

ORGANIZATION ATTRACTIVENESS AND
EMPLOYEES' COMMITMENT: AN EMPIRICAL
STUDY ON MALAYSIAN BANKS

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We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
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List of Abbreviations

| | |
|-------|--|
| SAS | Statistical Analysis System Enterprise Guide 5.1 |
| SET | Social Exchange Theory |
| MLR | Multiple Linear Regressions |
| R^2 | Coefficient of Determine |
| DV | Dependent Variable |
| IV | Independent Variable |

PREFACE

In every organization, employees are the backbone to carry out the daily operations. In order to retain the best talent in the organization, the organization must understand their employees' needs and try to meet their expectations. There are many factors that could affect an employees' attachment towards the organization.

This study examines the relationship between organization attractiveness and employees' commitment in Malaysia Banking industry. Banking industry was chosen as the turnover rate of the employees was founded to be very high. With high turnover rate, the organization or in the case of this study, the banks will suffer a great loss. Hence, commitment of employees is crucial to business success as highly committed employees believe in the organization's values and will work together towards the achievement of organizational goals.

Therefore, the overall study is to examine in-depth and more detail of the employees' commitment. This has also made the findings of the study to be useful in the attempts to increase employees' commitment in the banking industry.

ABSTRACT

The purpose of this exploratory study was to examine the relationship between the organization attractiveness (independent variables) which are training; workplace environment; compensation practices; employees' relationship; participation in decision making and employees' commitment (dependent variable) in Malaysia's banking industry. Employees' commitment is the sense of belonging of the employees towards an organization and hence it is important to every organization to build commitment among employees. This study was targeted to employees who currently work at commercial banks in Malaysia as commercial banks constitute a large percentage in banking industry. Organization attractiveness and their individual effect were supported by Social Exchange Theory, where positive actions engaged by the organizations towards its employees will establish high-quality exchange relationships from its employees.

For this study, 450 copies of self-administered and close-ended questionnaires were distributed to employees who currently work at commercial banks that located in the targeted states. Statistical Analysis System Enterprise Guide 5.1 (SAS) was used to analyse and interpret the data collected. The questionnaires were analysed using descriptive analysis, reliability test, normality test, Pearson Correlation Coefficient Analysis and Multiple Linear Regressions. The results showed that there is a positive significant relationship between organization attractiveness and employees' commitment. However, there were some limitations and recommendations for this study and were discussed in later chapters.

CHAPTER 1: INTRODUCTION

1.0 Introduction

This study is to examine the relationship between employees' commitment and organization attractiveness among employees in banking industry. Employees play an important role to support the operations of the organization. Hence, it is important to ensure employees retain and commit in the organization. In this chapter, background of study, problem statement, research objectives, research questions and hypothesis of the study will be discussed.

1.1 Background of the Study

Since 1790, banks have been existed until present. Banks are important as it is a place for people to store their savings and give out loan (Wallis, 2000). As seen, there are more and more bank branches being open all around the world. Thus, more workforces are needed to work in the banks.

Since banking industry is a highly competitive industry, banks should have organization attractiveness to stabilize their workforce in order to cope with the severe competition (Ho, 2009). Organization attractiveness is a term used to describe the extent to which an employee would personally seek a company as an employer and recommends the company as an employer to others (Newburry, Gardberg, & Belkin, 2006).

According to Jiang and Iles (2011), organization attractiveness is the power that draws applicants' attention to focus on an employer brand and encourages existing employees to stay with the company. Factors of organization attractiveness that were identified by previous researchers are organization's diversity management policy (Magoshi & Chang, 2009), teamwork and diversity statements in recruitment brochures (Rau & Hyland, 2006), salary and challenging work (Stranda, Wisea, Peter, Fagana, & Jra, 2002), familiarity, reputation and image of the employer, pay, chances for development and interesting work (Collins, 2009).

An organization can enhance their attractiveness to have the same value with their employees. If an individual perceives an organization having the same value with them, they will feel more attracted to that particular organization (Judge & Bretz, 1992). These perceived attachment will then in turn influence their workplace outcomes such as commitment, absenteeism, turnover intentions (Tsui, Egan, & O'Reilly, 1992), citizenship behaviour (Chattopadhyay, 1999), innovation, and performance (Baugh & Graen, 1997).

1.2 Problem Statement

Banks' main activity is to provide services to public. Hence, customer service is very important in banking industry. In this case, employees play an important role in this industry. However, the turnover rate of banking industry was found to be very high in Malaysia (Lam, Lau, Ng, Shua, & Teh, 2011). Particularly during 21st century, it is likely for organizations including banks to face unique and unprecedented staffing challenges (Dawley, Houghton, & Bucklew, 2010). The most significant staffing challenge is to retain employees' intention to commit to the organization. Employees' commitment exists when individuals feel a sense of belonging and have a desire to remain with the organization (Bowen, 2011). Thus, organization attractiveness can be used as a tool to increase the employees' commitment and encourage existing employees to stay with the company.

Organization attractiveness is defined as perceived benefits or value to employees (Jiang & Iles, 2011). Several organization attractiveness defined are work environment, job security, pay satisfaction, and participation in decision making. The organization attractiveness identified can influence employees' commitment (Ramay, 2012). Besides, supervisor support given to employees can also affect employees' commitment (Stinglhamber & Vandenberghe, 2003).

Although there are many researchers studied on employees' commitment, it is found that there are only few studies done on the influences of organization attractiveness towards employees' commitment. Besides, most researches looked into potential or actual job-seekers, rather than existing employees (Walker, 2007). Further, banks are important institutions for every country. However, there were little researches done in Malaysia's banks. Moreover, these researches done were based in different sectors other than banking industry (Grigg, 2009; Kim, 2005).

1.3 Research Questions and Objectives

Table 1.1: General Research Question and Objective

| General Research Question | General Research Objective |
|---|--|
| Does organizational attractiveness affect employees' commitment in Malaysia's banking industry? | To investigate how organizational attractiveness affects employees' commitment in Malaysia's banking industry. |

Source: Developed for the research

Table 1.2: Specific Research Questions and Objectives

| Specific Research Questions | Specific Research Objectives |
|---|---|
| Does training have relationship with employees' commitment in banking industry? | To investigate the relationship between training and employees' commitment in banking industry. |
| Does workplace environment have relationship with employees' commitment in banking industry? | To investigate the relationship between workplace environment and employees' commitment in banking industry. |
| Do compensation practices have relationship with employees' commitment in banking industry? | To investigate the relationship between compensation practices and employees' commitment in banking industry. |
| Does employees' relationship have relationship with employees' commitment in banking industry? | To investigate the relationship between employees' relationship and employees' commitment in banking industry. |
| Does participation in decision making have relationship with employees' commitment in banking industry? | To investigate the relationship between participation in decision making and employees' commitment in banking industry. |

Source: Developed for the research

1.4 Significance of the Study

The purpose of this study is to assist scholars to understand better about the employees' commitment and as a guide to practitioners particularly human resource managers in the banking industry in Malaysia. A range of factors that promote employees' commitment are mentioned in the study. Hence, the managers can be more effective and efficient in designing better human resource practices. Subsequently, the banks in Malaysia are able to identify the major factors that can retain their employees.

1.5 Outline of the Study

Chapter 1 outlines the research background, problem statement, research objectives and the significance of the study.

Chapter 2 builds a theoretical foundation for the research by reviewing relevant journals and articles to identify research issues which are worth researching. This chapter also provides a theoretical framework of the study.

Chapter 3 describes the research methodology which is the method of the research being carried out throughout the data analysis.

Chapter 4 presents the extractions of the results and the data analysis which are related to the research questions and hypothesis.

Chapter 5 gives a summary of the statistical analysis and details of the implication and recommendation for future research.

1.6 Conclusion

This chapter provides a brief introduction of organization attractiveness and employees' commitment. The issues faced in previous researches and the purpose to conduct this study was also discussed in this chapter. Further study of literature review and theoretical foundation will be discussed in the following chapter.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

Studies done by past researchers are reviewed in Chapter 2. All the variables are explained and discussed in details. Theoretical foundation is discussed after the literature review. Lastly, proposed conceptual framework and hypothesis of the research are formed in this chapter.

2.1 Review of the Literature

2.1.1 Employees' Commitment (Dependent Variable)

Employees' Commitment is defined as significant factor in understanding the work behaviour of employees (Dajani, 2009). Therefore, having committed employees will be the main objective for any organization in order to success in the competitive world today as employees' commitment is significant to the organizational goals and success (Mohsan, Nawaz, Khan, Shaukat, & Aslam, 2011).

Employees' commitment has been widely used in other research topics. The study of Linares (2011) was to examine the relationship between turnover intent, job satisfaction, organizational and occupational commitment towards the leadership in tissue bank industry. The researcher has obtained questionnaires from 178 bank employees. The study has proven that there is a relationship between the variables.

According to Clark, Hartline and Jones (2009), their study was to test on the effects of leadership style on hotel employees' commitment to their service quality. Questionnaires were distributed to managers and employees from 199 United States hotels. The findings showed that a good leadership in leaders can lead to higher motivation in employees in creating better quality services. This will then result in higher employees' commitment towards the hotel.

Besides, the impact of job security and employees' commitment was researched by Jandaghi, Mokhles and Bahrami (2011). The sample of this research was 158 employees and it showed that there was positive relationship between job security in the form of job, wages and colleagues satisfaction towards employees' commitment.

Olanrewaju (2009) also investigated the relationship between qualities that employees look for in their leaders and employees' perceptions on the qualities affect employees' commitment in Nigerian Public Service. It was found that there was a relationship between transformational leadership and employees' commitment to the Nigerian Public Service. 500 copies of questionnaires were distributed to the Federal Ministry of Labour and productivity and two of its agencies in Nigeria.

Lowen (2011) conducted a study to discover whether attitudes, beliefs, and thoughts of employees in two different generations (baby boomer and generation X) in a regional sales division relating to their organizational commitment. The researcher has conducted interview sessions with two different groups of generations where ten from each generation were interviewed twice. The result showed that they tend to have the same level of commitment.

2.1.2 Relationship between Training and Employees' Commitment

Training is important for employees to familiarize themselves with the work environment. Training is an example of human resource practices that promotes competitive advantage to the organization (Bartlett, 2001). Training is essential to the management and employees to increase the skills, motivation and knowledge of employees. It can provide greater job satisfaction and hence greater commitment (Roehl & Swerdlow, 1999).

Lam, Lo, and Chan (2002) investigated the impact of job and social factors on employees' commitment and intention to leave. The job and social factors include training, mentoring, job satisfaction, workplace relationship and subjective norms. 249 questionnaires were collected and showed that training was one of the solutions to retain committed employees and reduce turnover.

Besides, Bulut and Culha (2010) examined the impact of organizational training on employees' commitment focusing on employees' emotional and affective responses towards their organization. The organizational training consists of motivation, access, benefits and support for training. Surveys were conducted with 298 participants of four- and five-stars hotels operating in Izmir, Turkey. The results revealed that all dimensions of training positively affected employees' commitment.

Moreover, Sahinidis and Bouris (2008) studied the relationship between perceived employee training effectiveness and job satisfaction, motivation and commitment. The study examined the responses of 134 employees and lower managers of five large Greek organizations, after they had completed a training program. The results indicated that there is a significant correlation between the variables.

