The Relationship between Perception of Equity and Job Satisfaction among Employees of Malaysian Universities

The objectives of this research are to examine the relationship between perceptions of both internal and external equity (independent factors) and job fulfillment (dependent factor) among Malaysian university workers and to define the comparative significance of independents factors (perception of interior equity and perception of exterior equity in forecasting job fulfillment in Malaysian Universities. A multiple regression analysis was undertaken to indicate the outcomes derived from data gathering by administering a questionnaire among 150 employees who were selected randomly at Malaysian public and private universities. The research outcomes showed affirmative connections between perceptions of internal and external equity and job fulfillment. The findings also revealed that perception of internal equity has more impact on forecasting job fulfillment than perception of external equity. Nevertheless, this research is exploratory in nature and the outcomes are not definite.

I. INTRODUCTION

Job satisfaction is one of the most widely examined factors that has been recognized in business and organizations. The rate of efficiency in a company is affected by the connection between workers and the stage of fulfillment in their jobs. Low level of job fulfillment could result in a low level of values and morality and it will definitely indicate how much the workers perform and how much they concentrate on the adverse areas of their tasks.

Moreover, from the employers’ perspective; there will be reductions in efficiency if the workers do not feel happy with their professions and it has the tendency to escalate into interpersonal problems. There will be no restriction in this case to make the scenario more crucial. Depending on broad variety of studies, job fulfilment has had a direct effect on both turnover and productivity (Alfonso et al, 2007; Falkenburg et al, 2007).

Thus, job satisfaction has been regarded as an important element in many human resource departments and performance and methods of organisations. Further studies have shown that employees’ perception of equity can be followed rationally by job fulfillment (Adams, 196).

One of the objectives of this study is to investigate the relationship between independent factors (internal and external equitable perception) and the dependent factor (job satisfaction) among the workers working at Malaysian universities. Another aim of this study is to determine the comparative significance of perception of internal equity compared to perception of external equity in forecasting job fulfillment in Malaysian universities.

Most of the researches have been undertaken so far have shown that there is an affirmative and
direct relationship between perception of equity among employees and the level of their satisfaction in their careers. There is a significant gap in the research due to lack of understanding about forecasting of how many interior and exterior perception of equity among workers that is important to their job fulfillment. (Fisher, C.D. 1980)

Another purpose of this study is to fill up the above mentioned gap by assessing the effects of aspects of both interior and exterior perception of equity on job satisfaction among workers of Malaysian universities.

II. LITERATURE REVIEW

This section deals with the explanation of dependent variable (Job Satisfaction) and Independent variables (Perception of internal equity and perception of external equity) and the relationship between them. It is also included of definition of turnover and productivity as two mediators and their relationships with both dependent and independent variables (job satisfaction and perception of equity).

A. Perception of Equity

Employees are looking for a reasonable stability in their jobs (Greenberg, J., et al, 1983). They look for a sensible connection between what they position into their profession such as time, attempt and capability and what they get out of it such as pension, promotion and financial rewards and so on (Wim Groot, 1999). These actions can be regarded as inputs and outputs (Walster, et al, 1978). They are pleased as far as their feedback has a sensible relationship to the outcome that company provides them but they will be disappointed and uninspired as soon as they experience the assistance they provide to the company is less than they anticipate to gain from company (Adam 1963 & 1965).

If inputs are granted appropriately by outputs, staff will be pleased and encouraged. They will be dissatisfied and reluctant to work harder when they believe that they are not being granted suitably. Some demographic components may have an impact on perception of equity as some research revealed that some factors like gender and intellectual impact on the emotions equity directly (Carrel and Dittrich, 1978).

Since companies consider employees’ performance as comparable to other workers while doing performance assessment, and employees frequently compare their benefits and career rewards with their co-workers (Greenberg et al., 2007), each individual will experience different feelings by comparing his/her ratio (the percentage of what he gets from company to what he places into company) to other counterparts within and outside the company:

If the workers consider their ratio is less than their counterparts, they will feel unhappy and dissatisfied. Their response in this situation will be the sense of rage and discomfort. If they believe they are compensated effectively and as much as their counterparts they will experience satisfied. If they see that they are more compensated than their counterparts, they will experience problems again but this time as a result of guilt (Walster, et al, 1978).

