



ORGANIZATIONAL COMMITMENTS AND EMPLOYEE RETENTION

ZURIATI BINTI AHMAD BADAWI

2013141337

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KAMPUS BANDARAYA MELAKA

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LETTER OF TRANSMITTAL

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Program Coordinator
Human Resource Management
Faculty of Business Management
Universiti Teknologi Mara,
Kampus Bandaraya Melaka,
75300, Melaka

Dear Sir / Madam,

SUBMISSION OF PROJECT PAPER

Attached here is the project paper that titled "ORGANIZATIONAL COMMITMENTS AND EMPLOYEE RETENTION" in order to fulfil the requirement by Faculty of Business Management, Universiti Teknologi Mara.

Thank You,

Sincerely,

Zuriati binti Ahmad Badawi

(ZURIATI BITI AHMAD BADAWI)

2013141337

BBA (Hons.) Human Resource Management

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ABSTRACT

This study focuses on the organizational commitments towards employee retention. The study was conducted with four objectives in order to achieve the purpose of this research study. The first research objective is to identify the level of organizational commitments among the employee at Eco World by using descriptive analysis. Secondly is to determine level of employee retention among the employee at Eco World by using descriptive analysis. Thirdly is to investigate the relationship between organizational commitment and employee retention by using Pearson Correlation Coefficient Analysis and the last objective is to explore the most influential elements in organizational commitments that are affective commitment, continuance commitment and normative commitment, towards employee retention by using Regression Analysis. Thus, the study was conducted by using a quantitative method. 40 data were distributed and collected to the employees at Eco World Development Group at Tropika Welcome Centre office for Southern Region. The result shows that organizational and employee retention is at medium level among employees at Eco World South Region of Tropika Welcome Centre office. Other than that, organizational commitments do have a positive and significant relationship with employee retention. This relationship is considered as strong. It also shows that elements of organizational commitments that are affective commitment; continuance commitment and normative commitment also have positive and significant relationships with employee retention. Each relationship is considered as strong. Besides that the elements that most influential towards employee retention is affective commitment followed by normative commitment. It could be concluded that, affective commitment is the most influential element in organizational commitments that could make the employee either leave or stay in a company. This could be used as an important indicator to predict the employee future actions in retaining employees in a company.