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**A STUDY ON RETAINING EMPLOYEE IN  
CURBING EMPLOYEE TURNOVER RATE: A  
STUDY ON OCEANIC STRATEGIES SDN BHD**

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## **ABSTRACT**

Retaining employee in curbing turnover rate may differ from one employee to another and it is important to understand from the point of view of industrial player. The main purpose of this research was to identify the intention of employee to retain in the company. Participants in the research included 30 respondents of which questionnaire and interview were used to obtain the data. Questionnaire were distributed by using simple random sampling in Melaka, Pasir Gudang, Johor and Kuala Lumpur. The findings revealed that there were several factors that showed in this research which contributed to the retaining employee turnover rate among the employee; work environment and compensation & benefit. The findings showed that employee are tend forward to the compensation and benefits accordingly for the factors that contribute to the retaining employee turnover rate. Work environment also contribute to the factors in retaining employee turnover rate. To retaining the employee, it was suggested that improving the work environment and pay out the salary that pending and also increase the incentive for employee. This research is significant to Oceanic Strategies Sdn Bhd to retain their employee in the next few years.

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## CHAPTER 1: INTRODUCTION

### 1.0 BACKGROUND OF STUDY

Today industry faced unbalanced situation and challenges in attracting and retaining talented employees. Retaining skilled employees can create a feasible environment in a competitive market economy for company to sustain profitability and be competitive.

Employee who are committed toward their organizations are likely to stay longer, have better performance, and they tend to be highly involved at workplace (Chughtai and Zafar, 2006). Moreover, committed employees show their loyalty and become productive individuals in their organizations (Dey, Kumar, & Kumar, 2014). As a result, such employees show positive attitude towards organizational goals and values and are likely to develop positive work behaviour.

Employee commitment is linked with several desirable behavioural outcomes such as employee retention, presence, performance, quality of work, and personal sacrifice for the best interest of the organization to make it successful (London, 1983; Randall, 1990). In general, when inducements are increased by the company, this will lower the tendency of the worker to leave and vice versa (Choi Sang Long, Musibau Akintunde Ajagbe, Tan Owee Kowang, 2013).

Turnover is the rate at which an employer gains and losses employees. The simple way to describe it is "how long employees tend to stay". Studies indicate that