

## CHAPTER 4

### RESEARCH FINDINGS

This chapter presents the data analysis and summary of statistics based on the questionnaires that respondents had answered. The chapter will be divided into two sections – (1) Primary Results and (2) Secondary Results. To analyze respondent demographic profile and Question 1, descriptive statistics and frequency distribution is used. The relationships between the various constructs and the dependent variable are analyzed based on the correlation and multiple regression method. The research further examine any difference in means through one-way between groups ANOVA with post-hoc comparisons and finally test on the relationship for each retention practices against the dependent variable.

#### 4.1 Profile of Respondents

Based on the analysis of frequency distribution, the profile of respondents is summarized and presented in Table 4.1. Total respondents for this survey are 120 individuals. Based on Table 4.1, female dominated this survey where 71.7% of questionnaires were answered and returned by them. The remaining 28.3% or 34 questionnaires were contributed by male respondents as compared to 86 submitted by female respondents.

**Table 4.1 Respondents Profile**

Demographics	Frequency (n)	Percentage (%)
<i>Gender</i>		
Male	34	28.3
Female	86	71.7

<b>Demographics</b>	<b>Frequency (n)</b>	<b>Percentage (%)</b>
<b><i>Status</i></b>		
Single	44	36.7
Married without children	12	10.0
Single Parent	1	0.8
Married with children	63	52.5
<b><i>Organization</i></b>		
Local Bank	113	94.2
Foreign Bank	7	5.8
<b><i>Age Group</i></b>		
21-30	39	32.5
31-40	49	40.8
41-50	27	22.5
More than 51	5	4.2
<b><i>Ethnic Background</i></b>		
Malay	64	53.3
Chinese	43	35.8
Indian	11	9.2
Mix Parentage	2	1.7
<b><i>Qualification</i></b>		
SPM/STPM	9	7.5
Certificate/Diploma	19	15.8
Degree/Professional	80	66.7
Master	11	9.2

<b>Demographics</b>	<b>Frequency (n)</b>	<b>Percentage (%)</b>
Doctorate	1	0.8
<b><i>Designation</i></b>		
Non-Executive	9	7.5
Executive	72	60.0
Manager	37	30.8
General Manager and above	2	1.7
<b><i>Line of Business</i></b>		
Retail/Commercial Banking	46	38.3
Business Banking	5	4.2
Investment	2	1.7
Shared Services	34	28.3
Insurance	2	1.7
Others	31	25.8
<b><i>Length of Service</i></b>		
Less than 2 years	40	33.3
2 to less than 5 years	34	28.3
5 to less than 9 years	13	10.8
9 years and above	33	27.5

The analysis showed an almost equal distribution between married with children/single parent and single/married without children with a 53.3% versus 46.7%. In terms of type of banks, 113 respondents or 94.2% came from local banks as compared to 7 respondents or 5.8% came from foreign bank.

The largest age group came from the age bracket of 31-40 years with 49 respondents or 40.8%. This indicated that most respondents were late baby boomers and early Generation X.

Slightly more than half (53.3%) of the respondents were Malays and more than three quarter of the respondents holds at least a degree qualification, portraying a well educated group of respondents. This same pattern is reflected in their job designation where 60% or 72 respondents were from the executive level, 30.8% or 37 were managers and 1.7% or 2 respondents were General Manager and above.

The final two demographics looked at the line of business and length of service of the respondents. In the banking term, line of business refers to the category of product/services offered by the bank. The common line of business is Retail/Commercial Banking, Business Banking, Investment, Shared Services and Insurance.

In this analysis, Retail/Commercial Banking top the list with 46 respondents or 38.3%, followed by Shared Services with 34 respondents or 28.3% and others with 31 respondents or 25.8%. Based on the working experience, 40 respondents or 33.3% has served less than 2 years, 34 respondents or 28.3% served between 2 to less than 5 years and 46 respondents or 38.3% has served more than 5 years.

Apart from analyzing the respondent profile, Question 1 of the questionnaire seeks to gauge the awareness of respondents towards flexible working practices by asking whether they have heard of flexible working practices. 98.3% or 118 responded that they have heard of flexible working practices while only 1.7% or 2 respondents have not heard of flexible working practices. Hence, flexible working practices are not a new topic for employees in the bank.

