

# Job Selection Preferences: What Do Young Adults Want?

**Masdiah Abdul Hamid \***

*Accounting and Finance Department  
Universiti Tenaga Nasional  
Pahang, Malaysia  
Email: [masdiah@uniten.edu.my](mailto:masdiah@uniten.edu.my)*

*\* Corresponding Author*

## **Abstract**

**Purpose:** Determining the antecedents of job selection preferences effects is a focus of recent sustainable education research. This study examines the relationship of starting salary, employer reputation, and working environment on job selection preferences among accounting students in Malaysia.

**Design/methodology/approach:** Correlational analysis and test of difference are used to test the research model.

**Findings:** The result demonstrates that starting salary, employer reputation, and working environment affect job selection preferences among future accounting graduates, and the working environment appears dominant factor considered in job selection. Additionally, test of different results found no significant difference in terms of public and private universities in job selection preferences.

**Research limitations/implications:** Improving sample size and considering multiple perceptions will improve generalization and strengthen the result's outcome.

**Practical implications:** Identifying the factors in job selection preferences helps the potential employer and professional bodies strategize the business environment and formulate a new strategy for future accounting graduates' employment.

**Originality/value:** This study attempts to contribute to the sustainable development goals by achieving the desired number of professional accountants by 2030.

**Keywords:** Accounting Students, Future Graduates, Public and Private University, Job Selection Preferences, Working Environment.

## **Introduction**

In the twenty-first century, the accountant was a vital profession to support business environment development. The International Federation of Accountants (IFAC) stated that the number of accounting students who have enrolled at a high organisational level has increased over the years (IFAC, 2016). Apart from contributing to the Malaysian economy, more accountants are required to improve Malaysia's economic growth (IFAC, 2016). Accounting is generally categorised as a high-wage profession and is popular with the brightest students of accounting. Job selection preferences are a lifelong phase of fundamental leadership to accomplish extreme job achievements. Graduates make a professional selection that balances their interests and value the opportunities, abilities, and cost of searching the options. This professional selection may be influenced by various components such as human, cultural, social, economic and environmental components (Iacovou et al., 2011).

Job selection preferences can be viewed as the graduates' desire to tolerate the bid of one organisation over another (Iacovou et al., 2011). Knowing how to attract perfect occupation competitors and how to make their work offers recognised by competent candidates is critical for organisational's human resources (Michaels et al., 2014). According to Evers et al., (2008) recruiting a skillful and knowledgeable resource would lead to higher job performance and decrease employee turnover (Nasir et al., 2009), and save the recruiting costs for companies. Although over 500 million graduates are produced each year, Malaysia is facing a shortage of skilled labour today. The statistics show that over the past 18 months, around 800,000 young Malaysians are now working abroad, and 300,000 have emigrated (Malaysia Prime Minister's Department, 2017). To date, statistics have shown that the number of unemployed graduates in 2019 was 170,300, an increase of 5.5% from 161,300 in 2018 (3.2% of the total 5.29 million graduates in 2019) (Department of Statistics, 2020)

Several factors lead accounting graduates to refuse to continue the accounting profession as their future career has been identified. Nasir et al., (2009) found that the factors contributing to job selection preferences are low starting salaries, and the controversies that have emerged, no added benefits, and lack of ambition among the accounting graduates. Besides, the attributes of graduates are the main contributor to these issues. For instance, Sturges et al., (2000) stated that most graduates join a company, they have very high expectations, such as salary and promotion. Besides, the challenge of becoming a member of professional bodies, followed by high annual membership costs, contributes to the job selection preferences among accounting graduates. This research significantly impacts employers and educators by providing them with proper guidance and direction about new graduate needs for career development. Understanding the pattern of job selections preferences helps employers improve their perspective thinking when selecting a potential candidate. Next, this study will impact to the body of knowledge, specifically in accounting education sustainable. Examining the factors affecting accounting students' job selection preferences will enable educators and practitioners to plan engagement programmes. Furthermore, the Malaysian Institute of Accountants (MIA) should consider formulating different strategies to achieve the target number of accountants by 2030. To achieve the required number of accountants by 2030, Malaysia needs approximately 60,000 qualified accountants. Supports the national agenda towards achieving sustainable development goals on quality education, this study aims to investigate the factors of job selection preferences of accounting students of public and private universities in Malaysia by addressing the following research questions:

