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**MALAYSIAN ELDERLY PERCEPTIONS ON CONTRIBUTION
 TO HUMAN CAPITAL DEVELOPMENT ***

This study explores the perceptions of Malaysian elderly and their self-efficacy in continuing their contributions to human capital development after retirement. The questionnaires were distributed to 219 respondents still contributing to society. The findings indicate that the elderly with bachelor's degrees and above are more likely to contribute to the society. In addition, motivation to occupy time, to get more money, credit commitments and others are also important determinants of the willingness of the elderly to contribute to the society.

Keyword: elderly; human capital; Malaysia.

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**СПРИЙНЯТТЯ ЛЮДЬМИ ПОХИЛОГО ВІКУ МАЛАЙЗІЇ
 ВЛАСНОГО ВНЕСКУ У РОЗВИТОК
 ЛЮДСЬКОГО КАПІТАЛУ КРАЇНИ**

У статті описано сприйняття та самооцінку людей похилого віку у Малайзії щодо власного внеску у розвиток людського капіталу після офіційного виходу на пенсію. Для збору даних проведено опитування 219 пенсіонерів, що продовжують працювати. Результати аналізу даних показали, що пенсіонери з вищою освітою частіше продовжують працювати після виходу на пенсію. Іншими важливим факторами продовження працевлаштування у пенсійному віці є: мотивація якісно провести час, потреба у додаткових коштах, залежність від кредиту тощо.

Ключові слова: люди похилого віку; людський капітал; Малайзія.

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**ВОСПРИЯТИЕ ПОЖИЛЫМИ ЛЮДЬМИ МАЛАЙЗИИ
 СОБСТВЕННОГО ВКЛАДА В РАЗВИТИЕ
 ЧЕЛОВЕЧЕСКОГО КАПИТАЛА СТРАНЫ**

В статье описаны восприятие и самооценка пожилыми людьми в Малайзии собственного вклада в развитие человеческого капитала после официального выхода на пенсию. Для сбора данных проведён опрос 219 работающих пенсионеров. Результаты анализа данных показали, что пенсионеры с высшим образованием чаще продолжают работать на пенсии. Другими важными факторами продолжения работы в пенсионном возрасте являются: мотивация занять время, потребность в дополнительных средствах, зависимость от кредита и др.

Ключевые слова: пожилые люди; человеческий капитал; Малайзия.

Introduction. Malaysia's total population of older persons in the year 2012 was 8.2% of the total population of the country (2.4 mln out of 29.34 mln). With declining fertility and longer life expectancy, Malaysia's population is ageing. By 2030, Malaysia will be in the category of ageing nations with older persons constituting more than 15% of the population. According to the Department of Statistics Malaysia

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(2010), the average life expectancy of the Malaysians had risen to 76.6 for females and 71.7 for males. As such it can be seen that a high percentage of individuals in the category of the elderly would still find themselves fit and healthy even after retirement, thus enabling them prolong their careers.

There is a growing urgency for many Asian countries including Malaysia to design and implement effective programmes and policies due to rapid population ageing in Asia (Westley, Lee and Elliot, 2000; Mason and Lee, 2011). This study explores the Malaysian elderly perceptions and their self-efficacy in continuing their contributions to human capital development even after retirement. We believe this study will provide insights to policy makers on the importance of providing avenues for the elderly to contribute to national development through employment or inter-generational programs according to their experiences and skills.

Literature review. According to the human capital theory, education or training increases the productivity of workers by imparting useful knowledge and skills, thereby raising workers' future income by increasing their lifetime earnings (Becker, 1964). On the job training and apprenticeship are also means of education that lead to individual and national economic growth (Sweetland, 1996). Elderly people would have accumulated experiential knowledge and skills over their career years which would lead to greater productivity in their area of expertise (Lynch, 2001).

Elderly people are known to be prevalently contributing to human capital development across both developed and developing countries (Lynch, 2001; Gruber and Wise, 2001; Kanfer and Ackerman, 2004). The participation rate of the elderly in the labour market has also increased remarkably (Aisa, Pueyo, and Sanso; 2012; Mason and Lee, 2011; Westley, 2000; Lynch, 2001; Gruber and Wise, 2001; Kalwij and Vermeulen, 2008; Cameron and Clark, 2005; Pang, Brauw and Rozelle, 2004).