## 4.2 Analyses of Measures

According to Coakes (2010) the assumption of normality is a prerequisite for many inferential statistical techniques. There are a number of different ways to explore this assumption graphically:

- histogram
- stem-and-leaf plot
- boxplot
- normal probability plot
- detrended normal plot

On top of that, a number of statistics are also available to test normality such as Kolmogorov-Smirnov statistic, with a Lilliefors significance level and the Shapiro-Wilk statistic, skewness and kurtosis.

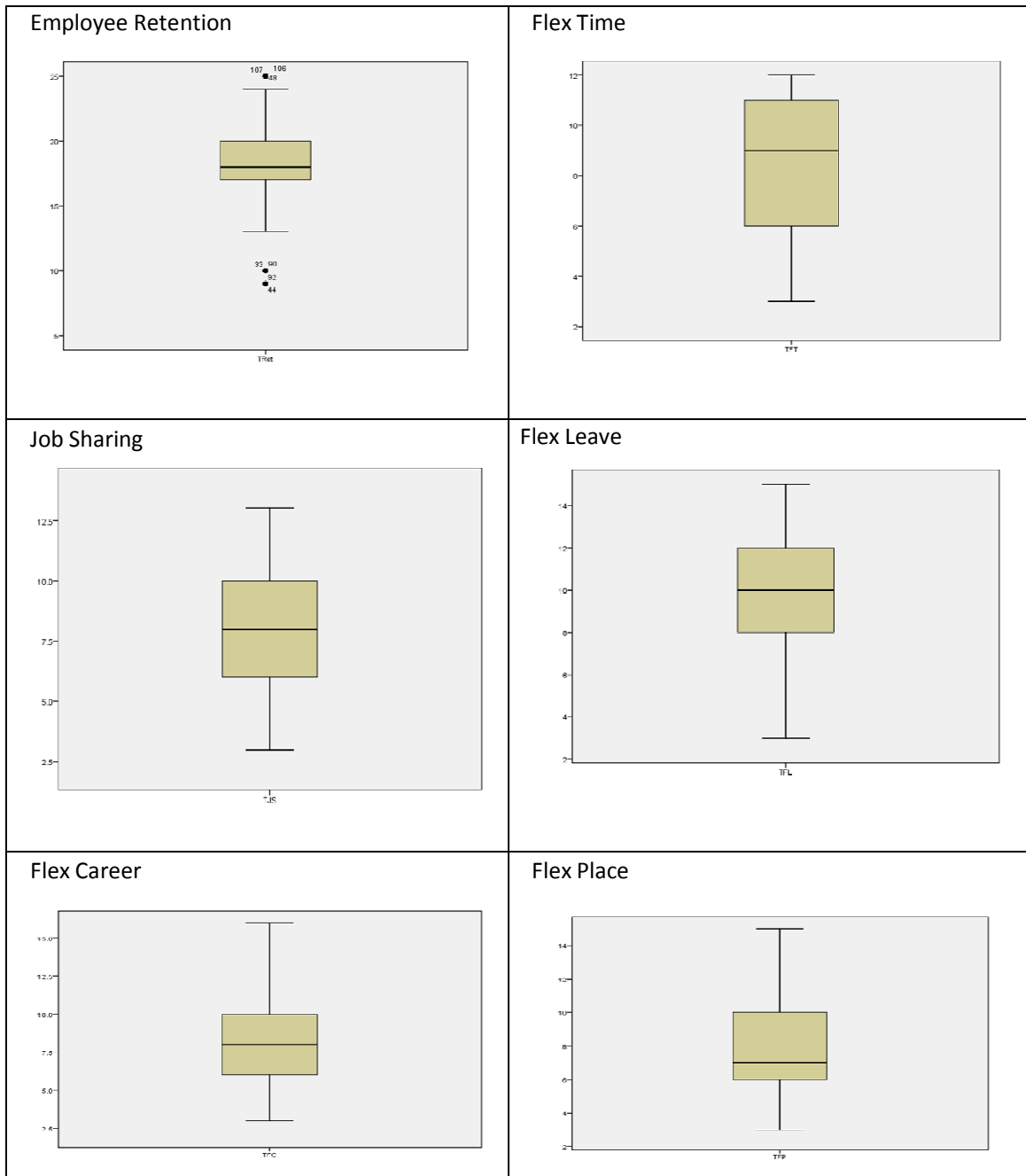
For this research, the normality test was done for both the Dependent and Independent Variables. Based on the statistics as tabulated in Table 4.2, none of the variables were normally distributed. A normal distribution will show the Shipiro-Wilk of greater than 0.05.

