



**“THE KNOWLEDGE, ATTITUDE AND PRACTICE (KAP)  
OF SYARIKAT AIR MELAKA BERHAD’S (SAMB)  
EMPLOYEES ON THE ACCEPTANCE OF KEY  
PERFORMANCE INDICATORS (KPIs) AS A  
PERFORMANCE MEASUREMENT TOOL”.**

**SYLLA LEEZA LEE  
2007144979**

**BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) HUMAN RESOURCE MANAGEMENT  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
KAMPUS BANDARAYA MELAKA**

**MAY 2010**

**“THE KNOWLEDGE, ATTITUDE AND PRACTICE (KAP) OF  
SYARIKAT AIR MELAKA BERHAD’S (SAMB) EMPLOYEES ON  
THE ACCEPTANCE OF KEY PERFORMANCE INDICATORS  
(KPIs) AS A PERFORMANCE MEASUREMENT TOOL”.**

**SYLLA LEEZA LEE**

**Submitted in Partial Fulfillment  
of the Requirement for the  
Bachelor of Business Administration  
(Hons) Human Resource Management**

**FACULTY OF BUSINESS MANAGEMENT  
UITM, KAMPUS BANDARAYA MELAKA**

**2010**



BACHELOR OF BUSINESS ADMINISTRATION  
(HONS) HUMAN RESOURCE MANAGEMENT  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
KAMPUS BANDARAYA MELAKA

“DECLARATION OF ORIGINAL WORK”

I, Sylla Leeza Lee, (I/C Number: 861129-49-5230)

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 degrees.
- This project paper is the result of my independent work and investigation, except where otherwise stated
- All verbatim extracts have been distinguished by quotation marks and sources of my information have been specifically acknowledged.

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

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

	<b>PAGE</b>
<b>ACKNOWLEDGEMENT</b>	ii
<b>TABLE OF CONTENTS</b>	iii
<b>LIST OF TABLES</b>	v
<b>ABSTRACT</b>	vi
<b>CHAPTERS</b>	
<b>1.0 INTRODUCTION</b>	1
1.1 Background of the Study	1
1.2 Background of the Company	5
1.3 Issue/Problem Identification	8
1.4 Research Question	11
1.5 Research Objectives	11
1.6 Hypotheses	12
1.7 Theoretical Framework	13
1.8 Scope of Study	14
1.9 Significance of Study	14
1.10 Definition of Terms	15
1.11 Limitation of the Study	17
<b>2.0 LITERATURE REVIEW</b>	18
2.1 Performance Measurement/Performance Indicator	18
2.2 Knowledge	24
2.3 Attitude	28
2.4 Practice	30
2.5 KAP and acceptance of KPI	30

## ABSTRACT

Key Performance Indicators (KPI) has been implemented at SAMB since 2009. It has been only 2 years since SAMB started implementing KPI as its performance measurement tool. As the system is still new to the company, this study aims to identify the knowledge, attitude and practices (KAP) of employees on the usage of KPI as a performance measurement tool. Systematic sampling method which involves drawing every 2<sup>nd</sup> element in the population was used to select 100 employees from a total of 206 Syarikat Air Melaka Berhad's (SAMB) employees working specifically at Headquarters. The age of the respondents ranged mostly between 20 and 28 years, with a mean age of 3.8036. About 51% of the respondents were male, and 25% works in Jabatan Kewangan. A total of 21 (21%) respondents have worked with SAMB between 3 to 5 years and 87% of the total 100 samples respondents constitutes of non executive staff. Responses were gathered via combinations of self-administered instrument such as questionnaire and also through unstructured interviews. The findings showed that there is a positive relationship between knowledge ( $r = .371^{**}$ ), attitude ( $r = .323^{**}$ ), and practice ( $r = .225^{*}$ ) towards acceptance of KPI. This means that the higher the employees' KAP, the higher their acceptance on KPI. In addition, the results revealed that knowledge is the highest predictor ( $B = .371$ ) as acceptance of KPI in SAMB. This is mainly because, employees are given explanation before the implementation of KPI which makes them understand and aware of its purpose and objectives.