

Factors influencing Job-hopping Behaviour in Malaysian Construction Sector

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Abstract

Traditional long-term employment models have been disrupted by the rise of job hopping, or frequent job changes. This trend, which is made possible by the accessibility of online job portals, poses new difficulties for human resource management, particularly in the Malaysian construction sector. Job-hopping not only results in a loss of talent but also costs businesses a lot to hire and train new employees. As a result, this study sought to comprehend the variables influencing job hopping in Malaysia's construction sector, which is a key engine for the country's development. It specifically looked at the potential effects of career advancement, compensation and benefits, and work-life balance on the behavior of job hopping. There has been a lot of research on generational differences in job switching, but little has been done to examine how these factors play a role in Malaysia's construction sector. By bridging this contextual gap and improving knowledge of job-hopping behavior in a crucial Malaysian sector, this research aimed to fill the knowledge gap. This study investigated the relationship and influence between the independent variables (career development, compensation and benefits, and work-life balance) and job hopping behavior using a questionnaire-based approach. According to the study's findings, workers in the construction industry place a higher value on career development and work-life balance than they do on monetary compensation when deciding whether to change jobs. The findings of this study may be useful in developing strategies to lessen job-hopping behavior in the Malaysian construction industry. To fully comprehend this complex phenomenon, it also highlights the need for more in-depth, context-specific research across various industries and regions. The results of this study are expected to add to the body of knowledge already available on job hopping and lay a strong foundation for further research in this area.

Keywords: Job hopping behaviour, career development, compensation and benefits, work-life balance, decent job.

1. Introduction

Ghiselli (1974) characterised the 'HOBO' syndrome as an inherent desire to shift jobs for no clear or logical reason, spurred by a "periodic itch" to do so, even without more appealing job alternatives. Larasati and Aryanto (2020) depicted job hopping as "the act of switching positions or changing employment from one company to another in pursuit of the ideal job." Saleem and Qamar (2017) proposed that job hopping is a journey through which employees navigate their aspirations for superior financial returns, experience enhancement, relationship development to meet their ideals, or simple wanderlust. Lake, Highhouse, and Shrift (2018) simplified the definition as regularly changing jobs, an assertion later reinforced by Pandey (2019). Notably, Ghazali and Roslan (2020) coined the term 'job hopping culture,' describing a shared value within an organisation encouraging peers to change jobs or organisations, thus socially normalising this behaviour.

As businesses progress and evolve, they recognise their employees as their most valuable resource, understanding that without their intellectual capital, achieving necessary results for competitiveness or expansion would be impossible (Nwobia and Aljohani, 2017). Consequently, employees have become essential to the success of modern organisations (Saif and Siddiqui, 2019). However, with the rise in job hopping, businesses face challenges in attracting and retaining skilled employees and addressing labour shortages across industries and countries (Rivers, 2018). Interestingly, the United States Bureau of Labor Statistics (2020) reports an average job tenure of 4.1 years. Contrary to previous norms, it has become less common for employees to spend their entire careers with one or two companies. Instead, they frequently change positions, exploring a career matrix with both horizontal and vertical transitions (Manjot, 2018). Hence, the recruitment, retention, and nurturing of human capital has become a priority in today's human resources climate (Ghazali and Roslan, 2020).

Job hopping is intrinsically tied to intrinsic and extrinsic motivation. The former is driven by intangible rewards, while the latter by tangible ones (Larasati and Aryanto, 2020; Rasli et. al., 2017). Perceptions of job hopping can be divided into negative views, where the job hopper is perceived as disloyal, and positive views, where job hopping is seen as an employee-directed career advancement strategy (Philip, 2017). Despite the growing phenomenon of job hopping, there is a conspicuous dearth of research into this behaviour, especially in the context of the Malaysian construction sector. Existing research predominantly focuses on specialised industries such as hospitality, education, information systems, and manufacturing (Ghazali et. al., 2018; Jules et. al., 2019; Selvanathan et. al., 2019). Few studies examine generational differences in job hopping behaviour (Aleksic and Mihelic, 2017; Hassan et. al., 2020; Rivers, 2018), thus creating a gap in the literature and room for exploring the influential factors in the Malaysian context.