Yap, Holmes, Hannan and Cukier (2010) also investigated the association between employees' perceptions in effectiveness of diversity training provided by their organization with organizational commitment and career satisfaction. The survey data were collected from over 11,000 managers, professionals, and executives working in nine large Canada organizations. The findings showed employees who received effective diversity training were significantly more satisfy with their career and hence more committed to their organizations.

Lastly, Newman, Thanacoody and Hui (2011) examined the impact of employees' perception towards training on organizational commitment and their turnover intentions. The results of the survey data collected from 437 Chinese employees of five multinational enterprises operating in the Chinese service sector showed that there's a positive correlation between the variables.

2.1.3 Relationship between Workplace Environment and Employees' Commitment

Workplace environment refers to the physical workplace which is the office design or the facilities that an organization provides to their employees. Research found that a flexible and customize workplace lead to overall satisfaction in workplace and employees view this as an attractive aspect (Laing, Craig, & White, 2011). Therefore, organizations use this as an attractiveness factor to recruit and retain employees.

David and Lauren (2009) examined whether favourable physical workplace environment can affect an employee's sense of well-being which may generate higher level of employees' commitment in call-centre industry in Scotland. The researchers distributed 100 questionnaires to front line call-centre employees. They concluded that the employees' well-being mediate the physical environment and employees' commitment.

Other than that, Mensah (2011) investigated whether work facilities able to influence the lactating working mothers' job satisfaction and their level of commitment in Accra, Ghana. 300 questionnaires were distributed to lactating woking mothers. The result showed the presence of the facilities provided to lactating working mothers can lead to their satisfaction and commitment towards the organization.

Veitch, Charles, Farley and Newsham (2007) also studied whether satisfaction of office environment have relationship with organization outcomes (job satisfaction, absenteeism, turnover and organization productivity). 799 questionnaires were administed to open-plan office occupants from 9 government and private sectors in 5 large Canadian and US cities. They concluded that when occupants are satisfied with their physical workplace, it will improve the organization outcomes.

Furthermore, Morrow, Elroy and Scheibe (2012) examined whether the office redesign affects organizational commitment which mediated by employee perceptions of the broader work environment. Research were based on 121 financial services employees which have experienced the office redesign and 136 employees who did not. It concluded that changes in the physical environment of offices constitute an additional means by which organizations can influence the commitment of their employees.

Lastly, Zeiny (2012) studied the effect of physical work environment on employees' perceptions, attitudes, assessments in the private sector corporation in Egypt. The questionnaires were distributed to 126 employees in private sector corporation. This research concluded that office design has a significant impact on the employees' performance.

2.1.4 Relationship between Compensation Practices and Employees' Commitment

Compensation is the total amount of monetary and non-monetary payment to an employee by an employer in return for the work performed (Bebchuk & Fried, 2003). It is an important reward to motivate the employees (Ding, Akhtar, & Ge, 2006). The compensations constitute a tremendous amount in the expenses of the company. Thus, the money must be managed properly, if not, it will directly affect the organizational performance (Jamil & Raja, 2011).

Butt (2008) examined the impact of compensation on the turnover intentions of employees working in the telecom sector. 300 questionnaires were distributed to employees from 15 telecom companies in Pakistan. Results showed that compensation packages have significant positive relationship on employees' retention.

Besides, a study has been carried out to explore six potential antecedents of commitment among 1,300 employees in China through administration of survey questionnaires (Robertson, Lo, & Tang, 2007). Regression analysis shown that extrinsic rewards as one of the antecedents is significantly related to organizational commitment.

Moreover, Bae (2009) examined the relationship between satisfaction in benefits received and intention to leave among employees who work in finance department. Self-administrated survey questionnaires were sent by email to 42 employees. Results showed that there is a significant relationship.

Butler and Johnson (2011) also studied the compensations to employees that suffered from work-related back pain and their satisfaction. 1,836 workers were followed for 12 months from the time they filed a workers' compensation claim and were interviewed. The results showed there is a strong correlation between the variables.

According to Newman and Sheikh (2012), survey data from 286 employees in 11 organizations were collected to investigate the relationship between organizational rewards and employees' commitment in Chinese small and medium-sized enterprises. Hierarchical regression analysis showed that extrinsic rewards is strongly related to both employees' affective and continuance commitment.

2.1.5 Relationship between Employees' Relationship and Employees' Commitment

Relationship management is defined as the coordination, management, and relationship building between organizations with the stakeholders (Mishra, 2007). The relationship management with existing employees is important as good internal communication with employees will lead to better performance and in turn enhance the firm's reputation (Lowenstein, 2006; Gronstedt, 2000).

Bowen (2011) explored how supervisors' support affects employees' commitment in the volunteer fire service. 66 survey packets were distributed to non-profit agencies and 53 were returned. The results indicated a strong relationship between the perceived supervisors' support and employees' commitment.

Next, Mishra (2007) studied the relationship between internal communication and relationship management on employees' trust, commitment, and firm's reputation. In-depth interviews with six executives and four employees were carried out and were followed by 300 employees' surveys. The results showed face-to-face communication between employees and management would enhance the feelings of trust between them. Ultimately, it resulted in stronger commitment towards the organization.

Arons (2010) investigated the middle management communication and interaction practices towards their influence on employees' satisfaction and motivation. Surveys were done on 95 participants including managers and employees. The results demonstrated that managerial communication and interaction practices influenced employees' sense of job satisfaction and motivation.

Furthermore, Hayase (2009) suggested that there is a relationship between internal communication in organizations and employees' commitment. The survey was conducted among 334 undergraduate and graduate level university students through self-administered questionnaires. The questionnaires showed the participants' workplace communication and measured their commitment as an employee. The results of this study was internal communication was found positively correlated with organizational commitment.

Besides, in Tasky and Cohen (2001), their research was to study the relationship between organizational support and development given to employees towards organizational commitment. The data of this study were collected through questionnaires from 262 supervisors and managers in a major metropolitan hospital in the Midwest. The results of this study showed that there is a positive relationship between the perceived organizational support given to employees and organizational commitment.

2.1.6 Relationship between Participation in Decision Making and Employees' Commitment

Participation in decision making means sharing ideas with others to achieve organizational objectives (Scott-Ladd, Travaglione, & Marshall, 2006). It involves employees in formulating task strategies and goals to promote the organizational citizenship behaviour. Participation in decision making could also have significant effect on both performance and satisfaction (Wagner, 1994).

Erdene (2006) studied whether there is a relationship between opportunity in decision participation and job satisfaction. 235 questionnaires were distributed to 300 faculty members in the five largest Mongolian public universities. The study concluded that the levels of decision participation were positively related to job satisfaction.

A study had been carried out to explore the link between participation in decision making and organizational citizenship behavior (Vanyperen, Berg, & Willering, 2010). 142 samples were drawn from employees of a medium-sized trade company in Netherlands. Multilevel analysis showed that there is a significant positive relationship between the two variables.

Scott-Ladd et al. (2006) presented employees' participation in decision making can bring benefits to work effort, job satisfaction and commitment. 2000 surveys were distributed to five medium-sized organizations through internal mail systems. The results showed participation in decision making appears to promote job satisfaction and commitment.

Next, according to Han, Chiang, and Chang (2010), they studied the effect of employees' participation in decision making towards employees' positive cognition and attitudes. The study was based on 260 samples from high technical companies in Taiwan. Results showed that employees' participation in decision making was positively associated with psychological ownership which leads to organizational commitment.

Lastly by referring to Kuean, Kaur, and Wong (2010), they studied about the effect of employees' decision making participation towards their intention to leave the organization. The study was conducted based on 189 working adults in Malaysia. Results showed that employees' participation in decision making promotes greater personal organizational commitment and reduces employees' intention to leave the organization.

2.2 Review of Relevant Theoretical Models

2.2.1 Social Exchange Theory (SET)

SET was origin from George Homans in year 1958. However, SET was most developed by John Thibaut and Harold Kelley in the year 1959 (Zafirovski, 2003). Researchers have used SET as a starting point to examine related areas such as commitment, trust and affective relations. SET exists in many forms, but all of them are driven by the same central concept: exchanging resources through a social exchange relationship whereby it involves voluntary transfer of resources between multiple actors. Actors are defined as individuals or companies; resources are anything that can be exchanged (tangible or intangible) (Hall, 2001).

According to Whitener (2001), in the case of relationship between organization and its employees, positive actions engaged by the organizations towards its employees will establish high-quality exchange relationships. In return, employees will respond optimistically towards the company. For example, the organization provides monetary rewards to the employees while the employees will provide resources and support to the organization (Friman, Garling, Millett, Mattsson, & Johnston, 2002).

There are three core components in SET. The first component is outcome. The outcome of relationship is the difference between rewards and costs in a relationship (Dainton & Zelly, 2011). For example, employees may need to forgo their spare time to obtain skills and knowledge from training. Thus, the outcome will be whether the employees are satisfied and will then lead to employees' commitment (Cropanzano & Mitchell, 2005). If a person perceives that the benefits obtained are more than the costs, a positive outcome value will result and the person will satisfied and commit to the relationship (Dainton & Zelly, 2011).

The second component is comparison level. According to Thibaut and Kelly (1959), comparison level represents what rewards a person expects to receive from a relationship. Applying SET, individuals will compare their current outcome value with their comparison level (Emerson, 1976). If an individual perceives the outcome exceeds their expectations, it will provide satisfaction (Dainton & Zelly, 2011).

The third component is comparison of alternatives. Even if individuals are dissatisfied with the relationship, it is not true that the relationship will end. Thus, alternatives of staying in the relationship need to be examined. If the benefits of alternatives are greater than the outcome, individuals will perceive that the alternatives are better and the relationship may be terminated. (Dainton & Zelly, 2011).

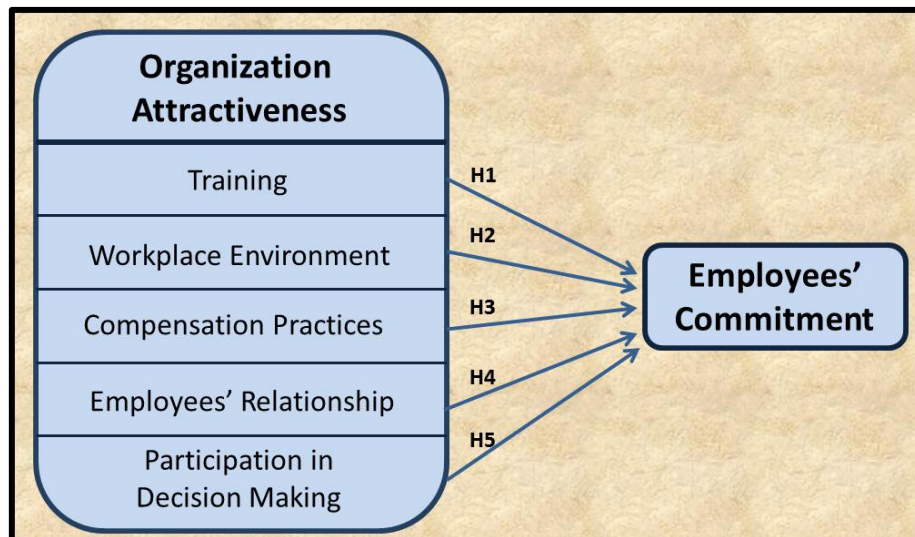
SET has been frequently used in other area of studies. SET can guide human resource manager regarding the link between leadership and empowerment in the workplace (Hall, 2001). Furthermore, organizations used SET to examine whether trust has impact on business-to-business relationship (Williams, 1993). Moreover, SET has also been applied in the studies of marital relationship and quality of life in family whereby SET suggests whether the relationship will bring long term mutual trust and attraction (Friman et al., 2002).

