

**THE IMPACT OF REWARDS AND MOTIVATION ON JOB SATISFACTION :
A COMPARATIVE STUDY BETWEEN LEMBAGA AIR PERAK (LAP) AND
BEKALAN AIR SELANGOR (SYABAS)**



**RESEARCH MANAGEMENT INSTITUTE (RMI)
UNIVERSITI TEKNOLOGI MARA
40450 SHAH ALAM, SELANGOR
MALAYSIA**

**BY :
KHALIZANI BT KHALID
HANISAH BT MAT SALIM
DR LOKE SIEW PHAIK**

APRIL 2011

ACKNOWLEDGEMENT

First and foremost we would like to express my gratitude our Almighty God, Allah for his love and giving us strength and good health for completing this report “ The Impact Of Rewards and Motivation On Job Satisfaction : A Comparative Study Between Lembaga Air Perak (LAP) and Syarikat Bekalan Air Selangor (SYABAS)”.

A million thanks goes to LAP and SYABAS for their encouragement, comments and knowledge given.

Lastly, we would like to thank who helped ours directly and indirectly in completing this report.

TABLE OF CONTENT	PAGE
ACKNOWLEDGEMENT	i
TABLE OF CONTENTS	ii
LIST OF TABLES	iv
LIST OF FIGURES	v
LIST OF ABBREVIATIONS	vi
ABSTRACT	vii

CHAPTERS

1. INTRODUCTION	
1.1 Overview of Study	1
1.2 Background of the Company	2-3
1.3 Objective	4
1.4 Problem Statement	4
1.5 Scope of Study	5
1.6 Significant of Study	6
1.7 Definition of Terms	7-8
2. LITERATURE REVIEW	
2.0 Introduction	9
2.1 Employee's Rewards	9-11
2.2 Employee's Motivation	11-14
2.3 Employee's Job Satisfaction	15
3. METHODOLOGY	
3.1 Theoretical Framework	18-21
3.2 Data Collection	21-22
3.3 Research Design	22-23
3.4 Questionnaire Design	24
3.5 Sample Design	24-25
3.6 Target Population and Sample	

ABSTRACT

This study aimed to examine the impacts of rewards and motivation on job satisfaction between Lembaga Air Perak (LAP) and Syarikat Bekalan Air Selangor (SYABAS) using Perceived Amount of Rewards, WPI and JSS models. A total of 689 employees from both sectors participated in this study. Regression analysis was conducted to test the relationship between rewards, motivation and job satisfaction, while gap analysis was utilized to determine the significant differences on the level of rewards, motivation and job satisfaction between both sectors. The findings indicated that (1) rewards have a positive significant influenced on motivation; (2) motivation significantly positively influenced employees' job satisfaction and (3) rewards have a positive significantly influenced on job satisfaction. The *t-test* result revealed that public water utility organization showed significantly higher on the levels of rewards, motivation and job satisfaction.

CHAPTER ONE

INTRODUCTION

This chapter consisted of an overview of study, background of the company, objective, problem statement and scope of study, significant of study, limitations of study and definition of terms.

1.1 Overview of the Study

Performance and high productivity of most organization could not be realized without employee's support and contribution. This is because employees are partly responsible for the achievement of organization's vision, mission and goal. The selection and development of effective employee is a matter of great consequence for organization (Bagdadli et al., 2003). Therefore management should concern on issues and problems encountered by employees in the organization to ensure competitiveness.

This study aims to compare the impact of employee's rewards and motivation on job satisfaction at Lembaga Air Perak (LAP) and Syarikat Bekalan Air Selangor (SYABAS). Water utility industry has been a monopoly industry in each state in Malaysia. Due to this factor, state government decided to privatize their own water utility organization to increase organizations productivity to cater high public demands. Productivity of employees is derived from motivation stimulated by rewards offered by organizations to meet their job satisfaction. According to Bhatnagar (2007) if organization could fulfilled employees' satisfaction on job, automatically productivity will increase.

Organization performance is the pillar of success. However, success of each organization is supported by employee's job satisfaction towards the organization. To ensure that employees are satisfied with their job, they need to