

The Impact of COVID-Pandemic and Media on Sustainability and Employee Retention, In Malaysian Industries

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Abstract

This study aims to suggest a framework to the Malaysian industries toward guiding the industries, companies and individuals forward sustainable industries and retained labour workforce. There are two significant factors influencing the economy of the country have been predicted by Pandemic-COVID-19 and media. Thus, quantitative method was employed in this research through collecting online survey from 421 employees from different Malaysian industries. The data analyzed via SPSS and AMOS for both descriptive analysis and hypothesis testing. The findings of this are, Pandemic COVID-19 negatively influencing the sustainability, employee retention in the Malaysian industries. As well as Media is also negatively impacting the sustainability of the Malaysian industries and employee's retention. In addition, the research recommended future researcher to explore each of the model's variables for detailed models to be implemented in the different countries and industries. And specify an industry in Malaysia to be examined.

Keywords: Covid-Pandemic, Sustainability, Employee retention, Media, Malaysia, Manufacturing

1. Introduction

The current situation in the whole world concerning the planners, strategies, goals and transactions of the strongest economies and countries. The real threat for each of these economies is being stable a while till the end of the crisis. One of known developing economies is the Malaysian economy, needed for consistent higher performance to keep going on which it could only achieved by sustainability and talents retention. The transformation of the economy contributes significantly to the country exportation, gross domestic product (GDP) and employment creation at a different level of skill (Itasari, 2020). Recently in 2019 a percent of 22.1% gross domestic product accounts for the Malaysian manufacturing industry (Department of Statistics, 2019).

The industries in Malaysia needed for sustainability and consistency as have been mentioned in the previous studies and in the current situation is a bit hard to ensure these environments (Jaafar, & Noordin, 2020). Toward leading and pioneering the neighbouring countries Malaysian shall work further on the industries not just holding it up as it is (Zid, et al., 2020; Shahbaz, et al., 2020).

As well as , media is rolling the action and reaction of the employees and citizen in the country. Thus, both COVID-19 and media plating an important and effective turn on the employee's attitude and decisions (Humisa & Srivastava 2015). Thus, the unsustainable consumption and production negatively effect the Malaysian industries toward higher retention and sustained performance (Mohamed, & Rasnan, 2021).

2. Research Problem

According to the department of statistics Malaysia in the first quarter of 2020 there was an issues in the sustainability of the industries which reported a decline in all the industries in 2020. Followed by retention indicated by a high turnover ratio and up to 150,000 employees lost their jobs during the pandemic due to the financial crisis and lockdown only as reported and announced by the Malaysian media. Bank negara Malaysia expect GDP growth from 4.3 in 2019 and -2 in 2020 looking to return back the performance and production in the Malaysian industries. According to the ministry of finance there is a decline in the production, importation and exportation of all the industries in the country in 2020, amongst these industries which it effect significantly and crucially the Malaysian economy such as service sector, tourism and manufacturing industry. Stated in Oxford economics/Haver Analytics, 2021 Malaysia is not the best country in term of performance amongst (Malaysia, Philippines, Thailand, Singapore and Indonesia). The department of statistics, Malaysia reported an increase in the unemployment rate and increasing inflation in the country 2021.

Therefore, the Malaysian industries shall work hard on sustainable performance and retaining their skilled and talented employees to be able to compete and continue in the market (Ngu, Lee, & Osman, 2020). There is a lack of concern by the researcher about the impact of media on the decisions and attitude of the Malaysian employees (Ngu, Lee, & Osman, 2020), the Malaysian employees have been hearing negative vibes and weird news about the working conditions in the country and some others who attained better opportunities in this lockdown. Thus, the researcher is aiming to provide further to the knowledge body and provide sufficient literature, provide a model to be studied, and exploring the media impact on the sustainability and ratio of the employee in the country in the different industries. The increasing percent of turnover and spreading the horrible news amongst the citizen could cause loss in the Malaysian staffing and effect the Malaysian economy later on (Ngu, Lee, & Osman, 2020).