**Table 4.2 Normality Table**

Variables	Skewness	Kurtosis	Shapiro-Wilk
Employee Retention (DV)	-0.697	2.727	0.000
Flex Time	-0.352	-.903	0.000
Part time work/Job Sharing	-0.290	-0.789	0.000
Flex Leave	-0.919	0.473	0.000
Flex Career	0.281	-0.268	0.000
Flex Place	0.064	-0.873	0.000

However, based on the boxplot diagram in Figure 4.1 and supported by Coakes (2010) who said normality could also be derived graphically, the boxplot showed all independent variables are normally distributed except for the dependent variable i.e. employee retention which is not normally distributed but is positively skewed.

**Figure 4.1** Boxplot

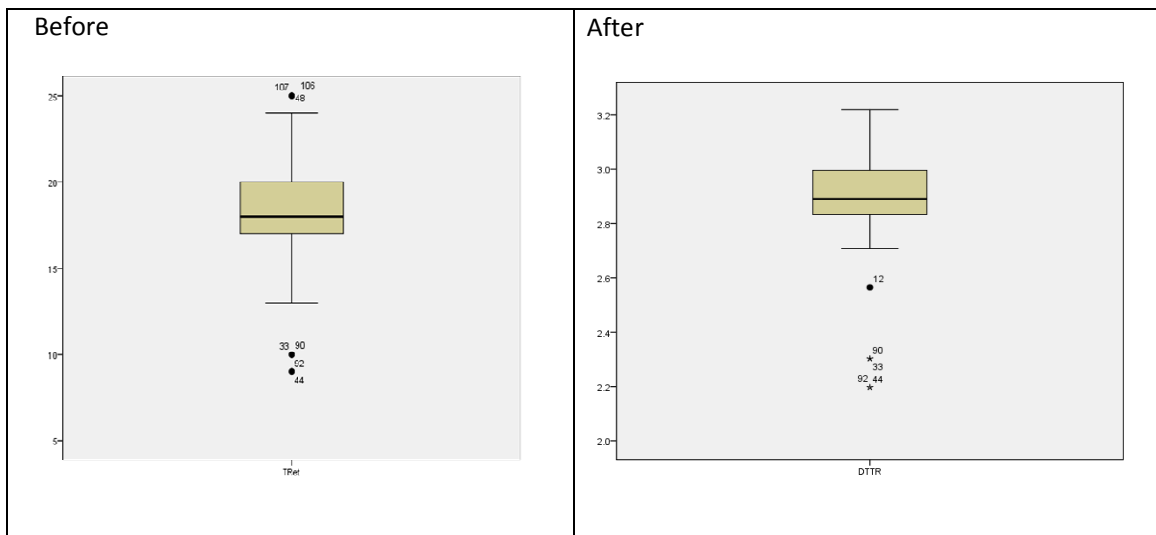


The box plot indicated there were 3 outliers, as illustrated by the circles. Hence, the natural logarithmic transformation was conducted on the independent variable. The result is shown in the Table 4.3 below and boxplot in Figure 4.2.

**Table 4.3 Normality Table with Natural Logarithmic Transformation**

Variables	Skewness	Kurtosis	Shapiro-Wilk
<b>Employee Retention (DV)</b>	<b>-1.795</b>	<b>6.050</b>	<b>0.000</b>
Flex Time	-0.352	-.903	0.000
Part time work/Job Sharing	-0.290	-0.789	0.000
Flex Leave	-0.919	0.473	0.000
Flex Career	0.281	-0.268	0.000
Flex Place	0.064	-0.873	0.000

**Figure 4.2 Boxplot for Employee Retention after Natural Logarithmic Transformation**



Since normal distribution is one of the factors in determining the type of analyses to be conducted, for this research, parametric analyses will be conducted. Furthermore, according to Coakes (2010), parametric statistic is appropriate when the involved numbers with known, continuous distribution and the sample size is large.

