



Research Paper

FACTORS CONTRIBUTING BRAIN DRAIN IN MALAYSIA

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ABSTRACT

This research paper has highlighted the factors of brain drain in Malaysia. The research study has been conducted in sequential manner for getting better quality research output. From the literature review, it was found that there are five important variables that lead to brain drain. These factors are salary and compensation, family related issue, political instability, economic condition and job related issue. Therefore all these factors will be analysed individually to determine which factor contributes most that lead to brain drain. Sample size chosen for this research is 100 which using convenient sampling. In order to collect data, a survey questionnaire with a Likert scale from 1-5 where 1 is strongly disagree and 5 indicates strongly agree being used among the respondents via online. Descriptive statistical analysis such as statistical means and correlations has been employed to analysis the data obtained from respondent using SPSS21. This research has found that political instability is the main reason that leads to brain drain in Malaysia which causes experts to leave Malaysia. The second reason that leads to brain drain in Malaysia is job related factors followed by salary and compensation. The fourth factor is economic condition and the least important reason that leads to brain drain is family related issues. The regression analysis shows that salary & compensation and economic situation of the country have positive and significant impact on job related brain drain. Political and family related factors do not have any significant impact on job related brain drains. Therefore it can be concluded that economic situation and salary & compensations are the key two factors that causes brain drain among the Malaysian expatriates. This mean that Malaysia Government and companies needs to look seriously into these two factors to prevent expatriates leaving the country especially in are that requires critical skillful personnel. This indicates that political stability and political threat should be minimize by using effective policies and organization should create friendly working environment and must revise salary structure of employees according to world market salary.

Key words: brain drain, Malaysia, political, family, job, salary, economic

1.0 INTRODUCTION

Brain drain has transformed into one of the most serious contemporary issues across the world (Yuan, 2012). It is the situation when country loses most of its talented and educated people to other country through migration (Yuan, 2012). In the last decade, Malaysia has witnessed exceptional rate of brain drain primarily because of its economic and social instability (Ehambaranathan, 2015). Between the years of 2008 and 2009, brain drain has become outrageous news for Malaysia, as 35,000 talented people migrated out from this country in permanent basis (Ehambaranathan, 2015). In the last two decades, the number of brain drain has been increased by 300 percent (Jamshed, 2015). The trend is still increasing at greater rate and moving to economically developed countries. When larger numbers of citizen of Malaysia, who are extremely talented and professionally groomed, depart from the country, it makes strong negative impact on Malaysian economy (Jamshed, 2015).

Brain drain is a jargon term which signifies the situation when talented and professional citizens migrate from their home country. The term brain drain can also be referred to as human capital flight. Brain drain may occur at different levels as per the needs of professionals. In geographical brain drain, talented and skilled professionals flee from one country or region to favorable country or region. In organizational brain drain, massive numbers of talented employees leave one company and move to another company for getting better job opportunity (Roudgar, 2015). On the other hand, in industrial brain drain, skilled employees do not only leave the company but also leave the industry itself. Significant rate of brain drain causes loss of high skilled technical and educated professional, which slows down the country's economy through reducing productivity level.

Over the last two decades, Malaysia has been facing huge rate of brain drain and most of their talented and skilled employees are leaving their home country for getting better job opportunity and job security. Weaker economy and lower salary provided to the employee are considered as the prime factors for the migration of employees in another country. As compared to the average wage of UK, Singapore and Australia, the wage of Malaysian employees is lagging behind (De la Croix, 2012). For example, one person in managerial position in Malaysia earns one third of the salary in Singapore. 64% of brain drain from Malaysia is concentrated on occupation requiring high qualification and skills (Lawan Ngoma, 2013). Moreover, the trend of brain drain has been reached to such level, where a dramatic increase in educated youth migration has been found in every year at a huge rate. Recent studies demonstrate that in 2000, Malaysia has lost ample amount of talented and skilled employees to other favorable countries due to higher salary and better job opportunity (Hoo, 2014). The countries topping the list, where the employees of Malaysia are migrated are Singapore, Australia, USA and others. Malaysia has lost almost 46% of its population to Singapore (Azman, 2016). It signifies that in every year, there is an increasing trend of losing skilled and talented individuals, who leave their homeland either for educational purpose or for dissatisfaction in the career prospective offered by the Malaysian organizations and government. It has been found that some of the rich individuals are decided to leave the country for better investment opportunity. Recent study shows that 26% of citizen, who have US\$30 million of investable assets have decided to leave the country within next 10 years (Rasiah, 2015). Therefore, it is going to hit the economic development of the country in a fatal way.

Due to weak economic condition, the country is unable to provide high salary to their professional. The wage structure of Malaysia is quite ineffective as compared to other countries like Singapore, USA, UK and Australia (Kaur, 2012). This research study will highlight the reasons for which the citizens of Malaysia are intended to leave their homeland and moving out in their favorable country. As a developing country, Malaysia is losing ample

numbers of highly skilled and efficient workforce in other developed countries like USA, UK, Singapore and Australia (Ghazali, 2015). Apart from that, huge loss in terms of technical experts and knowledgeable professionals hits the development of this country.