**“What are the factors affecting job selection preferences among accounting students of the public university and private university in Malaysia?”**

## **Literature Review and Hypothesis Development**

### ***Job Selection Preferences (JSP)***

Job selection preference is the preference of students to consider a company's job offer over other firms (Iacovou et al., 2011) and become the most attractive criterion for evaluating unique work among the student (Baliyan & Baliyan, 2016). The job selection preference is one of the key decisions which can affect the life of an individual. It is because it affects the future welfare and projection of an individual in the labor market (Dimaki et al., 2005). Dimaki et al., (2005) indicated three components of job selection, namely, the occupation, the role of the occupation, and the division of economic activity. When it comes to job selection, individual preferences, ambitions, and social life are then taken into account (Dimaki et al., 2005). Besides, the decisions made on job selection will influence the individual's life and career development. Agarwala, (2008) suggested some factors influence job preferences include high salary

expectations, ample career opportunities, work experience, skills and knowledge which indicate that the graduates typically expect their professional careers to express and improve their salaries, professional preparation, professional recognition, social importance, working conditions, labour market considerations and personality in a short period. On the other hand, job preferences selection drive the graduates to ignorance of the fundamental ethics in themselves due to specific reasons. Chao & Gardner, (2008) state that graduates commonly view income as a vital tool in their life and career development. Bundy & Norris, (2011) found that graduates tend to become money-oriented due to low market economy, craving for power and control, and putting their self-interest before community interests while looking for a job. Therefore, an accounting student's career choice depends on the expectation of a future career that they prefer to fulfill their needs.

### ***Starting Salaries (SS)***

Moy & Lee, (2002) define salary, remuneration and all benefits received as payment to the employee for the service provided weekly, monthly or piece-based remuneration. Salary is an extrinsic reward, an essential factor influencing the graduates to select their initial work (Ghani et al., 2009; Moy & Lee, 2002) and increase graduates' attractiveness to loyal with the organisation (Winter et al., 2007). Mahony et al., (2006) investigate the factors influencing Americans' new positions from sports management faculty revealed that income is one of the critical factors affecting job selection preferences. This indicated that regardless of context, salary is the first thought looked at by graduates. Sturges et al., (2000) clarified that salary and promotion received high anticipated among graduates before joining an organisation. Winter et al., (2007) mentioned that people typically assess employment as high as possible wages when looking for job vacancies. This study includes starting salary as an influencing factor of job selection preferences among accounting graduates. Hence, the hypothesis of starting salary is developed as below:

H1: Starting Salary (SS) has a significant relationship with accounting students' Job Selection Preferences (JSP) in Malaysia.

### ***Employer Reputation (ER)***

Employer reputation or organisational credibility is a perceptual image that follows past acts, potential company's expectations, and the company's attractiveness to different stakeholders (Fombrun, 1996). Employer credibility is a crucial factor in winning the "battle" for talent and recruiting professional and competent (Baum & Kabst, 2013; Williamson et al., 2010). The employer's credibility is also related to organisational attractiveness, which recognises stakeholders' opinions about an organisation's behaviour. A study was conducted to investigate whether organisational credibility, corporate and social efficiency have influenced the college job applicants' tendency to reject jobs offered by low reputation companies (Liu et al., 2010). Consistently, Chan & Ho, (2000) found that graduates with better academic performance (e.g., CGPA) were more interested in reputable and high-profile companies than their counterparts in the Hong Kong context. A study done on European postgraduate graduates, Montgomery & Ramus, (2007) has shown that over 90 percent of graduates are willing to forgo financial benefits to work with reputable companies with high corporate social responsibility to the society. The attraction of job seekers showing that corporate social performance has a significant impact on them (Cable & Turban, 2003). A high reputation company also takes care of its workers' desires and needs when showing real concern and dedication to social problems. The previous research by Puncheva-Michelotti et al., (2018) suggested that there is an association between the credibility of the employer and job selection preferences. The study

found that the employer's prestige is an essential factor because it showed that employee concerns such as relationships with unions, employee compensation, and employee engagement and corporate support for diversity. Considering the vital factor in job selection preferences, the second hypothesis developed as follow:

H2: Employer Reputation (ER) has a significant relationship with accounting students' Job Selection Preferences (JSP) in Malaysia.

