FACTORS THAT INFLUENCE THE RESIGNATION INTENTION AMONG MIDDLE MANAGERS IN TENAGA NASIONAL BERHAD

By

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Employee resignations in nearly all organizations worldwide have raised great concerns. Rapid exit of employees presents serious obstacles to the organizations in achieving their organizational goals. Employee resignation should be analysed in order to forecast future losses and to identify various reasons for people leaving the organization. Hence, the scope of this research concentrates on the middle managers in Tenaga National Berhad because this group is the major contributor to the total resignation in this organization which is 200 out of 2270 middle managers had resigned for the past five years (1st January 2008 until 31st December 2012). TNB is now struggle to cope with the shortage of competent manpower to support the company in diversifying its business overseas, whilst at the same time defending company’s core business in Peninsular Malaysia. Thus, the overall purpose of this research is to find out the factors that influence the resignation intention among middle managers.

Regression results indicated that pay and benefits, career advancement, recognition and senior leadership had explained 55.5% variances of resignation intention. The findings also concluded that pay and benefits and senior leadership have significant relationship with resignation intention. Meanwhile, career advancement and recognition have no relationship with resignation intention. Moreover, pay and benefits produced the highest influence on resignation intention among middle managers. It can be stated that compensation is a motivating factor to most middle managers in TNB according to need based and process theories of retention.

Keywords: Resignation Intention, Pay and Benefits, Career Advancement, Recognition, Senior Leadership
ABSTRAK


TNB kini mengalami kesulitan akibat kekurangan tenaga kerja yang kompeten di dalam perluasan bisnes luar negara yang juga pada masa yang sama perlu mempertahankan bisnes teras di Semenanjung Malaysia. Sehubungan dengan itu, tujuan sebenar kajian ini dijalankan adalah bagi mengenalpasti faktor-faktor yang boleh mempengaruhi niat atau hasrat untuk meninggalkan syarikat di kalangan pekerja pengurusan pertengahan di TNB.

Keputusan daripada analisa regrasi menunjukkan faktor gaji dan ganjaran faedah, pembangunan kerjaya, penghargaan dan kepimpinan pengurusan tertinggi mempunyai 55.5% variasi terhadap hasrat untuk meletakkan jawatan. Hasil daripada kajian ini juga mengesahkan bahawa faktor gaji dan ganjaran faedah dan kepimpinan pengurusan tertinggi mempunyai signifikasi hubungan dengan hasrat untuk meletak jawatan. Walau bagaimanapun, pembangunan kerjaya dan penghargaan tidak mempunyai hubungan dengan hasrat untuk meletak jawatan. Rumusan daripada kajian ini menjelaskan gaji dan ganjaran faedah adalah faktor tertinggi yang mempengaruhi hasrat untuk meletak jawatan di kalangan pekerja pengurusan pertengahan. Ini menunjukkan bahawa faktor gaji dan ganjaran faedah merupakan pemangkin atau motivasi utama kepada kebanyakan pekerja pengurusan pertengahan di TNB berdasarkan kepada proses teori dalam mengekalkan kesetiaan pekerja terhadap organisasi.

Kata kunci: Hasrat untuk Meletak Jawatan, Gaji dan Gajaran Faedah, Pembangunan Kerjaya, Penghargaan dan Kepimpinan Pengurusan Tertinggi
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# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>PERMISSION TO USE</td>
<td>ii</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>iii</td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>iv</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENT</td>
<td>v</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>vi</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>viii</td>
</tr>
<tr>
<td>LIST OF FIGURE</td>
<td>ix</td>
</tr>
</tbody>
</table>

## 1.0 CHAPTER 1: INTRODUCTION

1.1 Background of Study                        | 1    |
1.2 Problem Statements                         | 5    |
1.3 Research Questions                         | 14   |
1.4 Research Objectives                        | 14   |
1.5 Scope of the Study                         | 14   |
1.6 Significance of the Study                  | 15   |
1.7 Definition of Key Terms                    | 16   |