The purpose of this study is to determine the employees' commitment in banking industry. As mentioned earlier, the five independent variables of the study have been grouped under organization attractiveness. Thus, the three components of SET can be applied: outcome, comparison level, and comparison of alternatives to examine the relationship between organization attractiveness and employees' commitment. When the employees are satisfied with the organization attractiveness offered by the organization, they will commit with the organization.

2.3 Proposed Conceptual Framework

The proposed conceptual framework is developed to examine empirically the relationship between five factors of organization attractiveness which are training, workplace environment, compensation practices, employees' relationship, and participation in decision making with employees' commitment in Malaysian bank. In this conceptual framework, the five factors of organization attractiveness are independent variables and employees' commitment is the dependent variable. The research model for this study is shown in Figure 2.1 below.

Figure 2.1: Proposed Conceptual Framework



Sources:

Abdullah, & Ramay, M. I. (2012). Antecedents of Organizational Commitment of Banking Sector Employees in Pakistan. *Serbian Journal of Management*, 7 (1), 89-102.

Lam, T., Lo, A., & Chan, J. (2002). New Employees' Turnover Intentions and Organizational Commitment in the Hong Kong Hotel Industry. *Journal of Hospitality and Tourism Research*, 217-234.

2.4 Hypothesis Development

Table 2.1: Hypothesis

| | |
|-----------|---|
| H1 | There is a significant relationship between training and employees' commitment. |
| H2 | There is a significant relationship between workplace environment and employees' commitment. |
| H3 | There is a significant relationship between compensation practices and employees' commitment. |
| H4 | There is a significant relationship between employees' relationship and employees' commitment. |
| H5 | There is a significant relationship between participation in decision making and employees' commitment. |

Source: Developed for the research

2.5 Conclusion

Literature and journal articles related to organization attractiveness factors and employees' commitment were reviewed critically. Hypothesis of the research were set and conceptual framework of the research was formed. The next chapter of this report will proceed to research methodology of the study.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction

Chapter 3 discussed the research methodology used in this study. This chapter begins with research design and followed by data collection methods. The subsequent section is the sampling design of the research. The section hereinafter is the research instrument, accompanied by the construct measurements. Methods of data processing are then discussed. Lastly, the data analysis techniques are explained in detailed.

3.1 Research Design

This research was based on exploratory study. Exploratory study is to discover new ideas and insights to clarify a problem (Malhotra, 2007).

Quantitative survey approach and self-administrated questionnaires were used to obtain responses from bank employees. Survey was preferred because it helped in collecting large amount of information from the target population easily without incurring much time and was affordable (Kaplowitz, Hadlock, & Levine, 2004).

Due to time constraint, cross-sectional study was used in this study because the data collected and analyzed were based on a phenomenon at a single point of time (Zikmund, Babin, Carr, & Griffin, 2010). Employees in banking sector were the unit of analysis.

3.2 Data Collection Methods

To analyze the hypothesis and the research questions, there were two data collection methods which were primary and secondary data (Burns & Bush, 2000).

In this study, primary data such as survey questionnaires were used. This is because this type of research technique is widely used by researchers as the information is fast and easy to collect (Saunders, Lewis, & Thornhill, 2009). Secondary data such as journal articles and references books were also used to analyze the findings.

3.3 Sampling Design

3.3.1 Target Population

There were total 64 Licensed Banking Institutions in Malaysia (Bank Negara Malaysia, 2012). Commercial bank constitutes 26 of it, which represents the largest percentage (Refer Appendix E). According to Shah, Hassan and Embi (2011), there are approximately 20,000 employees working for commercial banks in Malaysia. Therefore, the target population for this study is 20,000 bank employees.

3.3.2 Sampling Frame and Sampling Location

It was difficult to obtain the list of all employees in the population and the employees' details as the information is private and confidential. Thus, a non-probability sampling was used as there was no sampling frame (Feild, Pruchno, Bewley, Lemay, & Levinsky, 2006).

According to Association of Banks in Malaysia (2011), the sampling location of this study was based in Penang, Perak, Selangor, Kuala Lumpur and Johor as it has the highest branches number of commercial banks (Refer Appendix F). By selecting samples from the five states mentioned above, it represents the major population of Malaysia's bank employees.

3.3.3 Sampling Element

The sampling elements of this study were the existing employees from the five selected states mentioned above which are Penang, Perak, Selangor, Kuala Lumpur and Johor. Existing employees were chosen as they are most actively involved in daily operations of the banks. Hence, their opinions on the bank's organizational attractiveness provided to them are crucial to determine their commitment towards the bank.

3.3.4 Sampling Technique

The sampling technique used was convenience sampling, which was one of the non-probability sampling methods. Convenience sampling is the most commonly used method (Polit & Beck, 2009). It is the easiest and least expensive method to collect data (Gravetter & Forzano, 2009). It is also convenient for researchers as they can distribute to qualified respondents who are willing to participate (McCormack & Hill, 1997).

3.3.5 Sampling Size

The population of the study was approximately 20,000 employees. According to sample size table adopted from Sekaran (2003), the sample size recommended was 377 (Refer Appendix G). Thus, 450 copies of questionnaires were distributed for data collection.

3.4 Research Instrument

The questionnaires used in this study were self administrative questionnaires. The questionnaires were distributed to the targeted respondents by hand and were collected from them after seven days. A total of 450 sets of questionnaires were distributed to the targeted respondents and 392 sets of questionnaires were successfully collected back. Hence, the response rate was 87.1%.

A pilot test is needed to be performed prior to the actual survey. Pilot test is used to test the adequacy of research instrument and hypothesis of the study and to ensure validity, reliability, accuracy of the questionnaires (Lancaster, Dodd, & Williamson, 2004). According to Saunders, Lewis and Thornhill (2009), the minimum number for pilot test is ten sets of questionnaires. Thus, 25 qualified respondents were chosen to conduct the test in order to access the face validity of the questions asked.

3.5 Constructs Measurement

In Section A of the survey questionnaires, gender is the item using nominal scale.

The ordinal scale items in Section A of the survey questionnaires are education level, age, and years of employment with current employer.

The interval scale items are employees' commitment (dependent variable) and organization attractiveness (independent variables). Employees' commitment is the willingness of employees to stay with the organization (El Dajani, 2009). Training is the guidance or development opportunity given to the employees (Noe, 2010). Workplace environment is the physical workplace of the organization (Becker & Steele, 1995). Compensation practices are the benefits given to the employees in return for their contributions (Newman & Mozes, 1999). Employees' relationship means the relationship of employees with the organization (Tekleab & Taylor, 2003). Participation in decision making is defined as the employees are given the chance to involve in the management decision making process (Oppermann & Chon, 1997).

A total of 25 items will be asked in Section B while 5 items will be asked in Section C. In this study, all items in Section B and C used five-point Likert Scale to allow respondents to indicate to what extent they agree or disagree with a statement. The scale ranged from 1 (strongly disagree) to 5 (strongly agree). Meanwhile, all five items was adopted from various sources (Refer Appendix B).

Table 3.1: Measurement Used For Each Variable

| | Variables | Measurement | Scale of Measurement |
|------------------------------|---|--------------------|-----------------------------|
| Demographic | Gender | Nominal | - |
| | Age | Ordinal | - |
| | Education level | Ordinal | - |
| | Years of employment with current employer | Ordinal | - |
| Independent Variables | Training | Interval | 5-point Likert Scale |
| | Workplace environment | Interval | 5-point Likert Scale |
| | Compensation practices | Interval | 5-point Likert Scale |
| | Employees' relationship | Interval | 5-point Likert Scale |
| | Participation in decision making | Interval | 5-point Likert Scale |
| Dependent Variable | Employees' commitment | Interval | 5-point Likert Scale |

Source: Developed for the research

3.6 Data Processing

3.6.1 Data Checking

Once the questionnaires were received, they were checked to allow early detection of errors. The checking process is an important step as the questionnaires collected must be complete and accurate (Zikmund, 2003). Questionnaires with incomplete responses were removed to prevent reliability issues arising during the subsequent tests. After checking, there were 13 questionnaires with incomplete responses and resulting to only 379 copies of complete questionnaires for data processing.

3.6.2 Data Coding

After checking the data, the data were coded by assigning a unique numeric score for each item in the questionnaires (Hair, Bush, & Ortina, 2006). For instant, the item gender in Section A of the questionnaires was coded as male = 1 and female = 2. As for the 5-point Likert Scale used in Section B and C, the items were coded ranging from strongly disagree = 1 to strongly agree = 5.

3.6.3 Data Transcribing

By using Statistical Analysis System Enterprise Guide 5.1 (SAS), the data were transcribed into average summated score to be used in Pearson's Correlation and Multiple Linear Regression analysis.

3.7 Data Analysis

3.7.1 Descriptive Analysis

The data collected was analysed and interpreted by using Statistical Analysis System (SAS). According to Zikmund (2003), descriptive analysis refers to the transformation of data into certain characteristic such as demographic profile. Besides, descriptive analysis was used to describe the mean and standard deviation of each variable.

3.7.2 Scale Measurements

3.7.2.1 Normality Test

Normality test was carried out by SAS to test whether the data obtained is normally distributed. In this study, skewness and kurtosis were used to measure the normality of data collected. Skewness is the measure of symmetry of a distribution of scores. Positive skewness indicated the data skewed to the right and negative skewness indicated that the data skewed to the left (Gua & Wub, 2003). Kurtosis is the weight of the tails of a distribution. Positive kurtosis referred to a peak distribution while negative kurtosis referred to a flat distribution (Wright & Herrington, 2011).

According to Joanes and Grill (1998), skewness and kurtosis is appropriate to measure normality for large population. George and Mallery (2005) suggested that the acceptable range for skewness and kurtosis is ± 2 . If the value falls within ± 2 , it means the data is normally distributed.

3.7.2.2 Reliability Test

A reliability test was carried out by using Cronbach's Alpha test to measure the reliability of each item and determine whether the results are consistent and accurate (Golafshani, 2003). If the Cronbach's Alpha value is more than 0.7, then it passes the reliability test. The higher the Cronbach's Alpha score, the higher the reliability of the data collected.

Table 3.2 Cronbach's Alpha Reliability Coefficient

| Cronbach's Alpha | Status |
|-------------------------|---------------|
| ≥ 0.9 | Excellent |
| 0.8 to < 0.9 | Good |
| 0.7 to < 0.8 | Acceptable |
| 0.6 to < 0.7 | Questionable |
| < 0.6 | Poor |
| < 0.5 | Unacceptable |

Source: George and Mallery (2005)

3.7.3 Inferential Analysis

3.7.3.1 Pearson Correlation Coefficient Analysis

Pearson correlation coefficient measured the strength of the linear relationship between two variables. The value with +1 indicates that there is a perfect positive relationship while -1 means a perfect negative relationship (Statsoft, 2012). However, Dereny and Rashwan (2011) stated that the multicollinearity problem will exist when the correlation coefficient between the independent variables are more than 0.9.