Two following items will determine the perception of equity between men and women: The first factor desired to figure out an overall understanding of fulfillment with pay. The second factor desired to probe accurately the question of equity in compensation. The outcomes indicate that in the government community assistance, females were considerably more pleased with their pay than men, and that they regarded themselves well-paid considering the abilities and attempt
delivered to their work (Steel and Lovrich, 1987). According to Crosby (1982) females were usually pleased with all factors of their tasks, such as payment. Particularly, females as well as men, revealed "little difference between what they acquire from their tasks and what they want to acquire, and there is little difference between what they acquire and what they experience eligible to obtain" (Crosby 1982).

Equity occurs when the worth of the tasks done fits the worth of the reward received. Equity can be considered from different outlooks - Personal, Individual, Internal and External (Roberts et al., 1999).

B. Internal Perception of Equity

Inner perception of equity can be described as the understanding of workers of their work situations such as wage, promotion and benefits as compared to their co-workers. Internal equity will be realized exactly when a company considers similar and proportional advantages for its employees commensurate with any profession internally (Linda Parrack Livingstones, et al, 1995).

Internal equity observes when an employer pays salaries correlated with the internal worth of any job. This is recognized based on the perception of employers about the significance of the tasks performed.

C. External Perception of Equity

External equity perception can be described as the feeling of workers about their circumstances in the work such as obligations, income and benefits as in comparison to their counterparts in the other company. Exterior equity will happen exactly when a company considers advantage amount similarly and proportionately with the advantage amount introducing in external marketplaces (Linda Parrack Livingstones, et al, 1995).

External equity prevails when a company will pay a salary rate corresponding to the income existing in the labour market (for instance industry, community, etc.). Although there isn’t single labour market for a specific job, different industries may pay different salary rates for a specified job. The same is right for a specified industry in different communities.

D. Individual Perception of Equity

Personal equity prevails when a company reimburses individuals who are in similar tasks on the basis of modifications in individual performance. For instance, exceptional performers would receive more compensation than ordinary performers.

E. Personal Perception of Equity

Personal equity prevails when a company will pay a salary rate that meets a worker’s own understanding of his/her worth. The factors used by each person connect with that particular person's encounters and his/her knowledge of the market value of similar tasks. These personal requirements figure out the workers’ pay fulfillment or discontentment.

While there are those who believe that external equity should be the only concept upon which salary prices should be centered, there are others who sustain that internal equity as well as personal equity should also be aspect of the concepts upon which income are centered. As there are different viewpoints of equity on which equity can be assessed, so are there different ways of thinking that have provided toward the knowing of similar equity.

F. Job Satisfaction

Individual needs are the item of the worker's personal atmosphere and his work objectives and desire. If job encounter does not fulfill job needs and objectives then there will be a lack of job fulfillment. Fulfillment in a job is a stage whereby workers like their professions (Locke, 1969). In other terms job fulfillment is predicated to how the workers experience toward their tasks (Brief, 1998).

The stage of fulfillment in job will reduce among workers according to the results (Clark and Oswald, 1995). The way workers act towards their profession is impacted by the level of their fulfillment or discontentment (Spector, 2003).

Profession fulfillment and its connection with revenues is a useful factor to be analyzed because career fulfillment can generally have both good and bad results. Some of the negative effects that career fulfillment may follow are...
revenues, dismissal, quit and worthless performance (Heneman, 1985).

Economic factors such as the predicted salary amount and the signal of comparative overpayment have an impact on fulfillment with the payment of the job, but not on other job factors. The negative direct results to train and learning on job fulfillment are cancelled by positive indirect results to train and learning on job fulfillment through wages. Herzberg et al. (1959) designed two unique details of aspects. One set of aspects triggered satisfied emotions or an excellent mind-set within the employee, and these aspects, generally, were task-related. The other collection mainly existed when emotions of disappointment or bad mind-set were obvious, and these aspects, Herzberg stated, were not proportional to the job itself, but to the circumstances that enclosed doing that job.

The first team he has known as motivators (job elements) are possibility of growth; achievement; responsibility; advancement; work itself and recognition. The second team Herzberg known as hygiene aspects (extra-job elements) are company policy and administration; interpersonal relations (supervisor, subordinates and peers); supervision - technical; status; salary; working conditions; job security and personal life. Motivators consult aspects innate within the work itself like the identification of a process completed. On the other hand, hygiene factors usually include external organizations such as interaction with co-workers, which do not have to the worker’s real job.