## 2.0 CHAPTER 2: LITERATURE REVIEW

2.1 Introduction                               | 18   |
2.2 Definition & Conceptualization of Variables| 18   |
  2.2.1 Resignation Intention                   | 19   |
  2.2.2 Pay and Benefits                        | 23   |
  2.2.3 Career Advancement                      | 25   |
  2.2.4 Recognition                             | 27   |
  2.2.5 Senior Leadership                       | 28   |
2.3 Gaps in the Literature Review              | 31   |
2.4 Underlying Theory                          | 33   |
2.5 Research Framework                         | 34   |
2.6 Hypothesis Development                     | 35   |
  2.6.1 Pay and Benefits and Resignation Intention| 36   |
  2.6.2 Career Advancement and Resignation Intention| 38   |
  2.6.3 Recognition and Resignation Intention   | 40   |
  2.6.4 Senior Leadership and Resignation Intention| 42   |
2.7 Conclusion                                 | 44   |

## 3.0 CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction                               | 45   |
3.2 Research Design                            | 45   |
3.3 Population and Sample                      | 47   |
  3.3.1 Sample Size                             | 47   |
3.4 Questionnaire Design                       | 51   |
3.5 Measurements                               | 54   |
  3.5.1 Dependent Variable                      | 55   |
  3.5.2 Independent Variables                   | 56   |
3.0 CHAPTER 3: RESEARCH METHODOLOGY
  3.6 Pilot Study 59
  3.7 Data Collection 60
  3.8 Data Analysis 60
  3.9 Conclusion 61

4.0 CHAPTER 4: DATA ANALYSIS AND FINDINGS
  4.1 Introduction 62
  4.2 Rate of Response 62
  4.3 Demographic Profile of the Respondents 63
  4.4 Reliability Analysis 64
  4.5 Descriptive Statistics 65
  4.6 Correlation Analysis 66
  4.7 Regression Analysis 67
  4.8 Hypotheses Testing 69
  4.9 Conclusion 70

5.0 CHAPTER 5: DISCUSSION
  5.1 Introduction 71
  5.2 Discussion 71
  5.3 Limitations of the Study & Suggestions for Further Research 78
  5.4 Conclusion 80

6.0 REFERENCES 81

7.0 APPENDICES 95
  Appendix A
  Appendix B
LIST OF TABLES

Table 1.1 Middle Managers Resignation from 1 January 2008 until 31 December 2012 6

Table 3.1 Total Respondents by Divisions 50
Table 3.2 Layout of the Questionnaires 53
Table 3.3 Dependent Variable 55
Table 3.4 Independent Variables 56
Table 3.5 Cronbach’s Alpha Reliability Test 60
Table 4.1 Response Rate 63
Table 4.2 Demographic Profile of the Respondents 63
Table 4.3 Cronbach’s Alpha Values for Items in Pay and Benefits, Career Advancement, Recognition, Senior Leadership and Resignation Intention 64
Table 4.4 Descriptive Statistics 66
Table 4.5 Strength of Linear Relationship 66
Table 4.6 Correlation between Variables 67
Table 4.7 Regression of Factors that Influence Resignation Intention among Middle Managers in TNB 69
Table 4.8 Summary Result of Hypotheses Testing 69
LIST OF FIGURES

Figure 1.1  The Plan Lays Down the Path Towards Realizing TNB Vision of Global Leadership  3
Figure 1.2  Exit Interview Results by Reasons  7
Figure 1.3  Satisfaction Scores by Engagement Factor (Summary of Findings)  8
Figure 2.1  Turnover Classification Scheme  22
Figure 2.2  Theoretical Framework  35
CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF STUDY

Tenaga Nasional Berhad (TNB) is the largest electricity utility in Malaysia and also the largest power company in Asia with almost RM87 billion in assets. The Company is listed on the main board of Bursa Malaysia and employs 33,500 people to serve an estimated 8.3 million customers in Peninsular Malaysia and also the eastern state of Sabah through Sabah Electricity Sdn. Bhd. (SESB).

Set up as the Central Electricity Board (CEB) of the Federation of Malaya in 1949, TNB has powered national development efforts for more than 60 years by providing reliable and efficient electricity services. While concentrating on three core business (generating, transmitting and distributing) electricity, TNB has diversified their business into the manufacture of transformers, high voltage switchgears and cables, the provision of professional consultancy services, architectural, repair and maintenance and also engages in research and development, property development, management services and academic services through its university, Universiti Tenaga Nasional (UNITEN). In Peninsular Malaysia, TNB is the major contributor to the total industry capacity through eight thermal stations and three major hydroelectric schemes. The company also owns and operates their Independent Power Producer located in Pakistan.

In 2005, the Company embarked on a 20-Year Strategic Plan which TNB believes in providing service excellence and aims to attain global leadership by 2021. The greater
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