Table 3.3 Pearson Correlation Coefficient

| Coefficient range | Strength |
|--------------------------|-------------------------------|
| ±0.91 to ±1.0 | Very Strong |
| ±0.71 to ±0.90 | High |
| ±0.41 to ±0.70 | Moderate |
| ±0.21 to ±0.40 | Small but define relationship |
| 0 to ±0.20 | Slight, almost negligible |

Source: Hair, Money, Samouel, and Page (2007)

3.7.3.2 Multiple Linear Regressions (MLR)

MLR explains the proportion of variance in two or more independent variables and dependent variable (Statsoft, 2012). R^2 (coefficient of determine) in MLR showed the percentage of employees' commitment (dependent variable) that can be explained by the organization attractiveness (independent variables). The relationship is stronger when the R^2 value is nearer to 1.

MLR can also show multicollinearity problem by referring to the tolerance and variance inflation. To ensure there's no multicollinearity problem, the tolerance score must be more than 0.1 and the variance inflation must be less than 10 (O'brien, 2007). The MLR equation generated is as follow:

$$EC = \alpha + \beta_1T + \beta_2W + \beta_3C + \beta_4R + \beta_5P$$

EC = Employees' Commitment (Dependent Variable)

T= Training (Independent Variable 1)

W= Workplace Environment (Independent Variable 2)

C= Compensation Practices (Independent Variable 3)

R= Employees' Relationship (Independent Variable 4)

P= Participation in Decision Making (Independent Variable 5)

3.8 Conclusion

Both primary and secondary data were applied in the study. The targeted respondents are the employees of commercial banks at selected states. Data analyses used in the study are descriptive analysis, normality test, reliability test, Pearson's correlation analysis and MLR. The next chapter will show the results of the data analysis.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

Chapter 4 reports the results of the research. 379 set of data collected are reviewed and analysed by using SAS Enterprise Guide 5.1. The data results showing the relationship between organization attractiveness and employees' commitment were presented through tables in an understandable manner.

4.1 Pilot Test

4.1.1 Normality Test

For this study, skewness and kurtosis was used to measure the normality of the data collected. George and Mallery (2005) suggested that the acceptable range for skewness and kurtosis is ± 2 .

Table 4.1: Normality for Pilot Test

| Variables | Construct | | Skewness | Kurtosis |
|------------------|------------------------------|------|-----------------|-----------------|
| DV | Employees' Commitment | EC 1 | 0.7466 | -0.3528 |
| | | EC 2 | -0.1496 | 0.1082 |
| | | EC 3 | -0.4613 | 0.6560 |
| | | EC 4 | 0.2972 | -0.0521 |
| | | EC 5 | 0.2399 | 0.0773 |

| Variables | Construct | | Skewness | Kurtosis |
|------------------|---|----|-----------------|-----------------|
| IV 1 | Training | T1 | 0.2238 | -0.4447 |
| | | T2 | 0.1082 | -0.2816 |
| | | T3 | -0.0646 | -0.3134 |
| | | T4 | -0.1533 | -0.3467 |
| | | T5 | -0.1117 | -0.8160 |
| IV 2 | Workplace Environment | W1 | 0.4097 | -0.6796 |
| | | W2 | 0.1888 | -0.9706 |
| | | W3 | 0.1340 | -0.5570 |
| | | W4 | 0.1888 | -0.9706 |
| | | W5 | 0.5922 | -0.5397 |
| IV 3 | Compensation Practices | C1 | 0.4342 | -0.6695 |
| | | C2 | 0.5232 | -0.6882 |
| | | C3 | 0.1082 | -0.2816 |
| | | C4 | -0.5188 | 0.2844 |
| | | C5 | 0.5922 | -0.5397 |
| IV 4 | Employees' Relationship | R1 | 0.1763 | 0.8849 |
| | | R2 | 0.1763 | 0.8849 |
| | | R3 | -0.3024 | -0.6121 |
| | | R4 | 0.5232 | -0.6882 |
| | | R5 | 0.3455 | -0.5275 |
| IV 5 | Participation in Decision Making | P1 | -0.7586 | -0.3218 |
| | | P2 | 0.0465 | -0.6058 |
| | | P3 | -0.2440 | -0.0048 |
| | | P4 | -0.9418 | 0.8572 |
| | | P5 | -0.9418 | 0.8572 |

Source: Developed for the research

In table 4.1, the skewness and kurtosis of each item fall within the range of ± 2 . Hence, the data collected from the pilot test were considered normally distributed.

4.1.2 Reliability Test

Cronbach's Alpha was used to test each of the items to ensure the data is reliable and accurate. According to George and Mallery (2003), Cronbach's Alpha score must be more than 0.7 in order to pass.

Table 4.2: Reliability for Pilot Test

| Variables | Construct | Cronbach's Alpha | Number of Items |
|------------------|----------------------------------|-------------------------|------------------------|
| DV | Employees' Commitment | 0.9183 | 5 |
| IV 1 | Training | 0.8038 | 5 |
| IV 2 | Workplace Environment | 0.7730 | 5 |
| IV 3 | Compensation Practices | 0.8754 | 5 |
| IV 4 | Employees' Relationship | 0.7293 | 5 |
| IV 5 | Participation in Decision Making | 0.7960 | 5 |

Source: Developed for the research

According table 4.2, the Cronbach's Alpha scores obtained from SAS were in the range of 0.7293 to 0.9183 which were more than 0.7. Hence, the data is accurate and reliable.

Based on the table above, the status of employees' commitment is considered excellent as the Cronbach's Alpha score obtained is more than 0.9. Meanwhile, training and compensation practices fall in the range of 0.8 to 0.9 which represents the reliability status of good. Lastly for workplace environment, employees' relationship, and participation in decision making, the reliability is acceptable as the Cronbach's Alpha score obtained is within 0.7 and 0.8.

4.2 Descriptive Analysis

4.2.1 Respondents Demographic Profile

Demographic profile was included in Section A of the questionnaires to analyse the demographic characteristic of respondents. The frequency and percentage of the demographic profile of the 379 respondents were presented in the table below.

Table 4.3: Respondents Demographic Profile

| Variables | | Frequency | Percentage (%) |
|--------------------------|--|-----------|----------------|
| Gender | Male | 194 | 51.19 |
| | Female | 185 | 48.81 |
| Age | Below 20 | 10 | 2.64 |
| | 20 – 30 | 173 | 45.65 |
| | 31 – 40 | 112 | 29.55 |
| | 41 – 50 | 57 | 15.04 |
| | Above 50 | 27 | 7.12 |
| Educational level | Secondary School | 7 | 1.85 |
| | College Diploma/ Matriculation/ A- Level | 92 | 24.27 |
| | Bachelor | 200 | 52.77 |
| | Professional Qualification | 54 | 14.25 |
| | Postgraduate (Master or Ph.D.) | 22 | 5.80 |
| | Others | 4 | 1.06 |

| Variables | | Frequency | Percentage (%) |
|--|--------------------|------------------|-----------------------|
| Years of Employment with Current Employer | 2 to 5 years | 171 | 45.12 |
| | 6 to 10 years | 112 | 29.55 |
| | 10 - 15 years | 53 | 13.98 |
| | More than 15 years | 43 | 11.35 |

Source: Developed for the research

As per table 4.3, among 379 respondents, 194 respondents or a percentage of 51.19% are male whereas the female respondents consist of 185 respondents and represented by 48.81%.

The table also showed that the respondents are mostly in the age between 20 and 30 years old which constituted 173 respondents (45.65%). Meanwhile, the age group below 20 years old contributes the lowest percentage of 2.64% which equivalent to only 10 respondents.

As shown in the table, 200 out of the 379 respondents are Bachelor holders which give the highest percentage of 52.77%.

In terms of the years of employment with current employer, most of the respondents worked for 2 to 5 years with total of 171 respondents (45.12%) out of the 379 respondents while 43 respondents (11.35%) worked for more than 15 years.

4.2.2 Central Tendencies Measurement of Constructs

Measurement of central tendencies is to show the mean score and standard deviation of the construct which have been asked in the survey.

Table 4.4: Central Tendencies Measurement of Constructs

| Variables | Construct | | Mean | Standard Deviation | Skewness | Kurtosis |
|-------------|------------------------------|------|--------|--------------------|----------|----------|
| DV | Employees' Commitment | EC 1 | 3.7177 | 1.0626 | -0.9598 | 0.5213 |
| | | EC 2 | 3.6412 | 1.0705 | -0.5726 | -0.5643 |
| | | EC 3 | 3.5145 | 1.2752 | -0.6559 | -0.6488 |
| | | EC 4 | 3.6280 | 1.2068 | -0.6794 | -0.5781 |
| | | EC 5 | 3.5620 | 1.3287 | -0.7499 | -0.6234 |
| IV 1 | Training | T1 | 3.4538 | 1.1268 | -0.9496 | 0.0575 |
| | | T2 | 3.5831 | 0.9542 | -0.5148 | -0.6913 |
| | | T3 | 3.5805 | 0.9898 | -0.3812 | -0.7916 |
| | | T4 | 3.5488 | 1.0129 | -0.4637 | -0.7657 |
| | | T5 | 3.5303 | 1.2176 | -0.7649 | -0.3231 |
| IV 2 | Workplace Environment | W1 | 3.5330 | 0.9433 | -0.8466 | 0.1189 |
| | | W2 | 3.5066 | 1.0167 | -0.5039 | -0.6673 |
| | | W3 | 3.4802 | 0.9955 | -0.5597 | -0.3682 |
| | | W4 | 3.5435 | 1.0666 | -0.6138 | -0.4912 |
| | | W5 | 3.6016 | 0.9824 | -0.3953 | -0.7408 |

| Variables | Construct | | Mean | Standard Deviation | Skewness | Kurtosis |
|------------------|---|----|-------------|---------------------------|-----------------|-----------------|
| IV 3 | Compensation Practices | C1 | 3.5224 | 1.2833 | -0.7974 | -0.4728 |
| | | C2 | 3.7731 | 0.8736 | -0.4994 | 0.0044 |
| | | C3 | 3.6148 | 1.0884 | -0.5877 | -0.5298 |
| | | C4 | 3.5435 | 1.2683 | -0.8373 | -0.3089 |
| | | C5 | 3.6491 | 1.2913 | -0.8140 | -0.4137 |
| IV 4 | Employees' Relationship | R1 | 3.5462 | 1.0837 | -0.6773 | -0.5124 |
| | | R2 | 3.5356 | 0.9291 | -0.5025 | -0.5173 |
| | | R3 | 3.4855 | 1.0524 | -0.6871 | -0.3955 |
| | | R4 | 3.4697 | 1.0695 | -0.5924 | -0.4744 |
| | | R5 | 3.4855 | 1.0398 | -0.5077 | -0.5871 |
| IV 5 | Participation in Decision Making | P1 | 3.6544 | 1.0283 | -0.7505 | 0.1027 |
| | | P2 | 3.8074 | 0.8148 | -0.3997 | 0.2084 |
| | | P3 | 3.7520 | 1.1393 | -0.6781 | -0.5846 |
| | | P4 | 3.8074 | 1.0528 | -0.5384 | -0.7368 |
| | | P5 | 3.6570 | 1.2487 | -0.8116 | -0.3604 |

Source: Developed for the research

Referring to table 4.4, the mean score of the 6 variables has value ranging from 3.4538 to 3.8074. The highest mean (3.8074) falls under participation in decision making while the lowest mean (3.4538) falls under training.

On the other hand, the standard deviation of the 6 variables has value in the range from 0.8148 to 1.3287. It is said that the larger the standard deviation, the larger the spread of the data. Employees' commitment (DV) contributes the highest standard deviation of 1.3287. Meanwhile, participation in decision making (IV 5) contributes the lowest standard deviation of 0.8148.