This study will help in gaining knowledge about the facts reading the percentage of migration from Malaysia to other countries in every year. As the country is losing huge numbers of qualified youth, it is creating severe impact on the economic stability of the country. Therefore, it is extremely important to identify the root cause behind the professional emigrants to other country. This study will be extremely helpful in finding the prime reason behind the brain drain situation of Malaysia. Apart from that, this research paper will also explore the impact of professional emigrant from Malaysia on its economic condition. It has been found that the matter of brain drain has been taken casually in this country. Therefore, it has been taken a severe form, which negatively affected the productivity of the country. This research will also emphasize on the extent of risk factor of employee migrant on Malaysia. If immediate measures are not taken to prevent brain drain situation in Malaysia, it can have sever effect on the next generation as well as its economy. Therefore, the study will also suggest the initiatives to be taken for preventing professional migrant. Therefore, the research will be carried out for understanding the real cause of increasing brain drain in Malaysia. The research objectives are as followed:

- ✓ To examine whether family related influences plays any role in brain drain among the Malaysians
- ✓ To examine whether salary and compensation plays any role in brain drain among the Malaysians
- ✓ To examine whether political Instability plays any role in brain drain among the Malaysians
- ✓ To examine whether economic condition plays any role in brain drain among the Malaysians
- ✓ To examine whether job related issue plays any role in brain drain among the Malaysians

This paper is organised as follows: first part is research background and research rational. Second part is the theoretical framework and research hypothesis development. Third part discusses the research design and methodology, data collection procedures and process. Fourth part presents the results and discussion. Final part is conclusion and recommendation, and implication for further research.

2. LITERATURE REVIEW

According to Athukorala and Devadason (Athukorala, 2012), brain drain is considered as the process by which a nation fails to store its talented and educated candidates from migrating to another nation. Idris (Idris, 2012) pointed out that brain drain is one of the most concerning reasons for a nation as it fails to satisfy the most competent people that would otherwise contribute to flourish national economy. According to Kaur (2012), brain drain occurs because of the turmoil in a nation from better opportunities for a nation to other countries where perhaps people have the better standard of earning capabilities. Nesadurai (Nesadurai, 2013) added that besides geographic benefits, people migrate to another nation where there is better pay structure, upward mobility and benefits and fantastic opportunity to enhance the standard of living. Nah (Nah, 2012) mentioned that brain drain is known as human capital flight that influences of multiple levels in a nation. Such as geographic brain drain occurs when individuals move from one nation to other favorable nation in terms of standard of living. On the other hand, Butler and Richardson (Butler, 2013) pointed that more amount of brain

brain drain occurs due to poor organizational capabilities than geographical preferences. Furthermore, Kaliyamoorthy (Kaliyamoorthy, 2015) pointed out that industrial brain drain is the most impactful reason for migration as skilled workers in a nation is not justified by the wages, benefits, allowances and career growth opportunities. Finally, Koh (Koh, 2015) placed critical view of the facts such as poor quality of life, political instability, poor health care facilities, economic opportunistic dearth are the main reasons for brain drain.

Various theoretical approach endeavoured to examine brain drain from various perspectives . These include “push and pull” factors, from motivational perspectives and from behavioural perspective of reasoned action theory. Usually a push factor that leads to a people leaving their country is because of the problem from within their own country (LEE KAR SING, 2014). These reasons can include living condition, political condition, social condition and others in the country. Pull factors here means a certain condition in another country that attract people from a different place to move to a favorable place. Condition that pull people to another country might include high salary or better infrastructure. There are many country now fantastic rewards to professional or highly skilled personnel to attract them to move to their country. This offer become irresistible and caused a pulling effect that lead to people leaving to grab this offer (Hussin Abdullah, 2016).

Maslow’s Hierarchy of Needs defines the needs of the human beings, which persuade the persons to initiate some actions. According to Ford (Ford, 2013), this theory provides the idea regarding the unfilled needs of the employees, which can be utilized towards motivating them. On the other hand, Kassim (Kassim, 2014) opined that need theory is associated with the psychological process for stimulating persistence and excitement of some voluntary actions. This theory can be highly integrated with the intension of professionals towards working in abroad. Due to the insufficiencies of better job opportunities in the home country, highly talented professional become interested to grab the lucrative job option of abroad. In this way, they move out from their homeland and contribute their talent in abroad. According to Yee and Yuen (Yee, 2014), need of the employees can be highly individualized and thus, individual professional become attracted to individual amenities of the developed foreign country. On the other hand, Martin (Martin, 2013)opined that the employers of foreign countries are always looking forward to select top talent from the developing country and thus, they understand the individual psychological process for offering better job opportunities

