A STUDY ON EMPLOYEE RETENTION IN A CONSTRUCTION COMPANY

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This declaration is to clarify that all of the submitted contents of this project paper are original in its stature, excluding those, which have been, acknowledged specifically in the references. All the work process involved is from my own idea and work. All of the content of this project paper has been submitted as a part of partial fulfilment of Master of Human Resource Management programme. I hereby declare that this project paper is the work of my own excluding for the references document and summaries that has been acknowledged.

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**ABSTRAK**

ABSTRACT

Many construction companies experience high attrition, which negatively impacts the construction industry. This study’s objective was to identify employees leaving and propose retention initiatives. The research instrument used to obtain data was a questionnaire. A total of 200 questionnaires were randomly distributed to employees from construction companies. The researcher also conducted interviews with subject experts. However, only 100 respondents returned the completed questionnaires. Correlation analysis was used to test the inter correlation between the variables. Correlation result shows that these two variables of motivation and job satisfaction were correlated with employee retention in the organization. The Pearson correlation coefficient was used to measure the significance of linear bivariate between the independent and dependent variables thereby achieving the objectives of this study. Linear regressions were used to determine the relationship between independent and dependent variables, the direction of the relationship and strength of the relationship. Results indicate attrition is associated with compensation, work hours, staffing and improper selection/hiring of employees. These findings show that the related factors should be given attention to retain employees in the organization.
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LIST OF ABBREVIATIONS

HR : Human Resource  
UUM : University Utara Malaysia
CHAPTER 1 - INTRODUCTION

1.1 BACK GROUND OF THE STUDY

An organization is a set up where individuals come together and work in unison to achieve a common goal is called as organization. Individuals working together in an organization to earn their bread and butter as well as make profits are called employees. Employees are the lifeline of an organization and contribute effectively to its successful running and profit making.

An organization cannot survive if the employees are not serious about it and are more concerned about their personal interests.

In today’s intensely competitive and global marketplace, maintaining a competitive advantage by becoming a low cost leader or a differentiator puts a heavy premium on facing a highly committed or competent workforce. Competitive advantage lies not just in differentiating a product or service or in becoming the low cost leader but in also being able to tap the company’s special skills or core competencies and rapidly respond to customer’s needs and competitor’s moves. In other words competitive advantage lies in management’s ability to consolidate corporate-wide technologies and production skills into competencies that empower individual businesses to adapt quickly to changing opportunities.

In a growing number of organizations human resources are now viewed as a source of competitive advantage. There is greater recognition that distinctive competencies are obtained through highly developed employee skills, distinctive organizational cultures, management processes and systems. This is in contrast to the traditional emphasis on transferable resources such as equipment increasingly it is being recognized that competitive advantage can be obtained with a high quality workforce that enables
The contents of the thesis is for internal user only
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