# THE INFLUENCE OF WORK REWARDS TOWARDS JOB SATISFACTION AMONG MATRADE EMPLOYEES

By
MUNIRA BINTI ABD GHAFAR

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Resource Management.

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## **ABSTRACT**

This study examines the influence the work rewards toward Job Satisfaction among MATRADE employees. It will help to identify the most significant work rewards that influenced the MATRADE employee's job satisfaction. Meanwhile, this study also examines whether gender moderates the relationship of job satisfaction or not. In this study there are two dimension measured for work rewards; intrinsic rewards and extrinsic rewards. For intrinsic rewards, it involves task autonomy, task significance and task involvement while for extrinsic rewards it involves social rewards and also organizational rewards. Data for this study was gathered through questionnaires that were distributed at MATRADE. Descriptive analysis performed to determine level of employees' job satisfaction. In addition, independent-sample t-test was utilized to empirically test relationship between employees' job satisfaction and their gender. The results of this study reveal that work rewards are moderate determinant of job satisfaction. Job satisfaction is more related to extrinsic rewards for employees than intrinsic rewards. Findings also found that there is no significant level difference between male and female employees' job satisfaction

Keywords: Job Satisfaction, Intrinsic Rewards and Extrinsic Rewards.

## **ABSTRAK**

Kajian ini mengkaji pengaruh ganjaran kerja terhadap pekerja MATRADE. Ia akan membantu untuk mengenal pasti ganjaran kerja yang paling mempengaruhi kepuasan kerja di kalangan pekerja MATRADE. Sementara itu, kajian ini juga mengkaji sama ada ada perbezaan jantina mempengaruhi tahap kepuasan kerja di kalangan pekerja lelaki dan perempuan. Dalam kajian ini terdapat dua dimensi yang diukur untuk ganjaran kerjaiaitu ganjaran intrinsik dan ganjaran ekstrinsik. Untuk ganjaran intrinsik, ia melibatkan tugas autonomi, kepentingan tugas dan penglibatan tugas manakala bagi ganjaran ekstrinsik ia melibatkan ganjaran sosial dan juga ganjaran organisasi. Data untuk kajian ini diperolehi melalui soal selidik yang diedarkan di MATRADE. Analisis deskriptif dilakukan untuk menentukan tahap kepuasan kerja pekerja. Di samping itu, ujian-t telah digunakan untuk menguji hubungan empirikal antara kepuasan kerja pekerja dan jantina mereka. Hasil kajian ini menunjukkan bahawa ganjaran kerja mempengaruhi secara sederhana terhadap lkepuasan kerja dia kalangan pekerja MATRADE. Kepuasan kerja tersebut adalah lebih berkaitan dengan ganjaran ekstrinsik daripada ganjaran intrinsik. Hasil kajian juga mendapati bahawa tidak terdapat perbezaan yang signifikan di antara tahap kepuasan kerja pekerja lelaki dan perempuan.

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#### **CHAPTER ONE**

#### INTRODUCTION

#### 1.1 Introduction

Job satisfaction is central to work lives of employees and to the effective use of personnel within organisations (Foster 2000, Koeske et al 1994). Employees that satisfied with their work are likely more stable, productive and able to accomplish organisational goals. According to Acker (1999), human service workers who derive satisfaction from their work more committed and provide better services to their clients, than those who are dissatisfied.

Job satisfaction is critical to attract and retain well-qualified personnel. This is an issue in many organizations. Every employee strives to seek satisfaction in every aspect of their life. The complex society today has its benchmark of goals and fulfillment that should be achieved by individuals. This set of goals and fulfillment includes securing a good job, preferably with good pay and hopefully with job satisfaction.

Job satisfaction is about feeling towards the nature of the job. It is the combination of feelings and beliefs that workers hold in relation to their current job. In order to be successful, it must continuously ensure the satisfaction of their employees (Berry, 1997). Organization with more satisfied employees tends to be more effective in one particular industry (Robbins & Judge, 2007). In today's world organization realize that it is important to keep their worker satisfied as human resource is the important assets to keep their business running.

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Berry (1997) mentioned that an organization shall have idea of what their employees require in order to reach the job satisfaction. This is because employees involved directly in the process throughout the organization. Only they can give the appropriate feedback to the management regarding their satisfaction level or about the task they performed.

Meyer (1999) quoted that most South African employees experienced a lack of job satisfaction that results to low level of employee commitment that in turns, impacts on the performance and achievement of organization goals. This leads to problems in low productivity, high absenteeism, labor unrest and much more. Public sector employees are faced with a multitude of factors which can give impact on effectiveness and efficiency of service delivery. In public service entity that demands on high levels of employee's dedication and commitment, understanding of the factors that influence of job satisfaction will be of an advantage in providing pragmatic information on the strategic human resource planning in any organization.

In government agencies, job satisfaction still an issue where management did not pay high attention on it. This study was designed to investigate the job rewards that influence job satisfaction among MATRADE staff. This study will provide a practical value for the management and other agencies involved. Therefore, the result of this paper will help to identify the relationship between work rewards and job satisfaction. The study should also identify the most significant elements of the influenced the job satisfaction among MATRADE staff.

