

The Impacts of Remuneration on Employee Retention and Job Satisfaction among Private Higher Education Institutions' Lecturers

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ABSTRACT

This research investigated the remuneration's impacts on employee retention and job satisfaction among Private Higher Education Institutions' lecturers in Sarawak, Malaysia during the Covid-19 pandemic. A theoretical model with Remuneration, Employee Retention, and Job Satisfaction was proposed, with a significant effect on Remuneration Satisfaction among institutions' academic employees. Using Microsoft Form, this study surveyed two hundred and five academic employees from nine institutions. The findings revealed a significant relationship between Remuneration and Job Satisfaction and a significant relationship between Employee Retention and Job Satisfaction. However, there is no significant relationship between Remuneration and Employee Retention. The findings shed light on the need for the institutions to



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improve their remuneration systems to increase job satisfaction and employee retention among their academic employees.

Keywords: *Remuneration; employee retention; job satisfaction*

INTRODUCTION

Coronavirus Disease-2019 (COVID-19) is an unprecedented health crisis that has shaken the entire world, causing immense fear and uncertainty. This crisis began in the city of Wuhan, China, which witnessed an outbreak of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) in December 2019, which has since spread rapidly, prompting the World Health Organization (WHO) to declare it a global pandemic on March 11, 2020 (Rume & Islam, 2020). For example, in Malaysia, in September 10, 2021, new Covid-19 cases were reported above the 21,000 cases with Sarawak having 3,734 of its people infected in a single day (Salim, 2021).

During the COVID-19 pandemic, one of the negative impacts was the difficulty for most organizations in the United States, Canada, European Union, and United Kingdom to retain skilled employees, and indeed this has negatively deteriorated an organization's performance (Aguinis & Jing, 2021). For instance, most organizations in times of crisis, reduced the number of employees to reduce costs during the pandemic while also expecting greater resilience from remaining talented employees, resulting in job burnout among them (Dirani et al., 2020). Hence, it is necessary to monitor employee performance to stay competitive in a Volatility, Uncertainty, Complexity, and Ambiguity (VUCA) environment (Parke et al., 2018).

Remuneration is known as the benefits provided by an organization to its employees, which include wages and rewards for the employees, with the perception that a good and attractive remuneration will increase the organization's productivity and competitiveness (Onyekwelu et al., 2020). As stated in the Report of the Special Cabinet Committee of Salaries for the Public Sector 1991, Malaysia, the remuneration components consist of basic salary, fixed allowances, and a variable component ("Public Service Department Malaysia," n.d.).

Instead of using the term of remuneration, researchers such as Bessette (2014) uses compensation to describe the resources that consist of base compensation, pay incentives, and benefits or indirect compensation that employers offer to attract, motivate and retain employees in an organization's human resources strategy. Besides that, Pregnolo et al. (2017) recommend organizations to create customised reward elements that consist of benefits, performance and recognition, remuneration, and career advancement to be part of the retention strategy in reducing organizations' high turnover. Kaliyamoorthy et al. (2018) highlight that remuneration is one of the most effective tools for attracting and retaining talented employees. Therefore, organizations should review their remuneration and other benefits on a regular basis in comparison to an industry standard.

COVID-19 has required organizations to review new remuneration, identify appropriate remuneration, determine proper terms and conditions, and modify the existing remuneration and benefits adjustment (Inuaesiet et al., 2021). In particular, the pandemic has had an immediate effect on education, including higher education in Malaysia (Azman & Abdullah, 2021). Undoubtedly, the university is a key higher education institution, which is among the vital service sectors to provide a better perspective workforce for its students (Al-Kumaim et al., 2021).

In view of the importance of sustainability of higher education institutions in times of crisis, this research aims to investigate the remuneration's impacts on employee retention and job satisfaction among Private Higher Education Institutions' (PHEIs) lecturers in Sarawak, Malaysia during the COVID-19 pandemic. The research objectives (ROs) are as follows:

- RO1: To identify the level of pay satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.
- RO2: To determine the rate of employee retention among PHEIs in Sarawak during the COVID-19 pandemic.
- RO3: To ascertain the level of job satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.
- RO4: To examine the impact of remuneration on employee retention among PHEIs in Sarawak during the COVID-19 pandemic.

RO5: To study the impact of remuneration on job satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.

RO6: To evaluate the relationship between employee retention and job satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.

LITERATURE REVIEW

Underlying Theory

Adam's Equity Theory, also referred to as the Equity Theory of Motivation, was established in 1963 by workplace behavioural American Psychologist Stacey Adams. This theory consists of two parts: procedural justice and distributive justice (Pritchard, 1969). The concept of equity theory is based on the idea that fairness motivates employees (Chepkwony & Oloko, 2014). In other words, equity theory suggests that if employees perceive unfairness between themselves and colleagues, they will change their effort to make the situation more equitable from their perspective (Disley et al., 2009).

