

Chapter 7 Conclusion

7.1 Summary

The objectives of this study are to assess the patterns of work and career advancement as well as factors affecting young school leaver's career advancement. Career advancement is measured using occupational mobility and income mobility. This study is based on data collected from a longitudinal survey conducted by University of Malaya, namely 'Transition from School to Work'. The three stages of the longitudinal survey were carried out in 1989, 1992 and 1996 respectively. The sample used in this study is the third stage sample.

The main tool used to achieve the purpose of this study is the multiple regression model. The dependent variables are occupational mobility score and income mobility score. The independent variables are demographic characteristics, family background, human capital investment, employment, principal component score for motivation and work values and certain interaction terms. Based on the results from multiple regression, the most important and least important variables are identified.

Before carrying out the multiple regression analysis, univariate data analysis is used to study the patterns of career advancement. This involves using box-plot and testing of the mean differences. The most widely used statistical tests are t-test, F-test, Scheffe test, Kruskal-Wallis test and Levene test.

Section 7.2 contains some background information and work patterns of the respondents in this study. Section 7.3 consists of the description of the mobility patterns and the difference in the occupational mobility patterns and income mobility patterns. In

Section 7.4, factors affecting occupational mobility and income mobility are discussed. Besides, the most influential factor as well as the least influential factor affecting career advancement are identified. In this section, a comparison of factors that affect career advancement is made between two different measurements, i.e. occupational mobility and income mobility. Section 7.5 and Section 7.6 contain the limitations of this study and some recommendations for further research in career advancement respectively.

7.2 Work experience

Half of the respondents are female. Two third of the respondents are Bumiputera while more than a quarter of them are Chinese. They are around 23 to 28 years old. Majority of them is single and grew up in rural area.

Most of the respondents' parents have only primary education, working in agricultural and production sectors and having income less than RM1000. On average, the respondents come from large family, having around six siblings.

All the respondents have finished secondary school education. On average, they have 13 years of education. Vocational training is less popular. In term of academic performance, non-Bumiputera has better performance. Training provided by employer is not so common as majority of them do not receive any of this training.

One third of them starts off their career as professional workers, with average starting income of around RM824. They stay on their first job for around one and a half year on average. In their current job, nearly half of them are working as professionals. Their average current income is RM1479. Around one third of them is in the community, social and personal service sector, followed by manufacturing sector.

7.3 Occupational and income mobility

Most of the respondents currently do not work in the same occupation with the same employer as their first job. Change in occupation and employer is more common. For every two individuals, one of them changes jobs. This finding matches the result from Tey (1988). However, there is also a substantial proportion that still works in the same occupation with the same employer as their first job.

The study of Tey (1988) was carried out during economic recession while this study is carried out during rapid economic development. There is no substantial difference in the pattern of job changes although the economic environment was different.

Among occupational groups, an individual in the professional group is less likely to change occupation to another group, which matches the finding in Li (1977) and Tey (1994). An individual in the production group is more likely to change, compared to other groups. Among those who changes job, the favourite occupation group to move into is the professional group. This finding is different from Tey (1988), which found that production sector is more popular. Among agricultural workers, they are more prone to move into production. However, the sample size is too small to generalise this result. This finding matches the finding from Tey (1994).

Based on occupational mobility, the comparison of the overall socioeconomic status of the first job and the current job indicates that there is career advancement among the respondents. The average socioeconomic status of the first job is lower than the socioeconomic status of the current job. Slightly more than half of the respondents move

horizontally along the ISEI scale while one third of them move upward. This implies that most of the respondents do not achieve any career advancement after joining the work force for seven years or less.

Based on income mobility, majority of the respondents gains career advancement. Based on the overall sample, the average income of the first job is significantly lower than the average income of the current job. The proportion who suffers downward mobility is much lower if career advancement is measured using income mobility, compared to occupational mobility.

In most cases, job-changes refer to upward mobility. However, an individual is more likely to suffer downward mobility if career advancement is measured using occupational mobility. An individual is more likely to suffer a drop in his socioeconomic status if he changes job, compared to a drop in income.

Usually, an individual does not like to regress from his current status. No doubt that there are some individuals voluntarily accept jobs that offer less in term of socioeconomic status and income level for some special reasons. But, why the drop in socioeconomic status is more common than a drop in income?