4.2.3 Normality Test

Skewness and Kurtosis tests can be done to test the normality of the data collected. In this study, both tests were used to test the normality level of employees' commitment (dependent variable) and organization attractiveness (independent variables).

The lowest skewness shown in table 4.4 is employees' commitment (-0.9598) whereas the highest skewness is training (-0.3812). On the other hand, training showed the lowest kurtosis with only -0.7916 and employees' commitment contributed the highest kurtosis (0.5213). Since the results of skewness and kurtosis of each item falls within the range of ± 2 , this has proved that the variables were normally distributed.

4.3 Scale Measurement

4.3.1 Reliability Test

In this study, Cronbach's Alpha reliability test was used to measure each of the items and also to examine how well the items can correlated to each other. As determined in previous chapters, Cronbach's Alpha needs to be at least 0.7 in order to achieve reliability.

Table 4.5: Reliability Test

| Variables | Construct | Cronbach's Alpha | Number of Items |
|------------------|----------------------------------|-------------------------|------------------------|
| DV | Employees' Commitment | 0.9226 | 5 |
| IV 1 | Training | 0.9458 | 5 |
| IV 2 | Workplace Environment | 0.9343 | 5 |
| IV 3 | Compensation Practices | 0.9169 | 5 |
| IV 4 | Employees' Relationship | 0.9391 | 5 |
| IV 5 | Participation in Decision Making | 0.8764 | 5 |

Source: Developed for the research

Table 4.5 showed the reliability results of dependent and independent variables. The Cronbach's Alpha has the values in the range of 0.8764 to 0.9458. Since all the values are more than 0.7, this indicated that all items in the survey are reliable and the results generated can be trusted.

According to George and Mallery (2005), participation in decision making falls in the category of good since the result is within the range of 0.80 to 0.90. Meanwhile, the other five variables fall in the category of excellent since the Cronbach's Alpha score is more than 0.9.

4.4 Inferential Analysis

4.4.1 Pearson Correlation Analysis

Table 4.6 Pearson Coefficient Correlation

| | IV 1 | IV 2 | IV 3 | IV 4 | IV 5 | DV |
|------|------------------|------------------|------------------|------------------|------------------|--------|
| IV 1 | 1.0000 | | | | | |
| IV 2 | 0.8631 <.0001 | 1.0000 | | | | |
| IV 3 | 0.8576 <.0001 | 0.8901 <.0001 | 1.0000 | | | |
| IV 4 | 0.8294 <.0001 | 0.8717 <.0001 | 0.8847 <.0001 | 1.0000 | | |
| IV 5 | 0.8458 <.0001 | 0.8706 <.0001 | 0.8398 <.0001 | 0.8671 <.0001 | 1.0000 | |
| DV | 0.8768 <.0001 | 0.8828 <.0001 | 0.8672 <.0001 | 0.8739 <.0001 | 0.8908 <.0001 | 1.0000 |

Whereby,

DV = Employees' Commitment

IV 1 = Training

IV 2 = Workplace Environment

IV 3 = Compensation Practices

IV 4 = Employees' Relationship

IV 5 = Participation in Decision Making

Source: Developed for the research

Table 4.6 showed the level of correlation between employees' commitment and organization attractiveness. The results indicated that the organization attractiveness are strongly associated with employees' commitment. This is because the coefficient correlation value of the variables are within the range of 0.7 – 0.9 where training has coefficient correlation value of 0.8768 (p-value < 0.0001); workplace environment is 0.8828 (p-value < 0.0001); compensation practices is 0.8672 (p-value < 0.0001); employees' relationship is 0.8739 (p-value < 0.0001); participation in decision making is 0.8908 (p-value < 0.0001).

On the other hand, multicollinearity problem will exist if Pearson Coefficient Correlation value is more than 0.9. In this case, the Pearson Coefficient Correlation values of the variables fall below 0.9. Thus, there is no multicollinearity problem in this study.

4.4.2 Multiple Linear Regressions

Table 4.7 Model Summary

| R- Square | Adjusted R- Square | F- Value | Pr> F |
|------------------|---------------------------|-----------------|-----------------|
| 0.8713 | 0.8696 | 504.94 | <.0001 |

Source: Developed for the research

Table 4.7 showed that R^2 for this study is 0.8713. This means that 87.13% of the variation in Employees' Commitment (dependent variable) can be explained by all five Organization Attractiveness (independent variables). Furthermore, the F-Value for this study is enormous and p-value is less than 0.05. Thus, the model for this study is fit.

Table 4.8 Coefficients

| Variables | Parameter Estimate | t- Value | Pr> t | Tolerance | Variance Inflation |
|---|--------------------|----------|--------|-----------|--------------------|
| Intercept | -0.4249 | -4.93 | <.0001 | - | 0 |
| Training | 0.2715 | 5.99 | <.0001 | 0.1963 | 5.0955 |
| Workplace Environment | 0.1914 | 3.30 | 0.0010 | 0.1407 | 7.1051 |
| Compensation Practices | 0.1012 | 2.02 | 0.0438 | 0.1455 | 6.8730 |
| Employees' Relationship | 0.1940 | 3.70 | 0.0002 | 0.1580 | 6.3296 |
| Participation in Decision Making | 0.3625 | 6.88 | <.0001 | 0.1778 | 5.6237 |

Source: Developed for the research

Based on the table above, the p-value is less than 0.05 for all the variables. Hence, it indicated that the 5 independent variables are significant to predict employees' commitment (dependent variable). Subsequently, the linear equation is formed.

$$EC = -0.4249 + 0.2715T + 0.1914W + 0.1012C + 0.1940R + 0.3625P$$

Whereby,

| |
|---|
| EC = Employees' Commitment (Dependent Variable) |
| T = Training (Independent Variable 1) |
| W = Workplace Environment (Independent Variable 2) |
| C = Compensation Practices (Independent Variable 3) |
| R = Employees' Relationship (Independent Variable 4) |
| P = Participation in Decision Making (Independent Variable 5) |

The linear equation above indicates that there is a positive relationship between organization attractiveness and employees' commitment. This can be explained that for every increase in training, workplace environment, compensation practices, employees' relationship, and participation in decision making in banks, employees' commitment will increase by 27.15%, 19.14%, 10.12%, 19.40% and 36.25% respectively, provided other variables remain unchanged.

As shown in table 4.8, the tolerance value is ranging from 0.1407 to 0.1963 which is more than 0.1 and variance inflation value is ranging from 5.0955 to 7.1051 which is also less than 10. Therefore, multicollinearity problem does not exist in this study.

4.5 Conclusion

All the results related to the study are showed in this chapter. All hypotheses proposed have been accepted. Finally, a regression equation has been formed. Further analysis and discussion of the results are discussed in the next chapter.

CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATIONS

5.0 Introduction

Chapter 5 will interpret the results generated by SAS which was showed in Chapter 4. Next, the implication, limitation, and the recommendation of the research are discussed. At last, a complete conclusion about the study will be made.

5.1 Statistical Analysis Summary

Employees who are currently working in commercial banks in the targeted states (Penang, Perak, Selangor, Kuala Lumpur and Johor) are the targeted respondent of this study. For this study, 450 sets of survey questionnaires were distributed to targeted respondents and 379 sets were collected back.

Based on the results generated by SAS, the constructs in this study met the normality assumption whereby the skewness and kurtosis of each construct falls within the range ± 2 . Hence, the data is considered as normally distributed. Besides, as illustrated in Chapter 4, the Cronbach's Alpha scores passed the minimum acceptable level of 0.7. Therefore, the questionnaires passed the Cronbach's Alpha reliability test and are able to generate accurate and reliable results.

Table 5.1 : Summary of Multiple Linear Regressions

| Hypothesis | Test independent variable with dependent variable (H₁) | Significant p-value | Significance of Correlation | Result |
|---------------------|---|----------------------------|------------------------------------|-------------------------------------|
| Hypothesis 1 | There is a significant relationship between training and employees' commitment. | 0.0001<0.05 | Significant | Accept Hypothesis (H ₁) |
| Hypothesis 2 | There is a significant relationship between workplace environment and employees' commitment. | 0.0010<0.05 | Significant | Accept Hypothesis (H ₂) |
| Hypothesis 3 | There is a significant relationship between compensation practices and employees' commitment. | 0.0438<0.05 | Significant | Accept Hypothesis (H ₃) |
| Hypothesis 4 | There is a significant relationship between employees' relationship and employees' commitment. | 0.0002<0.05 | Significant | Accept Hypothesis (H ₄) |
| Hypothesis 5 | There is a significant relationship between participation in decision making and employees' commitment. | 0.0001<0.05 | Significant | Accept Hypothesis (H ₅) |

Source: Developed for the research

According to table 5.1, it indicated that organization attractiveness (independent variables) have positive significant relationships with employees' commitment since the p-value of each variable is less than 0.05. Thus, alternative hypothesis of each variable is accepted in this study.

5.2 Discussions of Major Findings

5.2.1 Training

H1: There is a significant relationship between training and employees' commitment.

Results generated by SAS showed that there is a significant relationship between training and employees' commitment as the p-value of MLR is 0.0001 which is less than 0.05. Hence, H1 is accepted in this study. In addition, the correlation coefficient value 0.2715 means employees' commitment is positively related to training. In short, when commercial banks provide training to their employees, employees' commitment will increase. The results are consistent with the previous researches which were mentioned in Chapter 2 (Lam, Lo, & Chan, 2002; Bulut & Culha, 2010; Sahinidis & Bouris, 2008; Holmes, Hannan, & Cukier, 2010; Newman, Thanacoody, & Hui, 2011).

In the study of Bulut and Culha (2010), the researchers found that if the organization motivates their employees to learn and support them in the aspect of training, the employees will be more satisfied and will have stronger sense of belonging towards their company. Employees will perceive that they are given a chance to enhance their knowledge and as a career development opportunity. Hence, they are more likely to commit to the organization if the organization provides effective training.

5.2.2 Workplace Environment

H2: There is a significant relationship between workplace environment and employees' commitment.

Based on the result generated in Chapter 4, there is a significant relationship between workplace environment and employees' commitment as the p-value of MLR (0.0010) is less than 0.05. Thus, alternative hypothesis (H2) is accepted in this study. In addition, the correlation coefficient value for this construct is positive which is 0.1914. This indicated that when the organisation has favourable physical work environment, employees in commercial banks will be more committed. The findings are similar with the previous researches (David & Lauren, 2009; Mensah, 2011; Veitch, Charles, Farley, & Newsham, 2007; Morrow, Mc Elroy, & Scheibe, 2012; Zeiny, 2012) which have been discussed in Chapter 2.

Bank employees usually will spend most of their working hours in the office. Hence, a good condition physical workplace is crucial as it can make the employees to feel comfortable and able to manage their emotions better. The ability of employees to manage their emotions will then strongly increase their ability to cope with work-related stress. Hence, employees will feel happy and willing to work in that organization.

5.2.3 Compensation Practices

H3: There is a significant relationship between compensation practices and employees' commitment.

The results generated by SAS showed that there is a significant relationship between compensation practices and employees' commitment since the p-value is 0.0438, which is less than 0.05. The correlation coefficient value of 0.1012 indicates that compensation practices are positively correlated to employees' commitment. Hence, H3 is accepted and this means employees' commitment can be increased when banks provide attractive compensation packages. The statement is in line with the literature review in Chapter 2 (Butt, 2008; Robertson, Lo, & Tang, 2007; Bae, 2009; Butler & Johnson, 2011; Newman & Sheikh, 2012).