### ***Working Environment (WE)***

The working environment is defined as workplace safety and comfort (Moy & Lee, 2002). A positive working environment is essential to employees irrespective of their current careers. The working environment is referred to as a worker's work environment characterised as safety and comfort (Moy & Lee, 2002). The working environment elements include working hours, paid holidays, protection, rest periods, free uniforms, and others. Supportive working conditions were the most important employment for employees (Mcgraw et al., 2012) and, thus, employers to be mindful of the value of maintaining a successful office setting. A comfortable working environment can make the employee stay longer with the company, motivating employees to work more effectively. Nasir et al., (2009) revealed that a comfortable working environment improved the company's production. However, the working environment can change to work pressure when the employee experiences overtime work and physical conditions (Chan & Ho, 2000) such as structure and decoration in the workplace. The study assessed the Hongkongese accounting graduates, and the result showed that the working environment appears the least important elements chosen by the graduates, and those lower academic performance graduates more concerning the working environment than those with higher academic performance. This study includes WE to assess the relationship with JPS; therefore, the hypothesis posted as below;

H3: Working Environment (WE) has a significant relationship with accounting students' Job Selection Preferences (JSP) in Malaysia.

### **Research Framework**

Three independent variables used, namely, Starting Salary (SS), Employer Reputation (ER), and Working Environment (WE), to examine the factors affecting Job Selection Preferences (JSP), a dependent variable, as depicted in Figure 1 below.

