

MASTER'S IN BUSINESS ADMINISTRATION (AA701)

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DETERMINANTS OF TURNOVER INTENTION AMONG WORKFORCES IN MALAYSIA MARINE AND HEAVY ENGINEERING (MMHE)

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ABSTRACT

The Malaysia Marine and Heavy Engineering (MMHE) fabricator yard has experienced a significant rise in the rate of turnover intention over the past four years, the number of cases increasing from 147 to 265. Although human turnover is a common occurrence in the marine industry, the departure of employees is significantly hindering MMHE's performance and productivity. Conducting a study on the aim of workforce turnover in MMHE is deemed appropriate, considering the numerous factors that may prevent an employee from staying in their current organisation. This study recommends an understanding of the underlying causes of employee turnover could offer MMHE valuable insights on the factors influencing employees' choices to leave. Gaining insight into the determinants that impact employees' inclination to quit their employment would enable MMHE to address the problem of high employee turnover. The study's core approach empowers MMHE to proactively plan and select the most effective organisational retention strategy for successfully retaining workforces.

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CHAPTER 1 INTRODUCTION

1.1 Preamble

Chapter One explores the fundamental elements necessary for comprehending the research context. This includes an examination of the background of MMHE and the identified problem statement concerning the rise in turnover within MMHE.

Malaysia Marine and Heavy Engineering Holdings Berhad (MMHE) is a renowned engineering and construction company located in the vibrant industrial hub of Pasir Gudang, Malaysia. With a rich history and legacy in the maritime and heavy engineering sectors, MMHE stands as a prominent entity known for its expertise in delivering innovative solutions and services to various industries worldwide.

The critical problem identified within MMHE revolves around the escalating rate of turnover among its workforce, posing significant challenges to organisational stability and operational efficiency. This pressing issue necessitates a comprehensive investigation to uncover the underlying factors contributing to this phenomenon and devise strategic interventions to mitigate the adverse influences of high turnover rates within the company.

The primary objective of this study is to examine the impact of key variables, for compensation, workload, supervisor dynamics, job control, and role conflict, on employee turnover within the context of MMHE. By scrutinizing these factors, the research aims to dissect their individual and collective influences on turnover rates, leading to a nuanced understanding of the intricate dynamics at play within the organisational structure

1.2 Background of the Study

In the global labour market, there has been a substantial outflow of employees from companies across the globe in recent times. The substantial levels of employee turnover in Malaysia, specifically in the oil and gas industry, have generated considerable apprehension. According to a study by Zainal et al. (2022), the voluntary turnover rate in Malaysia surpassed the median of 10% observed in all main Asia -