

UNIVERSITI TEKNOLOGI MARA

**WORK ENVIRONMENT, SALARY AND
BENEFIT, SOCIAL JOB STATUS,
GOVERNMENT POLICY, AND SOCIAL
FACILITY THAT INFLUENCE JOB
SATISFACTION AMONG YOUTH TO
WORK WITH RENGAM ESTATE**

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ABSTRACT

Malaysia's oil palm sector has grown significantly over the years. The rapid growth in the oil palm sector is not backed up with an adequate workforce, whereby the sector is having a shortage of workers and is currently heavily dependent on foreigners. The non-favourable perception of working in oil palm plantations, which generally refers to dirty, dangerous, and difficult (3D) jobs, has made the locals stay away from this sector's career opportunities. Kulim (M) Berhad's Rengam Estate is having difficulties in meeting its labour requirements. This study uses the SWOT (Strength, Weakness, Opportunities, and Threat) approach to analyse the issues at Rengam Estate and found several situations that relate to its current conditions. The best solution is to attract the local youth to fill the gap of labour requirements of the estate. However, a lack of interest is shown among the local youth towards these job opportunities. This study aims to determine the relationship of job satisfaction towards work environment, salary and benefits, social status of the job, government policies, and social facilities. The study is to demonstrate that the better job satisfaction, the better is the perception of the youths towards working at Rengam Estate. The approach of this study is a quantitative method using a structured questionnaire. Data was collected using a non-contrived setting with a one-shot or cross-sectional time horizon. A total of 367 questionnaire forms were collected and processed using the statistical tool SPSS to test the hypotheses that had been developed. In this study, the researchers found that work environment has a strong relationship with job satisfaction. Social status and salary and benefits have a moderate relationship with job satisfaction. Weak correlations are shown by government policies and social facilities towards job satisfaction. Thus, as the conclusion and recommendation of this study, it is shown that Rengam Estate should improve the work environment and the perception of the social status of the jobs in order to attract the local youth to work at Rengam Estate.

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CHAPTER ONE

INTRODUCTION

1.0 Preamble

In Chapter 1, the researchers will construct the foundation of this study, beginning with an introduction to the background of Rengam Estate, followed by the problem statement, research objectives, and research questions. The significance of the study will also be discussed.

The situational analysis will outline the current situation at Rengam Estate in order to analyse deeper the internal and external environments. Analyses would be performed to understand the capabilities and the customers of Rengam Estate, as well as the business environment at Rengam Estate. An academic construct is presented, which is a variable to indicate the operationalisation of the concepts of study. The researchers will articulate the parameters of the definition of Rengam Estate, thereby providing clarity about specific interpretations or intentions of the variables and the method in the study. A situational analysis was included in the academic construct and would be developed on the overall landscape of the study.

1.1 Background of the Study

The rapid growth of Malaysian's oil palm industry is not backed up with an adequate workforce, where the sector is having a shortage of workers and is currently heavily dependent on foreigners. In a recent report Ismail A. et al., (2018), as of December 2016, it was estimated that 330,185 of 429,351 workers in oil palm estates were foreigners. They are hired mainly for fresh fruit bunch (FFB) harvesting and collection and for general work such as fertilizer application, weeding, and pruning. By region, the portions of employment of foreigners are 63.66% in Peninsular Malaysia, 86.39% in Sabah, and 74.54% in Sarawak (Ramli, Azman, Ayatollah, & A. Rahman, 2011).

Rengam Estate experiences the same situation, wherein the company requires manpower due to the shortage of local workers. Its workforce is dependent on foreign workers to overcome the labour shortage. In addition, the employment of foreign workers in oil palm estates is becoming a crucial issue as the percentage of foreign workers is higher than the locals.