

UNIVERSITI TEKNOLOGI MARA

**EMPLOYEE LOYALTY TOWARDS
AN ORGANIZATION:
A CASE STUDY OF DYSON
MANUFACTURING SDN BHD**

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ABSTRACT

Retaining productive and skillful employees is one of the challenges faced by an organization. An employee is an asset in a company that ensures the company's mission and vision can be achieved. The purpose of this research is to study the current situation of an employee's loyalty in the organization and to determine the relationship of employee benefits, career advancement opportunity and leadership style with employee's loyalty at Dyson Manufacturing Sdn Bhd. The Maslow's Hierarchy of Needs Theory and Herzberg's Motivator-Hygiene Theory are referred to understand the employees' needs that influence their loyalty towards an organization. In this study, primary and secondary data are collected and an academic construct is applied. Data are collected through the distribution of questionnaires and the conduct of interviews. To achieve the research objectives of this research, the statistical tests such as Descriptive, Reliability and Pearson Correlation are used, as well as the application of SWOT analysis and TOWS Matrix. Pearson Correlation analysis reveals a positive and strong relationship between employee benefits, career advancement opportunity and leadership style with employee loyalty. All the variables have a positive correlation greater than 0.5 and are statistically significant. It is found that leadership style has the strongest relationship, followed by employee benefits and career advancement opportunity towards employee loyalty. The overall findings indicate that leadership style is the most influencing factor that contributes toward employee loyalty in Dyson. Based on these findings, it is recommended that Dyson engage in modules of leadership development program since a good leader gives full support and makes the employees feel comfortable with the way things are managed on a day-to-day basis. By developing an effective leadership development program, it is hoped that loyal employees are retained and subsequently, turnover rate is contained.

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