Firstly, procedural justice comprises of employees' fair judgments about decision-making processes in allocating organizational rewards and is positively related to work outcomes (Kim & Beehr, 2020). Kim and Park (2017) state that procedural justice influences employees' work engagement, knowledge sharing, and innovative work behavior. Moreover, Lee et al. (2017) state that employees are more likely to accept organizational changes in values and goals when procedural justice is in place. They are also more likely to adjust to demands from outside change. Besides that, for another study conducted on 346 full-time US employees, Kim and Beehr (2020) discovered that employees were more likely to feel empowered and self-worth in procedurally fair work environments.

Secondly, distributive justice describes how an employee perceives the fairness of an outcome that they receive (Moorman, 1991), and the comparison of their perceptions with the actual result (Smith et al., 2019). Campbell et al. (2013) state that the distribution of resources such as objects, conditions, energy, or personal characteristics help workers achieve their objectives and safeguard their well-being, which is related to

how distributive fairness is perceived. Distributional fairness favours organizational civic behaviour and reputable personnel retention, as seen within the South African financial services sector (Smith et al., 2019).

Types of Remuneration

Most organizations typically enforce three types of remuneration: Skill-Based Pay (SBP), Performance-Based Pay (PBP), and Seniority-Based Pay (SBP). Skill-based pay rewards employees for learning new skills and proving their mastery of them. Employees are entitled to receive the wage boost regardless of whether or not they utilise their acquired talents while performing their normal duties (Gupta & Shaw, 2001). A study that was funded by the American Compensation Association, and conducted by Shaw et al. (2005) discovered that SBP plans are more successful and sustainable in manufacturing facilities than in-service facilities. In manufacturing plants, SBP implementation is simpler and easier. As a result, these settings ought to be more productive, adaptable, and economical than service facilities. For example, based on a study conducted by Wan (2008) in multinational companies in Malaysia, high-demand employees with specialised skills may be able to negotiate a better wage, additional benefits, or a larger bonus.

Performance-based pay (PBP) or pay-for-performance (PFP) is defined as providing financial remuneration to an employee that is directly tied to their own, their team's, or their organization's performance (Boachie-Menash & Dogbe, 2011). PBP views performance as the major factor in determining pay raises (Shaw & Gupta, 2007). PFP scheme is commonly used throughout Asia Pacific's public sector as a way to improve employee performance. A comparative survey was conducted of over 300 Australian and Malaysian federal government employees to examine whether employees' favourable opinions of the PFP scheme have been linked to an improvement in their performance on formal and required organizational tasks or in-role behaviour (IRB) (Taylor & Loo, 2013). The studies ~~that~~ conducted in Malaysia also examined the correlation between procedural justice and performance-based remuneration and work performance (Ismail et al., 2008), administrator's role in the pay performance system and job satisfaction (Anuar et al., 2014), and performance-based reward administration and job satisfaction among fire and rescue agency employees (Ismail & Abd Razak, 2016).

In seniority-based pay schemes, the length of service of the employee serves as the main criterion for pay increases. It should be highlighted that seniority-based compensation systems can consider performance, although tenure is the primary factor. The loyalty, stability, and retention of all employees, regardless of performance levels, are some advantages of seniority-based pay (Shaw & Gupta, 2007). In keeping with the Malaysian government's proposal for a wage system in the private sector that correlates salary increases with productivity gains, companies in Malaysia are also adopting the trend due to the criticism that seniority-based pay is overly restrictive and it prioritises seniority over output (Wan, 2008).

In conclusion, among these three types of remuneration, most of the studies conducted in Malaysia focused on performance-based pay instead of skill-based pay and seniority-based pay as presented earlier on.

Remuneration, Job Satisfaction and Employee Retention

During the COVID-19 pandemic, higher education has faced numerous challenges. Due to school closures, exam cancellations, and the requirement for social segregation between students and teachers, the pandemic had a substantial influence on education (Adi Badiozaman & Segar, 2021). Because of this, higher education is currently facing the most severe problems, including globalisation, difficulty-to-understand technology breakthroughs, economic uncertainty, and accountability. These environmental factors necessitate that institutions of higher learning around the world adapt quickly to changes (Waller et al., 2019). For universities to be effective in terms of student achievement, financial investment, and long-term organizational development, lecturer retention is essential from an organizational perspective (Erasmus et al., 2015). The study by Hoang (2020) was conducted on expatriate teachers in international schools in Southeast Asia during the Covid 19 pandemic to examine how expatriate teachers' perceptions of local policies and their social participation affect their decision to leave the nation they are currently settling in. According to this study, the group with income higher than 3,000 USD has low intention to leave to immigrate to another nation if they perceive policy responses and community involvement as being higher.

