

**RETENTION FACTORS TOWARDS ORGANISATION
COMMITMENT AMONG BABY BOOMERS, GENERATION X
AND GENERATION Y:
A SURVEY ON EXECUTIVE IN TENAGA NASIONAL BERHAD**

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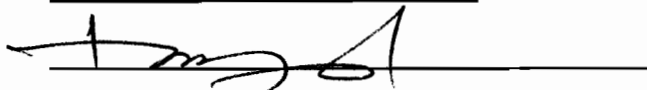
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ABSTRACT

Differences in perception among the Baby Boomers, Generation Y and Generation X workers are an important issue that must be addressed by all organizations. This study aimed to identify factors that affect employee retention and organizational commitment among the three generation. In addition, this study aims to identify differences in employee retention factors and organizational commitment among the three generations. The study was also aimed to identify relationship and influence on employee retention and organizational commitment. Thus the independent variable is the retention factor of workers which is the three dimensions of rewards, recognition and work-life balance. While the dependent variable discuss in this research is organizational commitment. It carried out a field study of 140 executives of Tenaga Nasional Berhad (TNB) who is working at the headquarters of TNB Bangsar. The questionnaire was adapted from Andreas Dockel, 2003. ANOVA analysis, Pearson correlation and multiple tools used to achieve the objectives of the study. ANOVA results shows that there are significant differences between rewards and organization commitment by generations of workers. While the factors of recognition and work-life balance in the ANOVA analysis showed no significant difference. Pearson correlation analysis shows that the three retention factors have positive significant relationship between employee retention factors and organizational commitment. Whereas regression analysis showed that the most influential factor is rewards ($\beta = .223$, $p = .000$) on organizational commitment among executives at Tenaga Nasional Berhad. This study suggests that in order to improve organizational commitment, TNB should look at reward and recognition factors that has been implement in TNB.

ABSTRAK

Perbezaan persepsi di kalangan pekerja generasi *Baby Boomers*, Generasi Y dan Generasi X merupakan isu penting yang perlu diberi perhatian oleh semua organisasi. Kajian ini bertujuan untuk mengenalpasti faktor-faktor yang mempengaruhi pengekalan pekerja dan komitmen organisasi di kalangan ketiga-tiga generasi. Selain itu, kajian ini juga bertujuan untuk mengenalpasti perbezaan faktor pengekalan pekerja dan komitmen organisasi di kalangan tiga generasi tersebut. Seterusnya kajian ini juga, bertujuan mengenalpasti hubungan dan pengaruh faktor pengekalan pekerja ke atas komitmen organisasi. Oleh itu pemboleh ubah bebas adalah faktor pengekalan pekerja yang terdiri daripada tiga dimensi iaitu ganjaran, penghargaan dan keseimbangan kehidupan bekerja. Manakala pemboleh ubah bersandar ialah komitmen organisasi. Kajian ini dijalankan secara kajian lapangan yang meliputi 140 orang eksekutif Tenaga Nasional Berhad (TNB) yang bekerja di ibu pejabat TNB Bangsar. Soal selidik adalah diadaptasi daripada Andreas Dockel, 2003. Ujian analisis ANOVA, korelasi Pearson dan regresi mudah digunakan bagi mencapai objektif kajian. Keputusan ANOVA menunjukkan bahawa terdapat perbezaan yang signifikan antara faktor ganjaran dengan komitmen organisasi mengikut generasi pekerja. Manakala faktor pengiktirafan dan keseimbangan kehidupan bekerja dalam analisis ANOVA tidak menunjukkan perbezaan yang signifikan. Hasil analisis korelasi Pearson mendapati bahawa tiga hubungan signifikan positif yang rendah antara faktor pengekalan pekerja dan komitmen organisasi. Manakala analisis regresi menunjukkan bahawa faktor ganjaran merupakan faktor paling berpengaruh ($\beta = .223$, $p = .000$) ke atas komitmen organisasi di kalangan eksekutif di Tenaga Nasional Berhad. Kajian ini mencadangkan bahawa untuk meningkatkan komitmen organisasi, TNB perlu melihat semula faktor ganjaran dan penghargaan yang diamalkan di organisasi mereka.

DEDICATIONS

I would like to thank my family: My father, Jamaluddin b. Ahmad Damanhuri, my mother, Hazlin bt Abdul Karim, my siblings, Khairul Shahrizal, Hana Shafinaz and Faridzul Shazlan, my beloved friend S.S.C for being with me throughout the production of this project paper and for their continuous support and encouragement.

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Employee retention and turnover of skilled employees have been the main concern among employers worldwide. Today's business environment has become very competitive and losing the best people in the company to competitors would be a big loss. Recent studies have shown that retention of highly skilled employees has become a difficult task for managers as this category of employees are being attracted by more than one organization at a time with various kinds of incentives (Samuel and Chipunza, 2009).

With the global economic downturn in recent years, many companies have been cutting down their workforce in order to cut cost. Businesses which cut down on their workforce now might find that when the economic environment rebounds, they do not have enough of the right people to be in the best position (PricewaterhouseCoopers, 2009). With all this issues, companies must have right strategies to ensure they retain the best employee.

Employee turnover occurs when employees leave their jobs and must be replaced. Replacing exiting employees is costly to organization (Michael O. Samuel & Crispen Chipunza, 2009). Companies must ensure they know factors that influence employees to leave the company. According to George C. Sinnott, (2002) common factors that

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