender equality negatively. Results of Pearson Correlations Test show that the perception of gender equality in private sector is strongly and positively correlated with those independent variables. Based on descriptive analysis, this study found that most of the facilities that provided for employees in the workplace are flexibility work arrangement and maternity benefits. However, childcare facilities are not provided by employers in retail/ wholesale, manufacturing and services sectors in private sectors in Kedah. Most of the respondents believed that the flexible work arrangement, flexibilities of career and maternity benefits are extremely important for them in the workplace.

CHAPTER 5

DISCUSSION AND CONCLUSION

5.1 Summary

150 respondents which are come from different demography background are involved in examine workplace gender equality in private sector, Kedah. Based on the cluster and purposive sampling design, sample size are equally among each cluster which are retail and wholesale, manufacturing and service sector. The majority of the respondents are female, age between below 20 to 30 years old, have at least secondary school as higher level of education, married, service less than 5 years in that particular companies, work as officer and monthly salary between RM1000 to RM 2000. Besides, 62% of respondents believed that discrimination exists in the workplace.

According to the Global Gender Gap, 2014, Malaysia ranked 104 out of 142 countries in term of economic participation that can use to represent gender equality in the workplace. However, survey that done by JobStreet.com in 2013 suggests that most of the respondent believe gender discrimination doesn't exist in the workplace. Thus, the main objective of this study is to identify workplace gender equality or inequality in term of salary, promotion, decision making and training and development. From the probit regression performed, results indicate that the respondents who have higher satisfaction of perceived pay fairness and perceived decision making are more likely to have gender equality in the workplace. This shows that gender equality exists in term of pay and decision making as they perceive pay and involvement in decision making is fair for them

in the private sector, Kedah. However, education in category of STPM/ diploma compared to secondary school can influence the probability of gender equality negatively.

Pearson correlation test shows that there is a significant and strong positive relationship between gender equality and perceived pay fairness, perceive promotion fairness, perceived decision making fairness and perceived training and development fairness. These relationships suggest that employers should make sure that equal opportunity and treatment are given to employee regardless of male or female in the workplace from every aspect to ensure there is no pay gap between gender, no differential of promotion between male and female, no differential of involvement in decision making between gender, and no differential in training and developments' opportunity for men and women for the purpose of enhancing gender equality in the workplace as they have strong and positive relationships. This is essential to improve employees' performance and productivity that can contribute to economic developments.

TalentCorp and ACCA suggest that quality childcare, flexibility work arrangement, flexibilities of career and maternity benefits are essential in the labor market in order to enhancing gender diversity. Based on descriptive analysis, childcare facilities are not provided by employers in retail and wholesale, manufacturing, and services sectors in private sector, Kedah. This is might because of it is too costly and troublesome for employer to provide childcare facilities in the workplace. In Kedah, private companies mostly provide flexibility work arrangement and maternity benefits for the workers. Based on the perception of employees, most of the respondents perceive that flexibility work arrangement, flexibilities of career and maternity benefits are extremely important

for them in the workplace. Childcare facilities also consider important and needed for employees. Therefore, employer should take action to implement those facilities effectively and efficiency in the workplace. Government should implement policies to ensure childcare facilities can be delivery to workers especially for working mother.

5.2 Discussion of the Study

Based on the finding, gender equality exists in term of pay and decision making based on employees' perceptions. There are some reasons of gender pay gap doesn't exist in the workplace that suggested based on previous research. Several studies proposed that differences in preferences can influence the perception of female to observe pay gap not exists in the workplace (Major and Konar, 1984; Hakim, 2000). Therefore, achieving of gender equality in term of satisfaction of pay in private sector, Kedah might due to the differences in preferences that suggested by other researchers since majority of respondents are female in this study. According to Lange (2008), employees might not perceive pay gap between male and female if there is no gender discrimination stereotype in the workplace. In this study, respondents satisfied with their pay condition and perceived pay fairness might because of discrimination against women was not exist in the workplace although 62% of respondents perceive that discrimination exist in the workplace. Discrimination that they perceive might be other type of discrimination.

In this studies, respondent perceived pay fairness in an organizations as they satisfied with the pay that they receive if compare to opposite gender that lead to gender equality in term of pay. Based on the theory of equity by Adam (1965), individuals who consider their own salary as underpaid will feel the unfairness and distress. Hence, the more the

individuals feel the inequality, the greater the individuals feel distress, and the more they will pay attention or focus on pay inequality (Walster, Traupman, and Walster, 1978). Satisfaction of employees might be low if they perceive less pay fairness compare to others and this will lead them to perceive greater gender pay gap instead of who observe more pay fairness. Therefore, perceived pay fairness is predicted to affect the perception of employees regarding to gender pay gap. In our case, since respondents perceive more pay fairness, then they are less concerned about issues regarding to pay inequalities. Thus, they less perceive the gender wage gap and they receive gender equality in term of pay.

Although results indicate that gender equality achieves in term of pay and decision making in private organizations, Kedah. However, gender equality in workplace still need to improve from every aspect especially in decision making, and training as Pearson correlation test shows that there is a positive and strong significant relationship between gender equality and perceived pay fairness, perceived promotion fairness, perceived decision making fairness and perceived training and developments fairness. Gender equality in an important indicator for economic growth and development as woman plays a vital role in the contribution of the country growth and development from economic and social aspect when the total number of females is nearly half of the total population in Malaysia. Therefore, facilities or incentives that provided by employer in the workplace is also important for enhancing workplace gender equality.

Some of the relevant suggestions that given by respondents in this study to enhance workplace gender equality such as increments in salary should be based on performance; promotion based on merit; having discussion between boss and workers and program or

skills training should be given to male and female equally. Those suggestions indicate that more improvement is needed to ensure fairly and equal treatment between male and female in term of salary, promotion, decision making and training and developments. One of the respondents suggest that leave should be given for husband that who wife are given birth and day care facilities should be provide to the working spouse. This suggestion indicates that other that maternity leave, paternity leave also should be given to men to take care of their family. Then, childcare facilities should be also provided in the workplace.

5.3 Limitation of the Study and Suggestion for Future Study

The results in this study shows that only perceived pay fairness and perceived decision making are significant to influence the gender equality while demography factors are not significant to affect the workplace gender equality in private sector, Kedah. This might due to the limitation of the study which is the sample size that include is not big enough which is just 150 respondents because of the time constrains. So, sample size is suggested to increase in the future study.

Besides, this study examine the existence of gender equality/ inequality from the perceptions of employees in private sector and not from the perception of female and male' employees respectively due to the limitation of the number of female is more than male in the organization. Hopefully, future studies will be carried out to examine this issue from the perception of male and female respectively for the purpose of comparison. This is to investigate the different view of gender equality/ inequality based on perspective male and female. Then, this study also suggested that sample size to be

divided to 3 management level of hierarchy in organizations which are low management level, middle management level and top management level to examine the different views.

Furthermore, this kind of study also can be carried out in private sector and public sector for the purpose of comparison. On the other hand, this study only covered limited scope and area which is only at Kedah. Hopefully future studies will be carried out in other areas such as KL, Penang, and Ipoh which are urban town that might face the issues of gender inequality or all the peninsular Malaysia instead of just focus on Kedah. The findings might be different at different areas.

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