## 1.2 Background of Study

Many organizations invest in their most valuable assets that are human resource, especially those high performing employees. One special issue is the low level of employee job satisfaction that brought difficulties in increasing service quality (Yi, 1998). Understanding the factors contributing to employee's satisfaction will help the organization to plan properly and take appropriate action to increase positive behavior among the employees. In other words, company needs to prepare a program such as rewards, growth opportunities or job security in order to increase the employees' job satisfaction toward the organization.

In a report to congress, the National Commission on the public service concluded that the continuous decline in job attitudes of federal government employees has created a "quiet" crisis and undermined the ability of government to respond to public needs. Despite the important implications of such a crisis for civil service, with few exceptions and most research of job attitude has focused on private sector employees. Little research exists on the job satisfaction of government employees, especially federal government employees.

According to the Malaysian Employers Federation (MEF), Malaysian companies are seeing an attrition rate of between 9.6% and a phenomenal 75%, based on its survey conducted on executive positions between June 2010 and July 2011, a total of 143 companies across the various sectors nationwide. Table 1.1 in the following page shows the detailed summary of Malaysia's executive yearly average turnover rate.

Table 1.1: Average yearly turnover rate of executive (July 2010-June 2011 by industry)

Types of industry	Annual average
Manufacturing	
Basic & Fabricated Metallic Product	23.88%
Electrical & Electronics	23.04%
Food & Beverage	17.88%
Petroleum/Chemical	7.08%
Pharmaceutical/Toiletries/Non Metallic/Mineral	9.6%
Plastic/Rubber	19.92%
Printing/Publishing/Paper/Timber/Wood Products	11.88%
Transport/Machinery Manufacturing	16.68%
Sub Total	
Associations/Societies	33%
Banking/Finance/Insurance	12.12%
Business Services	15.72%
Holdings & Investments/Plantation	17.4%
Hotel/Restaurant	32.4%
IT/Communication	75.72%
Medical Services	19.8%
Professional/Consultancy/Education/Training	29.28%
Property/Construction	15.6%
Transport/Warehouse Services	26.88%
Wholesale/Retail/Trading	18%
Sub Total	22.44%
TOTAL	20.88%

Source: Malaysian Employer Federation (MEF)

Why there is a turnover? No satisfaction towards the job? Why the attrition rate is still exist? Is the work rewards is not attractive enough. Not much research has been done to study on this subject. There is also no indication of the government sector turnover rate. This study helps to identify whether there is difference in the view of the government employee with private sector employee towards factor that influence their job satisfaction.

A theoretical framework was developed to analyze the determinants of job satisfaction of MATRADE employees. This paper will reveal factors that influence the job satisfaction among MATRADE staff. It will give benefit to MATRADE on how to motivate their employees so they would increase their performance.

## 1.3 Problem Statement

Work rewards have been defined as "potential sources of rewards to the worker" (Kalleberg, 1977). It represents what the individuals want to obtain from work or what they perceive. As a matter of fact there are a lot of evidence that have been provided by researchers, which show the direct relation between reward, performance and job satisfaction. The rewards system that is superior will eventually helped an organization to attract, motivate and retain talent in an organization. The work rewards usually give based on the job requirement, job responsibility and also job qualification. This is because different job have different rewards and different working stress. Thus this study was focus on global business environment.

Several interview conducted with the MATRADE employees revealed their work rewards influence the job satisfaction. Most of staff wants the agencies to be privatized as soon as possible so that the work system will change. The main purpose of this study is to examine the influence of work rewards towards job satisfaction among MATRADE employees. Is the rewards system implemented by government is effective? Does it have any effect towards the job satisfaction among employees? Which of the work rewards have more influencing factor to job satisfaction? There are so many questions to that need to be answered.

To identify these work rewards, I began by analyzing the nature of today's work. Basically, most of today's workers are asked to self-manage to a significant degree to use their intelligence and experience to direct their work activities to accomplish important organizational purposes. This is how today's employees add value innovating, problem solving and improvising to meet the conditions they encounter to meet customers' needs.

## 1.4 Objective of Study

The objective of the study is to find whether there is any influence between work rewards and job satisfaction. The research will help to identify which of the work rewards (intrinsic or extrinsic) that is most significant towards employee's job satisfaction. The result of this study will be able to assist an organization to understand the sentiment of the employee's views towards the work rewards. It will also provide an input to the decision making process of improving overall reward system. Eventually the improvement of overall system process should aim for new or change the organization work culture.

Based on the problem discussed earlier, the follow key research objectives have been developed

- 1. To determine a relationship between work rewards and job satisfaction.
- To identify the difference in level of job satisfaction between male and female staff in MATRADE.
- To determine the most significant work rewards factor that influenced job satisfaction.

## 1.5 Research Questions

This study is to examine the influence of the independent variables, which are work rewards with dependent variable among MATRADE staff. Under the work rewards, there are two dimensions namely intrinsic rewards and extrinsic reward. The dependent variable in this study is job satisfaction. The design of the questions in this study will be able to provide knowledge on the effect of work rewards towards job satisfaction.

The following research questions can be put forward for the studies, which are based on the independent variable and dependent variable above:

- 1. Is there a relationship between work rewards and job satisfaction?
- 2. Is there any different level of job satisfaction by gender in MATRADE?

