



**FACTORS INFLUENCING EMPLOYEE LOYALTY**

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**DECLARATION OF ORIGINAL WORK**



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“DECLARATION OF ORIGINAL WORK”**

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Hereby, declare that,

This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.

This project-paper is the result of my independent work and investigation, except where otherwise stated.

All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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## TABLE OF CONTENT

CONTENT	PAGE
TITLE PAGE	i.
DECLARATION OF ORIGINAL WORK	ii.
LETTER OF SUBMISSION	iii.
ACKNOWLEDGEMENT	iv.
TABLE OF CONTENTS	v.
LIFT OF FIGURES	viii.
LIST OF TABLES	viii.
ABSTRACT	ix.
<b>CHAPTER 1: INTRODUCTION</b>	
1.1 Background of the Study	1
1.2 Background of the Company	3
1.3 Problem Statement	5
1.4 Research Objectives	6
1.5 Research Questions	6
1.6 Significance of the Study	
1.6.1 To the Researcher	7
1.6.2 To the Respondents	7
1.6.3 To the Respondents' Superiors	7
1.6.4 To PCG's Human Resource Management	8
1.7 Limitation of the Study	
1.7.1 Attitude of Respondents	8
1.7.2 Financial Restriction	8
1.7.3 Lack of Experience	8
1.8 Definition of Terms	
1.8.1 Employee Loyalty	9
1.8.2 Commitment	9
1.8.3 Motivation	9
1.8.4 Career Development	9

1.9 Summary	10
<b>CHAPTER 2: LITERATURE REVIEW</b>	
2.1 Introduction	11
2.2 Employee Loyalty	11
2.3 Commitment	12
2.4 Motivation	13
2.5 Belongingness	14
2.6 Career Development	15
2.7 Research Framework	16
2.8 Hypotheses	17
2.8.1 H1	17
2.8.2 H2	17
2.8.3 H3	18
2.8.4 H4	18
2.9 Summary	19
<b>CHAPTER 3: RESEARCH METHODOLOGY</b>	
3.1 Introduction	20
3.2 Research Design	20
3.2.1 Purpose of the Study	20
3.2.2 Research Strategy	21
3.2.3 Extent of Researcher Interference	21
3.2.4 Study Setting	21
3.2.5 Unit of Analysis	22
3.2.6 Time Horizon	22
3.3 Sampling Design	23
3.3.1 Population	23
3.3.2 Sampling Size	23
3.3.3 Sampling Technique	23
3.4 Data Collection Method	24
3.4.1 Questionnaire	24
3.5 Data Analysis	26

## **ABSTRACT**

The business world as we know it is changing by the minute, as globalization takes place. Cross border transactions has increased tremendously due to globalization where goods and services are shipped throughout the world. However, services are not tangible, it comes along with the person who has the knowledge and skills to perform it. Thus, besides competing for market and customers, organizations must now compete with each other for the best human talent. This is because organizations are more aware of the importance of these talents. They are the linchpins of the organization and are needed to implement the strategies to achieve organizational success. However, maintaining human talent is not an easy task as there will always be other organizations that can offer better pay and/or benefits. PETRONAS Chemicals Berhad (PCG) is no exception to this problem. In order to retain and avoid having the best human talent stolen from their firm, it is imperative that they understand what are the factors that have the influence on employee loyalty. Thus, this research aims to study the factors influencing employee loyalty, specifically in PCG, located in PETRONAS Twin Towers. The determinants of employee loyalty based on literature review are commitment, motivation, belongingness and career development. Four hypotheses were made afterwards. 175 questionnaires were distributed physically to PCG's employees by using non-probability convenience sampling technique at PETRONAS Twin Towers. However, only 165 of them were useable. The data collected were analyzed using the SPSS software. The findings from analysis show that only commitment, belongingness and career development have a significant impact on employee loyalty. Based on the findings, recommendations were then made.