The job openings in Malaysia's construction sector surged by 57 percent in the third quarter of 2020 compared to the second quarter, employing 1.2 million people and contributing to 9.5 percent of Malaysia's overall employment (Construction Industry Development Board Malaysia, 2022). Alaloul et. al. (2021) suggested that job hopping is popular in the construction industry and predicted that this trend will continue to grow. The industry's demand for skilled and competent employees will likely rise as workers seek better employment terms. The Malaysian construction sector, despite its lower contribution, plays a vital role in shaping the economy, providing comprehensive high-end quality infrastructure (Hamid et. al., 2018). It is projected to contribute 5.5 percent to the GDP, equivalent to RM 327 billion, by 2020.

However, the rising employment rate in Malaysia's construction sector indicates a research gap. This study aims to bridge this gap by exploring the relationships between job hopping behaviour and factors such as career development, compensation and benefits, and work-life balance within this specific sector. The resulting findings will offer fresh insights into job hopping phenomena, enriching the literature and informing human resources strategies in the construction industry.

Literature Review

Recognizing that the intellectual capital of employees is a fundamental resource, firms face significant challenges to compete or expand (Nwobia and Aljohani, 2017). The modern workforce, viewed as a critical component of success (Saif and Siddiqui, 2019), is increasingly characterized by job hopping: a trend where employees work in a particular career or organization for a short period instead of maintaining long-term employment (Saleem and Qamar, 2017). This shift towards transient employment and higher turnover rates makes managing human resources more challenging in a globalized workforce (Devi et al., 2022; Hedge and Rineer, 2017). The contemporary employment landscape shows that job hopping is common, with Alias et. al. (2018) noting that it has become standard to change jobs four times in less than two years. Such trends pose significant challenges to businesses, particularly in terms of attracting and retaining talented and experienced staff (Rivers, 2018; Lake et. al., 2018). Interestingly, the rise in job hopping has also seen acceptance in many professional circles, with human resource experts around the world acknowledging it as a normative aspect of work culture (Selvanathan et. al., 2019).

The mobility of skilled personnel is widely considered a vital mechanism for knowledge and information transfer within and between industries (Manjot, 2018). The motivations behind job hopping are multifaceted and can be driven by both intrinsic and extrinsic rewards (Larasati and Aryanto, 2020; Rasli et. al., 2017). However, views

on job hopping's implications are mixed, with some seeing it as detrimental while others perceive it as beneficial (Philip, 2017). The construction industry serves as a pertinent example of high employee turnover, regardless of the available work opportunities (Ali Suba'a Al-sadi and Khan, 2018). Reasons for such high turnover rates include various personal preferences and a perceived abundance of job opportunities. The literature on job hopping is diverse, with studies highlighting different reasons behind such employment behavior (Philip, 2017).

On a global scale, job hopping appears to be a universal trend, with employees in Singapore, Switzerland, and Hong Kong holding an average of 9 to 11 jobs over their working lives (Oentaryo et al., 2018). In the UK, a considerable portion of the working population has worked in over ten jobs throughout their careers (Antunez, 2018). The Work Institute's 2020 Retention Report suggests that this trend will continue, with over a third of employees predicted to leave their current positions willingly by 2023. While job hopping can have benefits such as a diverse set of experiences and skills, it can also reduce productivity due to increased training and personnel selection costs (Larasati and Aryanto, 2020; Memon et al., 2017).

The trend of job hopping is similarly prevalent across Europe, Pakistan, and Asian countries such as China, Nepal, and India, though the motivations and implications vary by region and industry (Oentaryo et al., 2018; Saleem and Qamar, 2017; Jide et al., 2015; Pandey, 2019; Sharma & Mittal, 2017). In these contexts, job hopping is often associated with significant costs, including productivity loss, training and recruitment expenses, and indirect costs like decreased morale and motivation (Kumar, 2019; Pandita and Ray, 2018). In Malaysia, job hopping is a pervasive practice, with many workers viewing long-term employment as undesirable. Studies have shown that job hopping behavior is on the rise in various industries, such as the food and beverage and manufacturing sectors (Ghazali and Roslan, 2020; Ali and Anwar, 2021). Factors influencing this trend include pay and benefit demands, career progression, job security, social influences, work environment, job enthusiasm, and work-life balance.