## 3. How significant is the influence of work reward toward the job satisfaction?

## 1.6 Significance of the Study

MATRADE are growing steadily in export of promotion agency in Malaysia. In addition, MATRADE formulates and implements strategies for export marketing and trade promotion activities to increase Malaysia's exports. This study is primarily concern on employee's job satisfaction towards the agency. This can help the human capital with the necessary knowledge, skills and abilities to perform their job effectively. The result of this research may assist MATRADE or other particular statutory body to consider another perspective of strategizes the job satisfaction based employee's need.

In addition it is aimed to contribute the ways for business leader and human resource professionals to improve efficiency, effectiveness and improve business result. There are many ways of job satisfaction will provide positive impact towards the organization. Besides that, MATRADE might use this study as an indicator to increase the staff performance. Job satisfaction can be considered as reaching organizational goal and will be as an indicator to increase organization productivity. Up to this point, it is evident that there is a strong linkage between human resource management practices and organizational performance (Sahinidis & Bouris, 2008).

Furthermore, more satisfied employees have more innovative activities in continuous quality improvement and more participation in decision-making in organizations (Kivimaki and Kalimo. 1994). Job satisfaction is found to be positively-related to

employee's satisfaction (Morana, 1987).

## 1.7 Scope of the Study

Malaysia external trade development corporation or better known as MATRADE, is the national export promotion agency of Malaysia. Established in March 1993 as a statutory agency under the Ministry of International Trade Industry (MITI), MATRADE is responsible for assisting Malaysian companies succeed in the international market. MATRADE's vision of positioning Malaysia as a globally competitive exporting nation is paired with its mission to develop and promote Malaysia's enterprises to the world, with particular emphasis on the export of manufactured and semi-manufactured products and services.

In addition, MATRADE formulates and implements strategies for export marketing and trade promotion activities to increase Malaysia's exports. MATRADE also undertake market research to create a comprehensive database of information for the development and improvement of Malaysia's trade. Training programs are often organized to enhance the international marketing skills of Malaysian exporters, as well as protect Malaysia's international trade interest abroad.

Furthermore, MATRADE is actively involved in assisting foreign companies to source for suppliers of Malaysian products and services by having 40 representative offices worldwide in major commercial cities (www.matrade.gov.my)

The respondents are employees from account department, human resource department, finance department and information technology and department. The selection of these respondents is based on simple random sampling.

## 1.8 Organization of the Thesis

This study covers MATRADE staff which will involve the account department, finance department, human resource department, and information technology department. The minimum sample size required for this study is 96 respondents in order to complete the research. The unit of analysis is on individual basis and the population of this study as mentioned above.

The project thesis on this study is arranged and organized into chapters as stipulated below:

- Chapter one is the first introduction chapter which consists of overview,
   background of study, describes the problem statements, research questions, and
   the significance of study and the scope of the study.
- Chapter two is literature reviews which will focus on the on job satisfaction as
  dependent variable with the independent variable comprise of intrinsic rewards,
  and extrinsic rewards research findings by other researchers.
- Chapter three is the research methodology chapter and the chapter includes the
  research design, type of research, research framework, hypothesis
  development, questionnaire development, study population, statistical analysis,
  limitation and conclusion.

- Chapter four is the result chapter. This chapter will illustrate in details of the
  finding and data analysis of the research that include overview of collected data,
  respondent profile, reliability analysis, descriptive statistic, inferential
  statistic, hypotheses testing and the summary of chapter four.
- Chapter five is the discussion and recommendation chapter and in this last chapter will discuss the results from the research that concur with the objectives of the study.

## **CHAPTER TWO**

#### LITERATURE REVIEW

## 2.1 Introduction

Literature review is one important aspect in a study carried out. This is because; with a literature review study can be compared with the study that was made in advance. In addition, the literature review is also used as guidelines to strengthen of research.

In this chapter it will discuss further on the job satisfaction, intrinsic rewards and also extrinsic rewards. Those variables are supported by several articles. Finally, empirical evidence relating all the independent variables and dependent variables will be described.

In summary, the literature review can be used to help us in make a theoretical framework and a more accurate statement of the problem and clear. In addition, researchers can also add more information by studies to be performed by them. Resources from this literature review can be found on journals, books, newspapers and the results have been done by previous researchers.

#### 2.2 Job Satisfaction

Job satisfaction can be defined as feelings a worker has about his job. In other words, it is a general attitude towards one's job; the different between the amount of reward workers receive and the amount they should receive (Miller, 1991 as cited in Smith, Kendall & Hulin, 1969).

Job satisfaction is one of the most famous researched areas of organizational behavior and also in education. It is perceived as an attitudinal variable measuring the degree to which employees like their job and also the various aspect of their jobs (Spector, 1996; Stamps, 1997). It is important area because it correlated to enhance the job performance, positive work values, and high levels of employee's motivation and also lover rate of absenteeism, turnover and burnout (Begley & Czajika, 1993; Chiu, 2000; Tharenou, 1993).

