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THE INFLUENCE OF PAY, CAREER GROWTH AND JOB SECURITY AMONG GEN-Y TOWARD INTENTION TO LEAVE AT FM COMPANY

NOR ALEYAMIRA AHMAD FAIZOL

MASTER OF HUMAN RESOURCE MANAGEMENT
UNIVERSITI UTARA MALAYSIA
DECEMBER 2017
THE INFLUENCE OF PAY, CAREER GROWTH AND JOB SECURITY AMONG GEN-Y TOWARD INTENTION TO LEAVE AT FM COMPANY

By

NOR ALEYAMIRA BINTI AHMAD FAIZOL

Thesis Submitted to
School of Business Management,
Universiti Utara Malaysia,
in Partial Fulfillment of the Requirement for the
Master of Human Resource Management
PERAKUAN KERJA KERTAS PENYELIDIKAN
(Certification of Research Paper)

Saya, mengaku bertandatangan, memperakuan bahawa
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MASTER OF HUMAN RESOURCE MANAGEMENT

telah mengemukakan kertas penyelidikan yang bertajuk
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TOWARD INTENTION TO LEAVE AT FM COMPANY

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Abstract

This study was conducted to investigate the influence of pay, career growth and job security toward intention to leave among Gen Y at FM Company, Johor Bahru. This research was conducted due to high turnover rate reported among Gen Y employees in FM Company, Johor Bahru. The main aim of the study was to identify the relationship of pay, career growth and job security with intention to leave. This study was done through quantitative method in which questionnaires were used as a medium to collect data. A total of 100 questionnaires were distributed to respondents, however only 80 questionnaires were usable for further analysis. Data then were analyzed by Statistical Package for Social Science (SPSS) version 22.0 using Reliability Analysis, Correlation Analysis and Multiple Regression. The result showed only pay and career growth was significantly positive with intention to leave while job security was not significantly influence to intention to leave.

Keywords: Intention to leave; Pay; Career Growth; Job Security
Abstrak


Kata kunci: Berniat untuk keluar dari organisasi; Gaji; Pertumbuhan Kerjaya; Jaminan Pekerjaan
Acknowledgments

First and foremost, I praise to the Almighty Allah and being thankful and grateful for His granted in completing my research paper with the title of “The Influence of Pay, Career Growth and Job Security among Gen-y toward Intention to Leave at FM Company.

I would also like to express my deepest gratitude to my supervisor, Associate Professor Dr. Kamal Ab. Hamid for his continuous support and guidance in completing my research. His guidance helped me in all the time of research and writing if this research. Without his support, this study will be far from complete.

My sincere appreciation towards my beautiful parents, Ahmad Faizol Jalaldudin and Ainon Jalil, for the financial and mentally support, love and for believing me. Even at times I feel like giving up, they stay by me and encourage me. Apart from that, I would like to further my appreciation to the Pn. Norhafiszah Abdullah for helping me in giving the information, cooperation and allowing me doing the research in the FM Company. Lastly, I would like to thank to all my friends for their support and encouragement. Only Almighty Allah can repay all your kindness. Thank You.
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## List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gen Y</td>
<td>Generation Y</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for the Social Science</td>
</tr>
</tbody>
</table>
CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter provides a brief description of the research which outlines the study based on the background of the study, problem statement, research objectives, research questions and significance of the study, as well as definitions of the terms used in the study.

1.2 Background of Study

In today's era of globalization, turnover has become a common issue in most industries and organizations. In fact, this trend is negatively impacting the organizations in financial terms (Rizqi & Ridwan, 2015). Researchers emphasized that the main problem in the issue of turnover is the cost-effectiveness of employees moving out from the organization. These costs include the loss of talents, knowledge and time disruption (Hellman, 1997; Ryan & Sagas, 2009). Therefore, it is vital in ensuring that the employees remain in the organization to avoid losing potential human capital. Furthermore, by retaining the skill, knowledge, and experience possessed by the employees, the organization will remain competitive (Biswakarma, 2016).

Recent data indicate that turnover nowadays mainly occurs among the Gen Y who are also known as ‘Millennial’, meaning those who were born between 1981 and
The contents of the thesis is for internal user only
REFERENCES


Psychology, 137(6), 677-689.


Questionnaire

“The Influence of Pay, Career Growth and Job Security toward Intention To Leave Among Gen-Y At FM Company”

Dear Sir/ Madam

I am a Master of Human Resource Management (MHRM) student from Universiti Utara Malaysia. This is a research I am conducting regarding the title above to fulfill my academic requirement for the final year course. Thus, I would like to attain your kindness to fulfill this questionnaire. This questionnaire is divided into three (3) sections; A, B and C. I assure that your responses will be held in confidential and would only be used for academic purposes only. Thank you for your cooperation.