Consequently, employee retention in higher education institutions is a major issue, as a high turnover rate of the academic staff represents a significant challenge to these institutions. A high turnover rate would harm students and retain academic staff members. Higher education is struggling with the pandemic's possible consequences for teaching and learning, research and technology, and the academic achievement of its programmes (Boyer-Davis, 2020). The shortage of academic staff, as well as the inability of universities to retain excellent academic staff, remained critical to the evolving possibilities and potentials of developing knowledge and learning (Selesho & Naile, 2014). Amid the COVID-19 pandemic, it emphasised the significance of researching the factors that would affect job satisfaction and employee retention, as the COVID-19 pandemic has poor talent management in a VUCA (Nangia & Mohsin, 2020).

Lecturers' remuneration is essential to maintain the quality of teaching and to ensure and retain sufficient professional lecturers in universities to support the universities' high standards among the competitiveness of educational sectors. Remuneration and working environment can impact both the demand for and supply of lecturers. In addition, fair pay and a good working environment can benefit in attracting, developing, and retaining competent and professional lecturers (Arain et al., 2014). A career structure and promotions can provide remuneration incentives and increments, as well as age and experience earnings, to recruit high-quality lecturers and increase job satisfaction and potentially outstanding job performance (Szromek & Wolniak, 2020). The impact of human resources management and job satisfaction on university Ph.D. holders who support a university's creative successes is investigated in the study by Sinniah et al. (2019). Their study aimed to investigate the impact of HRM and job satisfaction on talent retention in Malaysian private institutions. The findings show that the respondents prioritised their incomes, which were extremely low at private universities, over promotions and recognition.

Furthermore, according to the Malaysian Bureau of Labour Statistics (2022), the salary of employees in Malaysia is the lowest compared to other countries such as Singapore, Hong Kong, Australia, and United Kingdom. Tasks and workload, conflicts of roles, underpayment, and other inherent factors, all contribute to the failure of private higher education institutions to retain academic staff. As a result, efforts have

been made to determine why academic staff turnover is so high in these institutions, particularly in small colleges in Malaysia (Manogharan et al., 2018).

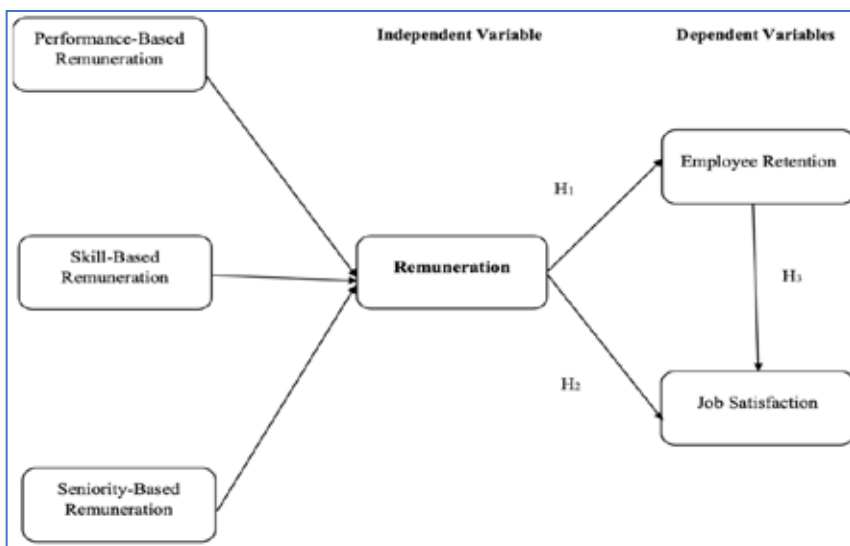
In addition to concentrating on the connection between compensation and retention, other studies, such as Hidayat et al. (2021) investigated the indirect impact of job satisfaction on turnover intention and the direct impact of transformational and transactional leadership on turnover intention in the banking sector of West Sumatra, Indonesia.

As a result, it is beneficial to conduct practical research to determine whether performance-based remuneration improves job satisfaction and employee retention among academic staff working in higher education institutions. Higher education employees have been affected the most, especially during the COVID-19 pandemic (Kamal et al., 2020). This research study investigated the impact of remuneration on employee retention and job satisfaction among academic staff from private higher education institutions in Sarawak, Malaysia, during the pandemic period in 2021.

The following three hypotheses were developed to investigate the impact of remunerations on employee retention and job satisfaction among lecturers at PHEIS.

