THE RELATIONSHIP BETWEEN EXTRINSIC REWARDS AND EMPLOYEES' PERFORMANCES AMONG INSURANCE AGENTS IN PRUDENTIAL ASSURANCE MALAYSIA BERHAD KUCHING, SARAWAK

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"DECLARATION OF ORIGINAL WORK"

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ABSTRACT

The study aims to measure the relationship between extrinsic rewards and employee performance Employee's performance is indeed a crucial thing that an employee must possess and employee are supposed to increase it gradually. The study uses three elements of extrinsic rewards which were performance bonus, salary and working condition that have been focused and tested in order to determine their impact towards employee performance. The experiences and personal opinions of employees were analyzed through the distribution of 110 sets of questionnaires in Prudential Assurance Malaysia Berhad, Kuching by using Statistical Package for Social Science (SPSS) for the data analysis. The findings revealed that the three element of extrinsic rewards have significant relationship towards employee performance and the strongest association with employee performance are working condition followed by performance bonus and salary. The study have identified few recommendation for organization on how to increase employee performance and what future researcher can do to gain more clearer insight of scope of the study, more reliable and also relevant results. Future researcher can increase the number of sample size and try other setting and not limited to private organizations only.

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CHAPTER 1

INTRODUCTION

This research investigates the relationships between extrinsic rewards and employee's performance among agents at Prudential Assurance Malaysia Berhad in Kuching, Sarawak. This chapter discusses the background of the study, the underlying problems regarding the variables, research objectives, research questions, importance of the study and limitations. Lastly, definition of terms is also provided in this chapter.

Background of the Study

In this research, the researcher want to investigate further about the use of extrinsic rewards in improving employees' performance as discuss by Irshad (2016). There are many extrinsic rewards but only three of them are included in this research which was the three independent variables, performance bonus, salary and working condition. Employees' performances is a core concept within work and organizational psychology. During the past few years, researchers have made progress in clarifying and identifying the performance concept (Wiernik, 2015). Every organization depends on their employees to achieve the organizational goals. In order to achieve the goals, extrinsic rewards is needed to increase the employee's performance.