3. Literature Review

The Malaysian industries showing unsteady Gross Output in the last two years due to the pandemic of COVID-19,20 (Department of Statistics (DOS) 2017). The pandemic caused unstained salary and payments which cause an issue in the sustainability of the employees, which some of them start private business. Besides, the media is playing a role in not giving a hope or a chance to the employees to bear some burdens and share the responsibilities and obligations with the organizations.

Surely, sustainable performer and employee retention is not the concern of the moment, but it's been the concern for the last few decades in Malaysia (Singhal, Tripathy, & Jena, 2019; Kadhim, et al., 2020) these two studies stated some useful strategies and suggested models to be implemented in the country to serve the sustainability of the performance and retain the talents, knowledgeable and skilled employees. Sustainable performance have been revealed in the last four decades (Ibrahim & Ali, 2019) and currently is playing a crucial role toward the betterment of the economies and performance. Today, there is no standard definition of sustainable performance among scholars and literature as different researchers defined sustainable performance in a different perspective of view (Fatimah, et al., 2020; Yoshino, Taghizadeh-Hesary, & Otsuka, 2021).

Although various researchers had defined the concept of sustainability in a different perspective of view, the three fundamental dimensions of sustainability (economic, environmental, and social) and its benefits in human development are well accepted by all researchers (Chang & Cheng, 2019; Al-Suraihi, et al., 2020). The design of human and industrial systems to ensure that humankind's use of natural resources and cycles do not lead to diminished quality of life due either to losses in future economic opportunities or to adverse impacts on social conditions, human health, and the Environment (Melhem, 2016; Alaarj, Mohamed, & Bustamam, 2016). Media also is a factor also effecting the sustainability of Malaysian industries and retention of the employees.

Employee retention concept started to appear in business in the 1970s. Employee retention means the ability of an employer to retain employees in the company (Melhem, 2019). Employee retention as a process to encourage employees to remain in the organization for the maximum period of time (Ibrahim, Ali, & Zumrah, 2019). Employee retention is one of the cost saving measures for the company. Retaining existing employees help to save company cost. Employee retention is the important backbone assets for the company. According to the previous mentioned studies the employment rate is important as well because any decrease in the unemployment rate is due to the increase in employee turnover.

Powerful recognitions are needed to retain talent. This theory emphasizes that performance management is contributed by employee retention, which engagement and retention improve and boost the company performance. Retaining talented, skilled, and expert's employees would be reflected on the total performance, quality, efficiency, effectiveness and productivity of the firm (Alaarj, Mohamed, & Bustamam, 2017). The organization performance is depending on health and productivity of the employee individually (Hee, & Rhung, 2019).

Media contribute to sustain and spread the good vibes and hopes amongst the citizen as well as providing suggestions, plans and strategies to the organization's ad individuals through sharing other's experience and implement it in the country (Spurk, & Straub, 2020). The citizen engagement to the media shall be positively affecting their attitude and decisions through innovative and creative notions might be coming through to enhance the ability of the workforce in the countries (Islam et al., 2021).

4. Research Methodology

The figure below presents the variables of the conceptual model of this study.

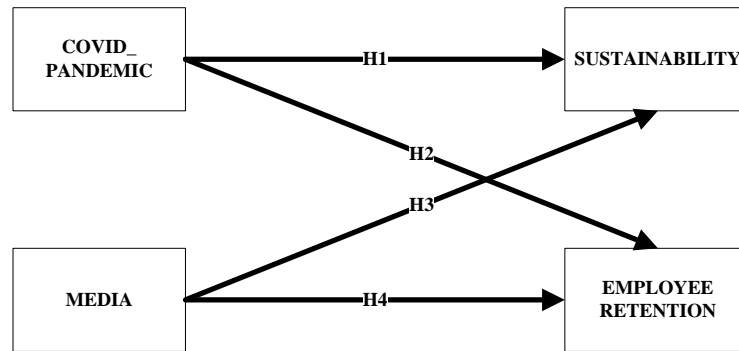


Figure 1: Framework of the study

- H1: There is a significant impact of COVID-Pandemic on sustainability of the Malaysian industries.
- H2: There is a significant impact of COVID-Pandemic on employee retention in the Malaysian industries.
- H3: There is a significant impact of Media on sustainability in the Malaysian industries.
- H4: There is a significant impact of Media on employee retention in the Malaysian industries.