This may be due to the awareness of the individual. To an individual, the change in socioeconomic status may not be as obvious as the change in income. And, socioeconomic status is a relatively more subjective measure than income. An individual can make sure that he does not suffer a drop in income level by just rejecting jobs that offer less than what he has in his first job. However, he may suffer a drop in socioeconomic status without being aware about these changes, especially if the drop is minor. So, this may explain why an individual is more prone to have a drop in his

socioeconomic status rather than a drop in income. Besides, certain individuals may view that income is always more important and a drop in socioeconomic status does not matter to them as much as a drop in income, especially when there is a compensation in term of monetary return.

A substantial percentage of the respondents enjoy career advancement in both occupational mobility and income mobility. On the other extreme, a very small number of respondents suffers downward movement in both occupational mobility and income mobility. About 15% of the respondents do not progress in their career as they move horizontally in term of occupational mobility and income mobility. Most of the respondents enjoy upward income mobility but experience horizontal occupational mobility. About 12% of the respondents have opposite movement direction for occupational mobility and income mobility. Among this group, majority of them enjoys upward income mobility but suffers downward occupational mobility. This may indicate that a drop in socioeconomic status is compensated by a rise in income.

Using univariate analysis, occupational mobility is affected by gender, ethnicity and marital status. Being a female or married, an individual enjoys more upward mobility. For family background, occupational mobility is influenced by parent's education level and income level. An individual enjoys less upward mobility if his parents have high education level. For human capital investment, amount of academic education and vocational training as well as academic performance and first job tenure affect occupational mobility. Amount of academic education and academic performance have negative effect on occupational mobility. On the other hand, occupational mobility is influenced by first job occupational group, socioeconomic status and starting income as

well as years of working experience and number of jobs held. First job socioeconomic status has a negative effect while years of working experience and number of jobs held have a positive effect.

For income mobility, based on univariate analysis, ethnicity and location in which an individual grew up have a significant effect. Chinese enjoys more upward mobility. Being brought up in an urban area, an individual enjoys more upward mobility. For family background, parent's education level, occupational group, socioeconomic status and income level as well as family size affect income mobility. High parent's education level, socioeconomic status or income level, or small family size helps an individual to gain more upward mobility. For human capital investment, highest qualification acquired, academic performance and training provided by employer affect income mobility. The better an individual's academic performance, the more upward mobility he enjoys. Training provided by employer affects income mobility positively. Income mobility is influenced by first job occupational group, socioeconomic status and starting income as well as years of working experience, number of jobs held and job changing pattern. An individual enjoys more upward income mobility if he has lower starting income or more years of working experience, held more jobs before or has changed his occupation and employer before.

7.4 Career advancement

Factors affecting career advancement are demographic characteristics, family background, human capital investment and employment.

There is a difference in the standpoint used to gauge a factor affecting career advancement measured using occupational mobility and income mobility. The difference arises due to the different aspects of career advancement that are measured by occupational mobility and income mobility. Occupation socioeconomic status is an intrinsic and non-pecuniary return that a job offers while income is an extrinsic and pecuniary return.

Based on occupational mobility, for demographic characteristics, gender, ethnicity and age have a significant effect. Being female, non-Indian or older, an individual enjoys more career advancement through occupational mobility.

There is an interaction effect between gender and the highest qualification acquired as well as between gender and training provided by employer. Being a female with a degree qualification or training provided by employer does not help in career advancement, compared her counterparts. This finding agrees with the finding of Khandker (1992) who studied this effect on income mobility, as noted in Chapter 2.

For family background, parent's education is used as a yard stick. Based on occupational mobility, having parent with a high educational level impedes the career advancement of an individual. This contradicts with Orstein (1976).

The amount of human capital investment and academic performance are factors that are important in human capital investment. Individuals with more academic education or vocational training have more career advancement in term of occupational mobility. This finding matches with a lot of other findings given in Chapter 2. Better performed individuals achieve more career advancement. On the other hand, individuals who stay longer in the first job are less likely to move upward.

For employment, the first job's socioeconomic status and income are important in affecting occupational mobility. First job with high socioeconomic status or income does not encourage subsequent career advancement. First job socioeconomic status is the most important factor affecting career advancement measured using occupational mobility while first job starting income is the least important. Besides, the more jobs an individual hops, the less career advancement on the occupational socioeconomic scale he enjoys.