The theory of reasoned action defines the voluntary behavior of the individuals. According to Garcés-Mascareñas (Garcés-Mascareñas, 2016), the intension of an individual to perform a certain action precedes their actual behavior. On the other hand, Nesadurai (Nesadurai, 2013) opined that behavioral intension occurred with the belief that performing certain actions will lead to certain outcome. Intensions are created through the attitude towards subjective norms and behavior. This theory also suggests that the professionals are interested to put more effort to a work when they are more intended to perform that work. The determinants become the push factors for the Malaysians to move out in other developed countries where they can have more choices regarding job opportunities and other amenities. Skilled and talented workers always look forward for getting better job satisfaction in terms of career opportunities and financial advantage. Therefore, when Malaysian professionals are not satisfied with their current job, this attitude leads them to move out to other favorable countries for better opportunist and leads to brain drain. The attitude of professionals is become much more negative towards Malaysia and therefore there is an increasing rate of brain drain

From the past literature , we found five key factors that influences brain drain. Therefore these five key factors contributing to the brain drain was discussed in detail. First salary and compensation influence brain drain was reported to have significant influence on brain drain. Recent studies demonstrate that the salary package of the Malaysia is quite low as compared to other developed countries like Singapore, USA and UK. Due to low salary package, most of skilled and highly talented Malaysian citizens are intended to leave their homeland and move out to other countries, which provide higher salary (Bank, 2011). Highly skilled labors which include nurses, doctors, lawyer, and engineer are always looking for better wages when

they seek for career advancement (Lim Kim-Hwa, 2014). However when a country cannot fulfill wages range needed by these people, they will choose other option offer by other country. Some workers however look for other benefit beside the basic pay; they will choose organization which will provide better paid vacation leave system (James B. Rebitzer, 1991). However due to our country have yet to develop high paid vacation leave system, these worker choose to leave our country and search for their ideal country which can fulfill their needs.

Second family Influences was also reported by many studies that plays a pivotal role in influencing talents to leave the country. Every person is working to better increase way of life of themselves and their family members. As such member of family play a very important role in the decision of choosing career for every person. Some country limit number of children a parent can have (Watts, 2007) to better plan the population growth rate of the country. This decision of the country reduces the intention of a professional to continue to stay in the country if they are planning to have more children. Not only the limitation of children affect a person's will to stay in the country, financial matter that affect their family life, including not only their immediate family members also play a crucial role in their decision to stay (Khawer Bilal Baig, 2016). Every person hopes to provide better living condition and basic needs of their family members, and when an organization or a country cannot fulfill these needs, they will decide to leave (Sajjad, 2011). Recent studies shows that better developed country usually provides better education system to children (Any Freitas, 2012) and this facility match best with the requirement of most professional as they are looking for an environment which can assist in better raising their children. Professional migration nowadays does not limit to only male, many female is looking for better advancement in their career and decide to stay abroad as well. In some cases the husband decides to migrate together with his wife due to the decision of his wife to stay abroad for better career advancement (Raghuram, 2009). Base on the above studies, it shows that family did play a major role when a person decides to stay in their own country or abroad.

Third, political Instability Influences Brain Drain. Political stability is one of the important aspects for any investor when they choose whether to invest into a country or not. It is now become an important criterion for a professional to choose to stay in a country as well. Over the past few years politics in Malaysia has been in a mess with a lot of bad news discovered by the opposition party and overseas media. This political instability strongly discourage professional to stay in our country and it further increase the impact of brain drain (Mohd Safwan Ghazali, 2015). Due to Malaysia consist of different ethnic which include Malay, Chinese, Indian and others, the racial issue has been long existed. According to research, racial discrimination will give a deep negative impact to an organization (Zeher, 2011)and lead to people leaving to other country for a more harmony organization. Different religious status in our country also lead to people in a country feeling injustice and less willing to contribute to a country (Johnson, 2009). Low economic growth will also lead to increase of crime rate. Our country is undergoing a low economic growth at this moment as such crime rate has been increase tremendously. This causes professional worry about their safety and decides to leave to a country which can provide better security (Asmal, 2004). Besides this, a country which is undergoing war or having military tension situation will also affect a person to leave their country (Levinson, 2008).

Fourth Economic Condition. A country which has good economic condition will be able to sustain better skill professional and vice versa. Malaysia has been long providing lower career opportunity comparing to other developed country (Wahab, 2014). Due to this incompetent situation, our country is not able to maintain better skilled person and resulting them to leave our country. Ringgit Malaysia has dropped to the weakest at this time to a stage that neighboring country refuse to accept our currency. This means that each citizen is holding lower currency value comparing to other country. As a result of this, a lot of people seek to work in oversea which can provide them better value in their currency (Kaur, 2016). Low GDP in Malaysia forcing organization in our country to cut down headcount in their company and this has result a lot of people out of job in Malaysia and has no choice to search for job in other country (LaPorte, 2005). Due to the economic downturn and depreciation of Ringgit, young

professional in Malaysia is having poor quality of life, this causing them to feel uncomfortable and seek for better opportunity in other country (Foo, 2011). Besides that, other country like Singapore, Australia, UK are providing better healthcare system which can better support professional's health requirement and as such pulling skillful professional away to the country (Junaimah Jauhar, 2015).

