



**THE IMPACT OF TYPES COMPENSATION SYSTEM TOWARDS EMPLOYEE  
JOB PERFORMANCE:**

**A CASE STUDY OF TENAGA NASIONAL BERHAD (TNB),  
BANDA KABA MELAKA**

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**BACHELOR OF BUSINESS ADMINISTRATION (HONS) HUMAN RESOURCE**

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## LETTER OF SUBMISSION

06 JANUARY 2014

The Head of Program  
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Banda Melaka

Dear Sir,

### **SUBMISSION OF PROJECT PAPER**

Attached is the project paper titled “**THE IMPACT OF TYPES COMPENSATION SYSTEM TOWARDS EMPLOYEE JOB PERFORMANCE IN TNB, BANDA KABA MELAKA**” to fulfill the requirement as needed by the Faculty of Business Management, University Teknologi Mara.

Thank You.

Yours sincerely,

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**“DECLARATION OF ORIGINAL WORK”**

I am Nurul Shahiera Binti Mohd Shah (910627-06-5338)

Hereby, declare that,

- This work has not previously been accepted in substance for any degree, locally or overseas and is not being concurrently submitted for this degree or any other degree.
- This project paper is the result of our independent work and investigation, except where otherwise stated.
- All verbatim extracts have been distinguished by quotation marks and sources of our information have been specifically acknowledged.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

(NURUL SHAHIERA BINTI MOHD SHAH)

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## ABSTRACT

Employee job performance is a process for establishing a shared workforce understanding about what is to be achieved at an organisation level. It focuses on aligning the organisational objectives and goal with the employees' skills, competency, development plans and the delivery of results. There are four objectives of doing this study. The first objective is to identify employee level of job performance among the employee based on employee's perception. Second's objective is to identify employee perception towards the level of effectiveness of compensation types that offer in TNB, third's objective is to examine the relationship between compensation types and employee job performance in TNB, Banda Kaba Melaka and the last objectives is to identify the most influential types of compensation system that influence employees' job performance. The study was conducted among 86 respondents of lower level employees in department of Melaka Barat, TNB, Banda Kaba Melaka. A descriptive research will be used as a researcher would like to understand the characteristics of the group in this study and distribution of questionnaire forms among employees in TNB. All statistical analysis from the organization will be carried out using the IBMSPSS Statistical Package version 20. For findings, the three determinants show that there are positive relationships between direct financial compensation, indirect financial compensation and non-financial compensation with employee job performance. From the findings also, it indicate that indirect financial compensation and non-financial compensation is the most influence factor for job performance in TNB, Banda Kaba Melaka. However, all this types of compensation system have a positive relationship with employee job performance.

**Keywords:** Employee Job Performance, direct financial compensation, indirect financial compensation, non-financial compensation