

THE EFFECT OF INDIVIDUAL INCENTIVE TOWARDS
EMPLOYEE PERFORMANCES AT HOSPITAL SULTAN
HAJI AHMAD SHAH (HOSHAS), TEMERLOH, PAHANG

HASIB BIN SAIRUDDIN

BACHELOR IN OFFICE SYSTEMS MANAGEMENT (HONS)
FACULTY OF OFFICE MANAGEMENT AND TECHNOLOGY
UITM MALAYSIA

JULY 2015

ABSTRACT

The primary goal of this study is research the relationship between the individual incentive award and the employee performance at Hospital Sultan Haji Ahmad Shah (HOSHAS), Temerloh, Pahang. This study focuses on the role of individual incentive motivation as factor. The individual incentive award type that tested in this research is bonus, merit pay, incentive award, and standard hour plan. Based on previous research, (Gungor, 2011) it is proven that organization use reward system as a motivation their employees and increase their performance. This study was created to look upon on why performance still show negative or lower result as the reward or incentive give. At the beginning of the study, there is a literature review there are hypothesis concerning the effect of individual incentive toward employee performance and determine the relationship between the incentive with the employee's performance. Data analysis for research questions are tested using 79 unit staff of Administrative Department analyzed by using the Statistical Package for Social Science (SPSS, Version 21.0). Finding of this study indicate that merit pay have the highest level of relationship among the other individual incentive.

Keywords: Job Performance, Employee, Motivation, Incentive, Bonus, Merit pay,

Incentive Awards, Standard Hour Plan

ACKNOWLEDGEMENT

Assalamualaikum, I thank to ALLAH SWT, by His mercy and His love I able to complete my research to fulfill the requirement of the Academic Project course. This project can't be done without supervision of Miss Hamnah Che Hamzah that had leaded me, guide and teach me how to finish this research. Miss Hamnah not just giving us supervision but also encouraged and willing to spent her time outside the work time. I'm also want to thank my entire lecture that had given the knowledge and learning material that help me during industrial training. Thank you to the people that had involved in this research which is the respondent that wiling to spent a little time. The last my beloved parent that had giving me supports and also become my inspiration. I thank them all.

HASIB BIN SAIRUDDIN

JUNE 30, 2015

Faculty of Office Management and Technology

Universiti Teknologi MARA Malaysia.

Table of Content	pages
ABSTRACT.....	i
ACKNOWLEDGEMENT.....	ii
Table of Content.....	iii
List of Tables.....	iv
List of Figures.....	v
CHAPTER ONE.....	1
1.1 background Study.....	1
1.2 Introduction	1
1.3 Problem Statement.....	4
1.4 Research Objectives.....	4
1.5 Research Question.....	5
1.6 Significance of Study.....	5
1.7 Limitation of The Study.....	6
1.8 Definition of Terms.....	7
CHAPTER TWO.....	10
LITERATURE REVIEW.....	10
2.1 INTRODUCTION.....	10
2.2 Bonus.....	11
2.3 Merit Pay.....	12
2.4 Incentive Award.....	14
2.5 Standard Hour Plan.....	14
2.6 Theoretical Framework.....	16
CHAPTER THREE.....	18
METHODOLOGY.....	18
3.1 Introduction.....	18
3.2 Research Design.....	19

3.3 Sampling Frame.....	19
3.4 Population.....	20
3.5 Sampling Technique.....	20
3.6 Sampling Size.....	20
3.7 Unit of Analysis.....	21
3.8 Research Instrument.....	21
3.9 Validity Instrument.....	22
3.10 Data Collection Procedure.....	23
3.10 Plans for Data Analysis.....	24
CHAPTER FOUR.....	26
ANALYSIS AND FINDINGS.....	26
4.1 Introduction.....	32
4.2 Reliability Test.....	27
4.3 Demographic Profile.....	28
4.4 Demographic Analysis.....	29
4.5 Data Analysis.....	34
4.6 Research Question Analysis.....	35
4.7 Normality Test.....	39
CHAPTER FIVE.....	46
CONCLUSION AND RECOMMENDATION.....	40
5.2 Demographic Background.....	41
5.3 Conclusion.....	42
5.4 Recommendation.....	43
REFERENCES.....	44
APPENDIX.....	47
APPENDIX A: Cover Letter.....	47
APPENDIX B: Questionnaire.....	48