Fifth job related or work related situation. Professional workers does not just look for job in terms of salary, they also seek for job satisfaction. If a company is not able to provide job satisfaction to them, they will choose to leave (Moore, 2002). Local company in Malaysia is too rigid and does not follow international trend, as such they are not able to provide better promotional structure to young professional who think this as an essential part of fulfilling their job satisfaction (Johnson, 2000). This caused these young professional to feel insecure and leave the organization in Malaysia and seek for Multinational Company in other country which provide better promotion. Research also shows that supervisor or management personal in traditional company in Malaysia have less interaction with workers in their company resulting workers to be less loyalty to the company (GAMAGE* & K.D.M.BUDDHIKA, 2013). However multinational company in overseas always understand needs of their workers and as such their workers feels more satisfy working with them and lead to less workers willing to work in our country. Due to the current brain drain issue, Malaysia is now short of skillful professional and as such a person might have overloaded work and resulting heavy stress to them (Zurn, 2005). Many organizations understand this issue but most of them decide to stay away from the problem pretending unheard and this further lead to unhappy professional leaving our country. Organizations in our country seldom practice staff recognition which includes giving awards to their staff contribution. However some workers might feel this as important as a recognition to their service to the organization (Muhammad Masroor Alam, 2009). If this is not fulfill, they might leave to other country in search for better option.

Conceptual Framework

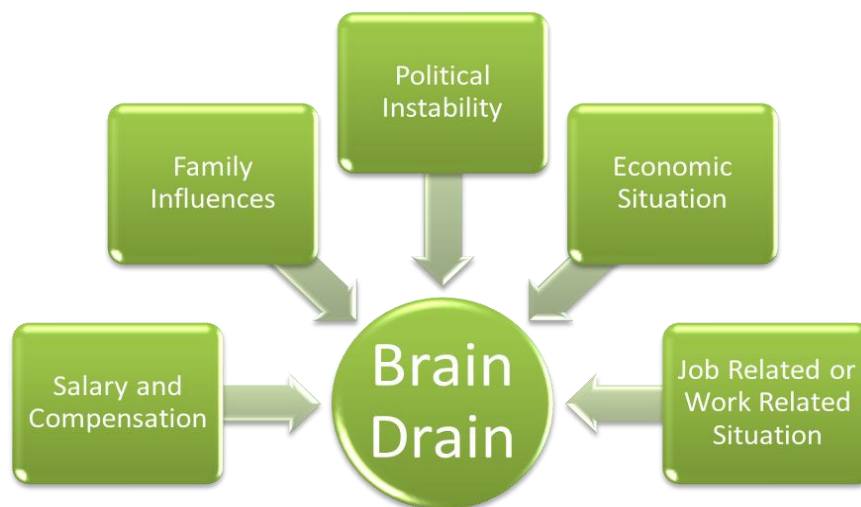


Figure 1: Conceptual Framework

Source: Authors' own development

3. RESEARCH DESIGN AND METHODOLOGY

Research Paradigm and Design: Researcher decided to use Positivism paradigm since this research is intends to measure the key factors contributing to brain drain. The research design is descriptive research design for the above reason. The research used primary data collected using rating scale questionnaire (1-5 scale).

Questionnaire: Questionnaire is designed to gather the data. It consists of three parts 1, and 2 Part – 1: it deals with personal details such as sex, education, age, etc. Part – 2: consists 25 statements to measure the 5 factors of salary and compensation, family influences, political instability, economic situations and job or work related situation. A total of 6 academicians were then asked to:

- ✓ Check the items or statements really reflects the intended measures of the variable
- ✓ Suggest alternative statements that can be used in case the original proposed statements are not appropriate
- ✓ Modify with better language or simplify the statement that will be easier for respondents to understand

The final items agreed by the experts were then incorporated as statements into a measurement instrument utilising a five-point Likert-type scale (1 “strongly disagree” to 5 “strongly agree”) (Hassan, 2017). A panel of four (4) experts from education sector assessed content validity by assessing items on the basis of their relevance and clarity of wording. Items that were endorsed by four (4) experts were retained, whereas items that were deemed to be unclear, irrelevant, or redundant were eliminated. All the items proposed at the initial stage were approved by the four experts were retained. The respondents were asked to rate the items to examine the relevance and validity of each item. As a result of this test, non-of the items were deleted as these items were found non-ambiguous and reliable.

Sampling Method: According to the World Bank Report, an approximately 300,000 high skilled Malaysian moved overseas (Mustafa, 2015). According to World Bank (2011) most of the Malaysian expatriates moved to Singapore, Australia, US and UK. Therefore the questionnaire were send expatriates living in these countries who are personally known to the researchers these expatriates were asked to identify and assist the researchers to reach out other expatriates in these countries to obtain sufficient responses. Therefore a snowball sampling techniques was used to obtain effective sample of 100 Malaysian expatriates working overseas. A total of 115 questionnaires were received (response rate 86%). However, some of these questionnaires were excluded from the sample as some respondents do not complete the questionnaire. This means the study only used 100 completed questionnaires (Sample size).

Ethical consideration: Prior to the collection of data, respondents were requested to complete the consent form which was attached with questionnaire to obtain the permission from the each respondent. The completed questionnaires were collected by the researchers and reminded the respondents to inform the researcher if they wish to withdraw from this study before the data were processed.

