

CHAPTER 3

RESEARCH METHODOLOGY

This chapter will focus on the research design, research framework and development of hypotheses, as well as questionnaire design, sample size, data collection and analysis technique. A quantitative method is used to conduct this research.

The objective of this study is primarily to determine the relationship and effectiveness between the different types of flexible working practices and employee retention in the Malaysia banking industry. Then the study will further explore whether employee designation, age group and retention practices have an effect on employee retention as the secondary objective.

3.1 Research Framework

Based on the literature review in Chapter 2, organizations that provided flexible working practices will experience higher employee retention as compared to those who do not provide these practices. Some of the types of flexible working practices leading to employee retention are:

- Flex Time
- Part Time Work/Job Sharing
- Flex Leave
- Flex Career
- Flex Place

The literature review affirmed that the existence of these factors in an organization should lead to employee retention. Thus, this research aims to examine whether these practices and views are relevant and accurate within Malaysia banking Industry.

A theoretical research framework is drawn to illustrate the relationship between the independent variable (employee retention) and all the independent variables (flex time, part time work/job sharing, flex leave, flex career and flex place).

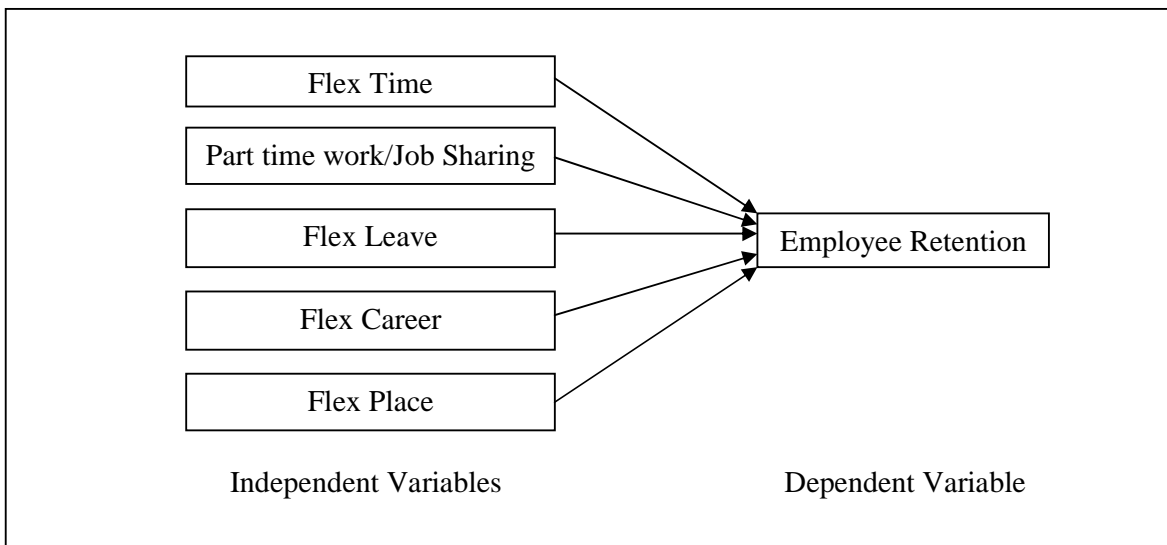


Figure 3.1: The proposed theoretical research framework for relationship between flexible working practices and employee retention.

3.2 Development of Hypotheses

Hypotheses for this study was derived from the literature review and also in fulfillment of asnwering the research question and objective. Based on the theoretical research framework, five (5) research hypotheses are designed to test each of the independent variable (flexible working practices) towards the dependent variable (employee retention). The null hypothesis (H_0) states that flexible working practices (flex time, part time work/job sharing, flex leave,

flex career and flex time) have no significant positive effect on employee retention. The alternate hypotheses for this study are listed below:

H₁: Flex time has a significant positive effect on employee retention.

H₂: Part time work/job sharing has a significant positive effect on employee retention.

H₃: Flex leave has a significant positive effect on employee retention.

H₄: Flex career has a significant positive effect on employee retention.

H₅: Flex place has a significant positive effect on employee retention.

3.3 Method of Research

A quantitative research via self-administered survey questionnaire will be used to illustrate the relationship and effectiveness of different types of flexible working practices towards employee retention in the Malaysia banking industry (see Appendix). The questionnaire consists of sub-sections where each sub-section contains questions which measure each of the independent variables such as flex time, part time work/job sharing, flex leave, flex career and flex place. Apart from that, there was one categorical question to gauge respondents' awareness on flexible working practices. The questionnaire ends with a section on demographics where information such as gender, marital status, age group, organization, ethnic background, education designation, line of business and year of experience.

For each of the questions under the various sub-sections, respondents were asked to rate their opinions according to a five point Likert scale, with a rating of five (strongly agree) and one (strongly disagree).