- H1: There is a significant relationship between Remuneration and Employee Retention among PHEIs in Sarawak during the COVID-19 pandemic.
- H2: There is a significant relationship between Remuneration and Job Satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.
- H3: There is a significant relationship between Employee Retention and Job Satisfaction among PHEIs in Sarawak during the COVID-19 pandemic.

Figure 1
Relationship Between Remuneration, Employee Retention and Job Satisfaction



METHODOLOGY

This study used quantitative research and online survey methods of data collection to determine the impact of remuneration on employee retention and job satisfaction among lecturers at Sarawak PHEIs during the COVID-19 pandemic. The targeted population of this study centres on lecturers from private higher education institutions in Sarawak, Malaysia. According to the Malaysian Qualifications Agency (2021), there are 14 PHEIs in Sarawak, Malaysia. Nine PHEIs in Sarawak were selected to participate in this survey research, including seven institutions in Kuching and an institution in Miri and Sibü, respectively.

Respondents

The respondents of this study were 205 higher education employees working in academic departments from Sarawak PHEIs. According to Roscoe's rules of thumb, a sample size of more than 30 and less than 500 is appropriate for behavioural research (Aziz & Mahmood, 2011). This study utilised a non-probability purposive sampling technique

in choosing samples. This technique was used in selecting the participants because of the ease of the researchers' access to the nearby population and their willingness to participate in the study (Etikan et al., 2016). The respondents represented both local and foreign part-time and full-time lecturers, associate lecturers, senior lecturers, professors, and associate professors from Sarawak Private Higher Education Institutions (PHEIS) in Kuching, Miri, and Sibü. The Demographic Information of Respondents is shown in Table 8.

Data Collection Procedures

In order to reach out to more respondents and consider the inclusion criteria for the selection of respondents, the researchers emailed academicians from various PHEIs in Sarawak, Malaysia, using their academic staff directory contact information from their official university or college websites with the Information Consent Statement via the Microform Form online survey. The respondents were given two weeks to complete the online survey voluntarily. The collected data were then analysed to examine the correlation between the dependent and independent variables.

Research Instrument

An online questionnaire that consisted of four sections, including the Respondents' Demographic, Pay Satisfaction Questionnaire (PSQ), Minnesota Satisfaction Questionnaire (MSQ), and Turnover Intention Scale (TIS-6) Questionnaire, was distributed to the respondents as the instrument to gather data. Section A comprised seven demographic questions. The Pay Satisfaction Questionnaire (PSQ), which consisted of twelve items, was adopted from Heneman and Schwab (1985) to evaluate the respondents' satisfaction with their remuneration. The Minnesota Satisfaction Questionnaire (MSQ) comprised twenty items adopted from Weiss et al. (1967) to measure job satisfaction. The Turnover Intention Scale (TIS-6) Questionnaire, which consisted of six items, was adopted from Bothma and Roodt (2013) to assess employees' retention. The PSQ and MSQ data were gathered using the 5-point Likert Scale, from 1 as very dissatisfied to 5 as very satisfied. On the other hand, the TIS-6 questionnaire was scored on a scale of 1 as never to 5 as always. Likert Scale helps in increasing response quality and the ability to report higher

reliability and validity results. The items in PSQ, MSQ, and TIS-6 are presented in Tables 1, 2, and 3.

Table 1
Items of the Pay Satisfaction Questionnaire (PSQ)

I am satisfied with:

1. My most recently salary increase.
 2. My supervisor's influence on my salary.
 3. My current salary size.
 4. Amount the company pays toward my benefits.
 5. The salary increases I have typically received in the past.
 6. The pay structure of the company.
 7. Information the company gives about pay issues that are of concern to me.
 8. Consistency of the company's pay policies.
 9. The number of benefits I receive.
 10. How my salary increases are determined.
 11. Differences in pay between jobs in the company.
 12. How the company administers pay.
-

Table 2
Items of the Minnesota Satisfaction Questionnaire (MSQ)

How satisfied are you?