5. Results

The first section of the results will focus on the validity and reliability of the research items representing each of the variables.

Table (1): Reliability and Validity

	Sustainability	Employee Retention	Media	COVID- Pandemic
Cronbach Apha	0.724	0.932	0.701	0.758
Mean	2.673	2.201	2.392	2.502
Median	1.603	1.588	1.204	1.388
Skewness	.248	-.220	-1.359	-1.299
Kurtosis	-1.004	1.673	.194	1.093
KMO	.923	.962	.967	.910

The Cronbach Alpha value indicates the reliability of the items which it's been nine items representing sustainability variable scored 0.724 which is above 0.7 according to (Hair., et al., 2016), 13 items representing Employee Retention scored 0.932, seven items representing Media scored 0.701 and finally seven items representing COVID-Pandemic with a score of 0.758. These results shows that the items of the study are reliable for further analysis. In term of validity the mean and median of all the variables was accepted, both Skewness and Kurtosis recommended to be not more than 7.0 and not less than -7.0 (Kline & B, 2016). Finally, KMO scores for all the variables above 0.9 (Kaiser, 1974).

The hypothesis testing conducted via Structural Equation Modeling (SEM) because the model constructed with three dependent variables and a huge number of online responses, the table below presents some of the most important and crucial scores identifying the significance and goodness of the model.

Table (2): Model's Summary

Model	R	R Square	Adjusted R Square	Sig
1	0.624	0.609	0.602	0.000

This table summarizing the acceptance and goodness of the model indicated in R value of 0.624 followed by less R square value of 0.609 and less Adjusted R square value of 0.602 then a significant model with 0.000 significancy value. Moving to the next hypothesis testing via SEM (AMOS) the results was as below:

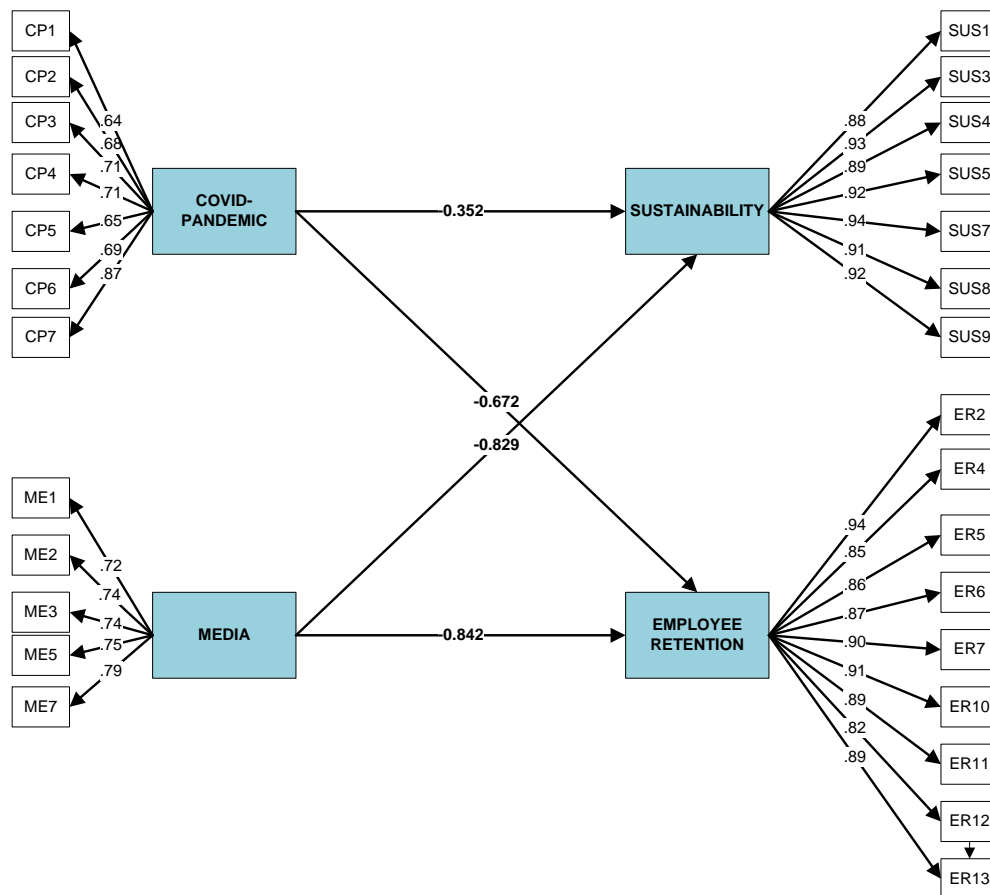


Figure 2: AMOS results

The examination resultant with high estimation value of the relationships (COVID > SUSTAINABILITY, COVID > EMPLOYEE RETENTION, MEDIA > SUSTAINABILITY, MEDIA > EMPLOYEE RETENTION) respectively as (-0.352, -0.672, -0.829, -0.842). The table below presents the crucial values to identify the significance of the model. Through the confirmatory factor analysis for each variable there were variables which it must be eliminated for the goodness of the model such as (ME4, ME6, SUS2, SUS6, ER1, ER3, ER8, ER9). The result after the deletion is below in the table:

Fit Measurement Criteria	Score	Accepted score
RMSEA	.005	≤ 0.08
CMIN/DF	1.289	≤ 3
CFI	.989	≥ 0.9
TLI	.978	≥ 0.9
PCLOSE	.547	> 0.05

The criteria of measurement as stated above are indicating a goodness of the model for all the values (RMSEA, CMIN/DF, CFI, TLI, PCLOSE), and chi square value of 32.104. all of these values conclude that this is a significant model could be observed and explored in several industries and countries. But the effect of the independent variables on the dependent variables is negative and significant.

6. Discussion

After the results of the analysis in the previous section, there is an impact of COVID-PANDEMIC on each of the sustainability and employee retention significant and negatively in the Malaysian industries. Due to COVID-Pandemic the Malaysian employees are not able to ensure their presence in the same organization for the current month or year, those talented employees who have been fired created a gap in the organizational performance and creativity and innovativeness chain. The Malaysian industries influenced by the pandemic

COVID-Pandemic which effects the employee retention and sustainability of the industries in the country too, due to several conditions and changes in the working-environment. Thus, the unsustainable employees and unsustainable performance surely result into unsustainable organizations and economy. This study attempts to discuss this issue because it's necessary to be aware of to be able to continue developing the country. This kind of research might lead the researchers to a point of adapting the latest style of work fitting the current situation.

In addition, media is playing role in Malaysia toward the employment and employee's decisions and attitude, while it supposedly serve the industries and provide plans, strategies and solutions to the citizens and talented, skills and experts in the countries regardless local or international. Media could also make the country and the industries a ware of the upcoming talents war, there would be a competition on the skilled employees to make up a differentiation from others and being leader of the organizations. unfortunately, according to the distributed questionnaires media and covid-pandemic negatively impacting retention and sustainability which is indicating worse situation and future in the coming years.

7. Limitation and Direction for Future Research

This model is not implementable in countries and industries, the researcher faced the issue of not getting detailed instruction to implement the model in the industries. This model needed for experiment and further studies to be developed and structured to fit the organizational structure. For further future research there should be many studies to reexamine the variables of the study in details and reach to the point of how to overcome this crisis and pandemic in Malaysia by these variables. This model should be studied in each industry separately to serve the goodness of the country's economy.

8. Conclusion

This study concludes that there is a huge impact of Pandemic COVID-PANDEMIC on the Malaysian economy generally (sustainability and employee retention). As the sustainable organizations are the base and strengthen forward a sustainable economy, the employment rates in the country are important too in the different industries. More further losing skilled, talented and experts' employees will impede the innovativeness of the firms. Media must serve these industries and being the connection tunnel and the method of advising and guiding the audiences toward the betterment of the country's future and goals accomplishment. In other countries such as chain and Italy media played very crucial and important role to overcome the crisis successfully. This model should be concerned and explored in the future for further guidelines to the betterment of the Malaysian industries.

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