Overall, this literature review highlights that job hopping is a complex, multifaceted, and global phenomenon influenced by a range of factors, with significant implications for individuals, businesses, and industries. As the workforce continues to evolve, understanding these dynamics will be critical for effective human resource management and organizational performance. Based on the discussion above, the below hypotheses are designed for the following research study.

H1: Career development have a negative effect on the job hopping behaviour in the construction sector of Malaysia.

H2: Compensation and benefits have a negative effect on the job hopping behaviour in the construction sector of Malaysia.

H3: Work-life balance have a negative effect on the job hopping behaviour in the construction sector of Malaysia.

2. Methods

This study was determined to be quantitative in nature as it described the relationship between determinants and job-hopping behaviour, and it was conducted in a natural setting with minimal interference, as the events under study occurred naturally (Gaur and Kumar, 2018). The sample size adequacy in this study was assessed using G-Power analysis. The calculation utilized a statistical power of 0.95, a significance level (α) of 0.05, and an effect size of 0.15, with 3 predictors. The study determined that a minimum sample size of 119 was necessary to fulfill the specified criteria. Data was collected via a questionnaire, recognized as a cost-effective, rapid, and widely distributed method for gathering quantitative data (Gaur and Kumar, 2018).

Instruments

The study employed closed-ended questions to adequately analyse the data. The questionnaire was divided into three sections: section A pertained to the demographic profile, section B pertained to the dependent variable (job hopping behaviour), and section C pertained to independent variables (career development, compensation and benefits, and work-life balance). The term "demographic profile" referred to a person's characteristics and demographic variables used to evaluate if responses truly represented the community under investigation. The questionnaires were determined using a Likert scale from 1 to 5, where (1) signified Strongly Disagree and (5) Strongly Agree.

A preliminary pilot test was conducted by distributing 30 copies of the questionnaire to target respondents in the construction sector to ensure the survey questions were reliable, suitable, and easy to understand (Cohen, 1992). The data collected was analysed using SPSS version 26.0.

3. Results

In this study, 170 questionnaires were distributed to various respondents within the construction industry. Prior to analysis, a data screening test was conducted to ensure there were no missing values. After the data screening process was completed, this research was left with 152 usable responses, yielding an overall response rate of 89.41%. The collected data elucidated the relationship between three independent variables and one dependent variable. The predictive capability of these exogenous factors was assessed and evaluated using path coefficients, and T-values greater than 1.645, or p-values less than 0.05, were used to gauge the significance of these path coefficients. A summary of the results is presented in Table 1.

Hypothesis 1 (H1) posited a negative relationship between career development (CD) and job hopping behaviour (JHB) in the Malaysian construction sector. The path coefficient of -0.401 and T-value of 5.023 suggest a significant relationship, hence H1 was supported. Hypothesis 2 (H2) suggested a relationship between compensation and benefits (CB), and job hopping behaviour. However, the path coefficient of 0.077 and T-value of 0.977 indicate a non-significant relationship, leading to the rejection of H2. Hypothesis 3 (H3) posited a negative relationship between work-life balance (WLB) and job hopping behaviour. Given the path coefficient of -0.234 and T-value of 3.075, a significant relationship was found, supporting H3.

Table 1. Linear Multiple Regression Results

Hypotheses	Path Coefficients	Total effects	T-value	P-values	Decision
H1	CD → JHB	-0.401	5.023	0.000	Supported
H2	CB → JHB	0.077	0.977	0.164	Rejected
H3	WLB → JHB	-0.234	3.075	0.001	Supported

4. Discussion

Cultural Job hopping, defined as the practice of frequently transitioning between jobs, is a ubiquitous phenomenon transcending various sectors globally. Factors contributing to this behaviour are diverse and layered, emphasizing the need for ongoing, sector-specific research. Our study endeavours to bridge this gap by focusing on the Malaysian construction sector - an area previously lacking in-depth exploration concerning job hopping behaviours. Our findings resonate with the broader literature, accentuating the pronounced influence of career development and work-life balance overcompensation and benefits in job hopping decisions within the construction sector.