### 4.3 Reliability Test

Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study. If the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. Babbie (2001) stated that reliability test is conducted to assess the degree of consistency between multiple measurements of a construct. The objective is to ensure that even across various time periods, a measurement taken is reliable irrespective at which point in time it is measured. Hair et. al. (1998) proposed that “internal consistency for variables is estimated by using Cronbach’s alpha with the value of 0.70 or higher representing acceptable reliability”.

Results for all variables as tabulated in Table 4.4 exceeded Cronbach’s Alpha value of 0.70. This mean, all six variables are acceptable and no item deleted is required to be performed.

**Table 4.4 Reliability Table**

Variables	Cronbach's Alpha
Employee Retention (DV)	0.870
Flex Time	0.734
Part time work/Job Sharing	0.801
Flex Leave	0.766
Flex Career	0.773
Flex Place	0.750



## Primary Results

### 4.4 Testing of Hypotheses

#### 4.4.1 Simple Bivariate Correlation

Coakes (2010) stated that correlation looks at the relationship between two variables in a linear fashion. A Pearson product-moment correlation coefficient describes the relationship between two continuous variables. For this research, five research hypotheses were designed and to test each of the hypotheses, a simple bivariate correlation is selected. Table 4.5 provides a summary of results for all independent variables (flex time-TFT, part time work/job sharing-TJS, flex leave-TFL, flex career-TFC and flex place-TFP) towards dependent variable (employee retention-TRet) in terms of availability of flexible working practices, individual needs requirement on flexible working practices and encouragement by employer on flexible working practices.

**Table 4.5 Simple Bivariate Correlation Result**

		<b>Correlations</b>					
		TRet	TFT	TJS	TFL	TFC	TFP
TRet	Pearson Correlation	1	.219*	.027	.162	.110	.066
	Sig. (2-tailed)		.016	.766	.076	.234	.475
	N	120	120	120	120	120	120
TFT	Pearson Correlation	.219*	1	.640**	.645**	.574**	.732**
	Sig. (2-tailed)	.016		.000	.000	.000	.000
	N	120	120	120	120	120	120
TJS	Pearson Correlation	.027	.640**	1	.511**	.300**	.440**
	Sig. (2-tailed)	.766	.000		.000	.001	.000
	N	120	120	120	120	120	120
TFL	Pearson Correlation	.162	.645**	.511**	1	.529**	.567**
	Sig. (2-tailed)	.076	.000	.000		.000	.000
	N	120	120	120	120	120	120
TFC	Pearson Correlation	.110	.574**	.300**	.529**	1	.785**
	Sig. (2-tailed)	.234	.000	.001	.000		.000
	N	120	120	120	120	120	120

		TRet	TFT	TJS	TFL	TFC	TFP
TFP	Pearson Correlation	.066	.732**	.440**	.567**	.785**	1
	Sig. (2-tailed)	.475	.000	.000	.000	.000	
	N	120	120	120	120	120	120

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\*. Correlation is significant at the 0.01 level (2-tailed).

All five independent variables i.e. flex time-TFT, part time work/job sharing-TJS, flex leave-TFL, flex career-TFC and flex place-TFP showed a positive effect on employee retention. However, based on the results, only flex time is significantly correlated to employee retention (p value < 0.05).

A detail analysis for each independent variable is explained in the following paragraphs.

### **Flex Time and Employee Retention**

It was hypothesized that a significant positive effect would exist between flex time and employee retention. The output confirmed that a significant positive effect exists between these two variables ( $r = 0.219$ ,  $p < 0.05$ ). Hence, the more flex time provided, the higher the retention on employee.

### **Job Sharing and Employee Retention**

It was hypothesized that a significant positive effect would exist between job sharing and employee retention. The output confirmed that a positive effect exists between these two variables ( $r = 0.027$ ). However, the results indicated non significant since the p value is more than 0.05. Hence, increasing job sharing will not necessary retain the employee.

