



THE RELATIONSHIP BETWEEN COMPENSATION AND EMPLOYEE
PERFORMANCE AT PERTUBUHAN PELADANG NEGERI JOHOR

NIK NUR SHAZANA BINTI HASSAN BASRI
2016686262

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

JULY 2018

ACKNOWLEDGEMENT

In the name of Allah, the Most Compassionate, the Most Merciful

Praise be to Allah S.W.T, the Al-Mighty for giving us the strength and patience to complete this study successfully within the period given. This is a great blessing indeed.

I would like to acknowledge the invaluable support of my advisor, Dr Ahmad Azman bin Mohd Anuar for his encouragement, critique, suggestion and dedicated guidance all through this research project. His kindness in sharing expertise, experience and knowledge were a constant source of inspiration in doing our research that greatly improved the quality of this research paper.

Further, I could like to dedicated our appreciation to our section manager En Nur Naziyaddin Aini Bin Abd Aziz and all staff of Pertubuhan Peladang Kota Tinggi Timur for their great support, understanding and mutual aid during our internship training from 1st February 2018 until 24th May 2018.

I highly appreciate the effort and many sacrifice made by my parents in order to complete this research paper and also ensure we got the best education that they could secure with their little sources.

I also wish to thank our classmates for their support, sharing information, and critique without which this paper couldn't have been complete. Finally, I would like to extend this appreciation to all that have directly and indirectly contribute invaluable assistance, cooperation and support in the completion of this research.

ABSTRACT

Achieving some standard of performance is the objective of all organizations because through these performances, organizations are able to grow and progress. Employee is an asset of the organization. Employee performance is important for employees and organization itself. The effective employee performance can influences organization performance. The good employee will follow all the directions from upper manager and the organization policies.

Hence, the good manager can influences the employees to do the best result in their job. Quality and quantity is important to maintain the productivity. Productivity and performance are link together. Organization may push the employees to increase their performance and at the same time the prodcutivity of the organization will be increase. Employee must have a good attitude insetad a good result in their job or task.

The purpose of this research is to investigate the relationship between compensation and employee performance at the Pertubuhan Peladang Negeri Johor. This research is a quantitative research which had used the self-administered electronic questionnaire as the instrument for the collection of data. The data was collected 95 respondents which was derived from the total population of 250 elements. Sample selection was based on simple random sampling method. The data collected was then evaluated by using Statistical Package for the Social Science (SPSS) Version 25 Software. Using SPSS, numerous tests were converged such as reliability analysis, frequency distribution, descriptive analysis, normality test, Pearson's correlation analysis and multiple regression. The results indicated that compensation which include pay, promotion, bonus & bnefits, appreciation & recognition, delegation and empowerment are related to employee perfomance

TABLE OF CONTENT

	Page
TITLE PAGE	1
DECLARATION OF ORIGINAL WORK	2-3
LETTER OF SUBMISSION	4
ACKNOWLEDGEMENT	5
ABSTRACT	6
TABLE OF CONTENTS	7-12
LIST OF FIGURES	13
LIST OF TABLES	14
LIST OF ABBREVIATIONS	15
CHAPTER 1 INTRODUCTION	
1.0 Introduction	1
1.1 Background of study	1-2
1.2 Problem Statement	2-3
1.3 Research Questions	4
1.3.1 Main Question	4
1.3.1.1 Specific Question	4
1.4 Research Objectives	5
1.4.1 Main Objective	5
1.4.1.1 Specific Objectives	5
1.5 Scope of Study	6
1.6 Significance of Study	7

1.6.1	To the Organization	7
1.6.2	To the Managers	7
1.6.3	To the Researcher	7
1.7	Limitations of the Study	8
1.7.1	Limited Number of Respondents	8
1.7.2	Time Frame	8
CHAPTER 2	LITERATURE REVIEW	
2.0	Introduction	9
2.1	Employee Performance	9-10
2.2	Compensation	10-11
2.2.1	Pay	11
2.2.2	Promotion	12
2.2.3	Bonus & Benefits	12-13
2.2.4	Appreciation&Recognition	13-14
2.2.5	Delegation	14-15
2.2.6	Empowerment	15-16
2.3	Theoretical Framework	16-17
2.4	Hypothesis Development	17-19