Gordon (1999) found that job satisfaction occurs when a job meets the expectations, values and standards of an individual and will influence their commitment and performance. As such, it is shows how an organization can offer the job satisfaction to their employees in order to get their full commitment. When an employee's meet their need or expectations, they feel the achievement and therefore the job satisfaction is determined.

A study conducted by Pohlmann (1999) found that public sector employees were indicated that their dissatisfaction in job is towards supervision, communication and payment. Another survey conducted by Scneider and Vought (1993) shows that job satisfaction of lower skilled public sector are more emphasis on achievement, growth, the work itself and also recognition while public sector professionals indicated that

job security, pay, supervision and working conditions is the extrinsic factors influencing job satisfaction among their employee.

In order to understand job satisfaction, it is important to understand what motivates people at work. Campbell, Dunnette, Lawler and Weik (1970) claim that job satisfaction can be categorized into either content theories or process theories. The process theories take into account the process by which variables such as expectations, needs and values and also comparisons interact with the job to become job satisfaction.

While the content theories, there is an emphasis on the type of goals and incentives that people endeavor to achieve in order to be satisfied and succeed on the job. According to Maslow's hierarchy of needs (Abraham Maslow, 1943), people who are not satisfied with what they have will always request for more. There are five levels of the hierarchy in each individual which is physical, security, social, ego and self-actualization

Frederick Herzberg is known well scholar in psychology and management field. His contributions in job related motivation are considered landmark studies. Gawel (2008), had constructed a two dimensional paradigm of the factor that influence employees. The theory is about factors influencing or motivating employees. Hygiene factor will be the first factor which comprises of the basement or dissatisfaction of one's job performance or satisfaction. It belongs to extrinsic factors of motivation and is boosted by the motivators to achieve the satisfaction of challenging work, achievement and advancement.

Motivators are the intrinsic factors which motivators are needed but it may not contribute in dissatisfying employees. Without the maintenance factors or hygiene factors employees can easily de dissatisfied, as hygiene is the basic foundation for the employees. Therefore, job satisfaction can be summed up as a collection of attitudes, feelings, beliefs and behavior one has towards the job. For the purpose of this study it can be concluded that job satisfaction (Newstrom & Davis, 2002) is a work-related attitude that symbolizes an emotional feelings of accomplishment that can be either quantitative or qualitative.

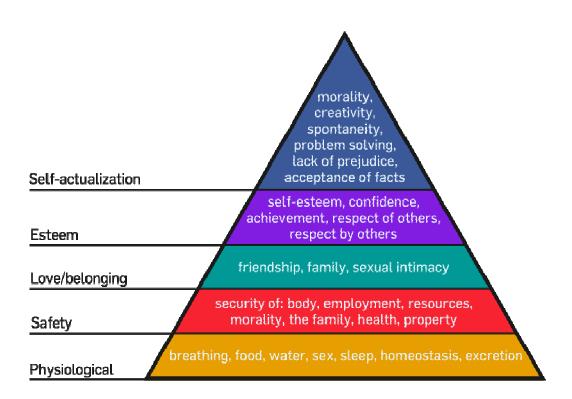


Figure 2.1: *Underlying Theories* 

Hierarchy of Needs Theory – Maslow's theory consists of five levels of needs; physiology needs, safety needs, love/belonging needs, esteem needs and self-actualization needs as illustrated in figure 2.1. For more details explanation of the Maslow's hierarchy of need is elaborated below:

- a) Psychological needs food, water, home, sleep or sex
- b) Safety needs employment, health, property or protection against danger
- c) Love/ belonging needs friendship, family, sexual intimacy or to be belong to a group
- d) Esteem needs confidents', achievement, independence, status.
- e) Recognition or respect
- f) Self-actualization needs to realize one's full potential, for continuous development, to be whatever one is one capable of being.

According to Maslow, self-actualization is the need a person has fulfills his or her capabilities and potential, that is, his or her desire for growth and success. Colquitt, Lepine and Wesson (2010), indicated that the influence of Maslow's hierarchy of need theory only take president in the event a need is lacking or left unsatisfied.

#### 2.3 Work Rewards

For the purpose of this study, work rewards can be divided into two categories.

#### 2.3.1 Intrinsic Rewards

The intrinsic rewards refer to the inherent features of work and characteristics associated with the task itself, for instance the capacity to confer to workers a sense of

achievement, interest, responsibility or accomplishment (Kalleberg, 1977). Valuation of this dimension thus reflects the worker's desire to be stimulated and challenged by the job and to be able to exercise acquired skills at work. According to previous research, intrinsic rewards have important implications for social worker's overall satisfaction at work and desire to commit to their job (Balloch et al. 1998, Penna et al. 1995, Huxley et al. 2005, Papadaki 2006).

Clifford (1985) had divided job rewards into categories, a conceptual division like intrinsic and extrinsic rewards, it can be subdivided into intrinsic rewards as task autonomy, task significance, and task involvement (Clifford, 1985). Task autonomy refers to the degree of freedom in task performance. Task significance implies the degree to which the task is perceived as significant contribution to the work process. Task involvement refers to the degree to which the task is considered interesting or challenging.