Based on Ewen (1964), Porter and Lawler (1964), motivators make positive career approaches because they satisfy the employees’s want for self-actualisation, the personal’s eventual target. The existence of these persuaders has the potential to make good career fulfillment; however, due to lack of persuaders, dissatisfaction does not happen, as Herzberg states. Furthermore, Hygiene aspects, which simply “move”, have the potential to make great discontentment. In the same way, their lack does not cause an advanced level of fulfillment.

A primary reason for the advanced level of revealed fulfillment of pay by females may be because of this fact that females typically consider other females as references, significant them to assess their own circumstances as beneficial since other females are performing in identical tasks or not applied yet (Losocco and Spitze, 1991). In 1982, Crosby discovered that men and ladies are usually disappointed about the scenario of operating females with regard to pay.

However, females revealed an advanced level of unhappiness than males. The results also display that people in high-prestige tasks were more disappointed and depressed than those in low-prestige groups. However, as mentioned by Crosby (1982), the agitation with the scenario of operating females does not seem to exchange to personal evaluation of the benefits resulting from tasks.

The female employees who were not satisfied about the point that women are usually paid inappropriately as compared to men, revealed high stages of fulfillment with their own payment (Crosby, 1982). The main purpose for this paradox is because of this fact that when creating individual payment evaluation, females evaluate themselves with other females, and when creating team evaluation of pay they use men as the referrals team (Crosby 1982). Hence, the first hypothesis of this paper is forwarded:

G. Turnover

Staff turnover represents the number or amount of employees who leave a company or are replaced by new employees. Although different types of turnover exist, the general meaning is that it happens when the career relationship completes. Turnover often has a negative implication. Turnover is not always a bad event. For example, favorable turnover happens when an employee whose performance is less than the company’s expectations, is exchanged by whom his/her performance meets or surpasses objectives and expectations.

It will be considered desirable because bad career performance, absence and lateness will be expensive and exchanging a bad employee with a performer who works appropriately can result in better company’s productivity. Favorable turnover also happens when changing workers injects new skills, abilities and talents, which
can give a company a competitive benefit. On the other hand, unfavorable turnover means the company is losing workers whose overall performance, skills and credentials are useful resources.

According to Woods et al., 1998, five most mentioned inner causes of turnover are as follows:

- Amount of pay;
- Interaction issues;
- Deficiency of progression opportunities;
- Deficiency of identification for a good job performance; and
- Argument with management

Five most mentioned exterior causes of turnover are as follows:

- Better level of payment somewhere else;
- Better payment in another industry;
- Low level of unemployment;
- A powerful regional economy; and
- Low excellence of workers generally (Woods et al., 1998)

H. Productivity

Productivity is whatever an individual can achieve with capital, technological innovation and material.

Productivity is basically an issue related to a person’s way. It is a mind-set that we must consistently enhance ourselves and the factors around us (Bjo¨rkman, 1991).

This meaning catches two important attribute. First, productivity is carefully relevant to the use and accessibility to sources. In short, this implies that a business's productivity is decreased if its sources are not effectively used or if there is a deficiency of them. Second, efficiency is also highly linked with the development of value. Thus, high efficiency is obtained when actions and sources in the production modification procedure add value to the created products. An important summary is therefore that one must remove unwanted to be able to enhance productivity: Waste can be regarded to be the other of what productivity means.

Based on Baron and Johnson (1994), many people who declare to be talking about efficiency are actually looking at the more common problem of performance. Even though efficiency is a multidimensional phrase, one has to keep in mind that it is a quite particular idea relevant to the rate between outcome and feedback. Performance, however, is an even wider phrase that protects both overall financial and functional factors.

There is no conventional structure to understand the turnover procedure all together. A variety of aspects have been discovered beneficial when it interprets staff turnover, and they have been utilized to design turnover in a variety of organisational and work-related patterns. They comprise of: job fulfilment (Hom and Kinicki, 2001); different methods of commitment; justice (Aquino et al., 1997); and so on. When employees find the company unjust to them with regards to allowance of benefits and sources, they will quit the company.

I. The Relationship between Perception of Equity and Productivity

Equity concept describes how individuals' views of how fairly they are handled social transformation at work. (e.g., improving payment each year, the way their manager behave them, etc.) can impact their inspiration (Ivancevich et al., 2005) and consequently productivity.

