



**FACTORS INFLUENCING THE EMPLOYEE RETENTION IN  
PETROCHEMICALS (M) SDN BHD**

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**BACHELOR OF BUSINESS ADMINISTRATION (HONS)  
HUMAN RESOURCE MANAGEMENT  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
MALACCA CITY CAMPUS**

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**Submitted in Partial Fulfillment of the Requirement for the  
Bachelor of Business Administration  
(Hons) Human Resource Management**

**FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
MALACCA CITY CAMPUS**

**2012**



**BACHELOR IN BUSINESS ADMINISTRATION (HONS) HUMAN RESOURCE  
MANAGEMENT**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITY TECHNOLOGY MARA**

**(UiTM)**

**MELAKA**

**“DECLARATION OF ORIGINAL WORK”**

**I’M, SITI NURHAZWANI BINTI MOHD ZAINI, MATRIX NO. 2009751389**

**Hereby, declare that,**

- **This work has not previously been accepted in substance for any degree, locally or overseas, and not being consonantly 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.**

**Signature**

**Date**

.....

.....

## LETTER OF SUBMISSION

10 January 2012

The Head of Program  
Bachelor of Business Administration (Hons) Human Resource Management  
Faculty of Business Management  
Universiti Teknologi MARA  
75300 Melaka Bandaraya Bersejarah

Dear Mrs,

### **SUBMISSION OF PROJECT PAPER**

Attached is project paper titled “FACTORS INFLUENCING THE EMPLOYEE RETENTION IN PETROCHEMICALS (M) SDN BHD” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA

Thank you

Your sincerely,

SITI NURHAZWANI BINTI MOHD ZAINI

2009751389

Bachelor of Business Administration (Hons) Human Resource Management

## ABSTRACT

Malaysia is currently facing a major shortage of skilled workers in almost every industry which because of the increasing competition for fewer qualified workers. The organization will necessitate an enormous emphasis on the need to retain those workers. Managing retention and keeping the turnover rate below target and industry norms is one of the most challenging business issues. Even as economic times change, retention of employee will continue to be an important issue for most job groups. The criticality of employee retention is not subject to the vagaries of the economy but the employers always need to retain their talented people.

The retention of talent has also become a major challenge to human resource practitioners. According to Harris (2007) talented job candidates in the global skills market have the luxury of choice. This phenomenon has dramatically changed human resource practice in the area of attracting skilled employees into the organization and most importantly is to retaining them. It will give the high costs of turnover and its destructive tendency where it has become imperative for managers to identify retention variables that constantly motivate and influence the decision of valuable employees to have a longer tenure in an organization.

This study has been conducted at the Petrochemicals (M) Sdn Bhd which involved 60 people office employee. The researcher uses the questionnaire as a tool to collect the data for the study and the journals and articles as a reference. The finding of the study will help the researcher determine the strength of relationship between dependent variable and independent variable. The researcher have identify several recommendation that can be applied in the Petrochemicals (M) Sdn Bhd for improvement in future.