In the study of Butt (2008), attractive and reasonable compensation schemes provided by employer can motivate employees to commit to the organization. Money has becoming an important factor to consider especially in this growingly challenging economic environment. As the standard of living is getting higher, people need to bear the increasing cost of living and at the same time facing the inflation of currency. Once the compensation package is sufficient to meet the basic psychological and safety needs, employees will have less worry and stress on monetary issues. This will lead to increase in employees' commitment.

5.2.4 Employees' Relationship

H4: There is a significant relationship between employees' relationship and employees' commitment.

The result generated for this study indicated that there is a positive significant relationship between employees' relationship and employees' commitment as the p-value is 0.0002, which is less than 0.05. Since the p-value is less than 0.05, hence alternative hypothesis (H4) is accepted in this study. Furthermore, the correlation coefficient value of 0.1940 is positive means employees' commitment is positively associated with employees' relationship. This indicated that when employees have good relationship in bank, the level of commitment will increase.

The past researches which determined in previous chapters indicated that support, interaction, communication and relationship in the organization will positively affected employees' commitment (Bowen, 2011; Mishra, 2007; Arons, 2010). Thus, the findings in past researches were consistent with the findings in this study. Employees will commit more to the organization if the relationship with internal-public is good. It is where the employees willing to support, share and motivate each other. The sense of job satisfaction and level of trust among internal-public will increased. Hence, they will be more committed to the organization.

5.2.5 Participation in Decision Making

H5: There is a significant relationship between participation in decision making and employees' commitment.

Based on the results computed in Chapter 4, there is a significantly positive relationship between participation in decision making and employees' commitment. The correlation coefficient value of 0.3625 indicated that participation in decision making is positively correlated to employees' commitment. There is a significant relationship between the variables since the p-value (0.0001) is less than 0.05. Hence, H5 is accepted and this showed employees' commitment will increase when banks provide chances for employees to participate in decision making process. The result is consistent with the past studies stated in Chapter 2 (Erdene, 2006; Vanyperen, Berg, & Willering, 2010; Scott-Ladd et al., 2006; Han, Chiang, & Chang, 2010; Kuean, Kaur, & Wong, 2010).

The past researches concluded that employees' participation in decision making promotes greater personal organizational commitment and reduces employees' intention to leave the organization. Employees will be more committed to their organization as they can participate in the decision making process. Employees will have stronger sense of belonging towards their organization when they are involved personally in the decision making process regarding the operations of their organization. They will not have the intention to leave the organization as they feel that they are part of the organization and will stay loyal and committed to it.

5.3 Implications of the Study

5.3.1 Theoretical Implications

The results of this study confirmed the positive relationship between organization attractiveness factors and employees' commitment. However, additional research is needed to carry out so that can determine how employees' commitment correlates with other organizational performance indicator. This would facilitate a better understanding on employees' commitment and its antecedents and consequences.

Besides, future researchers can replicate the model of this study to identify relationship between organization attractiveness factors and employees' commitment for the population outside Malaysia. This is useful to identify more organization attractiveness factors that may affect employees' commitment that happen outside Malaysia. With this, researchers can have clearer picture of the multidimensionality of the construct.

5.3.2 Managerial Implications

This study had provided useful information to the management level of an organization. The systematic assessment of employees' commitment allows the management to make necessary adjustments to maintain high level of employees' commitment. This may help the management to have better understanding towards employees' needs and could develop policies that suit the employees' needs. The employees' commitment will be maximized after meeting their expectations.

Increasing the level of employees' commitment can indirectly help to reduce the problem of absenteeism, high turnover rate and bad attitudes of the employees towards their job. When employees are satisfied with their job, the organizational performance will increase, because job satisfaction usually associated with increased productivity and organizational effectiveness.

With the results proven in this study, training programs, comfortable workplace environment, attractive compensation practices, good employees' relationship and participation in decision making can positively affect employees' commitment. These aspects are important human resource tools that should be facilitated to improve the human capital retention. However, these strategies should be reviewed and updated on a regular basis as human perception and behaviour is subject to change over time.

On the other hand, this study also creates an opportunity for organization to manipulate these five organization attractiveness to attract potential talents. This may help the organization to establish good reputation and become prior choice among the employees to develop their career.

5.4 Limitations of Study and Recommendations for Future Research

5.4.1 Limited Coverage

It is difficult to reach the whole population of this study which is all the bank employees in Malaysia. Thus, the questionnaires were administered to employees from selected states in Malaysia only. So, the results may not be generalized to all banking industries in whole Malaysia. Besides, the research scope is targeted on employees of banking industry only, which acts as limiting factor in representing all other industries in Malaysia.

The questionnaires were distributed to only bank employees from 5 states and this could not represent the whole banking industry in Malaysia. Researchers are recommended to target a wider range of participants from different states in order to increase the accuracy and reliability of the result (Scandura & Williams, 2000). The purpose of conducting this study is to recommend bank manager on retaining their employees. However, this assumption is not applicable to other industry other than banking industry. Hence, it is recommended to wider the research scope to other industries in Malaysia.

5.4.2 Respondents' Biasness

Respondents' biasness is another unavoidable issue in the process of data collection. The unresponsive and inactive behaviour of the respondents may affect them to provide inaccurate response in questionnaires. Besides, different people will have different perception towards the same matter. The views of bank employees may vary with individuals in different banks. As they are from different workplace with different culture and treatment, the tendency to have different opinion on certain questions will be higher. This may lead to inaccuracy and unreliability of the data collected.

Hence, other than distributing survey questionnaires, other data collection methods such as personal interview, focus groups and observation can be used to add depth to the study (Tashakkori & Teddlie, 2003). Interview was recommended as it helps to reduce the ambiguity and offer additional information to interpret the results. It provides two way communications between researchers and respondents. This may help the researchers to understand the beliefs of respondents well and decrease the inaccuracy and unreliability of the data collected (Mishra, 2007). Although it may be time consuming, it can decrease the falsification of respondents effectively.

5.4.3 Short Time Frame

This study was carried out on cross-sectional basis which observed the relationship between organization attractiveness and employees' commitment at a particular point of time. The time frame given was six months which was insufficient to complete the study efficiently. Therefore, time constraint became a limiting factor to carry out this study as researchers need to set research title, gather information, distributes questionnaires and analyse the data within a limited time.

For this case, it is recommended to replace cross-sectional study with longitudinal study so that the relationship between organizational attractiveness and employees' commitment can be examined over a sustained period. This is useful in studying development and lifespan issues because researchers will be able to observe the changes over time and therefore can yield better findings and more accurate results (Rodgers, 2011).

5.4.4 Limitation of Research Model

The research model of this study only focused on the five organization attractiveness (training, workplace environment, compensation practices, employees' relationship, and participation in decision making) and hence other factors was not able to be tested. However, there are still many factors that will affect the relationship between organization attractiveness and employees' commitment.

It is strongly recommended for future researchers to carry out further study on other organization attractiveness factors to obtain a clearer picture about employees' commitment. Future researchers can include factors like diversify organization's management policy and leadership (Magoshi & Chang, 2009), recruitment advertisements (Perkins, Thomas, & Taylor, 2000; Rau & Hyland, 2006), familiarity of employer and also chances to develop interesting work (Collins, 2009) as independent variables. This could help the researchers to identify more realistic research model on employees' commitment.

5.5 Conclusion

After conducting this study, a better understanding was obtained regarding the relationship between organization attractiveness and employees' commitment. Based on the findings, there is a positive and significant relationship between the factors of training, workplace environment, compensation practices, employees' relationship and participation in decision making on employees' commitment. The results showed that participation in decision making has the strongest relationship with employees' commitment while compensation practices have the weakest relationship among the five organization attractiveness factors.

This study has proven that the organization attractiveness factors can lead to increase of the job satisfaction of employees. When the employees are satisfied with their job, they will not have the intention to leave the organization and will be more willing to assist the organization to achieve their company's goals. Directly, it also will retain the existing employees and improve the loyalty of employees. Most of the researchers agree with these statements as shown in Chapter 2 by providing all the empirical evidence from each study's result.

Besides, the results of this study are based on employees in banking industry in Malaysia. By using SAS, data collected were processed into meaningful information. Results from Chapter 4 concluded that the five organization attractiveness have strong relationship with employees' commitment.

As conclusion, this research can guide practitioners such as human resource managers in the banking industry in Malaysia to understand a better range of factors that contribute towards employees' commitment. This would help the managers in designing a more effective and efficient human resource practices. It is more cost saving to retain existing employees compared to undergo the whole process of recruiting new employees. Hence, this can guide the banks' manager in Malaysia to identify the major factors that can be focused on in order to retain and increase their employees' commitment towards the bank.

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APPENDICES

Appendix A: Summary of Past Empirical Studies

Employees' Commitment

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|--------------------------------------|----------------|--|--|
| Lowen, 2011 | United States | Interview section has been conducted with 2 different group of generation where 10 of each generation were interview twice. | The result of the study was the differences in generational were minimized and they tend to have the same targets of commitment. |
| Linares, 2011 | United States | Questionnaire was obtained from 178 bank employees. | The study has provides a model measurement in turnover intent, job satisfaction, organizational and occupational commitment in tissue bank employees and the measurement of employees' perception on manager's leadership style. |
| Olanrewaju, 2009 | Nigeria | A total of 500 copies of questionnaire was distribute to the Federal Ministrt of Labour and productivity and two of its agencies in Nigeria. | The study found that there was a relationships between transformational leadership and employees' commitment to the Nigerian Public Service. |
| Clark, Hartline, and Jones, 2009 | United States | Questionnaires were distributed to managers and employees from United States hotels. | The study showed that a good leadership in leader can lead to higher motivation in employees in creating better quality services. |
| Jandaghi, Mikhles, and Bahrami, 2011 | Qom, Iran | Questionnaires were distributed to 158 employees of Qom, Iran. | The result showed that there is a positive relationship between job securities towards employees' commitment. |

Training

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|---------------------------------------|----------------|--|--|
| Lam, Lo, and Chan, 2002 | Hong Kong | 249 self-administered questionnaires were collected. | The result showed that training is solution to retain committed employees and reduce turnover rates. |
| Bulut and Culha, 2010 | Turkey | Surveys were conducted with 298 participants of four- and five-stars hotels operating in Izmir, Turkey. | The results revealed that all dimensions of training positively affected employees' commitment. |
| Sahinidis and Bouris, 2008 | Greek | The study examined the responses of 134 employees and lower managers of five large Greek organizations, after they had completed a training program. | The results indicated that there is a significant correlation between the employee perceived training effectiveness and their job satisfaction, motivation and commitment. |
| Yap, Holmes, Hannan, and Cukier, 2010 | Canada | The survey data were collected from over 11,000 top management employees working in nine large Canada organizations. | The findings showed that employees who received effective diversity training were significantly more satisfy and commit to their career. |
| Newman, Thanacoody, and Hui, 2011 | China | The data were collected from 437 Chinese employees of five multinational enterprises operating in Chinese service sector. | The results indicated a positive correlation between employees' perception towards training and their turnover intentions. |