Tuan/ Puan,

Saya merupakan pelajar Sarjana Pengurusan Sumber Manusia (MHRM) dari Universiti Utara Malaysia. Saya sedang menjalankan kajian berkenaan tajuk di atas untuk memenuhi syarat keperluan akademik bagi kursus tahun akhir. Justeru itu, saya memohon jasa baik tuan/puan untuk mengisi borang selidik ini. Borang ini terdiri daripada tiga (3) bahagian iaitu bahagian A, B dan C. Segala maklumat yang pihak tuan/puan berikan akan dianggap sulit dan digunakan hanya untuk tujuan akademik sahaja. Segala kerjasama tuan/puan dalam membantu kajian ini saya dahului dengan ucapan ribuan terima kasih.

Nor Aleyamira Binti Ahmad Faizol (812059)
Master in Human Resource Management
Othman Yeop Abdullah Graduate School of Business, UUM
SECTION A: DEMOGRAPHIC INFORMATION / MAKLUMAT DEMOGRAFI

Please tick (/) the relevant boxes.
Sila tanda (/) pada kotak yang bersesuaian.

1. **Generation Y** is referring to those who shares birth years within the group, generally include those who are born between the year 1981-2000.

   - [ ] I am a Generation Y / Saya ialah Generasi Y
   - [ ] I am not a Generation Y (Thank you for your time. This questionnaire is not relevant for you) / Saya bukan Generasi Y (Terima kasih atas masa anda. Soal selidik ini tidak relevan untuk anda)

2. **Gender / Jantina**
   - [ ] Female / Perempuan
   - [ ] Male / Lelaki

3. **Age / Umur**
   - [ ] Below 20 / Bawah 20
   - 21 - 25
   - 26 - 30
   - 31 – 36

4. **Job Category / Kategori Jawatan**
   - [ ] Executive / Eksekutif
   - [ ] Supervisor / Penyelia
   - [ ] Admin Asisstant / Pembantu Tadbir
   - [ ] Technician / Juruteknik
   - [ ] General Worker / Pekerja Am
5. Length of Services / Tempoh Perkhidmatan

- Less than 1 year / kurang dari setahun
- 1 to 3 years / 1 hingga 3 tahun
- 4 to 6 years / 4 hingga 6 tahun
- 7 years above / 7 tahun ke atas

6. Highest academic qualification completed / Kelulusan akademik tertinggi

- SPM
- STPM / Certificate / Sijil
- Diploma / Diploma
- Bachelor Degree / Ijazah Sarjana Muda
- Masters / Phd / Sarjana / Ijazah Doktor Falsafah

7. Marital Status / Taraf Perkahwinan

- Single / Bujang
- Married / Berkahwin

8. Position Status / Status Jawatan

- Contract / Kontrak
- Permanent / Tetap

9. Income / Pendapatan (Monthly/Bulanan)

- Less than RM 1000 / Kurang daripada RM 1000
- RM 1001 to RM 2000
- RM 2001 to RM 3000
- RM 3001 to RM 4000
- More than RM 4000 / Lebih daripada RM 4000
SECTION B (INTENTION TO LEAVE)/ SEKSYEN B (BERNIAT UNTUK KELUAR DARI ORGANISASI)

Please circle the number to indicate the extent to which you agree or disagree with the following statements
Sila bulatkan pada nombor untuk menunjukkan sejauh mana anda bersetuju atau tidak bersetuju dengan kenyataan berikut.

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree/ Sangat tidak bersetuju</th>
<th>Disagree/ Tidak bersetuju</th>
<th>Neutral / Natural</th>
<th>Agree/ Setuju</th>
<th>Strongly agree/ Sangat bersetuju</th>
</tr>
</thead>
</table>
| 7. | As soon as I can find a better job, I will leave the organisation  
Sebaik sahaja saya dapat mencari pekerjaan yang lebih baik, saya akan meninggalkan organisasi ini | 1 | 2 | 3 | 4 | 5 |
| 8. | I am actively looking for a job outside the organisation  
Saya secara aktif mencari peluang pekerjaan di luar organisasi | 1 | 2 | 3 | 4 | 5 |
| 9. | I am seriously thinking of quitting my job  
Saya serius berfikir untuk berhenti kerja | 1 | 2 | 3 | 4 | 5 |
| 10. | I intend to ask people about new job opportunities  
Saya ada bertanya kepada orang mengenai peluang pekerjaan baru | 1 | 2 | 3 | 4 | 5 |
| 11. | I am planning to look for a new job  
Saya merancang untuk mencari kerja baru | 1 | 2 | 3 | 4 | 5 |
| 12. | I do not plan to be in this organisation much longer  
Saya tidak merancang untuk berada di organisasi ini untuk tempoh yang lebih lama | 1 | 2 | 3 | 4 | 5 |
SECTION C (FACTORS INFLUENCING)/SEKSYEN C (FAKTOR YANG MEMPENGARUHI)