Data Analysis: Data were analysed using SPSS 21.0 (Field, 2005). Measurement scale was assessed using normality, reliability and validity test. Descriptive statistical means and correlations were used to obtain the output and interpreted.

4. RESULT AND DISCUSSION

4.1. Demographic analysis of the respondents

68% of the respondents are male and 32 % respondents were female. More than 56% of respondents were above 30 years but below 45 years. Approximately 60% of respondents were working in Singapore and rest of 40% working in Australia, UK and USA. 42% of respondents working in overseas earn an average salary of US\$ 3100 per month.

4.2. Normality Test

Normality is used to test whether certain data obtained is normally distributed (Park, 2006). Normality is usually used in a descriptive statistics which involves Skewness and Kurtosis statistic. Both Skewness and Kurtosis statistic needs to be studied in order to confirm whether data obtained is normally distributed. From the data below, it shows that only item number 3, 4, 6, 7, 9, 10, 17 and 18 are within the Skewness range of -1 to 1. The highest Skewness is -1.670, which is *"I left my country because of racial discrimination in my country"*. The lowest Skewness is 0.048 which is *"I left my country because I want to provide better education to my children"*. In terms of Kurtosis, the highest value is 1.740 which is *"I left my country because overseas is offering attractive compensation than my own country"* and lowest value is 0.001 which is *"I left my country because of religious and ethnic conflict in my country"*. Since some of the items violate the rule of thumb of normality in terms of skewness and kurtosis, further analysis was carried out in terms of reliability and validity.

4.3. Sample Adequacy Test

Prior to factor analysis, it is important to conduct sample adequacy test. Sample adequacy test is used to test the strength of the data and to find out how suitable the data for factor analysis (Brent Dale Hill, 2011). Rule of thumb indicates that any KMO value of more than 0.6 is considered adequate and more than 0.8 is preferable (Schwarz, 2011).

Table 1:KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.915
Approx. Chi-Square	3431.705
Bartlett's Test of Sphericity	df
	300
	Sig.
	.000

From the sample adequacy test we find that the KMO value is 0.915. The value indicates that the data sample for the causes of brain drain in Malaysia is adequate for factor analysis. As for Bartlett's Test of Sphericity, it shows value of 0.000 which is considered significant as according to rule of thumb any value less than 0.05 is considered significant (Thavatchai Vorapongsathorn, 2004).

4.4. Communalities

Communalities can be defined as the proportion of variance in each variable which can be explained by the data variables (Pearce, 2013). Rule of thumb for communalities is it must be more than 0.7. From the table we find that the variable *"I left my country because in overseas I was offered a better paid vacation"* has an extraction level of 0.595 another

variable which is “*I left my country because my wife/ husband stays in overseas*” has loading 0.645, where both are less than 0.7. As a rule of thumb, these items should be removed, although we retain the items and proceed with reliability of the items. The loading extraction explains the sum of square Indicating that about 81.2% of the variation in salary offered in overseas (item #1) is explained by the factor model (Brain Drain).

Table 2: Communalities: Extraction

Items	Loading
I left my country because the salary offered by the overseas company is much higher	0.812
I left my country because of higher wages offered by overseas	0.813
I left my country because in overseas I was offered a better paid vacation	0.595
I left my country because the reward system is better for those who committed and high performers	0.710
I left my country because overseas is offering attractive compensation than my own country	0.831
I left my country because the tax exemption for children is far less compared to what I get in overseas	0.838
I left my country because of financial matters related to my extended family	0.818
I left my country because I wish to provide better living standards to my family	0.848
I left my country because I want to provide better education to my children	0.762
I left my country because my wife/ husband stays in overseas	0.645
I left my country because of political instability in my country	0.793
I left my country because of racial discrimination in my country	0.813
I left my country because of high crime rate in my country	0.880
I left my country because of political or government tension	0.874
I left my country because of religious and ethnic conflict in my country	0.924
I left my country because of low career prospect in my country	0.799
I left my country because I want to have better living standard	0.865
I left my country because of better healthcare system provided in overseas	0.791
I left my country because I want better quality of life	0.796
I left my country because of depreciation of Ringgit	0.792
I left my country because I am not satisfy with my previous job	0.844
I left my country because I want better promotion	0.858
I left my country because I am not satisfy with my supervisor/ management/ HR	0.667
I left my country because of poor management and organization support by my previous company	0.849
I left my country because of poor recognition in the organization I worked in my previous country	0.765

Extraction Method: Principal Component Analysis.

4.5. Reliability Test

Reliability test is to test the internal consistency of the variables. The most commonly used test is the Cronbach’s alpha. When the alpha value is more than or equal to 0.7 indicating high internal consistency. The reliability test table shows that the value of Cronbach’s alpha ranges from 0.814 for Family to 0.950. Therefore all the items are retained.