1. with your ability to keep yourself busy all of the time?
 2. to have the opportunity to work alone on the job?
 3. to have the opportunity to try new things from time to time?
 4. to have the opportunity to be "somebody" in your community?
 5. with your employer's treatment of his or her employees?
 6. with your supervisor's decision-making abilities?
 7. with your ability to do things that do not violate your conscience?
 8. with the structure provided by your job for consistent employment?
 9. to have the opportunity to help others?
 10. to have the opportunity to tell others what to do?
 11. to have the opportunity to do something that makes use of your abilities?
 12. with the manner in which company policies are implemented?
 13. with your pay and the amount of work you do?
 14. with the possibility of advancement on this job?
 15. with the freedom to use your own judgment?
 16. with the opportunity to try with your own methods of doing the job?
 17. with your current working situation?
 18. with the way your colleagues interact with one another?
 19. with the compliments you get for doing a good job?
 20. with your sense of accomplishment you get from your job?
-

Table 3

Items of the Turnover Intention Scale (TIS-6) Questionnaire

Turnover Intention

1. How frequently have you considered quitting your job?
 2. How well does your current job meet your personal needs?
 3. How often do you get frustrated at work because you are not given the opportunity to achieve your individual work-related goals?
 4. How often do you spend time thinking about getting a new job that better suits your personal needs?
 5. How likely are you to consider taking another job at the same salary level if one is offered to you?
 6. How often do you look forward to going to work?
-

Reliability of the Instrument

In this survey research, the respondents must answer all the questions on the questionnaire. The target respondents cannot proceed to the next section if one of the questions in a particular area is not answered. Thus, there were no incomplete questionnaires or missing or invalid data. A total of 205 completed surveys were analysed in the study. Based on the overall result of the Mahalanobis Distance (D^2) and Cook's Distance, the screening procedure of removing outliers from the Mahalanobis Distance (D^2) has reduced the number of responses by three in a new sample size of 202 responses, down from 205.

Cronbach's alpha values were used to measure the reliability and consistency of the items. The study showed that the instrument's reliability was highly reliable, with an overall alpha value above 0.9. The Composite Reliability (CR) values shown in Table 4 demonstrate that all the items were highly reliable, with a range of 0.931 to 0.972.

Table 4
Reliability Analyses Results

Variable	Cronbach's Alpha Coefficient	Composite Reliability	Average Variance Extracted (AVE)	Remarks
Remuneration Satisfaction	0.954	0.959	0.664	Highly Reliable
Job Satisfaction	0.970	0.972	0.636	Highly Reliable
Turnover Intention	0.901	0.931	0.771	Highly Reliable

Validity of the Instrument

Face validity was applied as two experienced researchers reviewed the research instrument before collecting data from the target respondents. Also, the instrument has gone through pre-testing with five randomly selected respondents. The questions were reviewed after the pre-test and amended according to their comments. The Average Variance Extracted (AVE) was used to assess discriminant validity. As shown in Table 4, the AVE values for all the constructed items ranged from 0.636 to 0.771. This indicates that all constructed items meet the criteria of their respective assigned constructs and that all constructed item values were greater than 0.5. Convergent validity was evaluated by generating the analysis of the outer loading. Hulland (1999) reported that the researcher should remove indicators with outer loadings below 0.5. Therefore, items 2 and 6 in the Turnover Intention Scale (TIS-6) Questionnaire were eliminated so that all the outer loadings values were greater than 0.5, as indicated in Table 5.

This research study determined the discriminant validity using Cross Loadings and the Heterotrait-Monotrait Correlation Ratio (HTMT). The cross-loadings of each related construct item were greater than its loadings in other constructs, indicating that the discriminant validity model was established, as shown in Table 6.

Table 5
Outer Loadings Findings

Items	Remuneration Satisfaction	Job Satisfaction	Turnover Intention
R01	0.759		
R02	0.690		
R03	0.866		
R04	0.850		
R05	0.745		
R06	0.875		
R07	0.852		
R08	0.842		
R09	0.828		
R010	0.812		
R011	0.846		
R012	0.795		
JS01		0.712	
JS02		0.809	
JS03		0.822	
JS04		0.758	
JS05		0.806	
JS06		0.749	
JS07		0.827	
JS08		0.843	
JS09		0.796	
JS10		0.781	
JS11		0.778	
JS12		0.827	
JS13		0.745	
JS14		0.803	
JS15		0.826	
JS16		0.827	
JS17		0.767	
JS18		0.766	
JS19		0.849	
JS20		0.837	
TI01			0.919
TI03			0.806
TI04			0.874
TI05			0.776