Please circle the number to indicate the extent to which you agree or disagree with the following statements.
Sila bulatkan pada nombor untuk menunjukkan sejauh mana anda bersetuju atau tidak bersetuju dengan kenyataan berikut.

i. **Pay / Gaji**

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree/ Sangat tidak bersetuju</th>
<th>Disagree/ Tidak bersetuju</th>
<th>Neutral / Natural</th>
<th>Agree/ Setuju</th>
<th>Strongly agree/ Sangat bersetuju</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I am satisfied with my salary. Saya berpuas hati dengan gaji saya</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2. My pay encourage me to improve the quality of work. Gaji saya menggalakkan saya untuk meningkatkan kualiti kerja</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>3. I earn more than others who do similar work at other organisation. Saya memperolehi gaji yang lebih tinggi berbanding dengan pekerja di organisasi lain</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>4. I am satisfied with the benefit I received. Saya berpuas hati dengan faedah yang diterima</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>5. I feel that I have been paid fairly accordingly to my work task. Saya rasa saya telah dibayar dengan sewajarnya mengikut tugas kerja saya</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6. I feel that my pay is enough for me. Saya rasa gaji yang diberi adalah mencukupi bagi saya</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
## Career Growth/ Pertumbuhan Kerja

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree/Tidak bersetuju</th>
<th>Disagree/Tidak bersetuju</th>
<th>Neutral/Natural</th>
<th>Agree/Setuju</th>
<th>Strongly agree/Sangat bersetuju</th>
</tr>
</thead>
</table>
| 1. | I feel that my present job will lead to future accomplishment of my career goals.  
Saya merasakan bahawa pekerjaan saya sekarang akan membawa kepada pencapaian masa depan kerjaya saya | 1 | 2 | 3 | 4 | 5 |
| 2. | My job is relevant to my career development.  
Pekerjaan saya adalah relevan dengan perkembangan kerjaya saya | 1 | 2 | 3 | 4 | 5 |
| 3. | My present job encourages me to continuously gain new job related skills.  
Pekerjaan saya sekarang mendorong saya untuk terus mendapatkan kemahiran baru yang bersesuaian dengan pekerjaan saya | 1 | 2 | 3 | 4 | 5 |
| 4. | The probability of being promoted in this organisation is high.  
Peluang untuk kenaikan pangkat dalam organisasi ini adalah tinggi | 1 | 2 | 3 | 4 | 5 |
| 5. | My promotion speed in the present organisation is fast.  
Kenaikan pangkat saya di organisasi ini cepat | 1 | 2 | 3 | 4 | 5 |
| 6. | My salary is growing quickly in my present organisation.  
Gaji saya meningkat dengan cepat dalam organisasi ini | 1 | 2 | 3 | 4 | 5 |
### ii. Job Security/ Jaminan Pekerjaan

<table>
<thead>
<tr>
<th></th>
<th>Strongly disagree/ Sangat tidak bersetuju</th>
<th>Disagree/ Tidak bersetuju</th>
<th>Neutral / Natural</th>
<th>Agree/ Setuju</th>
<th>Strongly agree/ Sangat bersetuju</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. This job offers me continued long term security</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Pekerjaan ini menawarkan saya jaminan pekerjaan dalam jangka panjang yang berterusan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Most people doing this job in this organisation have a long term security</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Kebanyakan pekerja di dalam organisasi ini mempunyai jaminan pekerjaan jangka panjang</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. I will be able to keep my present job as long as I wish</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Saya mampu untuk mengekalkan pekerjaan saya sekarang di organisasi ini selama mana yang saya inginkan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. I am confident that I will be able to work for my organisation as long as I want</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Saya yakin bahawa saya akan dapat bekerja di organisasi ini selama mana yang saya mahu</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Regardless of economic conditions, I will have a job at my current organisation</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Tanpa menghiraukan keadaan ekonomi, saya akan tetap mempunyai pekerjaan di organisasi saya sekarang</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. There is a risk that I will have to leave my present job in future</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Terdapat risiko bahawa saya perlu meninggalkan pekerjaan saya sekarang di masa hadapan</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Your time and cooperation are sincerely appreciated. Please check to make sure no questions are skipped inadvertently.

Thank you for your cooperation/

*Masa dan kerjasama anda dihargai dengan tulus ikhlas. Sila semak untuk memastikan tiada soakan dilangkau secara tidak sengaja. Terima kasih atas kerjasama anda.*