Workplace Environment

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|--|----------------|--|---|
| David and Lauren, 2009 | Scotland | 100 questionnaires have distributed to front line call- centre employees. | They concluded that the employees' well- being mediate the relationship physical environment and employees' commitment. |
| Mensah,2011 | Ghana | 300 questionnaires have distributed to lactating woking mothers. | The result of the study is by the present of the facilities to lactating working mothers will lead to their satisfaction and commitment. |
| Veitch, Charles, Farley, and Newsham, 2007 | United States | 799 copies of questionnaire ware administed to open-plan office occupants from 9 government and private sector office buildings in 5 large Canadian and US cities. | The study concluded that when occupants satisfied their physical work environment, it will lead to satisfaction in their job together with commitment and lower turnover. |
| Morrow, Elroy, and Scheibe, 2012 | United States | Research were based on 121 financial services employees which have experienced the office redesign and 136 employees who did not. | The study concluded that changes in the physical environment of the office can increase the commitment of employees. |
| Zeiny, 2012 | Egypt | The questionnaires were distributed to 126 employees in private sector corporation. | This research concluded that office design has a significant impact on employees' performance. |

Compensation Practices

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|-------------------------------|----------------|--|--|
| Butt ,2008 | Pakistan | 300 questionnaires were developed and distributed physically to target respondents to collect data. | The result shows that compensation package has significant positive relationship on employee retention. |
| Butler and Johnson, 2011 | United States | 1,836 workers will be followed for a period of 12 months from the time they filed a workers' compensation claim and be interviewed by phone. | There is a strong, simple correlation between satisfaction and compensation from the firm and also medical treatment. |
| Bae, 2009 | Las Vegas | Self-administrated survey questionnaire was sent by email to 42 employees | There is an increase in the percentage of directors on the compensation committee as the successor pay-performance compensation decreases. |
| Robertson, Lo, and Tang, 2007 | China | Regressions were run for each city in China separately, and for the sample of 1,300 employees in China as a whole. | The study showed that extrinsic rewards, belief in mission, and environmental consciousness are significantly related to commitment. |
| Newman and Sheikh, 2012 | China | Survey data from 286 employees in 11 organizations were collected. | Extrinsic rewards were found to be strongly related to both affective and continuance commitment. |

Employees' Relationship

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|------------------------|----------------|---|--|
| Bowen ,2011 | United States | 66 survey packets were handed out to the non-profit agency. | There is a fact a strong relationship between the variables of perceived supervisor support and employee commitment in the target volunteer fire department. |
| Mishra ,2007 | United States | There was an in-depth interviews with six executive and four employees and followed by distributed 300 questionnaire surveys to employee. | The study result was richer (face-to-face) communication flowing two-ways between both employees and management would enhance feelings of trust between management and employees, ultimately resulting in stronger commitment to each other and to the organization. |
| Arons, 2010 | United States | This study surveyed 95 participants, 71 employees and 24 managers. | The results demonstrated that managerial communication and interaction practices influenced employees' sense of job satisfaction and motivation reported. |
| Hayase, 2009 | Las Vegas | The survey was conducted among 334 undergraduate and graduate level universities through self-administrated questionnaires. | The result showed that internal communication was found positively correlate with organizational commitment. |
| Tansky and Cohen, 2001 | United States | The data was collected from 262 supervisors and managers in major metropolitan hospital in the Midwest. | There is a positive relationship between the perceived organizational support given to employees and organizational commitment. |

Participation in Decision Making

| <i>Study</i> | <i>Country</i> | <i>Data</i> | <i>Major Findings</i> |
|---|----------------|--|---|
| Erdene ,2006 | Mongolian | A total of 235 questionnaires were distributed to 300 faculty members in the five largest Mongolian public universities. | The levels of decision participation were positively related to their perceptions of job satisfaction. |
| Vanyperen, Berg, and Willering, 2010 | Netherlands | A questionnaire survey was conducted by 142 employees of a medium-sized trade company. | When employees were given the chance to participate in decision making, the employees' organization citizenship behaviour will increase. |
| Scott-Ladd, Travaglione, and Marshall, 2006 | Australia | 2000 surveys were distributed to five medium-sized organizations through internal mail systems | The result show participation in decision making appears to promote job satisfaction and commitment, while task variety and work effort encourage participation. |
| Han, Chiang, and Chang, 2010 | Taiwan | The study was based on 260 samples from high technical companies. | Results showed that employees' participation in decision making is positively associated with psychological ownership which leads to organizational commitment. |
| Kuean, Kaur, and Wong, 2010 | Malaysia | The study was conducted based on 189 working adults in Malaysia | Results showed that employees' participation in decision making promotes greater personal organizational commitment and reduces employees' intention to leave the organization. |


Appendix B: Variables and Measurements Table

| Variables | Items | Description | Sources |
|-----------------------|--------------|---|------------------------------|
| Training | T 1 | The organization places the right amount of emphasis on training. | Brunetto and Shacklock, 2012 |
| | T 2 | There are lots of training opportunities provided for me in this organization. | |
| | T 3 | The training provided is useful to me in my job. | |
| | T 4 | I am satisfied with the training I have received so far. | |
| | T 5 | Training is necessary for advancement in career. | |
| Workplace Environment | W1 | My workplace is physically pleasant to work in. | Dajani, 2009 |
| | W2 | My workplace allows me to personalize my workplace. | |
| | W3 | My workplace allows me to access my workspace after working hours or on weekends. | |
| | W4 | My workplace is Free from uncontrolled noise levels. | |
| | W5 | My workplace allows me to have a workspace that is respected by other members as my personal space. | |

| Variables | Items | Description | Sources |
|-------------------------|--------------|--|---|
| Compensation Practices | C1 | My salary adequately meets my needs. | Giacometti, 2005 |
| | C2 | My division provides a beneficial retirement package. | |
| | C3 | The fringe benefits (insurances, investment plans, etc) provided in my division is generous. | |
| | C4 | I will receive a reward if I do something to improve my work. | Jun, Cai, and Shin, 2006 |
| | C5 | I feel satisfied with the salary increment. | Spector, 1997 |
| Employees' Relationship | R1 | The positive relationships I have with colleagues are important to me. | Bailey, 2011 |
| | R2 | I make the effort to interact with my colleagues. | Arons, 2010 |
| | R3 | I believe that communication and interaction with my colleagues improves my motivation. | |
| | R4 | My supervisor often communicates with me about my job. | Brunetto, Farr-Wharton, and Shacklock, 2012 |
| | R5 | Most of the communication I have with my manager is done face to face. | |

| Variables | Items | Description | Sources |
|--|--------------|---|---------------------|
| Participation in Decision Making | P1 | I have the ability to influence my work situation. | Giacometti, 2005 |
| | P2 | I'm part of the organization, knowing that I'm helping other team member in one way or another. | |
| | P3 | I'm encouraged to give suggestions to improve organization's performance. | |
| | P4 | I'm involved in decision-making activities that affect the organization. | |
| | P5 | My supervisor encourages me to participate in decision making. | Bailey, 2011 |
| Employees' Commitment | EC 1 | I feel a strong sense of belonging to my organization. | Bowen, 2011 |
| | EC 2 | I feel personally attached to my work organization. | |
| | EC 3 | Working at my organization has a great deal of personal meaning to me. | |
| | EC 4 | I would be happy to work at my organization until I retire. | |
| | EC 5 | I really feel that problems faced by my organization are also my problems. | |

Appendix C: Permission Letter to Conduct Survey



UNIVERSITI TUNKU ABDUL RAHMAN
Wholly Owned by UTAR Education Foundation (Company No. 578227-M)

28 August 2012

To Whom It May Concern

Dear Sir/Madam

Permission to Conduct Survey

This is to confirm that the following students are currently pursuing their *Bachelor of Commerce (HONS) Accounting* program at the Faculty of Business and Finance, Universiti Tunku Abdul Rahman (UTAR) Perak Campus.

I would be most grateful if you could assist them by allowing them to conduct their research at your institution. All information collected will be kept confidential and used only for academic purposes.


The students are as follows:


| Name of Student | Student ID |
|-----------------|------------|
| LIM JIA YI | 09ABB05625 |
| LIM PEI SHAN | 09ABB02707 |
| LIM YI XUN | 09ABB03837 |
| MOH HUI MIN | 09ABB05100 |
| PHUA WEI KIAN | 09ABB04691 |

If you need further verification, please do not hesitate to contact me.


Thank you.

Yours sincerely


.....
Mahendra Kumar a/l Chelliah
Head of Department,
Faculty of Business and Finance
Email: mahendra@utar.edu.my


.....
Pn. Zam Zuriyati Binti Mohamad
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Postal Address: P O Box 11384, 50744 Kuala Lumpur, Malaysia.
Tel: (603) 7958 2628 **Fax:** (603) 7956 1923 **Homepage:** <http://www.utar.edu.my>



Appendix D: Survey Questionnaire



UNIVERSITI TUNKU ABDUL RAHMAN
Faculty of Business and Finance

BACHELOR OF COMMERCE (HONS) ACCOUNTING
FINAL YEAR PROJECT

TITLE OF TOPIC:

**ORGANIZATIONAL ATTRACTIVENESS AND EMPLOYEES'
COMMITMENT: AN EMPIRICAL STUDY ON MALAYSIAN BANKS**

Survey Questionnaire

Dear respondent,

We are final year undergraduate students of Bachelor of Commerce (Hons) Accounting, from UniversitiTunku Abdul Rahman (UTAR). The purpose of this survey is to identify the relationship between Organizational Attractivenessand Employees' Commitment on Malaysian Banks.

Thank you for your participation.

Instructions:

- 1) There are **THREE** (3) sections in this questionnaire. Please answer ALL questions in ALL sections.
- 2) Completion of this form will take you approximately 10 to 15 minutes.
- 3) Please feel free to share your comment in the space provided. The contents of this

Section A: Demographic Profile

Please place a tick “√” on the relevant answers for each of the following:

1. Gender:

- Male
- Female

2. Age:

- Below 20
- 20 - 30
- 31 - 40
- 41 – 50
- Above 50

3. Educational level

- Secondary School
- College Diploma/ Matriculation/ A-Level
- Bachelor
- Professional Qualification
- Postgraduate (Master or Ph.D)
- Others

4. Years of Employment with Current Employer

- 2 to 5 years
- 6 to 10 years
- 10 to 15 years
- More than 15 years

Section B:

Please circle your answer to each statement using 5 Likert scale [(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree]

Training

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|--|-------------------|----------|---------|-------|----------------|
| 1 | The organization places the right amount of emphasis on training. | 1 | 2 | 3 | 4 | 5 |
| 2 | There are lots of training opportunities provided for me in this organization. | 1 | 2 | 3 | 4 | 5 |
| 3 | The training provided is useful in my job. | 1 | 2 | 3 | 4 | 5 |
| 4 | I am satisfied with the training I have received. | 1 | 2 | 3 | 4 | 5 |
| 5 | Training is necessary for advancement in career. | 1 | 2 | 3 | 4 | 5 |

Workplace Environment

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|--|-------------------|----------|---------|-------|----------------|
| 1 | My workplace is physically pleasant to work in. | 1 | 2 | 3 | 4 | 5 |
| 2 | My workplace is free from uncontrolled noise levels. | 1 | 2 | 3 | 4 | 5 |
| 3 | My workspace is respected by other members as my personal space. | 1 | 2 | 3 | 4 | 5 |
| 4 | I can personalize my workplace. | 1 | 2 | 3 | 4 | 5 |
| 5 | I can access to my workspace after working hours or on weekends. | 1 | 2 | 3 | 4 | 5 |

