



**FACTORS THAT INFLUENCE EMPLOYEE RETENTION FOR PRIVATE
COMPANY AMONG EMPLOYEES IN ABLEACE RAAKIN SDN BHD AND
SYARIKAT AIR JOHOR RANHILL SDN BHD**

NOR IKMAL ZULHADY BIN MOHAMAD NOR

2016686512

BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS

(HUMAN RESOURCE MANAGEMENT)

FACULTY OF BUSINESS MANAGEMENT

UNIVERSITI TEKNOLOGI MARA CAWANGAN MELAKA

KAMPUS BANDARAYA MELAKA

JULY 2018

ACKNOWLEDGEMENT

First of all, I am grateful to Allah S.W.T for giving this opportunity and for establishing me to complete this final year project paper. Next, I wish to express my sincere to my advisor for this project paper, Dr. Najihah Hanisah for support and guide me to complete this project paper.

I place on record, my sincere gratitude to Miss Hanim Binti Bakar, Head of Human Resource for Ableace Raakin Sdn Bhd and En. Aziz Bin Jameran, Head of Human Resource for Syarikat Air Johor Ranhill Sdn Bhd for their constant encouragement and cooperation.

I take this opportunity to thank to my family members, classmates, and lecturers which involve in supporting me and giving useful information related to this project paper. This project paper will not success without cooperation from them. Lastly, my sense gratitude to anyone which direct and indirectly, have lent their helping and involve during completing my final year project paper.

ABSTRACT

The purpose of this study is to study the factors that influence the employee retention for private company among employees in Ableace Raakin Sdn Bhd and Syarikat Air Johor Ranhill Sdn Bhd. Respondent for this research was selected in this both company. The target population of this study was employees in Ableace Raakin Sdn Bhd and Syarikat Air Johor and the sample size is 143 respondents. Factors in this study include employee empowerment, employee training, appraisal system, and employee compensation. The study found there are positive significant relationship between three independent variables which is employee empowerment, employee training and appraisal system and dependent variable which is employee retention except employee compensation. The study recommended that future research can be done towards other organizations for other factors that can influence on employee retention.

Keywords: *Employee empowerment, employee training, appraisal system, compensation and employee retention*

TABLE OF CONTENT

CHAPTER 1: INTRODUCTION

1.1 Background of Study	1-4
1.2 Problem Statement	4-6
1.3 Research Questions	6
1.4 Research Objectives	6-7
1.5 Scope of Study	7
1.6 Significance of Study	7-8
1.7 Limitation of Study	8-9

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction	10
2.1 Employee Retention	10-11
2.2 Employee Empowerment	11-13
2.3 Employee Training	13-14
2.4 Performance Appraisal	14-16
2.5 Employee Compensation	16-17
2.6 Theoretical Framework	17-19
2.7 Hypothesis Development	20

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction	21
3.1 Research Design	21-22
3.2 Population	22-23
3.3 Research Sampling	24
3.4 Data Collection	24
3.5 Questionnaire	25
3.6 Measurement and Organizational	

of the Questionnaire	26
3.7 Data Analysis	26
3.7.1 Descriptive Statistic	27
3.7.2 Reliability Analysis	27
3.7.3 Chapter Summary	27-28
CHAPTER 4: FINDINGS AND DISCUSSION	
4.0 Introduction	29
4.1 Data Analysis and Finding	29
4.1.1 Reliability Analysis	29-32
4.1.2 Frequency of Distribution	32-34
4.1.3 Descriptive Statistic	35-41
4.1.4 Multiple Regression Analysis	42-44
4.1.5 Hypothesis Testing	44-46
CHAPTER 5: DISCUSSION AND RECOMMENDATION	
5.0 Introduction	47
5.1 Conclusion	47-48
5.2 Discussion	
5.2.1 Discussion on relationship between employee Empowerment and employee retention	48-49
5.2.2 Discussion on relationship between employee training and employee retention	49-50
5.2.3 Discussion on relationship between appraisal system and employee retention	50
5.2.4 3 Discussion on relationship between appraisal system and employee retention	51
5.3 Recommendations	52
5.3.1 Organization	52