Thus, the rewards coming from the intrinsic aspects of work often serve as the most important motivational factors for social workers who interact with clients, by providing help and assistance, hoping to achieve change and improvement in clients' lives. In addition to the altruistic motives, studies have demonstrated the importance of self-directed motives related to personal interest and quest for working tasks that individual find meaningful and engaging (Jensen, 2003).

Intrinsic rewards are those that exist in the job itself. Examples are achievement, variety, challenge, autonomy, responsibility, and personal and professional growth.

They also include status, recognition, praise from superiors and co-workers, personal satisfaction, and feeling of self-esteem (Mahaney & Lederer 2006). Intrinsic rewards are derived from the content of the task itself and include such factors as interesting and challenging work, self-direction and responsibility, variety, creativity, opportunities to use one's skills and abilities, and sufficient feedback regarding the effectiveness of one's efforts (Mottaz, 1985). Employees are thought to be motivated to work hard to produce quality results when they have pride in their work, they believe their efforts are important to the success of the team, and their jobs are fun, challenging, and rewarding (Mahaney & Lederer 2006).

#### 2.3.2 Extrinsic Rewards

The extrinsic rewards often refer to the job characteristics that are external to the task themselves, providing benefits or rewards like pay, job security and resource adequacy (Herzberg 1959 & Kalleberg 1977). The extrinsic dimension also include the more symbolic rewards in terms of client recognition and public approval and social support in relationship with co-workers and weather the job permits chances for the workers to take personal interests in each other as colleges. Valuation of this dimension reflects a worker desire for the satisfaction of social needs from the work activity.

Firms are able to improve worker productivity by paying worker a wage premium which is above the wage paid by to the firms for comparable labor. A wage premium may enhance productivity by improving nutrition, boosting morale, encouraging greater commitment to firm gals, reducing quits and the disruption caused by turnover, attracting higher quality workers and inspiring workers to put forth greater effort

(Goldsmith, Veum & Darity 2000). As a result, people are attracted to well-paying jobs, extend extra effort to perform the activities that bring them more pay, and become agitated if their pay is threatened or decreased (Stajkovic & Luthans 2001).

Social support is sought for several reasons (Carver et al 1989). One is seeking support for instrumental reasons, such as the more practical advice, assistance for information, named problem focused coping. Another is seeking support for emotional reasons; getting moral support, sympathy or understanding, named emotion-focused coping. According to Himle et al. (1989), emotional support given at the work place is positively associated with job satisfaction. To talk about stress-related feelings may help people to better cope and find resolutions to their problems when supportive social networks are available at work.

However, researches on social support show somewhat different conclusions related to the various supporting sources offered by co-worker and managers. Gibson et al. 1989; Jones et al. 1991 suggest that colleagues are a primary source of support to social workers other tell that support managers and supervisors are less important in relieving stress (Regehr et al. 2004).

The organisational dimension represents a valuation of job aspects external to the task itself, and is viewed in contrast conceptually to the intrinsic dimension (Kallerberg, 1977). This dimension refers to various aspects of the workers' job context, such as workload, resources, control and time pressure. The organisational rewards may include working conditions, freedom from conflicting demands and from excessive amounts of work, pleasant physical surroundings and enough resources and time to do the work. Since the organisational resources available to the employees will depend

on power and managerial position, the workers also have different opportunities to attain and control the job rewards provided.

## 2.4 Theoretical Framework

The purpose of this study is to determine the factors affect the job satisfaction among MATRADE employees. This part is about the discussion that formed the theoretical framework. This model focuses on intrinsic rewards, extrinsic rewards as independent variables and job satisfaction as dependent variables. Figure 2.2 exhibits the proposed model, which comprise of all independent variables whether have a relationship with the dependent variables job satisfaction.

## **INDEPENDENT VARIABLES**

## **DEPENDENT VARIABLE**

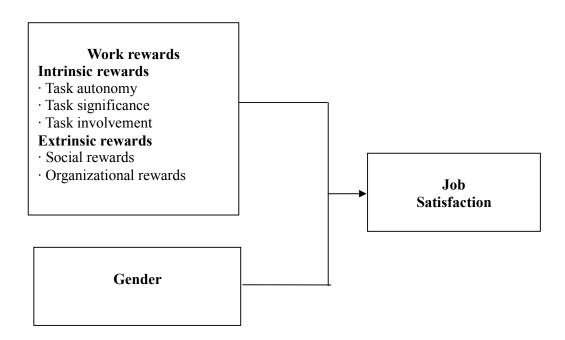


Figure 2.2: Job satisfaction model

The two factors that contribute to the job satisfaction are intrinsic rewards and

extrinsic rewards. They have been classified as independent variables while job

satisfaction as dependent variable.

## 2.5 Hypotheses

There are four hypotheses for this study:

H1: Work rewards are positively related with job satisfaction.

H1a: Intrinsic rewards are positively related with job satisfaction.

**H1b**: Extrinsic rewards are positively related with job satisfaction.

**H2:** Difference between genders with the perception of the job satisfaction.

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#### CHAPTER THREE

#### METHODOLOGY

## 3.1 Introduction

The main focus of this chapter is to describe the methodology that was used in this study. It consists of approach was used and how the data was collected and analyzed. This chapter reveals the methods used to study the relationship between the independent variables and dependent variables; research design, variables, population and sampling, research instruments, data collection method and statistical analysis. In this chapter, explain more about the methodology and designs that support the study. Other than that this chapter also includes the explanation of the detailed description of the research process undertaken by the study.

