



**THE FACTORS THAT INFLUENCE EMPLOYEES' TRUST  
A CASE STUDY ON PERMANIS SDN BHD**

**NUR AMANINA BINTI KAMARUDDIN**

**2013147347**

**SUBMITTED FOR THE FULFILLMENT OF THE REQUIREMENT  
FOR THE DEGREE BACHELOR OF BUSINESS  
ADMINISTRATION WITH HONOURS**

**(MARKETING)**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**SARAWAK**

**JUNE 2016**

UNIVERSITI TEKNOLOGI MARA

ORIGINAL LITERATURE WORK DECLARATION

Name of Student : NUR AMANINA BINTI KAMARUDDIN

Registration Matric No : 2013147347

Name of Degree : DEGREE BACHELOR OF BUSINESS  
ADMINISTRATION WITH HONOURS (MARKETING)

Title of Research Project : THE FACTORS THAT INFLUENCE EMPLOYEES'  
TRUST "A CASE STUDY ON PERMANIS SDN BHD"

Field of Study : MARKETING

I do solemnly and sincerely declare:

- (1) I am the sole author/writer of this work;
- (2) This work is original;
- (3) Any use of any work in copyright exists was done by way of fair dealing and for permitted purposes and any excerpt or extract from, or reference to or reproduction of any copyright work has been disclosed expressly and sufficiently and the title of the work and its authorship have been acknowledged in this work;
- (4) I am fully aware that if in the course of making this work I have infringed any copyright whether intentionally or otherwise, I may be subject to legal action or any other action as may be determined by UiTM.



Date: 28-06-2016

Student's Signature

Solemnly declared before,



Date: 28/6/16

Advisor's Signature

Name :

HARRISSON A.TAMA/  
MUHAMMAD HARRIZZ  
(PENYARAH)

Designation :

FAKULTI PENGURUSAN PERNIAGAAN,  
UiTM SAMARAHAN

## TABLE OF CONTENTS

CHAPTER 1 .....	1
INTRODUCTION .....	1
1.1 INTRODUCTION .....	1
1.2 BACKGROUND OF STUDY .....	2
1.3 COMPANY BACKGROUND .....	2
1.3.1 Permanis Sdn Bhd.....	2
1.3.2 Permanis Sdn Bhd Products.....	2
1.3.2 Vision .....	3
1.4 PROBLEM STATEMENT .....	3
1.5 RESEARCH OBJECTIVES.....	4
1.6 RESEARCH QUESTIONS.....	4
1.7 SCOPE OF STUDY .....	4
1.8 SIGNIFICANCE OF THE STUDY .....	5
1.8.1 Researcher.....	5
1.8.2 Organization .....	5
1.9 LIMITATION OF STUDY .....	5
1.9.1 Time Constraints .....	5
1.9.2 Accuracy of Data .....	6
1.10 DEFINITION OF TERM .....	6
1.10.1 Employees .....	6
1.10.2 Trust.....	6
1.10.3 Workplace .....	6
1.10.4 Workplace Environment .....	7
1.10.5 Management .....	7
1.10.6 Behavior .....	7
CHAPTER 2 .....	8
LITERATURE REVIEW .....	8
2.1 INTRODUCTION .....	8
2.2 TRUST AND PERFORMANCE .....	8
2.3 WORKPLACE ENVIRONMENTS INFLUENCE EMPLOYEE TRUST .....	8
2.4 MANAGEMENT INFLUENCE EMPLOYEE TRUST.....	9
2.5 EMPLOYEES' BEHAVIOR INFLUECE EMPLOYEE TRUST .....	10
2.6 THEORETICAL FRAMEWORK .....	10
2.7 RESEARCH HYPOTHESIS.....	11
CHAPTER 3 .....	13
RESEARCH METHODOLOGY.....	13
3.1 INTRODUCTION .....	13
3.2 RESEARCH DESIGN .....	13
3.3 POPULATION AND SAMPLING TECHNIQUES.....	13

## **ABSTRACT**

Research on interpersonal trust within organizational contexts tends to focus on managers as the trust referent, largely ignoring the topic of trust amongst workers. Investigations of worker trust focus on a different referent, and are expected to have unique effects on environment at work and organization performance.

In this paper, the researcher first reviews the extant literature on trust in management, organizational citizenship behavior and workplace environment. Then, a model is presented to better understand the role of many factors in shaping focal employee trust in the organization, which in turn may affects his or her organizational citizenship behavior and workplace environment.

Therefore, the purposes of this study are to identify the relationships between the employee trust with workplace environment, management roles, and employee's behavior. Primary data are collected using self-administered questionnaire. The samples comprised 80 workers from the different department in Permanis Sdn Bhd. Meanwhile, Pearson Correlation and Regression Analysis are employed to identify whether the three factors have relationship with the trust in Permanis Sdn Bhd workers.



# **CHAPTER 1**

## **INTRODUCTION**

### **1.1 Introduction**

This part will discuss about the seven areas and review of the entire research project. Those are consisting of the background of study, problem statements, research objectives, research questions, significant of study, limitations of study, scope of study and key words.

### **1.2 Background of study**

Management in business organization is the affiliation and coordination of the activities of a business with a particular finished objective to achieve described targets. Business in organization is impacted by individuals, structure, technique, innovation and situations. The elements of organization are to arrange, sort out, lead and control these interdependent parts to guarantee that the association works adequately. Besides, in management they have managing directors to coordinate and control the work of employees. Basically, the manager's responsibility is to guarantee the powerful what are more and physical assets to accomplish the organization's goals.

There are many issues happen in Permanis Sdn Bhd. Several factors influence company performance such as employee trust. As stated by W. Edwards Deming (1994), trust is compulsory for streamlining of a framework. Besides, every component will monitor its own particular prompt without trust interests. Trust in administration is imperative for authoritative execution. In recent years, the organizational relationship in acknowledging the importance of trust has grown rapidly. Trust is an important element that ensures the satisfaction of each employee. Without a trust there might cause discipline issue such as absenteeism, turn over, lazy and others.

The quality relationship with workers can enhance the likelihood that representatives will be fulfilled by the organization and their employment and in this way more inclined to be beneficial in supporting the mission of the organization. (Brigitta R. Brunner, 2005). The effectiveness of management in organization proves that they have ability to control situation in many ways. For example, win-win situation when have conflict among them.