Table 6
Cross Loadings Results

Items	Remuneration Satisfaction	Job Satisfaction	Turnover Intention
R01	0.759	0.643	0.519
R02	0.690	0.601	0.567
R03	0.866	0.710	0.542
R04	0.850	0.700	0.528
R05	0.745	0.642	0.451
R06	0.875	0.722	0.541
R07	0.852	0.700	0.510
R08	0.842	0.690	0.537
R09	0.828	0.695	0.541
R010	0.812	0.676	0.453
R011	0.846	0.675	0.489
R012	0.795	0.665	0.503
JS01	0.512	0.712	0.532
JS02	0.619	0.809	0.596
JS03	0.637	0.822	0.607
JS04	0.573	0.758	0.525
JS05	0.739	0.806	0.588
JS06	0.698	0.749	0.577
JS07	0.691	0.827	0.603
JS08	0.734	0.843	0.595
JS09	0.601	0.796	0.585
JS10	0.555	0.781	0.556
JS11	0.564	0.778	0.599
JS12	0.740	0.827	0.606
JS13	0.799	0.745	0.535
JS14	0.718	0.803	0.544
JS15	0.642	0.826	0.640
JS16	0.638	0.827	0.620
JS17	0.674	0.767	0.608
JS18	0.664	0.766	0.557
JS19	0.688	0.849	0.663
JS20	0.614	0.837	0.630
TI01	0.632	0.708	0.919
TI03	0.435	0.523	0.806
TI04	0.527	0.586	0.874
TI05	0.475	0.514	0.776

Table 7 illustrates that the Heterotrait-Monotrait Ratio of Correlations (HTMT) values are all less than 0.90, indicating that the discriminant validity between a specific combination of reflective constructs was successfully developed in this research study.

Table 7
Heterotrait-Monotrait (HTMT) Ratio Findings

Construct	Employee Retention	Job Satisfaction	Remuneration
Turnover Intention			
Job Satisfaction	0.787		
Remuneration	0.678	0.856	

In conclusion, the analysis revealed that the items used in this study were reliable and valid.

Data Analysis

The data were analysed using the Statistical Package for the Social Sciences (SPSS) program version 20. Descriptive statistics were generated to present the demographic profile of the respondents and the mean and standard deviation for all the variables. After that, the structural model was evaluated to examine how the two dependent variables, Turnover Intention, and Job Satisfaction, were interpreted by applying the Coefficients of Determination (R^2) and predictive relevance (Q^2) of the construct variables. The t-value significance of each path was computed using SmartPLS 3 through the bootstrapping technique to test the relationships of the three hypotheses.

Ethical Consideration

The Human Research Ethics Committee (SUHREC) at Swinburne University has approved the ethics application for this research study; Approval Reference No: 20215863-8662. This research study has been approved for one year starting from 20th October, 2021.

RESULTS

Characteristics of Respondents

The demographic information gathered in Section A of the questionnaire included gender, age group, the highest level of educational attainment, the current division of residence, years of work experience, current job position, and type of pay system implemented in the company. As shown in Table 8 below, 56.4% of the respondents were women, and 43.6% were men. 44% of respondents were between the ages of 20-29 years old, while 34.2% of respondents were 30-39 years old, followed by 11.4% of respondents in the age group of 40-49 years old, and 7.4% of respondents were in the age groups of 50-59 years old. 3% of respondents were categorised between the age groups of 60 and above 60 years old, the minor age groups.

In addition, of the 202 respondents, majority of the target respondents, which were 32.1% of them have Doctoral Degree, followed by Master's Degree (30.2%), Bachelor's Degree (28.2%), DBA / EdD (3.0%), Diploma / Technical School Certificate (3.0%), ACCA / CPA (2.0%), SPM and below (1.0%) and AUSMAT (0.5%). This survey research focused on Sarawak, Malaysia, majority of the target respondents were residing in Kuching (56.4%), followed by Miri (22.3%), Sibu (14.4%), Kota Samarahan (3.5%), and Bintulu (3.5%). Furthermore, the majority of the target respondents had 1 to 10 years of work experience (41.6%), followed by 11 to 20 years of work experience (27.7%), less than 1 year of work experience (20.3%), 21 to 30 years of work experience (5.4%) and more than 30 years of work experience (5.0%).

Regarding the target respondents' current job positions, the majority of them are lecturers (44.5%), followed by the senior lecturer (19.8%), associate lecturer (19.3%), part-time lecturer (7.4%), associate professor (4.5%), and professor (4.5%). Lastly, the majority of the target respondents received performance-based pay (58.9%) by their company, followed by skill-based pay (27.2%) and seniority-based pay (13.9%).