Table 3: Reliability Test

Dimensions	items	Standardized Cronbach Alpha
Salary & Com	5	0.939
Family	5	0.814
Politics	5	0.950
Economic	5	0.838
Job	5	0.940

4.6. Descriptive Statistical Analysis

As the questionnaire is separated into 5 segments which are salary and compensation, family influences, political instability, economic condition and job related. Data obtain from respondent for these 5 segments are discussed below in detail. From below table we find that the mean of Politic is the highest (4.046) with a standard deviation of 1.1013. This shows that most Malaysian think politic situation plays a very important role in keeping them stay in their country. The average of Family Influences is the lowest (3.40) with a standard deviation of 1.1013. Thus we can say that most of the respondents agreed that political instability of Malaysia is the most important reason for them leaving the country, while Family values is the least important reason that make them leave the country.

Table 4: Descriptive Statistics

	N	Mean	Std. Deviation
Family	100	3.40	1.013
Economic	100	3.71	.913
Salary&Com	100	3.872	1.1447
Job related	100	3.98	1.042
Politic	100	4.046	1.1013
Valid N (listwise)	100		

Salary and compensation shows a mean value of 3.872 and standard deviation of 1.1447. Under salary and compensation, 5 factors have been analyzed as below. The factor salary offered by overseas company is much higher has a mean value of 4.03 indicating that most of the respondents agreed that they left Malaysia since a higher salary was offered by the overseas company. Moreover the data is negatively skewed (-1.271), which means that more number of respondents agreed with the above fact than the number of respondents who disagreed. The factor higher wages offered by overseas has a mean value 4.06 indicating that most of the respondents agreed that they left Malaysia since a higher wages offered by the overseas. Moreover the data is negatively skewed (-1.307), which means that more number of respondents agreed with the above fact than the number of respondents who disagreed. The factor of respondent leaving Malaysia because of better paid vacation has a mean value of 3.57, indicating that most of the respondents agreed that they left Malaysia since the overseas organization offered a better paid vacation. In addition the data is negatively skewed -0.828, indicating that majority of the respondents agreed with the fact that overseas companies offered them a better paid vacation. The factor of respondent leaving Malaysia because of better reward system for high performers has a mean value of 3.51, indicating that most of the respondents were between neutral and agreed that they left Malaysia since the reward system was better overseas for those who were committed to the job. In addition the data is negatively skewed -0.656, indicating that majority of the respondents had the opinion that the

reward system outside Malaysia is better than those offered in Malaysia. Last factor under this category which is overseas is offering attractive compensation than Malaysia has a mean value of 4.19 indicating that most of the respondents had a high degree of agreement that overseas compensation offerings were better than in Malaysia. In addition the data is highly negatively skewed -1.660, indicating that the many of the respondents had the same opinion that the compensations overseas were higher than those in Malaysia.

Family influences show a mean value of 3.40 and standard deviation of 1.013. Under this category itself, 5 sub-categories have been analyzed. Under the factor of respondent left Malaysia because of tax exemption for children are far less compared to overseas, it has a mean value of 3.53. Thus we can say that the part of the respondents were between neutral and agree that the tax exemption at overseas locations for children is higher than those in Malaysia. From the data we also find that the skewness is -0.675, indicating that the data is negatively skewed. Hence we can say that the view of the mass respondents is that the tax exemption for children in Malaysia is lower than those overseas. For factor of respondent left Malaysia because of financial matters related to their extended family, it shows a mean value of 3.34 indicates that most of the respondents had a neutral understanding to the question. The skewness data -0.495 indicates though that the majority people sided with the idea the extended family is really a problem when it comes to financial problems. The factor of respondent wish to provide better living standards to their family shows a mean value of 3.97. The respondents views are highly negatively skewed -1.281 indicating that the number of respondents who agree as well strongly agreed with the above fact were more as compared to those who were neutral or disagreed. Factor of respondent wish to provide better education system to their children shows a mean value of 2.90 indicates that the some of the respondents disagreed with the fact that they did not leave Malaysia so that they could provide better education to their children. The skewness (0.048), of the variable also indicates that the number of respondents who disagreed that the left Malaysia just to provide better education to their children was more than the number of respondents who said that they left Malaysia to provide better education to their children. Last factor of respondent left Malaysia because of their spouse stays in overseas shows a mean value of 3.27, indicating that most of the respondents left Malaysia since their wife of husband stays overseas. In addition the data is negatively skewed -0.343, indicating that some of the respondents had the opinion that they left Malaysia since their other half stays overseas.

Political instability leads to brain drain in Malaysia shows a mean value of 4.046 which is also the highest mean value among all 5 categories. The factor of political instability causing respondent to leave Malaysia shows a mean value of 3.83 which mean most of the respondents who left Malaysia agreed with the fact that they left the country because of political instability. The data of the respondents is negatively skewed (-1.121), indicating that the many of the respondents who agreed with the idea was more than the number of respondents who disagreed that the political instability was a major cause of them leaving the country. The factor of racial discrimination in Malaysia causing respondent to leave Malaysia has a mean value of 4.28 indicates that most of the respondents were between agree and strongly agree that they left Malaysia due to racial discrimination. In addition the data is very strongly negatively skewed -1.670. Thus the majority of the respondents strongly agree that racial discrimination does take place in Malaysia. The factor of high crime rate causing respondent to leave Malaysia has a mean value of 4.13. The mean value indicates that most of the respondents strongly agree that they left Malaysia because of the high crime rate. Moreover, the data is strongly negatively skewed indicative of the fact that those who have left Malaysia have done so because of the high crime rate. Under factor of political or government tension causing respondent to leave Malaysia has a mean value of 4.04. The mean value signifies that a lot of the respondents strongly agree that there is political or government tension, which promoted them to leave Malaysia. Moreover, the data is

