



UNIVERSITI TEKNOLOGI MARA

**EMPLOYEES MOTIVATION IN CHOOSING DIFFERENT
TYPES OF REWARDS**

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ABSTRACT

This study focused on factors which affect employees motivation in choosing different rewards. The purpose of this study was to identify the types of rewards that contribute to employees' motivation, to determine what motivates employees in choosing different types of rewards and to determine whether gender differences affect the motivation to choose such rewards.

The study used quantitative approach. The researcher employed questionnaires as the chosen research instrument for data collection. For this study, a sample of 140 individuals was taken.

The findings were as such: the respondents stated that they should be able to take some time off from work and monetary – especially if their trips are paid by the company. The respondents also stated that they liked supportive colleagues (71.4%) for the non-monetary while (72.9%) of the respondents indicated that they preferred paid trips for monetary rewards.

It was also found that extrinsic reward (monetary reward), was preferred most by the respondents. This was shown by 59.3% (83) respondents who chose monetary rewards over non-monetary reward. Meanwhile, the non-monetary reward was only chosen by 40.7% (57) respondents.

It was also concluded that the gender difference does affect the type of rewards that they preferred. Generally, male employees (54.2%) tend to choose monetary rewards as their preferred reward and in contrast, their female counterparts (70.2%) where majority of them chose non-monetary rewards.

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CHAPTER 1

INTRODUCTION

Background of the Study

Employee motivation is one of the most important aspects in a company's development and success. In order to maximize the overall performance of the company, it is vital for an employer to understand what motivates the employees and how to increase their job satisfaction. It might however be challenging for a company to find out what motivates its employees, since different people are motivated by different reasons. A well designed and functional reward system is an efficient way to increase employee's work motivation.

The appropriate type of reward should be developed in accordance to the company's reward philosophy, strategies and policy. However, according Mikander (2010) stated in her research entitled "The Impact of a Reward System on Employee Motivation in Motonet-Espoo" mentioned a quote from Armstrong (1999), it might be challenging to find the right way to combine the company's integrated policies and practices together with the employee's contribution, skill and competence.

In order for an organization to meet its obligations to shareholders, employees and society, its top management must develop a relationship between the organization and employees that will fulfill the continuous changing needs of both parties. At a minimum, the organization expects employees to perform reliably on the tasks assigned to them and