Table 8
Demographic Information of Respondents

Characteristics		Frequency	Percent (%)
Gender	Female	114	56.4
	Male	88	43.6
Age	20 to 29 years old	89	44.0
	30 to 39 years old	69	34.2
	40 to 49 years old	23	11.4
	50 to 59 years old	15	7.4
	60 and above years old	6	3.0
Highest Level of Educational Attainment	Doctoral Degree	65	32.1
	Master Degree	61	30.2
	Bachelor Degree	57	28.2
	Diploma/ Technical Certificate	6	3.0
	DBA/ EdD	6	3.0
	ACCA/ CPA	4	2.0
	SPM and below	2	1.0
AUSMAT	1	0.5	
Current Division of Residence	Kuching	114	56.4
	Miri	45	22.3
	Sibu	29	14.4
	Kota Samarahan	7	3.5
	Bintulu	7	3.5
Years of Work Experience	1 to 10 years	84	41.6
	11 to 20 years	56	27.7
	Less than 1 year	41	20.3
	21 to 30 years	11	5.4
	More than 30 years	10	5.0
Current Job Position	Lecturer	90	44.5
	Senior Lecturer	40	19.8
	Associate Lecturer	39	19.3
	Part Time Lecturer	15	7.4
	Associate Professor	9	4.5
	Professor	9	4.5
Type of Pay System Used in Company	Performance-Based Pay	119	58.9
	Skill-Based Pay	55	27.2
	Seniority-Based Pay	28	13.9

Mean and Standard Deviation for the Variables

The overall descriptive findings indicated that remuneration satisfaction among PHEIs employees in Sarawak during the COVID-19 pandemic was at the medium level (Mean = 3.23, Std. dev. = 0.945). The job satisfaction among PHEIs employees in Sarawak during the COVID-19 pandemic was high (Mean = 3.55; Standard Deviation = 0.895). Based on the results shown in Table 9, the turnover intention among PHEIs employees in Sarawak during the COVID-19 pandemic was low (Overall Mean = 2.88; Standard Deviation = 1.188). Research objectives 1, 2, and 3 on the level of pay satisfaction, employee retention rate, and level of job satisfaction were successfully addressed in this section.

Coefficients of Determination (R²)

R² Adjusted for Remuneration was identified as 0.692 indicating that Employee Turnover Intention and Job Satisfaction can explain 68.8% of the two variations in the Remuneration variable.

With a Q² value of 0.453, as presented in Table 9, it is demonstrated that the two dependent variables, Employee Retention, and Job Satisfaction, have a medium predictive relevance to the Remuneration variable.

Table 9
Q² Findings of Variables

Variables	SSO	SSE	Q2 (=1-SSE/SSO)
Employee Retention	1212	1212	
Job Satisfaction	4040	4040	
Remuneration	2424	1326.346	0.453

Hypotheses Testing

The results in Table 10 shows that hypothesis 1 was not supported ($\beta = 0.040$, t value = 0.624, p-value = 0.136). It is concluded that there is no significant relationship between remuneration satisfaction and turnover intention among PHEIs employees in Sarawak during the COVID-19 pandemic. Table 11 shows that hypothesis 2 was supported ($\beta = 0.802$, t value = 15.794, p-value = 0.000). It is concluded that there is a significant

positive relationship between remuneration and job satisfaction among PHEIS employees in Sarawak during the COVID-19 pandemic. Hypothesis 3 was also supported ($\beta = 0.364$, t value = 5.766, p-value = 0.000). It is determined that there is a significant positive relationship between employee turnover intention and their job satisfaction among PHEIS employees in Sarawak during the COVID-19 pandemic. The findings are consistent with previous studies conducted by Bryner (2021), Aristoynik et al. (2020), and Tirta & Enrika (2020). Hence, research objectives 4, 5, and 6 on the relationships between remuneration, job satisfaction, and turnover intention were successfully achieved.

Table 10
Summary of Hypotheses Testing Results

Relationship	Path Coefficient β	Standard Error	T-Values	P-Values	Hypothesis
H1: Turnover Intention -> Remuneration	0.040	0.063	0.624	0.136	Not Supported
H2: Job Satisfaction -> Remuneration	0.802	0.051	15.794	0.000***	Supported
H3: Turnover Intention-> Job Satisfaction	0.364	0.063	5.766	0.000***	Supported

DISCUSSION

This study shows that the pay satisfaction of PHEIs employees in Sarawak during the COVID-19 pandemic was at a medium level. Moderate levels of dissatisfaction exist in academia due to job-related remuneration factors, such as the higher education institutions mainly focusing on paying lecturers based on their academic qualifications rather than their job performance. Hence, the findings indicate that the pay satisfaction level of PHEIs employees was at a moderate level. Sinniah et al. (2019) reported that most lecturers prioritise their incomes, which are considered low at private universities, over promotions and recognition. Equity theory suggests that employees who perceive unfairness at work will change their effort to make the condition more equitable from their perspective (Disley et al., 2009).

Unexpectedly, the findings revealed high job satisfaction among PHEIs employees in Sarawak during the COVID-19 pandemic. The finding on job satisfaction level shows that, despite the COVID-19 pandemic, which has increased the workload among the lecturers, and some of them are dealing with the issue of technostress, most lecturers are satisfied with their jobs. However, these findings contradict the majority of research findings, as most lecturers are currently dissatisfied with their jobs due to the issue of technostress and lacking online teaching experience while delivering lessons virtually, particularly during the COVID-19 pandemic (Bao 2020). This might be because job satisfaction among educators was also affected by demographic factors such as age, gender, and length of services. Job role-related characteristics and work experiences also play an essential role in increasing the satisfaction level of their staff, as reported by Mohammad Fardillah et al. (2021).