J. The Relationship between Job Satisfaction and Turnover

In this literature review, both concept and
scientific results figure out that job fulfillment is the main factor in describing worker turnover (Bluedorn, 1982) and intent to abandon (Griffeth et al., 2000). Current study by (Duraisingam et al., 2009) determine that there is an undesirable relationship between career fulfillment and turnover (Griffeth et al., 2000); (McCulloch and Turban, 2007). Scott and Taylor (1985), and Herzberg (1996) had found that job fulfillment is that kind of variable which have the most powerful zero-order connection to the concept of turnover.

Fulfillment with job itself, payment, promotions and direct superior are all adversely and highly associated with turnover intents. Weak adverse relationships were noticed between workplace, fringe benefits, and fulfillment with co-workers and turnover. Overall there is an undesirable relationship between job fulfillment and worker turnover intention. There is a steady negative connection between job fulfillment and worker turnover intention. There is a steady negative connection between job fulfillment and turnover (Price, 1977, 2001; Mobley, 1982). Workers who have this capability to handle and control other individuals’ feelings were less likely to have intent to abandon their organization. The procedure through which this happens seems to be the quality of a worker’s deal with their pioneer.

The same condition is accurate for job fulfillment. The positive connection between a worker’s ability to handle other person’s feelings and their job fulfillment is connected to the quality of their connection with their pioneer. Obviously, expressive management capabilities are connected to greater job fulfillment and lower turnover objectives through their impact on worker and leader connections. (Peter J. Jordan et al., 2011)

Seriously, prior evidence shows that less pleased employees typically experience more job turnover than more pleased employees. In fact employees who feel less pleased and satisfied with their job have more tendencies to quit their organization. (Freeman, 1978; Akerlof et al., 1988)

Pay fulfillment and its connection to turnover aims, is a beneficial relationship to be analyzed because pay fulfillment can theoretically have either good or bad repercussions. Concentrating on the latter, some of the adverse repercussions of pay fulfillment include absenteeism, turnover, poor job performance, and desire to strike (Heneman, 1985).

Revenues objectives have been discovered to be the greatest forecaster and the immediate emotional indication of giving up. (Bluedorn, 1982; Mobley, 1982; Mobley, Griffeth, Hand, & Meglino, 1979; Steel & Ovalle, 1984) Usually, workers who are not pleased with their salary quit the Company. Therefore, the whole pay fulfillment constructs was discovered to be a more significant forecaster of turnover reasons.

K. The Relationship between Job Satisfaction and Productivity

With reference to the connection of fulfillment with efficiency and depending on the supposition that there is a connection, Porter and Lawler (1986) created a design to analyze the concept of activation. The design is depending on the supposition that benefits make fulfillment and that sometimes performance results in payment of different kinds, which make fulfillment in workers.

Thus, efficiency is relevant to fulfillment through the idea of benefits and therefore comes into comparison with the neo-classical strategy, which regarded fulfillment a cause and precondition for good performance.

L. The Relationship between Job Satisfaction and Perception of Equity

Both job fulfillment and perception of equity in workers have been two scopes which most of behavioural studies have protected. Both of them have a direct effect on turnover and efficiency. Numerous studies indicate that worker’s perception of equity has a more highly effective effect on absenteeism and turnover than job fulfillment. As long as a worker seems that he or she does not give enjoyable and unique skill and ability to a company, the typical response is to find another company to interact with. (Brown et al., 2007)

Some other studies show positive connections between employees’ performance and the stage of their fulfillment in their tasks and higher rate of fulfillment in job will lead to more enhanced stage of efficiency in employees. More influential performance and also the sense of
equity in rewards and benefits will motivate workers to feel more pleased. (Chiu, R. 1999, Wilson, C. et al 2000)

The relationship between equity and pay fulfillment has created combined and questionable results. Sweeney (1990), for instance, discovered equity will be curvilinear relevant to pay stage fulfillment. His scientific research came from three researches with a complete of 712 participants from the US using diverse types of employees from various organizations and discovered that the primary results due to both social-based and public equity were proportional to pay fulfillment.

In this study Herzberg’s Motivator-Hygiene Theory has been adapted from the previous study. (Khalifa H., 2010). This theory will be described below:

**Herzberg's Motivator-Hygiene Theory**

According to Herzberg (1959): "The opposite of job satisfaction is not job dissatisfaction but, rather, no job satisfaction; and similarly, the opposite of job dissatisfaction is not job satisfaction, but no job dissatisfaction". In a study on 200 accounting firms and technicians, Herzberg requested the participants to explain situations where they sensed extremely good or extremely bad. Herzberg revealed that job fulfillment was due to factors different from those that triggered discontentment.