Both personal and organisational determinants shaped older workers' employability and contributions to human capital development. These personal factors comprised older workers' capacities which include their educational levels, interests, expectations, concerns, and the effort they were willing to exercise in their ongoing learning, while organisational factors included the opportunities for employment, advancement opportunities provided by employers, and the support provision for learning (Billet et al., 2010). Factors like financial needs, independence, dignity and the enjoyment of working, gender, high monthly expenses, previous employment, and spouse's labour force participation status determine elderly contributions to human capital development in Malaysia (Chan et al., 2010; Ling and Fernandez, 2010).

Policies on elderly people. Each and every nation has programmes and policies designed specifically for the benefit and welfare of the elderly. The policy on mandatory retirement age also varies among Asian countries where the retirement age ranges from 50 to 65. In Malaysia, the retirement age was extended to 60 years in 2012. There are a few formal protection schemes in Malaysia like the Employees Provident Fund (EPF) and the Social Security Organization (SOCSO), the Government Pension Scheme for Civil Servants and the Old Age Benefit Scheme for the Armed Forces (Chan, 2010). These provide coverage for the formal sector while this provision is not mandatory for the informal sector (Caraher, 2000; Sim, 2001).

EPF, a publicly mandated savings plan with contributions shared between employers and employees, plays a central role in the provision of income security for

the elderly in Malaysia (Caraher, 2000). Pension is a non-contributory social security scheme for civil servants with its expenditure borne by the Federal Government through annual allocation from the Federal Budget. It acts as the pay-as-you-go plan whereby an employee who has served at least 10 years is entitled to receive a life-long monthly pension upon retirement. In 1995, the Malaysian Government formulated the National Policy for the Elderly with the objective of upgrading the dignity and self-worth of senior citizens within the family, society and nation, and improving the potential of the elderly so that they could continue to be productive (Sim, 2001).

Data and methodology. Questionnaires were administered to 229 elderly in Selangor basing on purposive sampling technique. The elderly here are those retired but still working. This includes those who had opted for early retirement but were still working or self-employed, whose age may be below 60 years. Currently, the mandatory retirement age for Malaysians is 60 years. A pilot test was administered to 30 respondents and the reliability analysis resulted in the Cronbach alpha value of 0.6543 which indicates that the data is reliable for further analysis. The descriptive and inferential statistics are presented in the subsequent section.

Findings. Table 1 shows the demographic profile of respondents. Table 2 displays the number and % of elderly respondents' previous and current occupations. A majority of the respondents used to work as academics before retirement whereby 67% of them were teachers and 60% – lecturers. 11.4% used to work as consultants, followed by 5.9% who were principals and 4.6% who used to serve in managerial and other jobs respectively. Most of the elderly respondents became tutors (35.6%) with only 1.8% continuing to work as teachers after retirement. 27.4% became lecturers while 16.9% became consultants after retirement. This might be due to high involvement of both active and retired teachers in tutoring services (Kenayathulla, 2013).

Data summarized in Table 3 show that the majority of respondents in this study earned income ranged between 1,000 RM to 5,000 RM in both their previous (58.9%) and current jobs (52.5%). The frequency and % of elderly people who earned below 1,000 RM and above 10,000 RM in their job before retirement increased up to 18.2% and 9.1% respectively in their current jobs. On the other hand, the % of elderly people whose income were between 1,000 RM to 5,000 RM and between 6,000 RM to 10,000 reduced up to 6.4% and 21.1% respectively in the current earning scale.

Table 4 provides data on the number and % of various other sources of income besides direct income earned. The majority of the respondents (64.8%) received other income in the form of pensions. 31.1% received additional money from their children while 26.5% had dividends. Majority of them earned additional income in the form of pensions, same as in (Westley et al., 2000; Masud et al., 2008). A substantial proportion of the elderly received monetary contributions from their children and other family members, same as in (Masud et al., 2008; Sulaiman and Masud, 2012).

Table 5 presents data on the number and % of the elderly respondents' financial commitments. Most respondents had financial commitments in the form of credit card debts (29.7%) or home loans (25.1%). 3.7% of them were committed by study loans. Financial need is one of the reasons why elderly people in Malaysia choose to work after retirement (Masud et al., 2008; Chan, 2010; Sulaiman and Masud, 2012).

Table 6 displays data on the number and % of various motivating factors associated with elderly workers contributions to human capital development. It was found

that more than half of the sample (60.7%) indicated they were motivated to work after retirement because they wanted to spend their time productively. Another important factor that motivated them work was money as 50.2% of the respondents answered they were motivated to work after retirement because they could earn more money. 43.4% of the respondents were motivated to continue working after retirement for their own satisfaction, while 25.6% were motivated in terms of contribution to society.