The results showed low turnover intention among PHEIs employees in Sarawak during the COVID-19 pandemic. Perhaps, this is because most employees worldwide faced VUCA challenges during the pandemic (Parke et al., 2018). Dirani et al. (2020) also highlighted the challenge of most organizations in times of crisis in reducing the number of employees as to cut costs during the pandemic. These challenges supported the findings in this study of why most lecturers do not consider quitting their jobs, even if they are unhappy with their current jobs, most probably because they are worried about losing their jobs during the COVID-19 pandemic.

Surprisingly, the findings revealed no significant relationship between remuneration satisfaction and employee retention. The results differ from most previous research on remuneration's impact on employee retention. Syahreza et al. (2017) mentioned that remuneration significantly impacts retention because employees believe that their employers care about their needs if they are well remunerated. However, this finding proves that academia tends to appreciate their job more under the VUCA. Their turnover intention is low even though the salary of employees in Malaysia is one of the lowest compared to other countries such as Singapore, Hong Kong, Australia, and United Kingdom (Malaysian Bureau of Labour Statistics, 2022).

In addition, this study discovers that remuneration significantly contributes to increasing job satisfaction among higher education teaching staff. Lecturers are satisfied and motivated if they are paid based on their job efforts, academic qualifications, and current job positions (Malik et al., 2010; Oshagbemi, 2000). This finding is supported by the latest research findings by Szromek and Wolniak (2020), which imply that higher education institutions provide a fair remuneration package that increases job satisfaction among higher education employees.

The positive relationship between employee retention and job satisfaction is consistent with the literature (Terera & Ngirande, 2014). Most lecturers face the challenges of VUCA at work during the COVID-19 pandemic. Prior research on technostress has mainly indicated that it is detrimental and can have a negative impact on employees' job satisfaction (Saleem et al., 2021). However, Gopinath et al. (2020) argued that a high level of job satisfaction and job involvement would motivate higher education employees and lecturers to perform their best in their jobs. Previous findings implied that if lecturers are not satisfied with their current working conditions amid the COVID-19 pandemic, there will be a low level of employee retention and job satisfaction (Tirta & Enrika, 2020).

IMPLICATIONS

This research study contributes to the limited literature on theoretical aspects of remuneration for turnover intention and job satisfaction, particularly for higher education employees from Sarawak Private Higher Education Institutions (PHEIs). This research study contributes by applying the Equity Theory, as it will affect the motivation and dedication of lecturers from PHEIs on whether their employers fairly compensate them. According to the findings of this study, remuneration has no adverse effect on whether lecturers want to quit their jobs. However, it does affect if lecturers are satisfied with the existing jobs during the COVID-19 pandemic. Furthermore, this research study revealed to PHEIs the importance of implementing performance-based pay to increase job satisfaction among lecturers during the pandemic, which will ultimately help the PHEIs retain their talented lecturers by increasing employee retention.

CONCLUSION & RECOMMENDATION

Remuneration has gained considerable attention mainly because it is valuable for motivating talented employees. The remuneration of higher education employees has been affected substantially during the COVID-19 pandemic. This paper examines the impact of remuneration in Sarawak Private Higher Education Institutions (PHEIs) during this COVID-19 pandemic. The results indicated that remuneration significantly affects job satisfaction while employee retention is statistically insignificant. In addition, the statistical evidence also suggests that job satisfaction significantly impacts employee retention. From these findings, it can be concluded that remuneration influences Sarawak PHEIs employees' job satisfaction, and at the same time, employee retention is affected by their job satisfaction.

Based on the results of this study, it is strongly recommended that the PHEIs implement performance-based pay to maintain the professional standards of PHEIs during the critical moment. Furthermore, training is recommended for PHEIs to address the issue of technostress faced by lecturers during the COVID-19 pandemic. A limitation of the present study is that data were collected only from a small sample size. In addition, the scope of this research study is limited, as it does not include the entire Malaysia as a sample, and only one industry was chosen for this research study. Further research should be conducted in a broader scope, including all public and private higher education institutions in Malaysia, to reflect the higher institution learning context.

CONTRIBUTIONS OF AUTHORS

The authors confirm equal contributions in each part of this work. All authors reviewed and approved the final version of this work.

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CONFLICT OF INTERESTS

All authors declare that they have no conflicts of interest.

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