According to Herzberg (1959), fulfillment was due to what he has described as "motivators". These aspects included recognition, accomplishment, progression, responsibility, growth, and work itself. On the other hand, discontentment was due to problems with aspects that Herzberg known as "hygiene factors". These factors involved company policy and management, guidance, relationship with manager, work circumstances, wage, connections with colleagues, personal life, and connections with employees, position, and security.

Herzberg also revealed that the lack of motivators will not cause to discontentment; it would only cause to no fulfillment. Job fulfillment can't be enhanced by enhancing any of the hygiene aspects, and by enhancing motivators. The results of Herzberg were criticized by a lot of researchers as a result of his analysis participants' narrow variety of tasks and applying only one evaluation of job attitudes.

Obviously, Herzberg’s Motivator-Hygiene concept has triggered an excellent debate in the areas of mindset and business behaviour. This research targeted at examining Herzberg's concept in another perspective. Since Herzberg (1959) discovered out that enhancement in hygiene aspects would not cause to enhancement in job fulfillment, then it is sensible to anticipate that perception of equity will not have important connections with job fulfillment when the result in the evaluation is one of what Herzberg known as "hygiene factors". On the opposite, considering the results of studies on the connection between perception of equity and job fulfillment (positive relationship) and considering Herzberg's results of the impact of enhancing "motivators" on job fulfillment (positive effect), one should anticipate a good connection between perception of equity and job fulfillment when the result in the evaluation is one of what Herzberg known as "motivators".

Summarizing above discussions and according to what Herzberg (1959) presented, job satisfaction has an affirmative relationship with perception of equity. Hence, the first hypothesis of this paper is forwarded:

H\(_1\): There is a positive relationship among Malaysian Universities employees’ perception of interior equity and fulfillment in their profession.

H\(_2\): There is a positive relationship among Malaysian Universities employees’ perception of exterior equity and fulfillment in their profession.

Moreover, according to Herzberg (1959), only motivating elements can effect on job satisfaction and hygiene factors cannot effect on job satisfaction. Therefore, this discussion leads to the third hypothesis:

H\(_3\): perception of exterior equity will have less impact on profession fulfillment among Malaysian Universities’ employees than perception of interior equity.
III. METHODOLOGY

Data and Sample

This study is based on quantitative research technique. The instrument used to gather the data was a set of questionnaire. The questionnaire was containing 21 questions which were divided into 3 sections that were distributed among 150 Malaysian university workers and just 3 questions were dedicated to demographic part. The questionnaire was comprised of three parts:

1. Perception of Internal Equity including 7 questions. And in this regard, there are two sample items:
   a) Compared to similar coworkers, the salary that my organization gives me is fair.
   b) Compared to similar coworkers, the fringe benefits that my organization gives me are fair.

2. Perception of External Equity with 4 questions. And there are two sample items in this regard:
   a) Compared to similar employees working for other organizations, the fringe benefits that my organization gives me are fair.
   b) Compared to similar employees working for other organizations, the promotion opportunities that my organization gives me are fair.

3. Job Satisfaction including 10 questions. And two related sample items are as follow:
   a) I am satisfied with the level of pay I receive from my organization.
   b) I am happy with the overall compensation my organization gives me.

Respondents:

This study has mainly focused on employees of five Malaysian Universities (University of Malaya (UM), Universiti Teknologi Malaysia (UTM), Universiti Putra Malaysia (UPM), Universiti Teknologi MARA (UiTM), and Limkokwing University of Creative Technology).

Instruments:

The information has been collected by administering the questionnaire to 150 employees in five mentioned Malaysian Universities who have been chosen randomly and through a personal survey between 12 December and 28 December 2012.

Procedures:

The questionnaire includes two main parts. Part one is related to Malaysian Universities’ employees’ perception of equity which is comprised of perception of both internal and external equity and the second part is related to their job satisfaction. The first part is also related to personal information but demographic part doesn’t have any impact on analyzing data.

