



**“A STUDY OF RELATIONSHIP BETWEEN INCENTIVE AND EMPLOYEES LOYALTY AT
AMANAHRAYA BHD”**

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BACHELOR OF BUSINESS ADMINISTRATION

(HONS) HUMAN RESOURCES

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UNIVERSITI TEKNOLOGI MARA

KAMPUS BANDARAYA MELAKA

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**Submitted in Partial Fulfillment of the requirement for the
Bachelor of Business Administration (Hons) Human
Resource**

**FACULTY OF BUSINESS MANAGEMENT UITM, KAMPUS
BANDARAYA MELAKA**

2014



**BACHELOR OF BUSINESS ADMINISTRATION
(HONS) HUMAN RESOURCE
FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
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“DECLARATION OF ORIGINAL WORK”

I, UMMUL QAIS BINTI ABU HASSAN, (I/C NUMBER 910530-06-5542)

Hereby, declare that,

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

Signature:

Date:

LETTER OF SUBMISSION

10 January 2014

The Head of Program
Bachelor of Business Administration (Hons) (Human Resources)
Faculty of Business Management
University Technology Mara
Melaka City Campus

Dear Sir/ Madam,

SUBMISSION OF PROJECT PAPER

Attach is the project paper titled "A Study of Relationship between Incentives and Employee Royalty at AmanahRaya Berhad" to fulfill the requirement as needed by the Faculty of Business Management, University Technology Mara.

Thank You

Yours sincerely

UMMUL QAIS BINTI ABU HASSAN

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Bachelor of Business Administration (Hons) (Human Resources)

ABSTRACT

A good and effective incentive system is necessary to attract, retain and motivate the employees of an organization to work harder and stay longer with the company. Increasing number of employee's turnover rate in Malaysia has become a major issue that needs to be addressed. Therefore, the objective of this study is to identify which type of reward (monetary or non-monetary) is consider the most important by employees to retain working in AmanahRaya Berhad. This study was also conducted to seek the relationship between reward and employees loyalty.

The independent variables were identified as salary increment, merit pay and bonus for monetary incentives and recognition, training and development as well as promotion for non-monetary incentives will be used to analyse and examined this study thoroughly and in details. The dependent variable is employee loyalty. This study is conducted at headquarter of AmanahRaya Berhad with 97 respondents took part in this research. The data obtained were analyzed using the Statistical Package for Social Science (SPSS) program. Descriptive analysis, normality test, reliability test, and Pearson's Correlation were conducted in order to interpret the data.

This research will assist the management of AmanahRaya Berhad to set up an effective incentive system to reward its employees, motivate them to work harder and stay longer with the company.