### **Flex Leave and Employee Retention**

It was hypothesized that a significant positive effect would exist between flex leave and employee retention. The output confirmed that a positive effect exists between these two

variables ( $r = 0.162$ ). However, providing more flex leave will not necessary retain the employee because result shown as insignificant with p value at 0.76.

### **Flex Career and Employee Retention**

It was hypothesized that a significant positive effect would exist between flex career and employee retention. The output confirmed that a positive effect exists between these two variables ( $r = 0.110$ ). However with p value of 0.234, indicating non significant, providing more flex career will not necessarily retain the employee.

### **Flex Place and Employee Retention**

It was hypothesized that a significant positive effect would exist between flex place and employee retention. The output confirmed that a positive effect exists between these two variables ( $r = 0.066$ ). However, the results indicated non significant since the p value is more than 0.05. So, designing more flex place will not help in retaining employees.

In conclusion, the correlation results showed that the five flexible working practices tested (flex time, job sharing, flex leave, flex career and flex place) have a positive effect on employee retention. However, by providing all of these practices may not yield to better employee retention since only flex time is significantly positively related to employee retention. As such, multiple regression is conducted to determine which of these practices are most effective in retaining employee in the banking sector.

#### 4.4.2 Multiple Regression

According to Coakes (2010), multiple regression is an extension of bivariate correlation. The result of regression is an equation that represents the best prediction of a dependent variable from several independent variables.

The multiple regression equation is normally represented in the form of  $y = b_1x_1 + b_2x_2 + \dots + b_nx_n + c$ . The  $b$ 's are the regression coefficients, representing the variance in  $y$  when there are changes in the independent variable by one unit. The  $c$  is a constant that depicts the point of interception between the regression line and the  $y$ -axis and denotes the value of  $y$  when all the independent constructs are zero. The  $b$  coefficient measures the relative predictive power of the independent variables. Coefficient of determination ( $R^2$ ), shows the percent of variance in the dependent variables which is influenced by all the independent variables.

Therefore, a multiple regression is carried out with employee retention as the dependent variable and flex time, job sharing, flex leave, flex career and flex place as independent variables. The following equation is used to estimate the influence of the independent variables on the dependent variable.

$$ER = \beta_0 + \beta_1FT + \beta_2JS + \beta_3FL + \beta_4FC + \beta_5FP$$

where, ER = Employee Retention

$\beta_0$  = Constant

$\beta_1$  = The regression coefficient for the corresponding independent term

FT = Flex Time

JS = Job Sharing

FL = Flex Leave

FC = Flex Career

FP = Flex Place

The multiple regression analyses resulted in only one construct having positive significant influence on employee retention. Table 4.6 below will explain the multiple regression results.

**Table 4.6 Multiple Regression Results**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.320 <sup>a</sup>	.102	.063	2.628

a. Predictors: (Constant), TFP, TJS, TFL, TFC, TFT

b. Dependent Variable: TRet

All five independent variables together explain 10.2 percent of the variance (R Square) in employee retention, which is significant as indicated by the F-value of 2.594 in the table below:

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	89.602	5	17.920	2.594	.029 <sup>a</sup>
	Residual	787.598	114	6.909		
	Total	877.200	119			

a. Predictors: (Constant), TFP, TJS, TFL, TFC, TFT

b. Dependent Variable: TRet

Further examination of the t-values indicates that only Flex Time contributes to employee retention. The results also showed that two of the practices (job sharing and flex place) which showed a positive effect during correlation testing, are now showing a negative effect on employee retention.

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	16.812	.949		17.722	.000
	TFT	.449	.153	.466	2.927	.004
	TJS	-.201	.114	-.210	-1.773	.079
	TFL	.092	.119	.095	.775	.440
	TFC	.097	.135	.106	.722	.472
	TFP	-.296	.159	-.320	-1.857	.066

a. Dependent Variable: TRet

In conclusion, the findings support the first hypotheses H<sub>1</sub>: Flex time has a significant positive effect on employee retention and thus is accepted for this research. Summary of all the hypotheses is as per Table 4.7.