## 3.2 Research Design

This study is design using a quantitative method. Quantitative data is most often collected in the form of a questionnaire or survey. There are several hypotheses develop that need to be tested. It is developed based on the purposed of this study and the research question that sought to answer a correlation and relations type of study have been chosen in analyzing process on the independent variables. Questionnaires were used to examine the relationships between work rewards and job satisfaction. The study uses various statistical tests and statistical package for social science (SPSS) version 19.0 to interpret the results of the data.

#### 3.3 Variables

In this study, there are three (3) variables that have been identified which is job satisfaction, intrinsic rewards and extrinsic rewards. The independent variables were job satisfaction while dependent variable in this study was intrinsic rewards and extrinsic rewards. These variables have been studied by several researchers for instance Mottaz (1985), Gerald M (2004), Fisher CD (2000) and Kallerberg (1977). Researcher will examine whether these variables will influence the job satisfaction or not.

## 3.4 Population and Sampling

It is vital to have a proper sampling design and sampling size according to Sekaran (2007). The proper sampling design and also sampling size helps researcher to appropriately examined and conclude the result from the finding.

The study confine at the MATRADE Jalan Duta, Kuala Lumpur. The population consists of account department, human resource department, finance department and information technology and department consisted of 116 employees. The selection of this sample is based on simple random sampling. This sample size was according to Roscoe's rule of thumb (Sekaran, 2007) which stated that larger sample than 30 and less than 500 is appropriate for most research.

#### 3.5 Research Instruments

The instrument for this study is by questionnaire which is intended to identify variable of work rewards that influence the job satisfaction among employees in MATRADE. Basically this instrument was adapted from Muhammed zia Ur Rehman (2010). The questionnaire was adapted and modified to suit the context of employees at MATRADE as illustrated in the table 3.1 below.

Table 3.1: Questionnaire measurement items

Variable	Items	Scale	Sources
Intrinsic Rewards	13	Five-point likert scale	Muhammed zia Ur Rehman (2010)
Extrinsic Rewards	6	Five-point likert scale	Muhammed zia Ur Rehman (2010)
Job satisfaction	3	Five-point likert scale	Muhammed zia Ur Rehman (2010)

Measurement of each variables require researcher use five point likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Five point likert scale is designed to examine how strongly respondents agree or disagree with the questionnaires. There are four section in the questionnaires will be measured using likert scale except in Section A which contains demographic and be measured using nominal scale.

Nominal scale allows the researcher to assign respondents to certain category.

Nominal scale frequently used to obtain personal data such as age, gender, race,
length of service, educational background and others.

According to Sekaran (2003), the questionnaire is an effective method of data collection because it offers opportunities for researcher to administer personally, by distributions at the organizations. In this study, the research data were closed questions. A questionnaire is distributed to the respondent and the respondent group in the department. The questionnaire consists of two sections in Table 3.2 Section B sought to measure items that are related to work rewards; intrinsic and extrinsic rewards, and job satisfaction. Section A consists of information about the profile of the respondent.

Table 3.2: *Subsection of questionnaire* 

Section	Variables	Number of items
A	Respondent Background:	6
	- Age	
	- Gender	
	- Race	
	- Length of service	
	- Educational background	
	- Marital status	
В	Job Satisfaction, Intrinsic Rewards	22
	and Extrinsic Rewards	

## 3.6 Data Collection Method

A total of 96 questionnaires were administered to account department, human resource department, finance department and information technology and department consisted of 116 employees. The selection of this sample is based on simple random sampling. Each respondent in the departments was briefed on the purpose of the study if necessary. Respondents were assured confidentiality of the data and were requested

to respond to each item based on their own perception.

A total of 116 questionnaires were collected with response rate was 100%. The process of distributing and retrieving questionnaires' was carried out in such a way that it did not disturb the normal operation of the organization. The survey questionnaires were distributed to the selected department through human resources department. They were given two hours to complete the questionnaires. They were instructed to put the completed questionnaires in the given envelope insert the envelope in a locked plastic box placed in the department head office. All the boxes were sent back to human resource executive. In such a way, the response rate was ensured while the confidentiality of their response was achieved.

The question is divided into two parts (part 1 – respondent information, part 2 – job satisfaction, intrinsic rewards and extrinsic rewards). All answer will be collected immediately and keep for analysis. Therefore, the information can be easily analyzed and compared.

## 3.7 Statistical Analysis

Data was entered into the statistical program for social science – PC (SPSS-PC). The following statistics and statistical procedure were used in analysing data. The descriptive and frequency analyses were performed to provide respondents background information such as gender, age, academic qualifications, monthly salary and working experience.

Upon collecting the data from the questionnaire, all the information has been coded to enable analysis using statistical package for the social science (SPSS). There are a few procedures such as data validation will be carried out for accuracy.