Pilot Test:

A pilot test has been carried out due to evaluating the validation of the questionnaire. Initially, a group of 20 employees among the mentioned five Malaysian Universities were chosen to answer 21 questions in the questionnaire. Reliability Test has been carried out in this study and Cronback’s Alpha is 0.875 and since all parts of questionnaire has a Cronback’s Alpha more than 0.8, the questionnaire is valid.

Demographic Features:

Based on the research and frequencies statistics, 70% of employees who answered the
questionnaire were female and the rest were male (30%). 40% of the respondents were between 21 and 30 years old, 25% were between 31 and 40 years old, 20% were between 41-50 years old and the rest were between 51 and 60 years old (15%). From the point of qualification, 60% of respondents had Associate’s Degree or less. 35% of them had Bachelor’s Degree and only 5% of them had Master’s Degree.

**Data Analysis:**

In this research multiple regression analysis has been used to examine the relationship between independent variable (Perception of Equity) and dependent variable (Job Satisfaction). ANOVA analysis has also been carried out to examine how significant the regression equation is. T-test has been done to evaluate how significant the regression coefficients of the independent variables are. The minimum acceptable P-Value in this research is 0.05.

**Descriptive Analysis:**

The percentage of females selected to answer the questionnaire was 66% and the percentages of males was 34%. Based on Descriptive Analysis, 60% of respondents had studied Diploma. 37% of respondents had Bachelor’s Degree and just 3% of them had Master’s Degree. Most of respondents (41%) were between 31-40 years old following by 34% that were between 21 and 30 years old, and 19% that were between 41 and 50 years old and just 6% of them were more than 50 years old (51-60).

Factor analysis has been done in order to explain the variation and co-variation in a set of detected variables.

**Table 1: KMO and Bartlett’s Test**

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</th>
<th>.821</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approx. Chi-Square</td>
<td>2582.447</td>
</tr>
<tr>
<td>Bartlett's Test of Sphericity</td>
<td>210</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000</td>
</tr>
</tbody>
</table>

This table indicates two tests that show the suitability of data for structure detection. Depending on the above outcome the KMO = 0.821. This reveals that the level of typical variance between variables is totally high.

**Table 2: Regression Analysis**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.641&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.674</td>
<td>.541</td>
<td>.36290</td>
</tr>
</tbody>
</table>

R-Squared with a higher value means that forecasting one term from the other one will be better. In the above tables, R Square is more than 0.6 which means that perception of equity is fairly good at predicting job satisfaction in Malaysian Universities.
Table 4: ANOVA Analysis:

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>8.029</td>
<td>2</td>
<td>4.015</td>
<td>30.484</td>
<td>.000</td>
</tr>
<tr>
<td>Residual</td>
<td>19.359</td>
<td>147</td>
<td>.132</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>27.388</td>
<td>149</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above table indicates how significant the regression equation is. The amount of Sig. is 0.000 and because it is less than 0.05, it means that the regression equation is highly significant.

**Coefficient Analysis:**

When the regression line is linear \((y = \beta_0 + \beta_1 x_1 + \beta_3 x_2)\), the regression coefficient is the constant \((\beta_0)\) that represents the rate of change of one variable \((y)\) as a function of changes in the other \((x)\); it is the slope of the regression line.

\[
y = \beta_0 + \beta_1 x_1 + \beta_3 x_2
\]

\(y = JS\) (Job Satisfaction)

\(x_1 = IE\) (Perception of Internal Equity)

\(x_2 = EE\) (Perception of External Equity)

\(JS = 2.178 + 0.185 \cdot IE + 0.179 \cdot EE\)

Table 5: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized</th>
<th>Standardized</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Coefficients</td>
<td>Coefficients</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>2.178</td>
<td>.176</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 meanIE</td>
<td>.179</td>
<td>.050</td>
<td>.310</td>
<td>12.365</td>
</tr>
<tr>
<td>2 meanEE</td>
<td>.185</td>
<td>.054</td>
<td>.297</td>
<td>3.448</td>
</tr>
</tbody>
</table>

According to Table 5, the related to meanIE is 3.605 and more than t related to meanEE which means perception of internal equity has more impact on job satisfaction than perception of external equity among employees in Malaysian Universities.

**Correlation Matrix**

Based on Correlation matrix, hypothesis 1 is supported. Perception of internal equity was considered significant statistically (P-Value <0.05) in forecasting the dependent variable (job satisfaction). The affirmative correlations and coefficients indicate that as the perception of internal equity raises, the level of job satisfaction among employees of Malaysian Universities will increase. 54% of the difference in the level of job fulfillment in Malaysian Universities can be predictable by employees’ perception of internal equity.

