

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN LEADERSHIP
BEHAVIOUR AND EMPLOYEES' RETENTION IN A
FINANCE INSTITUTION**

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ABSTRACT

Employee retention becomes one of the major issues in any organization. This might affect its turnover and further contribute to the productivity and long-term plan of an organization. Numerous studies have shown that leadership behaviour influences employee retention. Thus, this study is aimed to evaluate the retention rate and leadership behaviour exhibited among the superiors perceived by followers. The study was intended to examine the relationship between leadership behaviour and employees' retention in a private finance institution. A sample of 103 employees from Islamic Bank Malaysia Berhad in Selangor participated in this research. A 5-point Likert scale questionnaire consisting of 54 items was designed which were divided into 3 parts. Descriptive and inferential statistics were used to analyze the data. Apart from that, mean and standard deviation were also applied to analyze the retention rate among employees and the nature of leadership style of their superior. Correlation was used to analyze the relationship between leadership behaviour and employee retention. The reliability of the questionnaire as a whole is reported as high. The findings revealed that the employees perceived their company as high retention. The results also showed that the employees perceived that their superior exhibited a moderate transformational and transactional leadership behavior. However, the result depicted there was no significant relationship between leadership style and employees' retention rate. Implications for practice suggest that leaders are recommended to recognize their employees' work thus create an ideal work climate to ensure employees feel more comfortable in order for them to be a part of the organization.

ABSTRAK

Pengekalan pekerja menjadi salah satu isu utama dalam mana-mana organisasi kerana ianya akan memberi kesan kepada produktiviti dan perancangan jangka panjang sesebuah organisasi. Beberapa kajian telah menunjukkan bahawa tingkah laku kepimpinan mempengaruhi pengekalan pekerja. Oleh itu, kajian ini bertujuan untuk menilai kadar pengekalan pekerja dan tingkah laku kepimpinan yang dipamerkan oleh pegawai atasan di Bank Islam Malaysia Berhad. Kajian ini bertujuan mengkaji hubungan antara tingkah laku kepimpinan dan pengekalan pekerja menggunakan Multifactor Leadership Questionnaire (MLQ). Sampel kajian terdiri daripada 103 kakitangan Bank Islam Malaysia Berhad di Selangor. Soalan kaji selidik berskala 5 skala Likert yang terdiri daripada 54 item telah dibahagikan kepada tiga bahagian. Statistik deskriptif dan inferensi telah digunakan untuk menganalisis data. Min dan sisihan piawai juga digunakan untuk menganalisis kadar pengekalan di kalangan pekerja dan jenis gaya kepimpinan yang dipamerkan oleh pegawai atasan. Korelasi digunakan untuk menganalisis hubungan antara tingkah laku kepimpinan dan pengekalan pekerja. Kebolehpercayaan soalan kaji selidik dilaporkan sebagai 0.956 keseluruhannya. Manakala, dapatan kajian menunjukkan bahawa pekerja Bank Islam Malaysia Berhad dilihat mempunyai kadar pengekalan yang tinggi. Hasil kajian juga menunjukkan bahawa pekerja menilai pegawai atasan mereka telah mempamerkan gaya kepimpinan transformasi dan transaksi yang sederhana. Walau bagaimanapun, tiada hubungan di antara gaya kepimpinan dan kadar pengekalan pekerja di Bank Islam Malaysia Berhad. Implikasi yang dicadangkan untuk diamalkan oleh pemimpin adalah mengiktiraf pekerja

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