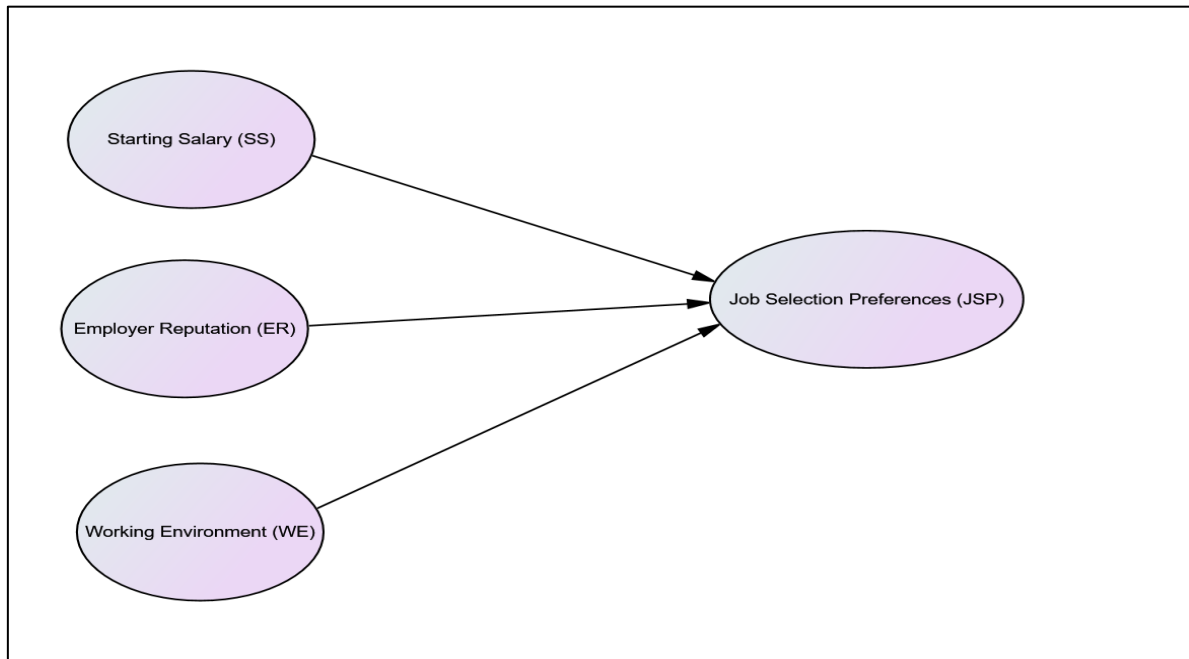


Figure 1: Research model of the factors affecting job selection preferences.

### Methodology

This study has employed a quantitative approach to examine the factors contributing to Job Selection Preferences (JSP). First, six accounting academic educators and professionals were assigned to examine the question's representativeness and suitability. Next, the respondent from the population was invited to confirm that all survey questions and instructions were clear and easy to follow correctly. Finally, the data collection was launched based on corrected questionnaires and was followed by correlation analysis. Using purposive sampling techniques, 443 questionnaires were received from the accounting student of Private and Public University in Malaysia. The respondents are required to determine the level of agreement based on the Five Point Likert Scale, from the lowest to highest, strongly disagree to strongly agree, 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree. Table 1 summarises the population and sample used in the study.

Table 1: The tabulated population and sample of the study (n=443)

Population	Population No.
UNITEN	243
MMU	236
UNISZA	260
UITM	265
Total	1004

### Measurement

The measurement of each construct is summarised in Table 2 as below:

Table 2: Summary of Variable Measurement

VARIABLES	MEASUREMENT	SOURCE
Job Selection Preferences (JSP)	The student's importance in selecting a job based on individual preferences.	Dimaki et al., (2005)
Starting Salary (SS)	The preferred choice of salary for fresh graduate expects to earn.	(Moy & Lee, 2002)
Employer Reputation (ER)	This measures the employer's reputation within a firm.	(Puncheva-Michelotti et al., 2018)
Working Environment (WE)	The student's preferences regarding the preferred working environment they would like to work in	(Mcgraw et al., 2012)

### Findings and Discussion

Table 3 portrays the demographic profile of the respondents. The result has shown that the majority of the respondents are female, aged between 21 to 23 years old, and Malays from both public and private universities. Next, respondents' academic achievement scores from public and private universities are between 3.50 – 4.00 and 3.00 – 3.49, respectively. Table 2 present the mean scores ( $\bar{x}$ ) of the constructs shown that the respondents were averagely agreed that starting salary, employer reputation, and working environment are important factors affecting job selection preferences for both public ( $\bar{x}$ , SS=4.21, ER=4.23, WE=4.33) and private university ( $\bar{x}$ , SS=4.16, ER=4.16, WE=4.26). WE appear as dominant factors perceived by accounting students in job selection.

Table 3: Demographic profile

Demographic	Details	Public University		Private University	
		Frequency	Percentage (%)	Frequency	Percentage (%)
Gender	Male	52	25.2%	56	23.6%
	Female	154	74.8%	179	75.5%
Age	Below 20	19	9.2%	38	16.0%
	21-23	163	79.1%	194	81.9%
	24-26	24	11.7%	5	2.1%
	Above 27	0	0.00%	0	0%
Race	Malay	184	89.3%	154	65.0%
	Chinese	5	2.4%	12	5.1%
	Indian	13	6.3%	67	28.3%
	Others	4	1.9%	4	1.7%
CGPA	Less than 2.00	0	0	2	0.8%
	2.01-2.99	22	10.7%	49	20.7%
	3.00-3.49	84	40.78%	108	45.6%
	3.50-4.00	100	48.5%	78	32.9%
Year of Study	Three	137	66.5%	151	63.7%
	Four	69	33.5%	86	36.3%

Table 4: Mean score of factors affecting job selection preferences

Constructs	Mean score	
	Public University	Private University
Starting Salary (SS)	4.21	4.16
Employer Reputation (ER)	4.23	4.16
Working Environment (WE)	4.33	4.26

Table 5 shows the result of the reliability test of all the constructs. Cronbach Alpha value shows exceeding the minimum acceptable level of Cronbach alpha of 0.70 for all variables. According to (Hair et al., 2010b, 2010a) any range of coefficient reliability ranges from 0.70 to 0.80 is considered a good result. The results demonstrated that coefficient of reliability,  $\alpha = 0.762$  to  $\alpha = 0.833$ . This indicates that all items used are reliable and free from the Common Method Variance (CMV).