negatively skewed (-1.290), showing that most of the respondents strongly agreed that political or government tension was the main reason behind their leaving Malaysia. The last factor under this category which is religious and ethnic conflict in Malaysia causing respondent to leave Malaysia has a mean value of 3.95 this signifies that most of the respondents have agreed with the fact that they have left Malaysia for religious and ethnic conflict. In addition the data is highly negatively skewed (-1.129), indicative of the fact most of the respondents have strongly agreed that brain drain has taken place due to the religious and ethnic conflict in Malaysia.

Mean value for economic condition leads to brain drain in Malaysia is 3.71 with a standard deviation of 0.913. First factor under this category which is low career prospect in Malaysia causing respondent to leave has a mean value of 4.24, shows that most of the respondents agree with the fact that Malaysia offers low career prospects. The skewness value (-1.588), shows that the high number of the respondents strongly agreed that the career prospect in Malaysia is low. The calculated mean value for respondent leaving Malaysia because they want to have better living standard is 3.75 shows that most of the respondents left Malaysia to search for better living standards, which were not available in Malaysia. The skewness value (-0.838), shows that some of the respondents strongly agreed that the living standards in Malaysia is low as compared to other countries. The factor of respondent leaving because overseas has better healthcare system shows a mean value of 2.53. The mean value signifies that most of the respondents disagree with the fact that health care system overseas is better than that of Malaysia. The data for the variable is positively skewed which agrees with the fact that Malaysia has a better healthcare system than the place the respondent went. The calculated mean value of respondent left Malaysia because they want better quality of life is 4.07 which shows that many of the respondents left Malaysia in search of a better quality of life. The skewness is highly negative (-1.412) indicative of the fact that the majority of the respondents left in search of a better quality of life. The last factor of respondent left Malaysia because of depreciation of ringgit shows a mean value of 3.94 which signifies that respondents left the country because of the depreciation in Ringgit. The skewness level (-1.348) demonstrates that number of respondents who agreed with the fact that they left due to depreciation in Ringgit is far more than those who disagree.

Job related issue leads to brain drain in Malaysia shows a mean value of 3.98 and standard deviation of 1.042. Under this category, the factor of respondent left Malaysia because they are not satisfied with their previous job has a mean value of 4.06. This shows that many of the respondents left Malaysia since they were not satisfied with their present job. The skewness is highly negative (-1.320) indicative of the fact that the majority of the respondents strongly agree that they were not satisfied with their job in Malaysia. The factor of respondent left because they want better promotion has a mean value of 4.13. The mean value indicates that most of the respondents agree that they left Malaysia because of them wanting higher promotions. Moreover, the data is strongly negatively skewed (-1.487) indicative of the fact that those who have left Malaysia have done so since they were promoted much better at overseas locations. The calculated mean value for respondent left Malaysia because they are not satisfied with their supervisor, management or HR is 3.78. This shows that many of the respondents left Malaysia since they were dissatisfied with their seniors. The skewness is highly negative (-1.031) indicating that the number of respondents who agree with the fact that they left Malaysia since they were not satisfied with their seniors is more than those who disagreed. The mean value for the fact that the respondents left Malaysia due to poor management and organizational support is 3.95. The mean value indicates that most of the respondents agree with the above fact. The skewness is highly negative (-1.277). The skewness value shows that the number of respondents who agreed that they have left Malaysia due to poor management and organizational support from companies in Malaysia is more than the number of people who disagree. The last factor under this

category which is respondent left Malaysia because of poor recognition in the organization in Malaysia has a mean value of 4.08. This shows that many of the respondents left Malaysia since their work was not recognized by the organization. The skewness is highly negative (-1.365) indicative of the fact that the number of respondents who agree with the statement that they left Malaysia since their work was not recognized by the organization is more than those who disagree.

4.7. Correlations

Pearson correlation is used to test the association between two variables (Frye, 2008). The correlation coefficient tests the direction as well as the strength of the relationship between the variables. The values of coefficient of correlation ranges from 0 to 1. When two variables have a correlation nearer to 1 then their relationship is strong, on the other hand when value is 0, there exists no correlation. From below table we find that all the variables are positively correlated. The result suggested that all the variables are significant and highly correlated with each other.