Based on the results of multiple regressions, the regression equation for the model can be written as:

$$ER = 16.81 + 0.47FT$$

**Table 4.7 Summary of Hypotheses Results**

Hypotheses	Result
H <sub>1</sub> : <b>Flex time</b> has a significant positive effect on employee retention.	Accepted
H <sub>2</sub> : <b>Part time work/job sharing</b> has a significant positive effect on employee retention.	Not Accepted
H <sub>3</sub> : <b>Flex leave</b> has a significant positive effect on employee retention.	Not Accepted
H <sub>4</sub> : <b>Flex career</b> has a significant positive effect on employee retention.	Not Accepted
H <sub>5</sub> : <b>Flex place</b> has a significant positive effect on employee retention.	Not Accepted

Nonetheless, since the t value for Flex Place and Job Sharing are 0.066 and 0.079 respectively, it is important to also consider these two variables and further study its implication to employee retention.

This research analysis is further extended to see whether there is significant difference in the demographic profile of the respondents, particularly on employee job designation and age group, and also on the retention practices towards employee retention.

### **Secondary Results**

#### **4.5 One-way between-groups ANOVA with post-hoc comparisons Test**

Most of the studies on flexibility and retention have discussed on gender differences (Hoonakker, Carayon, Marian and Schoepke, 2004; Corporate Voices for Working Families, 2005; Catalyst, 1998 cited in Avery & Zabel, 2001) and most recent studies agreed that age group has an effect on employee retention (Harris, 2007; Holleran, 2008; Crumpacker & Crumpacker, 2007; Zemke et. al., 2008). However, little has been discussed on the difference in employee designation in relation to employee retention. Nonetheless, Bond, Galinsky and Hill (2002) suggested that the difference in age group and employee designation do affects the retention of employee in an organization.

The following paragraph will disclosed on the one-way between-groups ANOVA with post hoc comparisons analysis on employee designation and age group. Prior to analyzing the results, the Levene's test of homogeneity of variance is check to ensure the homogeneity assumption has not been violated. According to this test, p value must be greater than 0.05 to be confident that the population variances for each group are approximately equal.

Result of the ANOVA is tabulated in following Table 4.8 below.

**Table 4.8 One-Way ANOVA on Employee Designation**

**Descriptives**

TRet

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Min	Max
					Lower Bound	Upper Bound		
Non-Executive	9	18.11	1.833	.611	16.70	19.52	16	20
Executive	72	18.11	3.178	.375	17.36	18.86	9	25
Manager	37	18.68	1.857	.305	18.06	19.29	15	22
General Manager and above	2	19.00	.000	.000	19.00	19.00	19	19
Total	120	18.30	2.715	.248	17.81	18.79	9	25

**Test of Homogeneity of Variances**

TRet

Levene Statistic	df1	df2	Sig.
1.703	3	116	.170

The Levene result above showed a significant value of  $p > 0.05$ . Thus the homogeneity assumption is not violated and from the ANOVA table below given that the p value is not less than 0.05, there is no significant different in employee designation with regards to employee retention.

**ANOVA**

TRet

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9.092	3	3.031	.405	.750
Within Groups	868.108	116	7.484		
Total	877.200	119			

This mean, in the banking sector, employee retention is contributed from various level of workforce in the organization i.e. from non-executive, executive, manager and even to top



management position. Next, the result for one-way ANOVA on employee age group is tabulated.

**Table 4.9 One-Way ANOVA on Employee Age Group**

**Descriptives**

TRet

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Min	Max
					Lower Bound	Upper Bound		
21-30 years	39	17.18	2.543	.407	16.36	18.00	9	20
31-40 years	49	18.71	2.915	.416	17.88	19.55	10	25
41-50 years	27	19.44	2.006	.386	18.65	20.24	17	24
More than 51 years	5	16.80	1.924	.860	14.41	19.19	15	20
Total	120	18.30	2.715	.248	17.81	18.79	9	25

**Test of Homogeneity of Variances**

TRet

Levene Statistic	df1	df2	Sig.
.408	3	116	.748

Again the test of homogeneity of variances result is checked to see whether the homogeneity assumption is not violated. With p value more than 0.05, the result is significant which mean the population variances for each group are approximately equal.