~ Please proceed to next page ~

Compensation Practices

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|--|-------------------|----------|---------|-------|----------------|
| 1 | My salary adequately meets my needs. | 1 | 2 | 3 | 4 | 5 |
| 2 | My division provides a beneficial retirement package. | 1 | 2 | 3 | 4 | 5 |
| 3 | The fringe benefits (insurances, investment plans, etc) provided in my division is generous. | 1 | 2 | 3 | 4 | 5 |
| 4 | I will receive reward if I do something to improve my work. | 1 | 2 | 3 | 4 | 5 |
| 5 | I feel satisfied with the salary increment. | 1 | 2 | 3 | 4 | 5 |

Employees' Relationship

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|---|-------------------|----------|---------|-------|----------------|
| 1 | The positive relationships I have with colleagues are important to me. | 1 | 2 | 3 | 4 | 5 |
| 2 | I believe that communication with my colleagues improves my motivation. | 1 | 2 | 3 | 4 | 5 |
| 3 | I make the effort to interact with my colleagues. | 1 | 2 | 3 | 4 | 5 |
| 4 | My supervisor often communicates with me about my job. | 1 | 2 | 3 | 4 | 5 |
| 5 | Most of the communication I have with my manager is done face to face. | 1 | 2 | 3 | 4 | 5 |

~ Please proceed to next page ~

Participation in Decision Making

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|---|----------------------|----------|---------|-------|-------------------|
| 1 | I have the ability to influence my work situation. | 1 | 2 | 3 | 4 | 5 |
| 2 | I'm part of the organization, knowing that I'm helping other team member in one way or another. | 1 | 2 | 3 | 4 | 5 |
| 3 | I'm encouraged to give suggestions to improve organization's performance. | 1 | 2 | 3 | 4 | 5 |
| 4 | I'm involved in decision-making activities that affect the organization. | 1 | 2 | 3 | 4 | 5 |
| 5 | My supervisor encourages me to participate in decision making. | 1 | 2 | 3 | 4 | 5 |

~ Please proceed to next page ~

Section C:

This section is seeking your opinion regarding the Employee's commitment. Respondents are asked to indicate the extent to which they agreed or disagreed with each statement using 5 Likert scale [(1) = strongly disagree; (2) = disagree; (3) = neutral; (4) = agree and (5) = strongly agree]

Employees' Commitment

| No. | Questions | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|-----|--|-------------------|----------|---------|-------|----------------|
| 1 | I feel a strong sense of belonging to my organization. | 1 | 2 | 3 | 4 | 5 |
| 2 | I feel personally attached to my work organization. | 1 | 2 | 3 | 4 | 5 |
| 3 | Working at my organization has a great deal of personal meaning to me. | 1 | 2 | 3 | 4 | 5 |
| 4 | I would be happy to work at my organization until I retire. | 1 | 2 | 3 | 4 | 5 |
| 5 | I really feel that problems faced by my organization are also my problems. | 1 | 2 | 3 | 4 | 5 |

*Thank you for your time, opinion and comments.
~ The End ~*

**Appendix E: List of Licensed Banking Institution in Malaysia:
Commercial Banks**

| No. | <u>Name</u> | <u>Ownership</u> |
|------------|---|-------------------------|
| 1 | Affin Bank Berhad | L |
| 2 | Alliance Bank Malaysia Berhad | L |
| 3 | AmBank (M) Berhad | L |
| 4 | Bangkok Bank Berhad | F |
| 5 | Bank of America Malaysia Berhad | F |
| 6 | Bank of China (Malaysia) Berhad | F |
| 7 | Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad | F |
| 8 | BNP Paribas Malaysia Berhad | F |
| 9 | CIMB Bank Berhad | L |
| 10 | Citibank Berhad | F |
| 11 | Deutsche Bank (Malaysia) Berhad | F |
| 12 | Hong Leong Bank Berhad | L |
| 13 | HSBC Bank Malaysia Berhad | F |
| 14 | Industrial and Commercial Bank of China (Malaysia) Berhad | F |
| 15 | J.P. Morgan Chase Bank Berhad | F |
| 16 | Malayan Banking Berhad | L |
| 17 | Mizuho Corporate Bank (Malaysia) Berhad | F |
| 18 | National Bank of Abu Dhabi Malaysia Berhad | F |
| 19 | OCBC Bank (Malaysia) Berhad | F |
| 20 | Public Bank Berhad | L |
| 21 | RHB Bank Berhad | L |
| 22 | Standard Chartered Bank Malaysia Berhad | F |
| 23 | Sumitomo Mitsui Banking Corporation Malaysia Berhad | F |
| 24 | The Bank of Nova Scotia Berhad | F |
| 25 | The Royal Bank of Scotland Berhad | F |
| 26 | United Overseas Bank (Malaysia) Bhd | F |

Adopted from Bank Negara Malaysia web site (2012).

Appendix F: Commercial Banks and Branches Distribution by States as at 31 December 2011



COMMERCIAL BANKS AND BRANCHES DISTRIBUTION BY STATE AS AT 31 DECEMBER 2011

| BANK | PERLIS | KEDAH | PENANG | KELANTAN | TERENGGANU | PAHANG | PERAK | SELANGOR | WP KUALA LUMPUR | WP PUTRAJAYA | WP LABUAN | NEGERI SEMBILAN | MELAKA | JOHOR | SABAH | SARAWAK | TOTAL |
|--|-----------|-----------|------------|-----------|------------|-----------|------------|------------|-----------------|--------------|-----------|-----------------|-----------|------------|------------|------------|-------------|
| Affin Bank Berhad | 1 | 5 | 9 | 2 | 3 | 4 | 6 | 22 | 16 | 1 | 1 | 4 | 2 | 12 | 4 | 5 | 97 |
| Alliance Bank Malaysia Berhad | | 3 | 7 | | 2 | 1 | 2 | 24 | 18 | | 1 | 1 | 2 | 16 | 17 | 4 | 98 |
| AmBank (M) Berhad | 2 | 5 | 16 | 2 | 5 | 9 | 19 | 38 | 25 | | 1 | 7 | 6 | 23 | 11 | 18 | 187 |
| Bangkok Bank Berhad | | | 1 | | | | | 1 | 1 | | | | | 2 | | | 5 |
| Bank of America Malaysia Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| Bank of China (Malaysia) Berhad | | | 1 | | | | | 1 | 1 | | | | | 2 | | | 5 |
| Bank of Tokyo-Mitsubishi UFJ (Malaysia) Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| BNP Paribas Malaysia Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| CIMB Bank Berhad | 2 | 14 | 20 | 11 | 10 | 19 | 25 | 71 | 54 | 1 | 1 | 14 | 10 | 34 | 14 | 16 | 325 |
| Citibank Berhad | | | 2 | | | 1 | | 5 | 1 | | | | 1 | 1 | | | 11 |
| Deutsche Bank (Malaysia) Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| Hong Leong Bank Berhad | 2 | 13 | 29 | 3 | 4 | 10 | 25 | 81 | 54 | 1 | 1 | 10 | 8 | 43 | 13 | 31 | 328 |
| HSBC Bank Malaysia Berhad | | 2 | 3 | 1 | 1 | 5 | 3 | 7 | 6 | | 1 | 1 | 1 | 4 | 3 | 4 | 42 |
| Industrial and Commercial Bank of China (Malaysia) Bhd | | | | | | | | | 1 | | | | | | | | 1 |
| J.P. Morgan Chase Bank Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| Malayan Banking Berhad | 3 | 14 | 34 | 9 | 7 | 16 | 38 | 88 | 61 | 1 | 1 | 13 | 12 | 51 | 21 | 23 | 392 |
| Mizuho Corporate Bank (Malaysia) Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| OCBC Bank (Malaysia) Berhad | | 2 | 3 | 1 | | 1 | 3 | 6 | 5 | | | 1 | 1 | 7 | 1 | 2 | 35 |
| Public Bank Berhad | 1 | 11 | 21 | 5 | 3 | 13 | 27 | 50 | 36 | 1 | 1 | 9 | 7 | 28 | 16 | 22 | 251 |
| RHB Bank Berhad | 1 | 9 | 11 | 3 | 4 | 5 | 20 | 39 | 27 | 1 | 1 | 7 | 3 | 25 | 8 | 23 | 187 |
| Standard Chartered Bank Malaysia Berhad | | 1 | 3 | | | 1 | 3 | 7 | 4 | | | 2 | 1 | 3 | 3 | 4 | 32 |
| Sumitomo Mitsui Banking Corporation Malaysia Berhad | | | | | | | | | 1 | | | | | | | | 1 |
| The Bank of Nova Scotia Berhad | | | 1 | | | | | 2 | 1 | | | | | 1 | | | 5 |
| The Royal Bank of Scotland Berhad | | | 1 | | | | | | 1 | | | | | | | | 2 |
| United Overseas Bank (Malaysia) Bhd | | 2 | 4 | 1 | 1 | 3 | 1 | 11 | 6 | | | 1 | 2 | 6 | 3 | 4 | 45 |
| TOTAL BY STATE | 12 | 81 | 175 | 36 | 40 | 66 | 172 | 455 | 325 | 6 | 9 | 70 | 56 | 258 | 114 | 156 | 2056 |

Appendix G: Sample Size Table

Table 11.3
Sample Size for a Given Population Size

| <i>N</i> | <i>S</i> | <i>N</i> | <i>S</i> | <i>N</i> | <i>S</i> |
|----------|----------|----------|----------|----------|----------|
| 10 | 10 | 220 | 140 | 1200 | 291 |
| 15 | 14 | 230 | 144 | 1300 | 297 |
| 20 | 19 | 240 | 148 | 1400 | 302 |
| 25 | 24 | 250 | 152 | 1500 | 306 |
| 30 | 28 | 260 | 155 | 1600 | 310 |
| 35 | 32 | 270 | 159 | 1700 | 313 |
| 40 | 36 | 280 | 162 | 1800 | 317 |
| 45 | 40 | 290 | 165 | 1900 | 320 |
| 50 | 44 | 300 | 169 | 2000 | 322 |
| 55 | 48 | 320 | 175 | 2200 | 327 |
| 60 | 52 | 340 | 181 | 2400 | 331 |
| 65 | 56 | 360 | 186 | 2600 | 335 |
| 70 | 59 | 380 | 191 | 2800 | 338 |
| 75 | 63 | 400 | 196 | 3000 | 341 |
| 80 | 66 | 420 | 201 | 3500 | 346 |
| 85 | 70 | 440 | 205 | 4000 | 351 |
| 90 | 73 | 460 | 210 | 4500 | 354 |
| 95 | 76 | 480 | 214 | 5000 | 357 |
| 100 | 80 | 500 | 217 | 6000 | 361 |
| 110 | 86 | 550 | 226 | 7000 | 364 |
| 120 | 92 | 600 | 234 | 8000 | 367 |
| 130 | 97 | 650 | 242 | 9000 | 368 |
| 140 | 103 | 700 | 248 | 10000 | 370 |
| 150 | 108 | 750 | 254 | 15000 | 375 |
| 160 | 113 | 800 | 260 | 20000 | 377 |
| 170 | 118 | 850 | 265 | 30000 | 379 |
| 180 | 123 | 900 | 269 | 40000 | 380 |
| 190 | 127 | 950 | 274 | 50000 | 381 |
| 200 | 132 | 1000 | 278 | 75000 | 382 |
| 210 | 136 | 1100 | 285 | 100000 | 384 |

Source: Sekaran, U. (2003). *Research Methods for Business: A Skill-Building Approach* (4th Edition ed.). New York: John Wiley & Sons Inc.