Table 5: Reliability Statistics

Variables	Cronbach's Alpha	N of items
Starting Salary (SS)	0.762	5
Employer Reputation (ER)	0.833	6
Working Environment (WE)	0.830	8
Job Selection Preferences	0.787	4

Correlation analysis is performed to examine the relationship of SS, ER, and WE with JSP among accounting graduates of Malaysian public and private universities. Table 6 shows that the SS ( $r=0.502$ ,  $p=0.000$ ), ER ( $r=0.606$ ,  $p=0.000$ ) and WE ( $r=0.683$ ,  $p=0.000$ ) were appear significant with JSP of accounting graduates from public university in Malaysia. As for Malaysian private university, the result shown that SS ( $r=0.407$ ,  $p=0.000$ ), ER ( $r=0.480$ ,  $p=0.000$ ) and WE ( $r=0.553$ ,  $p=0.000$ ) were appear significant with JSP of accounting graduates from private university in Malaysia. Ghani et al., (2009) note a significant relationship between the starting salary and the preferences for work selection. The result supports the previous studies (Chan & Ho, 2000; Ghani et al., 2009; Moy & Lee, 2002) revealed significant results. Hence, this study concluded that SS, ER, and WE are the factors affecting JSP among accounting graduates from both public and private universities in Malaysia. Additionally, Table 7 presents the result of the Mann-Whitney U test to identify any significant differences in terms of public and private universities on JPS among accounting students. The result shows no significant differences ( $z = -1.952$ ,  $p=0.051$ ) in JSP of public university and private university accounting students in Malaysia (Moy & Lee, 2002).

Table 6: Correlation analysis of job selection preferences (n=443)

	SS	ER	WE	JSP
SS	1.000	.518**	.508**	.407**
ER	.608**	1.000	.622**	.480**
WE	.500**	.611**	1.000	.553**
JSP	.502**	.606**	.683**	1.000

Notes: \*\*. Correlation is significant at the 0.01 level (2-tailed), public university at the bottom, private university at the top.

Table 7: Mann-Whitney U test of job selection preferences among university (UA=Public university, US= Private university)

Status	Universities	Mean Rank	Sum of Ranks
Job Selection Preferences	UA	234.54	48314.50
	US	211.10	50031.50
		Job Selection Preferences	
Mann-Whitney U		21828.500	
Wilcoxon W		50031.500	
Z score		-1.952	
Asymp. Sig. (2-tailed)		0.051	

### Conclusion and Recommendation

The conclusion is reached based on 443 questionnaires completed by accounting students from different public and private universities. This study revealed that the respondents agree that SS, ER, and WE are the factors affecting their JSP. The result also concluded that WE has the highest average scores indicating that most of the respondents perceived that WE are an important factor in selecting their job, in both contexts, public and private universities. The correlation analysis also confirmed a significant positive relationship between SS, ER, and WE with the JSP for both universities and no significant difference in terms of the public and private universities on JSP. Overall, this study accepts all the hypotheses developed earlier. This study is not without limitations. One such limitation is the sample size. The target respondent is limited to three and four years of study. Improving the sample size to a broader population will strengthen the outcome of the result. Another limitation is that the data are from a single perception. The result might be more generalised if multiple perceptions was considered. This study makes several contributions. First, it provides empirical evidence that WE appear essential factors in selecting jobs among future accounting graduates. This study helps professional bodies, potential employers strategize the business environment, focusing on integrating the process and physical environment, which might impact service performance.

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