**ANOVA**

TRet

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	103.990	3	34.663	5.200	.002
Within Groups	773.210	116	6.666		
Total	877.200	119			

The result from ANOVA table above showed a significant difference between age group and employee retention,  $F(3,116) = 5.200, p < 0.05$ . This mean there is a different on retention of

employee among age groups. Using Tukey's HSD test, the significance lies between all the age group except for those in the age bracket of above 51 years old.

### Multiple Comparisons

TRet  
Tukey HSD

(I) AgeGroup	(J) AgeGroup	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
21-30 years	31-40 years	-1.535*	.554	.033	-2.98	-.09
	41-50 years	-2.265*	.646	.004	-3.95	-.58
	More than 51 years	.379	1.226	.990	-2.82	3.58
31-40 years	21-30 years	1.535*	.554	.033	.09	2.98
	41-50 years	-.730	.619	.641	-2.34	.88
	More than 51 years	1.914	1.212	.394	-1.25	5.07
41-50 years	21-30 years	2.265*	.646	.004	.58	3.95
	31-40 years	.730	.619	.641	-.88	2.34
	More than 51 years	2.644	1.257	.158	-.63	5.92
More than 51 years	21-30 years	-.379	1.226	.990	-3.58	2.82
	31-40 years	-1.914	1.212	.394	-5.07	1.25
	41-50 years	-2.644	1.257	.158	-5.92	.63

\*. The mean difference is significant at the 0.05 level.

Based on the result above, employee designation in the organization is not significant to employee retention but the age group of employee has a significance difference in employee retention. Hence, more emphasis should be given on the different age group of employee in handling the employee retention issue in an organization.

Having examined the demographic and relationship for each hypotheses, the research conclude with final analysis to check the relationship of each retention practices against the dependent variable to see whether there is any significant difference in each practice towards employee retention. To analyze this, multiple regression method is chosen.

#### **4.6 Multiple Regression on Retention Practices**

As mentioned earlier in the chapter, multiple regression is used to further examine which of the construct variables most impact the dependent variable. In this study, since the construct is adapted from previous studies, this test is conducted to check which of the three retention practices i.e. availability of flexible working practices, individual needs requirements of flexible working practices and encouragement by employer on flexible working practices has the most impact on employee retention.

According to Corporate Voices for Working Families (2005), meeting the individual needs requirements on flexible working practices is very important in retaining employee as compared to the other two retention practices i.e. availability of flexible working practices or encouragement by employer on flexible working practices. A survey of Ernst & Young's Canadian employee cited in Corporate Voices for Working Families (2005) stated that despite the fact that 83% of respondents would recommend Ernst & Young as a place to work as it relates to flexibility, still 20% of employees (22% of women and 17% of men) say that they have considered or are considering leaving the firm because of unmet needs for flexibility. This notion is also supported by (Denton, 1992; Barnet & Hall, 2001 cited in Skeikh, Qamar & Iqbal). As such, the following result will determine whether the recent studies yield the same result for banking industry.

Results from Table 4.10, concluded that only one practice have a positive significant influence on employee retention.

#### 4.10 Multiple Regression Results for Retention Practices

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.284 <sup>a</sup>	.081	.057	2.637

a. Predictors: (Constant), TEE, TAvai, TIN

b. Dependent Variable: TRet

Results showed that all three retention practices together explain 8.1 percent of the variance (R Square) in employee retention, which is significant as indicated by the F-value of 3.390 in the table below:

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	70.701	3	23.567	3.390	.020 <sup>a</sup>
	Residual	806.499	116	6.953		
	Total	877.200	119			

a. Predictors: (Constant), TEE, TAvai, TIN

b. Dependent Variable: TRet

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	16.571	.920		18.015	.000
	TAvai	-.044	.068	-.072	-.642	.522
	TIN	.231	.079	.383	2.926	.004
	TEE	-.080	.085	-.138	-.944	.347

a. Dependent Variable: TRet

Further examination of the t-values indicates that only individual needs requirements of flexible working practices contributes to retention of employees. Hence, this finding supports the recent studies, which means; in designing flexible working practices, it is important to ensure that the type of flexible practices designed match the individual requirements in order

to have a significant positive effect towards employee retention. Following chapter, the conclusion and recommendation is discussed.