Table 1. The elderly respondents' demographic profile, authors'

Demography	Frequency, n	Percentage, %
<i>Gender</i>		
Male	136	62.1
Female	83	37.9
<i>Age</i>		
51–60	50	22.8
61–70	157	71.7
71–80	12	5.5
<i>Ethnicity</i>		
Malay	72	32.9
Chinese	61	27.9
Indian	82	37.4
Other	4	1.8
<i>Education level</i>		
Bachelor's Degree	73	33.3
Master's Degree	16	7.3
PhD	37	16.9
SPM	75	34.2
Primary and below	18	8.2
<i>Non-working dependents</i>		
None	62	28.3
1–2 persons	142	64.8
3–4 persons	12	5.5
5–6 persons	1	0.5
7–8 persons	1	0.5
9–10 persons	1	0.5
<i>Years worked after retirement</i>		
1–5	120	54.8
6–10	70	32.0
11–15	22	10.0
16–20	6	2.7
21–25	1	0.5
<i>Weekly working hours</i>		
1–20	99	45.2
21–40	96	43.8
41–60	19	8.7
61–80	2	0.9
81–100	3	0.5

Table 7 shows the elderly respondents' perceptions about their contribution to human capital development. The results indicate that the vast majority of respondents (97.3%) agree and strongly agree that they feel valued since people trust them to perform work. 96.8% respondents agree and strongly agree they have the skills and

knowledge that could be shared with others. 79.5% disagreed and strongly disagreed that they felt stressed because they still had to work at that age.

Table 2. The distribution of frequency and percentage of elderly respondent's previous and current occupations, authors'

Occupation	Previous		Current	
	n	%	n	%
Teacher	67	30.6	4	1.8
Principal	13	5.9	-	-
Administrator	9	4.1	-	-
Technical staff	5	2.3	-	-
Managerial staff	10	4.6	-	-
Clerical staff	7	3.2	3	1.4
Own business	4	1.8	9	4.1
Tutor	1	0.5	78	35.6
Lecturer	60	27.4	60	27.4
Lawyer	6	2.7	3	1.4
Consultant	25	11.4	37	16.9
Doctor	1	0.5	1	0.5
Engineer	1	0.5	-	-
Other	10	4.6	24	11.0

Table 3. Distribution of frequency and percentage of elderly respondents' previous and current incomes, authors'

Income (RM)	Previous		Current	
	n	%	n	%
Below 1,000	12	5.5	52	23.7
1,000 to 5,000	129	58.9	115	52.5
6,000 to 10,000	68	31.1	22	10.0
Above 10,000	10	4.6	30	13.7

Table 4. Distribution of frequency and percentage of elderly respondents' other sources of income, authors'

Other sources of income	Elderly respondent with positive other income		Elderly respondent with zero other income	
	n	%	n	%
Rental received	32	14.6	187	85.4
Royalties	14	6.4	205	93.6
Dividend	58	26.5	161	73.5
Transfer from children	68	31.1	151	68.9
Pension	142	64.8	77	35.2
Other	31	14.2	188	85.8

These results show that besides the employers' trust in their ability to perform, the elderly workers' opinion that their skills and knowledge could be shared with others in the society are among the most important factors that influenced their contribution to human capital development. In contrast, Y.-F. Chan and J. Masud (2007) reported that Malaysian human resource personnel were more likely to perceive elderly workers negatively (unable to work extra time when required, not energetic, not innovative, slower workers) rather than positively (skillful and thorough, calm, trust-

worthy and reliable, good problem solvers, obedient, able to adapt and less sick leaves). Nevertheless, enjoyment of working (Chan, 2007), opportunities to transfer knowledge and skills (Harper et al., 2006) are found to be important determinants of elderly contributions to human capital development.