Hypothesis 2 is also supported. Perception of external equity was considered significant statistically (P-Value <0.05) in forecasting the dependent variable (job satisfaction). The positive correlations and coefficients indicate that as the perception of external equity raises, the level of job satisfaction among employees of Malaysian Universities will increase but not as much as perception of internal equity. 51% of the difference in the level of job fulfillment in Malaysian Universities can be forecasted by employees’ perception of external equity.

As it can be shown in Table 5 perception of internal equity has more impact on job satisfaction among employees of Malaysian Universities.
Universities than perception of external equity. This is because the amount of $t$ related to perception of internal equity (3.605) is more than $t$ related to perception of external equity (3.448).

IV. DISCUSSION

Based on the previous, there is a positive relationship between job satisfaction and perception of equity (Herzberg, 1959). And this research examining the relationship between staff perception of equity and job fulfillment in the Malaysian universities exposed positive relationship between perception of equity and job fulfillment. The outcomes also revealed that the relationship between perception of internal equity and job satisfaction is stronger than the relationship between perception of external equity and job satisfaction among employees of Malaysian Universities.

Table 6: Summary of Findings:

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Research Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: There is a positive relationship among Malaysian Universities employees’ fulfillment in profession and internal perception of equity.</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: There is a positive relationship among Malaysian Universities employees’ fulfillment in profession and external perception of equity.</td>
<td>Supported</td>
</tr>
<tr>
<td>H3: The external perception of equity will have less impact on profession fulfillment among Malaysian Universities’ employees than internal perception of equity</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Theoretical Contribution

This research is an effort to examine firstly whether perception of internal and external equity among employees in Malaysian Universities has an impact on job fulfillment or not and secondly it is going to emphasize which factors of perception of equity (Internal perception of equity or External perception of equity) has more impact on job fulfillment. The Herzberg’s Motivator-Hygiene Theory has been adapted from the previous study that has been done in Egypt. (Khalifa H., 2010)

Managerial Implication and Contribution

This research will be able to assist Human Resource Managers of Malaysian Universities to improve the level of job fulfillment by paying more attention to perception of equity among their employees. In fact, this study will help them to dispel the negative consequences of job satisfaction (Turnover) and raise positive job outcomes (Productivity) by increasing the level of perception of equity (Salary, Fringe Benefits, Promotion Opportunities, Status, Salary Raise, Recognition).

V. CONCLUSION

This study targeted at analyzing the relationships between employees’ job satisfaction and perception of equity in the Malaysian universities and hypothesized that there would be affirmative connections between job fulfillment and perception of equity.

Hypothesis 1 was supported that means perceptions of internal equity were positively related to job satisfaction. Almost 54% of the variance in job satisfaction could be explained by perceptions of internal equity. These findings fairly support the findings of researches that stated an affirmative relationship between perception of equity and job satisfaction (Rifai, 2005; Paik et al., 2007; Lambert et al., 2007; Deconinck & Bachmann, 2007).

Therefore, there is an affirmative relationship between perception of internal equity and job satisfaction among employees of Malaysian Universities.

Hypothesis 2 was also supported. Perception of internal equity was positively related to job satisfaction. Approximately 51% of the variance related to job fulfillment could be predicted by
perception of internal equity. These findings fairly support the outcomes of researches that stated an affirmative connection between perception of equity and job satisfaction (Lambert, 2007); (Deconinck, 2007); (Paik, 2007).

There is an affirmative connection between perception of external equity and job fulfilment among employees of Malaysian Universities. The t-Test table outcome indicates that perception of internal equity have more impact on job satisfaction than perception of external equity, therefore the third hypothesis has been also supported.

The perception of internal equity has more impact on job satisfaction than perception of external equity among employees of Malaysian Universities.

**Recommendation for Future Research**

A suggestion for further study is that researchers have to study the connection between perception of equity and job fulfilment under the control effect of gender. Many studies have been confirming variations between women and men. Gender has been regarded as a variable that impacts several job behaviours such as commitment, job fulfillment, and Perception of equity (Lefkowitz, 1994).

Another suggestion is to examine the comparative significance of each aspect of perception of equity in forecasting each aspect of job fulfillment especially those that were revealed as important predictors of job fulfillment in this research.
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