



**CORRELATION ANALYSIS BETWEEN RESTRUCTURING AND EMPLOYEE'S
LOYALTY IN PETRONAS DAGANGAN BERHAD (PDB)**

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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 it is not being concurrently submitted for this degree or any other degrees.
- This project paper is result of our independence work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specially acknowledged.

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LETTER OF SUBMISSION

July 2016

The Head of Program

Bachelor in Business Administration (Hons)

Human Resource Management

Faculty of Business and Management

Kampus Bandaraya Melaka

Melaka

Dear Madam,

SUBMISSION OF PROJECT PAPER

Attached is the project title “Correlation Analysis between Restructuring and Employees’ Loyalty in PETRONAS Dagangan Berhad (PDB)” to fulfill the requirement as needed by the Faculty of Business and Management, Universiti Teknologi Mara (UiTM).

Thank you

Sincerely,

Mohd Nazree Bin Joblee

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ABSTRACT

Purpose – This research was conducted with the purpose of analyzing the correlations that exists between restructuring and employee loyalty. Restructuring is one of the accepted strategy done by an organization in order to react with the declining profit and increase in operational costs that usually caused by an unfavorable economic situation. Loyalty is the psychological state of an employee towards their feeling of attachment and commitment towards the organization and its improvement. Therefore, we want to prove that whether there is any relationship that occurs between restructuring and employee loyalty.

Design/methodology/approach – We have distributed 234 questionnaires to PETRONAS Dagangan Berhad (PDB)'s staff and we used the data provided by them in order to prove the relationship between restructuring and employee loyalty. Our sampling size is determined by referring to the Krejcie & Morgan's sample size table.

Findings – Based on our finding, there is a significant and positive relationship that occurs between restructuring and employee loyalty. The positive relationship occurs due to the high extent of the loyalty feeling among the respondent. The higher the extent of the restructuring process will affect their loyalty positively as they are willing to help the organization to achieve the stability in their business condition.

Practical Implications – Difficulties in distributing the questionnaires because of the respondent's unavailability due to their work demand. They might be located at PETRONAS Twin Towers, but they are temporarily outstation due to work assignment that was assigned to them. Therefore it took a long time to distribute the questionnaire and delayed the data analysis process.