Table 5. Distribution of frequency and percentage of elderly respondents' financial commitments, authors'

Financial commitment	Elderly respondent with existing commitment		Elderly respondent with zero commitment	
	<i>n</i>	%	<i>n</i>	%
Car loan	38	17.4	181	82.6
Home loan	55	25.1	164	74.9
Study loan	8	3.7	211	96.3
Credit card	65	29.7	154	70.3
Other	19	8.7	200	91.3

Table 6. Distribution of frequency and percentage of various motivating factors associated with elderly contribution to human capital development, authors'

Motivating factor	Elderly respondent with positive motivation		Elderly respondent with zero motivation	
	<i>n</i>	%	<i>n</i>	%
Money	110	50.2	109	49.8
Satisfaction	95	43.4	124	56.6
Occupy time	133	60.7	86	39.3
Contribution to society	56	25.6	163	74.4

Table 7. Respondents' perceptions of their elderly contribution to human capital development, authors'

Item	Strongly disagree		Disagree		Agree		Strongly agree		No opinion		Mean	Std. dev
	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%	<i>n</i>	%		
16A: I am happy that I can still contribute to the society	4	1.8	7	3.2	94	42.9	113	51.6	1	0.5	3.46	.66
16B: I have skills and knowledge that can be shared in the society	4	1.8	3	1.4	82	37.4	130	59.4	0	0.0	3.54	.62
16C: I feel satisfied that even at this age I can earn to support me and my family	4	1.8	9	4.1	86	39.3	120	54.8	0	0.0	3.47	.67
16D: I feel valuable since people are trusting me to perform the job	5	2.3	1	0.5	100	45.7	113	51.6	0	0.0	3.47	.63
16E: I feel more energetic when I work	4	1.8	15	6.8	85	38.8	102	46.6	13	5.9	3.48	.79
16F: I am stressful that I still have to work at this age	70	32.0	104	47.5	22	10.0	10	4.6	13	5.9	2.05	1.07

Further analysis has been conducted to understand the determinants of the willingness of the elderly to contribute to society (Table 8). The logistic regression results indicate that the coefficient for age, number of dependents and genders are not statistically significant meaning they are not important determinants of the willingness to contribute to human capital development. The findings show that the coefficient for "commitment to others" is statistically significant since they might not have commitment to home or car at this age. However, the coefficient for commitment to card is statistically significant at 10% level. They might possess credit cards and have commitment to pay off credit cards debts. In addition, education of the elderly is proven to be an important determinant in their willingness to contribute. The elderly with bachelor's degrees and above were more likely willing to contribute. This might be because academicians and those in the corporate sector can continue their employment on the contract basis. In terms of motivation, the coefficients for "motivation for money" and "motivation for time" are statistically significant at 10%. Thus, the willingness of the elderly to contribute is determined by their motivation to get more money and occupy their time. When the model was run again with an extra variable, "current income", the findings showed that current income is positive and statistically significant. This means that that the elderly with positive income are more likely to be willing to contribute to human capital development. The results for all other coefficients are the same as the first model.

Table 8. Logistics regression estimation results of the willingness of the selected elderly in Malaysia to contribute to human capital development, authors'

Willing	Coef.	Std. Err.	Coef.	Std. Err.
Age	(0.08)	0.08	(0.05)	0.08
Dependent	(0.22)	0.22	(0.20)	0.23
Male	(0.40)	0.76	(0.24)	0.79
comm_car	1.10	0.82	1.42	0.88
comm_hom	(1.13)	1.00	(1.32)	1.11
comm_crd	1.14*	0.93	1.98*	1.08
comm_oth	2.06***	0.84	2.08***	0.91
degreeNabov	1.82***	0.83	1.15***	0.88
cur_inc			1.44***	0.66
mot_mone	(1.63)*	0.83	(1.71)*	0.92
mot_sat	(1.44)	0.92	(1.54)	1.00
mot_time	(1.42)*	0.80	(1.59)*	0.83
_cons	9.05	6.25	3.95	7.10
Number of observation	219		219	
Pseudo R^2 /adjusted R^2	0.2463		0.308	

Conclusion and implications. Overall, the findings indicate that the elderly who are educated are mostly working as tutors and lecturers. This might be because in Malaysia, lecturers can be appointed as senior research fellows after retirement, on the contract basis. Similarly many retired teachers choose to tutor since there is high demand for tutoring in the country. However, there should be more opportunities provided to the retired to teach at schools since class sizes are still large. More individualized attention could be given to students if teacher assistants could be employed

to help those who are weak and need extra support. The findings of this study also indicate that a majority of the elderly would like to share skills and knowledge they had accumulated throughout their career life. This is mainly driven by their motivation to use their time productively and to earn additional money. In addition, their willingness to participate is also driven by their commitment to credit and other factors. Thus, the elderly should be given the right channel to transfer their skills and knowledge to develop quality human capital as needed by our nation.

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