The approach used to analyze data was in line with the aims and the problem statements in the study. The analysis of data begins with reliability test for the scales through Cronbach's alpha. The Cronbach alpha testing was used as it is the most well accepted reliability test tool applied by social researcher (Sekaran, 2005). In Cronbach's alpha reliability analysis, the closer Cronbach's alpha to 1.0, the higher it to the internal consistency reliability. Cronbach measure;

Table 3.3: Cronbach's alpha measurements

Cronbach's	$\alpha \ge .9$	$.9 > \alpha \ge .8$	$.8 > \alpha \ge .7$	$.7 > \alpha \geq .6$	$.6 > \alpha \ge .5$	$.5 > \alpha$
alpha						'
Internal	Excellent	Good	Acceptable	Questionable	Poor	Unacceptable
Consistency						

In order to determine whether there is significant relationship between the independent variables and dependent variables. Pearson correlation coefficient analysis was carried out. According to Davies (1971) stated that the relationship between the independent variables and dependent variables as followed:

Table 3.4: Pearson correlation coefficient measurement

0.7 and above	0.50 to 0.69	0.30 to 0.49	0.10 to 0.29	0.01 to 0.09
Very strong	Strong	Moderate	Low	Very low
relationship	relationship	relationship	Relationship	relationship

Multiple regression analysis is conducted to examine which among the two (2) independent variables was the most significantly influenced the perception of the employees on rewards. According to Sekaran (2003), the correlation coefficient, r, will indicate the strength of relationship between the two variables and it will also show how much of the variance in the dependent variable will explain when several independent variables are theorized to simultaneously influence it. Meanwhile, r square indicates the amount of variance which will explain the dependent variable by the predictors and this is known as multiple regression. In the event of r square value, the f statistics and its significant level are known; the result can then be interpreted.

Finally, pilot test was conducted to examine whether there is a statistically significance between the independent variables which is work rewards and job satisfaction as the dependent variable.

#### CHAPTER FOUR

#### ANALYSIS OF DATA

### 4.1 Introduction

This chapter reports the result of data analysis obtained from the data collected from respondent. It is based on research objectives aligned in chapter one where to study the impact of independent variables which are the intrinsic rewards and extrinsic rewards with dependent variables which are job satisfaction. This study aims to answer the research objectives and the research questions highlighted in chapter one. This study is also intended to verify the hypotheses made in chapter two.

Three analysis techniques used to analyze the data and to test the research hypotheses, which is the reliability test, descriptive analysis and inferential statistic (t-test, Pearson correlation and multiple regression analysis). In order to test the hypotheses, the statistical method of Pearson correlation was used in this study to determine the existence of any relationship between the independent variable (work rewards) and dependent variable (job satisfaction). The regression analysis was conducted to examine, among the three independent variables of work rewards, which is most significantly influenced the job satisfaction. The descriptive analysis was conducted to describe the profile of respondents (demographic).

### 4.2 Overview of Data Collection

Data collection was an important aspect of this study. Inaccurate data collection could impact the results of a study and ultimately lead to invalid results. The data were gathered by distributing the questionnaires at MATRADE random to account department, human resource department, information technology department and also the finance department.

Total of ninety six (96) questionnaires were distributed out and were briefed on the purpose of the study. Respondents were assured confidentiality of the data and were requested to respond to each item based on their own perception. A total of two hours (96) questionnaires were collected and received.

## 4.3 Response Rate

There are 96 questionnaires had been distributed to the sample identified in Job Satisfaction among MATRADE employees. After the final collection, all respondent's has returned the questionnaire and completed the questionnaires. Therefore, total of 100% questionnaire were received and answered to be analysis in this research.

### 4.4 Respondent's Profile

The survey verified the details of demographic characteristic or respondent's profile as illustrated in Table 4.1 in the following page

Table 4.1: Table of respondent's profile

No.	Demographic	Categories	Frequency	Percentage
1.	Gender	Male	41	42.7
		Female	55	57.3
2.	Age		46	47.9
		19-29	38	39.6
		30-39 40-49	9	9.4
		50-60	3	3.1
2	D	30-00	02	06.5
3.	Race	Malay	83	86.5
		Chinese	8 4	8.3 4.2
		Indian	4	1.0
		Others	1	1.0
4.	Status	Single	43	44.8
		Married	53	55.2
5.	Education	Primary	2	2.1
		Secondary	16	16.7
		Diploma	42	43.8
		Bachelors	27	28.1
		Degree Master Degree	4	4.2
		Others	5	5.2
6.	Experience	1-2 years	19	19.8
0.	Experience	3-5 years	28	29.2
		6-10 years	31	32.3
		More than 10 years	18	18.8

N=96

Frequency distributions were obtained for all the demographic information of the respondents. Total respondent is 96. Where 57.3% (55) is female responded while the remaining 42.7% (41) is male. The largest respondents are from the 19 to 29 years old age group that is about 47.9% (46), the next largest respondents of 39.6% (38) is from the 30 – 39 years old age group, while 9.4% (9) from 40 – 49 years age group followed by 3.1% (3) from 50-60 years old age group. The race distribution is 86.5% (83) is malay, 8.3% (8) is chinese and 4.2% (4) is indian while the remaining 1.0% (1) is from others.