Table 3.1: Likert Scale

Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5
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The questions selected for the questionnaire are based on past questions created in one of the earlier studies. These questions were used to measure the various constructs towards employee retention in relation to retention practices. The questions and the source are reflected in Table 3.2.

Table 3.2 Research Variables and Measurements

Construct	Source
Employee Retention	Vandenberg et al. (1999) International Survey Research LLC & its subsidiaries (2010)
Availability of flexible working practices (flex time, part time work/job sharing, flex leave, flex career and flex place)	Vandenberg et al. (1999)
Individual needs requirements of flexible working practices (flex time, part time work/job sharing, flex leave, flex career and flex place)	Vandenberg et al. (1999)
Encouragement by employer on flexible working practices (flex time, part time work/job sharing, flex leave, flex career and flex place)	Vandenberg et al. (1999)

In the survey, three statements on retention practices were asked. The first statement stated: “My organization provides the following flexible practices.” The second statement stated: “Overall, the flexible practices are sufficient to my needs.” The third question stated: “Overall, I feel encourage to take advantage of these flexible practices in my organization.”

In all these three statements, employees were asked to state their level of agreement on a 5-point scale (1- strongly disagree, 2-disagree, 3-neutral, 4-disagree or 5-strongly agree) on the availability of flexible working practices, individual needs requirements of flexible working practices and encouragement by employer on flexible working practices i.e. flex time, part time work/job sharing, flex leave, flex career and flex place offered in the organization.

The survey results will present useful information from target respondents pertaining the research topic and will in turn see the relationship and effectiveness of flexible working practices towards employee retention in the organization.

The responses gathered will be summarized, analyzed and reported in order to make a general findings about the research topic, **“Flexible Working Practices as an Employee Retention Tool in Malaysia Banking Industry.”**

3.4 Selection of Measures

The survey questions were structured using the Likert format whereby respondents will rate each statement using a Likert scale with five-point response scale. It will explore the attitudes and perceptions of employees in Malaysia banks about flexible working practices.

A Likert Scale is a rating scale that requires the respondents to indicate his or her degree of agreement or disagreement to a statement. For this survey type, five choices were provided for every question or statement as below:

<u>Scale</u>	<u>Interpretation</u>
1	Strongly Disagree
2	Disagree

- | | |
|---|----------------|
| 3 | Neutral |
| 4 | Agree |
| 5 | Strongly Agree |

The choices represent the degree of agreement or disagreement each respondent had on the given question or statement. Likert-style survey was selected because it is easy and simple to administer.

3.5 Sampling Design

Zikmund (2010) states that convenience sampling refers to sampling by obtaining from the people or units that are most conveniently available. Researchers generally use convenience samples to gather a large number of completed questionnaires quickly and economically. As such, this study will adopt the same approach to conclude the research accordingly.

The population for this research is employees working in Malaysia banks. Given the fact that most of the anchor local banks and foreign banks are located in Kuala Lumpur, the target respondents are employees working in local and foreign banks located in Kuala Lumpur. As such, for the purpose of gathering information on their opinions of flexible working practices, the questionnaires were distributed to employees working in local and foreign banks in Kuala Lumpur.

3.6 Data Collection Procedure

The questionnaire survey will be used as the main instrument in gathering data for this research and as fulfillment of the primary research. Information from secondary resources such as articles, journals and reports were also used to support this research.

A combination of hardcopy and softcopy of the questionnaires were distributed to all target respondents with the request of returning the completed questionnaire on the stipulated dateline. The target number of respondents required for this study is 200. However, due to time limitation, the target respondent was reduced to 150. A total of 300 questionnaires were distributed between May-July 2011 and by end of August 2011, 120 questionnaires were gathered, which translated to 80% response rate.

The data gathered will be organized and presented in a systematic manner in order to draw a valid and accurate conclusion.

3.7 Data Analysis Techniques

Statistical Package for the Social Sciences (SPSS) version 17.0 was used to analyze the quantitative data compiled via the questionnaires for all 120 respondents. Among the first two tests conducted were the normality and reliability test. The normality test is conducted to check if the data is normally distributed and served as a deciding factor to proceed with parametric analyses while the reliability test is the degree to which measure are free from random errors and therefore yield consistent results based on the Cronbach Alpha level.

Descriptive statistic table will be prepared to present information on demographic of respondents and answering question 1 of the survey question. Correlation and multiples

regression analyses will be conducted to analyze the information gathered for the independent variables and in answering the five hypotheses.

To support the secondary objective, the one-way between-groups ANOVA with post-hoc comparisons and multiple regression is conducted. Creswell suggested setting the significance level at 0.05 and 0.01 levels for social science studies.

3.8 Ethical Considerations

The research will involve human participation, thus the ethical considerations is highly regarded when conducting the survey. Confidentiality and securing permission from participants will be the utmost importance.

In ensuring all participants were well-informed about the research, a cover letter explaining the details of the research, objective, purpose and procedure is attached with the survey questionnaire.