

**HRM PRACTICES AND INTENTION TO STAY:
THE MODERATING EFFECT OF
TRANSFORMATIONAL LEADERSHIP**

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**HRM PRACTICES AND INTENTION TO STAY:
THE MODERATING EFFECT OF
TRANSFORMATIONAL LEADERSHIP**

By

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Abstract

The purpose of this study is to examine the relationship between Human Resource Management (HRM) practices and the intention to stay. The HRM practices are career development opportunities, performance appraisal and compensation. This study also examines whether transformational leadership as a moderator gives an impact to HRM practices and the intention to stay among lecturers in private college at Johor Bahru. Regression results showed performance appraisal and compensation has a significant and positive relation with intention to stay. Result also indicated transformational leadership as a moderator has a significant and negative relationship between performance appraisal and intention to stay.

Keywords: HRM Practices, Transformational Leadership, Intention to Stay, Private College in Johor Bahru.

Abstrak

Tujuan kajian ini adalah untuk mengkaji hubungan antara amalan Pengurusan Sumber Manusia (PSM) dan niat untuk kekal. Amalan-amalan PSM terdiri daripada peluang pembangunan kerjaya, penilaian prestasi dan pembayaran pampasan. Kajian ini juga mengkaji sama ada kepemimpinan transformasi sebagai penyederhana terhadap hubungan antara amalan PSM dan niat untuk kekal dalam kalangan pensyarah kolej swasta di Johor Bahru. Keputusan regresi menunjukkan bahawa penilaian prestasi dan pembayaran pampasan mempunyai hubungan yang signifikan dan positif dengan niat untuk kekal. Keputusan ini juga menunjukkan kepemimpinan transformasi sebagai penyederhana yang mempunyai hubungan signifikan dan negatif di antara penilaian prestasi dan niat untuk kekal.

Kata Kunci: Amalan HRM, Kepimpinan Transformasi, Niat Untuk Kekal, Kolej Swasta di Johor Bahru.

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List of Abbreviations

DV	Dependent Variable
HRM	Human Resource Management
IVs	Independent Variables
KYPJ	Kolej Yayasan Pelajaran Johor
MV	Moderating Variable
SPSS	Statistical Package of Social Science

CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter is the introduction for the study and will provide an overview of the background of the study, problem statement, research questions, research objectives, significant of the study, scope of the study, definition of key terms and organizational of the study.

1.2 Background of the Study

There is not denying human resource is an important asset in an organization because human resource supports the management team to achieve organization's goals and objectives in order to produce their business functions such as managing cash flow, business transactions and dealing with customers to promote their products and services. According to Johanim, Tan, Zurina, Khulida and Muhammad (2012), without human resource, organizations will not be able to produce their business results and the management will not achieve the organization's vision and mission.

Nowadays, job-hopping or resignation is becoming a trend among employees in any organization. Many researchers have studied the topic of employee intention to leave (e.g: Nurul & Hafizal, 2010; Khairunneezam, 2011; Najaf, Keivan & Shahnaz, 2012;

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