For income mobility, the demographic characteristic of gender, ethnicity and the place in which an individual grew up are important in affecting career advancement through income mobility. Ethnicity is the most important factor. Being a male or non-Bumiputera, an individual has more income increment, implying more career advancement. This finding agrees with the findings of Harris (1966) and Keith and McWilliams (1999). Growing up in urban area, which gives a better exposure to the opportunities offered in a labour market, enables an individual to achieve more career advancement measured using income mobility. However, it is the least important factor.

For family background, having parents working in the agricultural sector discourage an individual from enjoying career advancement through income mobility.

For human capital investment, having more academic education or training provided by employer encourages career advancement. This finding agrees the finding of OECD (circa – 1965), Booth (1993), Dolton and Kidd (1998) and Parent (1999). Besides, academic performance affects income mobility. Having a more excellent academic performance helps an individual to gain more career advancement.

First job socioeconomic status and starting income are factors affecting career advancement through income mobility. Having a first job that has a high socioeconomic

status or a good pay affect career advancement adversely. Among all the factors considered, first job starting income is the second most important factor. Job changing pattern affects income mobility. An individual who does not change occupation and employer enjoys less career advancement in term of income mobility.

The level of importance of each factor on career advancement measured using occupational mobility and income mobility differs. For occupational mobility, the most important factor is the socioeconomic status of the first job while the least important factor is first job starting income. For income mobility, the most important factor is ethnicity while the least important is the place in which an individual grows up.

7.5 Limitations of study

The findings in this study are limited by the following conditions, which are linked to the data source,

- The conclusion drawn in this study is based on the data set used. As a tracer study and its non-response rate, the occupational mobility and income mobility pattern studied is limited to as observed in the data set.
- The number of years covered by this longitudinal survey is relatively short. This limits the analysis to career advancement in the early stages of an individual's career life.
- This study is unable to adequately consider the effect of an individual's attitude on career advancement. The work value and motivation factors used may not be able to capture an individual's attitude. This study examines the career advancement from the first job to the current job while the work value captured are the current work value

and motivation as well as work value in school. The current work value may be less relevant as the more relevant work value should be the work value immediately after they join the work force.

- The third stage sample, on which the analysis is based, may not be representative, especially of the Indian community due to the low proportion of Indian that responded in this sample. The evaluation of the effect of training by employer on career advancement being studied may be inappropriate. This is due to the low proportion of respondents who receive this type of training, compared to the proportion in the second stage data. In addition, there is a small proportion of civil servant in the sample. This raises question regarding the representative of the sample to the civil servant group.
- A longitudinal survey can trace the changes experienced by an individual. However, the high attrition rate in a longitudinal survey can affect the information collected in the later stage. For this survey, the third stage sample size is smaller, compared to the first stage sample. Analysis based on the third stage will be less reliable than that of the first stage.
- This study examines career advancement between first and current job, which is the middle term career advancement. Although the information regarding the number of jobs held is available, no detail information regarding the type of change was collected. So, this does not permit the study of intervening short term job changes, which can shed light on whether the trend of short term career advancement is linear or non-linear.

7.6 Recommendations for further research

There are some recommendations for further research as listed below:

- A longitudinal data source that has the following information:
 - i. A longitudinal survey which covers longer duration in order to capture the long term career advancement of an individual.
 - ii. A longitudinal survey which collects information regarding the work value after an individual just joined the work force.
 - iii. A longitudinal survey which collects detail job changes information. This is important for future research regarding the intervening job changes pattern, which gives insight about the short term career advancement patterns.
- In this study, the variables affecting occupational mobility and income mobility are studied separately. An alternative methodology is to study the factors affecting these two mobility patterns jointly. A comparison can be made between the conclusion reached by this study and by the alternative method to examine whether or not there is a difference.
- A multivariate logistic regression model on the direction of mobility may also give some insight to the pattern of career advancement. The three mobility direction groups are upward, horizontal and downward mobility.
- Although it is useful to study the advancement an individual achieves, it may also be insightful to study his current occupational status and income level. An individual who starts at low level may enjoy more advancement. However, he may be still lag behind, compared to others who start at the high end.