Table 5: Correlations

		Salary&C	Family	Politic	Economic	Job related
Salary&Com	Pearson Correlation	1				
	Sig. (2-tailed)					
Family	Pearson Correlation	.774**	1			
	Sig. (2-tailed)	.000				
Politic	Pearson Correlation	.822**	.665**	1		
	Sig. (2-tailed)	.000	.000			
Economic	Pearson Correlation	.817**	.620**	.872**	1	
	Sig. (2-tailed)	.000	.000	.000		
Job related	Pearson Correlation	.817**	.649**	.826**	.850**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

** . Correlation is significant at the 0.01 level (2-tailed).

Since all the variables are highly correlated and significant, we attempted to determine whether salary and compensation, family related factors, political and economic situation influences job related brain drains. The result is discussed below under regression analysis

4.8. Regression Analysis

Table 6: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.882 ^a	.778	.769	.5011	.778	83.230	4	95	.000	1.657

a. Predictors: (Constant), Economic, Family, Salary&Com, Politic

b. Dependent Variable: Jobrelated

The above table suggested that independent variables of economic, political, family and salary related factors are a good predictors of job related brain drains. The rule of thumb

indicated that adjusted R square should be 0.6 (...). In this case it is 76.9% of job related brain drains are predicted by the changes in the independent variables. Also the model does not have auto-correlation since the Durbin Watson is less than 2.5.

Table 7: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
	(Constant)	.297	.220				
1 Salary&Com	.245	.098	.269	2.503	.014	.203	4.936
Family	.041	.079	.040	.521	.603	.395	2.534
Politic	.199	.102	.210	1.948	.054	.201	4.983
Economic	.482	.121	.422	3.974	.000	.207	4.829

a. Dependent Variable: Jobrelated

From the table it can be seen that salary & compensations, and economic situation of the country have significant and positive impact on job related brain drains. This family and political situation do not have any significant impact on job related brain drains. The collinearity statistics indicated that the values are not having multi-collinearity. This means that most of the brain drains really were influences by the salary and compensation of the company. If the salary and compensation are not adequate and believed that the current market may not enable the talented people to obtain appropriate job to reflect the talent and competences, brain drain could arise.

5. DISCUSSION AND CONCLUSION

While concluding the research study, it can be said that Malaysia is facing increasing rate of migration from the last two decades. Most of the highly skilled and talented professions are migrating to other countries and contributing their expertise to those overseas countries. Most of the Malaysians are moving out of their homeland for having better job opportunities in the overseas countries. On the other hand, the increasing migration rate is ultimately lowering the productivity level of Malaysia. Moreover, it prevents the developmental phases of the country due to diminishing talented professionals. From the literature review, it can be said that low salary structure of Malaysia is the prime reason for increased migration rate. Malaysian companies provide quite low salary package to the employees as compared to those of developed countries like Singapore, USA, UK and Australia.

The increasing migration rate is ultimately weakening the economic condition of Malaysia. Due to diminishing migration rate, the numbers of employees are becoming less in this country. Therefore, Government is earning less amount of tax from diminishing rate of employees in this country. Moreover, the country is lagging behind the other countries in term of industrial development, as there are limited numbers of talented employees towards providing innovative ideas. Therefore, Malaysian Government should revise the salary structure of the employees both in public sector as well as in private sector. On the other hand, Malaysian organizations should also increase the promotional opportunities of the employees for encouraging them towards staying in their hometown.

6. RECOMMENDATION

From the discussion with Malaysian professionals, it can be analysed that they are highly upset about the low salary package offered by Malaysian organizations. These organizations are offering quite low salary package as compared to the organizations in other developed countries. It seems to be a push factor for the Malaysians towards leaving their homeland and moving out to other developed countries. Therefore, Malaysia should immediately take initiatives towards retaining their employees through increasing their salary package. This salary package should be competent enough with overseas salary package for providing a feeling of fair treatment to the talented professionals.

It was found that most of the Malaysians are leaving their homeland due to lack of promotional opportunities in their homeland. Various sources of journals and websites highlight that Malaysian organizations are incapable of offering adequate promotional opportunities to the professionals due to lack of industrial development. Therefore, the employees feel frustrated and dissatisfied with their jobs in Malaysian organizations. In such situation, better promotional opportunities offered by overseas organizations attract these employees towards moving out to those countries. Therefore, Malaysian organizations should properly assess the performance of the employees as per their contribution in the organization. It can encourage the talented professionals towards staying in their homeland.

Increasing crime rate in Malaysia is also encouraging most of the people towards migrating to more secured countries. Moreover, increasing rate of crime is also lowering the quality of life of the Malaysians. Therefore, they are no longer interested to stay in their homeland and migrate in overseas countries having more secured system. Therefore, Malaysia should improve their security system towards providing better security to the people and encouraging them towards staying in Malaysia. On the other hand, Malaysia should also minimize the ethnic and religious confliction for developing country that is more open-minded. It would encourage people towards staying in their homeland.

The data analysis section also indicates that Malaysian people are leaving their homeland, as they are not getting adequate career prospective within this country. The professionals are not getting adequate promotions and fresher candidates are not getting proper jobs as per their educational standards. Therefore, Malaysia should immediately look into this matter and take necessary initiatives towards providing adequate career prospective to the professionals. It would encourage professionals towards staying in their home country by getting adequate facilities and services

Since this research only provide a sample size of 100, it might not sufficient to represent complete response from Malaysian that has chosen to work abroad. Future research may consider increasing sample size as much as possible to cover opinion from other professionals. Future researcher should also include dependent variable, such as brain drain sub-variables. This will be more appropriate in terms of confirming whether the selected variables are significant influencers of brain drain.

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