

THE RELATIONSHIP BETWEEN REWARD SYSTEM AND
EMPLOYEES' JOB PERFORMANCE AMONG SUPPORT STAFF AT
KOTA SAMARAHAN INDUSTRIAL TRAINING INSTITUTE
(ILPKS)

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“DECLARATION OF ORIGINAL WORK”

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ABSTRACT

Reward is something that related to the job performance. Employees' performance will be influence by the reward that they receive. This reward system had applied differently by both public and private. The purpose of this study is to identify the factor that influence the employees' job performance at Kota Samarahan Industrial Instituted (ILPKS).

The objective of this study is to investigate the relationship between the reward system and the employees' job performance. There are a few factor that lead to employees' job performance such as promotion, recognition, salary and performance based-pay. For this research the sample that had been used is convenient sampling technique .The instrument used for this study was a set of questionnaire with 5-point likert scale and was adapted from Tima (2011). There are 110 questionnaire were distributed in Kota Samarahan Industrial Training Institute (ILPKS). Then after 3 week the questionnaire were return back and there only 90 questionnaire were giving back but, only 86 questionnaire can be used. The result shows that there are positive and strong relationship between all the factors with employees' job performance. However based on the finding the researcher found that performance based-pay more influencing the staff at Kota Samarahan Industrial Training Instituted. Hopefully the finding from this study will provide some new information that can help the employees and the organization to improve their reward system and job performance besides design and implement strategic reward system to bring competitive advantage. The study can conclude that the reward system have an impact on employees' job performance.

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CHAPTER 1

INTRODUCTION

This chapter will discuss the overview of the research include background of the study, problem statements, research objectives, research questions, significance of the study, limitation of the study, and definition of the term.

Background of the Study

Reward is an important factor to increase the employee's motivation. Based on Gohari, Ahmadloo, Boroujeni and Hosseinipour (2013) reward is related to the human behaviour with regards to performance and productivity of the organization. Reward may also influence the employee's performance that is related to the behaviour. Such behaviour may change according to the situations, once the employees felt motivated they can perform better otherwise the result will change negatively. In order to avoid all bad consequences most organization creates reward system to make sure the employees always motivated with their work. Such study indicates that reward can be divided into two types. First, is intrinsic reward and secondly, extrinsic reward. Either intrinsic or extrinsic reward is offered depending on the organization. Which reward is suitable to apply in that organization is according to the work environment Each