

The Impact of Employee Benefits towards Organizational Commitment in SMIs Kedah



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**LAPORAN AKHIR PROJEK PENYELIDIKAN: THE IMPACT OF
EMPLOYEE BENEFITS TOWARDS ORGANIZATIONAL
COMMITMENT IN SMIs KEDAH**

Dengan segala hormatnya, perkara di atas adalah dirujuk.

Bersama-sama ini disertakan tiga (3) naskah Laporan Akhir Projek Penyelidikan bertajuk "The Impact of Employee Benefits towards Organizational Commitment in SMIs Kedah" oleh Kumpulan Penyelidik Universiti teknologi MARA (UiTM) Kedah untuk makluman pihak puan.

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Yang benar



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ABSTRACT

The purpose of this study is to examine from the employees' point of view, what are the employee benefits i.e. mandatory and voluntary benefits provided by their employers and the employees' organizational commitment. The data of this study were collected from 256 employees in food manufacturing industries, SMIs, Kedah from mid July – mid September 2004. There are four research objectives concerning this study: (i) to identify the types of mandatory and voluntary benefits given by the employer of SMIs, Kedah; (ii) to investigate the level of organizational commitment among the employees of SMI's Kedah; (iii) to identify the relationship between employee benefits (mandatory and voluntary benefits) and organizational commitment; and (iv) to identify the demography background (gender, age, marital status and years of service) and organizational commitment. The first research objective is to identify the types of mandatory and voluntary benefits given by the employer of SMI's Kedah. Result of this study indicated that majority of the employers complied with legal requirement by providing mandatory benefits to their employees. However, a small number of respondents indicated that their employees did not provide them mandatory benefits. Result also shows that among voluntary benefits, bonus and uniform are the most frequent mentioned voluntary benefits given by employers. Second research objective is to investigate the level of organizational commitment among the employees of SMI's Kedah. Result shows that the employees of food manufacturing industries in SMIs, Kedah having high organizational commitment. Third research objective is to identify the relationship between employee benefits (mandatory and voluntary benefits) and organizational commitment. Finding indicated that employee benefits (mandatory and voluntary benefits) were having significant and positive relationship with organizational commitment and voluntary benefits having higher relationship as compare to mandatory benefits. This finding suggested that when employees received more employee benefits (mandatory and voluntary benefits) their organization commitment tend to be higher. Lastly, fourth research objective is to identify the demography variables (gender, age, marital status and years of service) and organizational commitment. Results suggested that among the demographic variables, gender, age and marital status are having significant association with organizational commitment.

TABLE OF CONTENTS

| | Page |
|---|------|
| ABSTRACT | i |
| ACKNOWLEDGEMENT | ii |
| TABLE OF CONTENTS | iii |
| LIST OF TABLES | v |
| LIST OF CHARTS | vi |
| LIST OF FIGURE | vii |
| | |
| Chapter 1 : INTRODUCTION | |
| 1.0 Background of the study | 1 |
| 1.1 Problem statement | 2 |
| 1.2 Significance of the study | 3 |
| 1.3 Objectives of the study | 3 |
| 1.4 Research questions | 4 |
| 1.5 Scope of research | 4 |
| 1.6 Limitations | 5 |
| 1.7 Definitions of terms | 5 |
| 1.8 Theoretical Framework | 7 |
| | |
| Chapter 2 : LITERATURE REVIEW | |
| 2.0 Introduction | 8 |
| 2.1 Demography variables | 9 |
| 2.1.1 Gender | 9 |
| 2.1.2 Age | 9 |
| 2.1.3 Marital status | 10 |
| 2.1.4 Years of service | 10 |
| 2.2 Employee benefits | 11 |
| 2.3 Organizational commitment | 14 |
| | |
| Chapter 3 : RESEARCH METHODOLOGY | |
| 3.0 Introduction | 19 |
| 3.1 Research design | 19 |
| 3.2 Population | 20 |
| 3.3 Sample and sampling | 20 |
| 3.4 Research instrument | 20 |
| 3.5 Data analysis | 22 |

| | | |
|------------------|---|----|
| Chapter 4 | : ANALYSIS AND FINDING | |
| 4.0 | Introduction | 23 |
| 4.1 | Descriptive data | 24 |
| 4.2 | Types of mandatory benefits given by the SMIs employers as indicated by the employees | 28 |
| 4.3 | The level of organizational commitment among the SMIs employees and the reliability of the instrument | 35 |
| 4.4 | The relationship between employee benefits and organizational commitment | 36 |
| 4.5 | The respondents' demographic variables and organizational commitment | 39 |
| 4.6 | Summary | 47 |
| | | |
| Chapter 5 | : SUMMARY, DISCUSSION, RECOMMENDATIONS AND CONCLUSION | |
| 5.0 | Introduction | 49 |
| 5.1 | Summary of the major findings and discussion | 49 |
| 5.2 | Recommendations | 53 |
| 5.3 | Conclusion | 54 |
| | | |
| REFERENCES | | 56 |