Prevailing literature on job hopping offers myriad perspectives, asserting its intricacy as a phenomenon. Multiple studies have attributed job hopping to career advancement opportunities, compensation, benefits, and work-life balance. However, such wide-ranging approaches often neglect sector-specific nuances, thereby creating a knowledge gap which our research endeavours to fill. Concentrating on the Malaysian construction sector, this study unravels the unique factors shaping job hopping behaviour within this context. Our findings reinforce the broader literature, emphasizing career development and work-life balance as pivotal factors influencing job hopping. Nevertheless, they deviate from the common narrative concerning compensation and benefits, exhibiting a lesser impact within the Malaysian construction sector.

Based on the insights derived from our study and the encompassing literature, we propose the following recommendations for managers, policy makers, and researchers to mitigate job hopping within the construction industry. Managers must prioritise career development, striving to cultivate a conducive environment for employee growth. This can be facilitated through mentoring programs, skills-development workshops, and structured career paths providing opportunities for advancement. When employees perceive a sense of career progression, it enhances job satisfaction and curbs job-hopping tendencies. Furthermore, managers should endorse work-life balance within their organisations. Providing flexible work schedules, personal leave allowances, and

family-friendly policies can assist employees in achieving personal and professional equilibrium, consequently reducing job hopping propensities. Despite our study illustrating a lesser impact of compensation and benefits on job hopping within the construction sector, these components remain significant and warrant attention. Ensuring fair compensation and benefits is crucial in nurturing a culture of job satisfaction and commitment.

Policy makers play a substantial role in curtailing job hopping. Given the influence of work-life balance and career development on this behaviour, policy makers should advocate for policies promoting these elements. This could entail implementing regulations supporting continuous professional development or mandating reasonable working hours and flexible work arrangements. Additionally, policy makers should strive to ameliorate the overall work environment within the construction sector. Policies ensuring safer work conditions can significantly boost job satisfaction and diminish job-hopping tendencies.

Conclusion

Our research postulates that employees in the construction sector, due to the distinctive challenges and requirements of the industry, prioritize career progression opportunities and work-life balance over monetary compensation and benefits. This intricate understanding resonates with the broader literature, asserting that job hopping motivations are convoluted, multi-faceted, and highly influenced by industry context. However, despite these revelations, the quest for a comprehensive understanding necessitates continuous research.

We advocate for future studies to expand their purview to encompass other sectors and geographical regions, paying heed to demographic variations to glean more nuanced insights. It would be particularly enriching to assess the influence of elements like company size, ranking, age, and gender on job hopping behaviours. Specifically, exploring the gender-moderating relationship with job hopping behaviours presents a compelling avenue for research. Hasan and Teng's (2017) work provides a valuable launchpad for this investigation, highlighting that a considerable number of male employees engage in job hopping due to factors such as career advancement, monetary incentives, and more favourable reward systems. Probing this area could yield invaluable insights and significantly contribute to our understanding of job hopping. Further research could unearth the complex interplay between job hopping behaviour and its influencing factors. More comprehensive studies across various sectors and geographical regions are indispensable for a complete understanding of this intricate relationship. By considering demographic variations, researchers can gain a better grasp on the nuances of job hopping behaviour. An examination into the gender-moderating relationship with job hopping could offer crucial new insights. Moreover, researchers could explore how other components such as organizational culture, job security, leadership style, and workplace interpersonal relationships impact job hopping behaviour. An in-depth understanding of these aspects could enrich the existing body of knowledge on job hopping and aid in developing effective strategies to curb this trend.

In conclusion, while our research provides valuable insights into job hopping behaviours within the Malaysian construction sector, it also highlights the necessity for continual research. Recognizing the limitations of our study and identifying potential avenues for future research helps ensure a comprehensive and nuanced understanding of the complex phenomenon that is job hopping.

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