

**THE INFLUENCE OF REWARDS (MONETARY AND NON-MONETARY) TOWARD
INTENTION TO LEAVE IN FINANCIAL INSTITUTIONS.**

HAIRUL EFFENDY BIN HAMDAN

MASTER OF HUMAN RESOURCE MANAGEMENT

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The influence of rewards (Monetary and Non-Monetary) toward intention to leave in
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BY
HAIRUL EFFENDY BIN HAMDAN
810186

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810186

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ABSTRACT

The rewards package is one of the crucial factors to the organization to attract, retain and motivate their employees. Malaysia Financial and Banking Sector faced the high turnover rate which is 27.84%, compared to Malaysia turnover rate which is around 12 to 14 percent. Therefore, this study proposed to identify the relationships between rewards (monetary and non monetary) to intention to leave in Financial Institution in Klang Valley. The quantitative study through questionnaire was distributed to employees who has been employed for at least 2 years under financial institution. Descriptive and inferential statistics are used to analyze the research data. Research findings showed that there were moderate weak negative correlations between rewards and intention to leave. However, regression analyses revealed that monetary and non monetary rewards described almost 27% variances to intention to leave. Results suggest that the greater monetary and non monetary rewards the lower intention to leave among their employees.

ABSTRAK

Pakej ganjaran merupakan salah satu faktor penting kepada organisasi bagi menarik, mengekal dan memotivasikan pekerja-pekerja mereka. Sektor Perbankan dan Kewangan di Malaysia mengalami kadar lantik henti yang tinggi iaitu 27.84% berbanding kadar lantik henti di Malaysia iaitu 12 hingga 14 peratus (MEF, 2011). Oleh itu, kajian ini dijalankan bagi mengenalpasti hubungan antara ganjaran (kewangan dan bukan kewangan) ke atas niat untuk berhenti dalam institusi kewangan di Lembah Klang. Kajian secara kuantitatif iaitu edaran soal selidik ke atas semua kakitangan yang mempunyai sekurang-kurangnya dua (2) tahun pengalaman bekerja di institusi kewangan terpilih. Analisis diskriptif dan inferensial digunakan dalam menganalisis data kajian. Hasil kajian menunjukkan bahawa terdapat hubungan negatif yang sederhana lemah bagi ganjaran dan niat untuk berhenti. Manakala, analisis regresi menjelaskan bahawa faktor ganjaran kewangan dan bukan kewangan menggambarkan sebanyak 27% varian ke atas niat untuk berhenti. Keputusan kajian, mencadangkan bahawa majikan perlu meningkatkan pakej ganjaran bagi menurangkan niat untuk berhenti di kalangan pekerja di organisasi mereka.

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TABLE OF CONTENTS

DECLARATION	i
PERMISSION TO USE	ii
ABSTRACT `	iii
ABSTRAK	iv
ACKNOWLEDGEMENT	v - vi
TABLE OF CONTENTS	vii – ix

CHAPTER 1 : INTRODUCTION

1.0	Introduction.....	1
1.1	Problem Statement.....	5
1.2	Research objectives.....	11
1.3	Research Questions.....	11
1.4	Scope of the Study.....	11
1.5	The Significance of the Study.....	12

CHAPTER 2 : LITERATURE REVIEW

2.0	Introduction of Literature Review.....	14
2.1	Research Framework.....	14
2.2	Review of Related Literature.....	15
2.2.1	Reward Management.....	15
2.2.2	Monetary.....	16
2.2.3	Non Monetary.....	19
2.2.4	Intention To leave	19
2.3	Previous Research Findings.....	21
2.4	Hypotheses.....	25
2.5	Conclusion.....	26

CHAPTER 3: RESEARCH METHODOLOGY

3.1	Introduction.....	27
3.2	Research Design.....	27
3.3	Population and Sampling Design.....	29
3.3.1	Population	29
3.3.2	Sampling Size.....	30
3.3.3	Sampling Technique.....	31
3.4	Operational Definitions and Measurements.....	32
3.4.1	Monetary	32
3.4.2	Non- Monetary	32
3.4.3	Intention To Leave.....	34
3.5	Measurement of instrument.....	33
3.5.1	Layout of questionnaire	33
3.5.2	Layout of rewards	34
3.5.3	Layout of intention to leave.....	39
3.6	Data Collection Procedure	41
3.7	Pilot test	42
3.8	Technique of Data Analysis	43
3.9	Factor Analysis.....	44
3.10	Correlation Analysis	45
3.11	Regression Analysis	46
3.12	Conclusion.....	47

CHAPTER 4 : FINDINGS

4.0	Introduction.....	48
4.1	Response Rate.....	48
4.2	Reliability Test.....	48
4.3	Data Screening	49
4.3.1	Normality Test.....	49
4.4	Factor Analysis	58
4.4.1	Factor Analysis for Monetary Reward.....	59

4.4.1	Factor Analysis for Non-Monetary Reward.....	60
4.4.1	Factor Analysis for intention To Leave.....	63
4.5	Descriptive Analysis.....	64
4.5.1	Demographic Analysis	64
4.5.1.1	Gender, Age and Race.....	64
4.5.1.2	Position, Level of Employment and Years in Current Position.....	64
4.5.1.3	Current Company and Current Functions.....	65
4.5.2	Mean, Standard Deviation, Variance.....	68
4.6	Pearson Correlation	69
4.8	Summary.....	72

CHAPTER 5 : DISCUSSION AND CONCLUSION

5.0	Introduction.....	73
5.1	Summary of the Findings.....	73
5.2	Discussion	75
5.2.1	The Relationship Between Rewards (Monetary and Non-Monetary) Toward Intention To Leave	75
5.3	The Influence of Rewards (Monetary and Non-Monetary) Toward Intention To Leave	78
5.4	Limitation	79
5.4.1.	Time Constraint	80
5.4.2	Respondent's Cooperation	80
5.4.3	Questionnaire Distribution	80
5.5	Future Research.....	81
5.6	Implication of the Study	82
5.6.1	Managerial Implications	82
5.7	Conclusions.....	84

REFERENCES.....	85-92
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CHAPTER ONE (1)

INTRODUCTION

1.0 OVERVIEW

Every organization requires its employee to execute the business. It is like a backbone for every organization. Hence, it is important for the organization to keep their employee or to focus on employee retention to ensure that the organization is running on track. Generally, organization would retain its employees for a specified period to utilize their skills and competencies to execute or to accomplish the tasks.

Many organisations have recognized that employees are the most valuable asset and organizational improvement is recognized through people management and development (Accenture, 2001). One factor that has been highlighted is when the organisation failed to prioritise the important of employee retention which it able to contribute to talent cost (Eskildesn and Nussler, 2000). Managing employee effectively is equally important to ensure organization continues the battle in globalization arena.

Hiring an employee is only first step. Building, awareness of the important of employee retention is essential. According to Ucho and Mkavga (2012) in Mayer (1993), has described an intentions to leave as a sensible looking for job opportunities as alternative in another organisation. The assessment on the turnover intentions' background has been stressed-out

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