



**COMPENSATION AND BENEFITS, WORK ENVIRONMENT AND EMPLOYEE  
RETENTION IN SELECTED MANUFACTURING AND SERVICES INDUSTRIES:  
THE MEDIATING ROLE OF SUPERVISOR SUPPORT**

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**JULY 2016**

## DECLARATION OF ORIGINAL WORK



**BACHELOR OF BUSINESS ADMINISTRATION  
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“DECLARATION OF ORIGINAL WORK”**

We, NORSYIDAHANIM BINTI ZAINAL ABIDIN (I/C Number: 931012-01-6006)  
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Hereby, declare that:

- This work has not previously been accepted in substance for any degree locally or overseas, and is not being concurrently submitted for this degree or any other degrees.
- This project-paper is the result of our independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and source of my information have been specifically acknowledged.

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Date	: JULY 2016	Date	: JULY 2016

## LETTER OF TRANSMITTAL

JULY 2016

The Head of Program  
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Dear Sir / Madam,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper title “**COMPENSATION AND BENEFITS, WORK ENVIRONMENT AND EMPLOYEE RETENTION IN SELECTED MANUFACTURING AND SERVICES INDUSTRIES: THE MEDIATING ROLE OF SUPERVISOR SUPPORT**” to fulfill the requirement as needed by the Faculty of Business Management, Universiti Teknologi MARA.

Thank you.

Yours sincerely,

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## TABLE OF CONTENT

TITLE PAGE .....	i
DECLARATION OF ORIGINAL WORK.....	ii
LETTER OF TRANSMITTAL.....	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENT.....	v
LIST OF FIGURE .....	ix
LIST OF TABLES.....	x
LIST OF ABBREVIATIONS .....	xi
ABSTRACT .....	xii

### INTRODUCTION

1.0	Background of Company.....	1
1.1	Background of Study .....	2
1.2	Problem Statement .....	3
1.3	Significance of Study .....	5
	1.3.1 Organization.....	5
	1.3.2 Employees.....	5
	1.3.3 Researcher.....	6
1.4	Limitation of Study.....	6
	1.4.1 Data Collecting.....	6
	1.4.2 Respondents Responses.....	6
	1.4.3 Time Frame .....	6
1.5	Definition of Term.....	7
	1.5.1 Employee Retention.....	7
	1.5.2 Compensation and Benefits.....	7
	1.5.3 Working Environment.....	7
	1.5.4 Supervisor Support .....	7

## **ABSTRACT**

Employee retention is a continuous problem or issues that always are a major issue of any company. This is not easy to retain employee for a long period in an organization. This research has been conducted to know and investigate on compensation and benefits, working environment, supervisor support and employee retention at GG Circuits Industries Sdn. Bhd. and Suria City Hotel Johor Bahru. It is important to the companies to reduce the employee turnover that may influence the productivity of company. The data collected through the questionnaires from 157 respondents from GG Circuits Industries Sdn. Bhd. and Suria City Hotel Johor Bahru. The questionnaires were distributed to test the hypotheses that are proposed. The questionnaires designed based on three variables that are expected to be factors that influence employee retention which are compensation and benefits, working environment and supervisor support. Therefore, this research also has been conducted about the mediating analysis which is supervisor support as moderating variable. This research used process macro analysis to evaluate the total effect of compensation and benefits and work environment on employee retention which the results shown moderating variables are partially mediator on employee retention. Hence, the results from this study reveal that there is positive relationship between all independent variables which are compensation and benefits, working environment, supervisor support towards employee retention. There are many other factors that may influence employee retention which are not included in this research. The sample of this study only limited to the employees that are working in both companies which are GG Circuits Industries Sdn. Bhd. and Suria City Hotel Johor Bahru.