From the marital status points of view, the highest respondents are from married respondents with 55.2% (53) while the single respondent comprises of 44.8% (43) of the total respondents. Majority of the respondents have been with the organization between 6 to 10 years. This group comprises of 32.3% (31) of the respondent and out of the 96 respondents. The second highest experience is 3 to 5 years which is 29.2% (28) and the third highest experience is 19.8% (19). The lowest number of respondents comes from employees with experience more than 10 years which comprises of 18.8% (18). Details of the Demographic characteristic of this survey can be viewed at the Questionnaires form as attached in **Appendix 1**.

## 4.5 Reliability Analysis

Cronbach's alpha is a coefficient of reliability. It is commonly used as a measure of the internal consistency or reliability of apsychometric test score for a sample of examinees. Cronbach's alpha will generally increase as the intercorrelations among test items increase, and is thus known as a consistency estimate of reliability of test scores.

Alpha treats any covariance among items as *true-score* variance, even if items covey for spurious reasons. For example, alpha can be artificially inflated by making scales which consist of superficial changes to the wording within a set of items or by analyzing speeded tests.

Table 4.2: Cronbach's coefficient value

Items	Variables	Number of Items	Cronbach's Alpha
Intrinsic rewards	Independent	13	0.554
Extrinsic rewards	Independent	6	0.828
Job satisfaction	Dependent	3	0.566

Table 4.2 show the result of Cronbach alpha for reliability test of questionnaire before recoding the negative statements in questionnaires. The result on job satisfaction and intrinsic reward shows Cronbach's alpha which is below < 0.7. Thus, based to task recommended if deleted four (4) items will increase to Cronbach's alpha value.

*Table 4.3: Cronbach coefficient alpha value after deleted the three (3) items* 

Items	Variables	Number of Items	Cronbach's Alpha
Intrinsic rewards	Independent	10	0.740
Extrinsic rewards	Independent	6	0.828
Job satisfaction	Dependent	2	0.777

Table 4.3 shows the actual results after recode the negative statements before compute the means variables in SPSS. Recoding the negative statement with rearrange the

Likert scales of value 1 to 5. The result on job satisfaction and intrinsic rewards shows Cronbach's alpha which is below < 0.7.

The internal consistency was measured by the total scores of the inter items consistency reliability and the most popular this test is Cronbach coefficient alpha (Sekaran, 1992). Whole questionnaires Cronbach alpha is above > 0.6 is acceptable, result shows the overall scores are more than > 0.7 thus are acceptable for future analysis.

### 4.6 Correlation Analysis

The result in Table 4.4 shows a matrix of correlations and sample statistics of all variables. The relationship between work rewards (intrinsic and extrinsic) and job satisfaction was investigated using Pearson correlation coefficient. Preliminary analyses were performed to ensure no violation of the assumptions of normality, linearity and homoscedasticity. There was a moderate correlation between intrinsic rewards, r = .443, p < .001 and extrinsic rewards r = .446, p < .001 with job satisfaction. This concluded that both two variables of work rewards have significant relationship with job satisfaction in the present study. As suggested by Pallant (2007), strength is determined as below range for statistical significance: r = 0.10 to 0.29 (Weak), r = 0.30 to 0.49 (Moderate) and r = 0.50 to 1.0 (Strong).

Table 4.4: Pearson correlation analysis result

	Intrinsic reward	Extrinsic reward	Job satisfaction
Intrinsic reward	1	0.606**	0.443*
Extrinsic reward		1	0.446*
Job satisfaction			1

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

### 4.7 T-test on Job Satisfaction and Gender

An independent T-test was conducted to compare job satisfaction and gender at MATRADE. Table 4.5 shown that with male respondent (M = 3.841) and female respondent (M = 3.818) has no difference perception of job satisfaction by gender in the organization. There is no difference between the gender and job satisfaction. Therefore this hypothesis is accepted.

Table 4.5: T-test on job satisfaction and gender result

			Gr	oup Statistics		
	SEX	N		Mean	Std. Deviation	Std. Error Mean
Job	Male		41	3.8415	.50546	.07894
satisfaction	Female		55	3.8182	.58818	.07931

	Independent Samples Test									
		Lev	ene's							
		Tes	st for							
		Equ	uality							
			of							
Variances							t-test for	Equality of Mean	IS	
						Sig.			95% Confiden	ce Interval of
						(2-t			the Diffe	erence
						aile		Std. Error		
		F	Sig.	t	Df	d)	Mean Difference	Difference	Lower	Upper
Job	Equal variances	.52	.473	.20	94	.839	.02328	.11441	20388	.25044
satisfa	assumed	0	.473	3	34	.009	.02320	.11441	20300	.23044
ction	Equal variances			.20	92.	.836	.02328	.11190	19896	.24552
	not assumed			8	042	.030	.02320	.11190	19090	.24002

# 4.8 Regression between Work Rewards and Job Satisfaction

In the *model summary* the R Square (.246) which is the explained variance, is actually the square of the multiple *R* (.496). The 24.6% from intrinsic rewards and extrinsic rewards influence the job satisfaction. There must be other different factors that influence the job satisfaction at MATRADE. What the result mean is that 49.6% of the variance (*R*-square) in job satisfaction has been significantly explained by the two dimensions of independent variables.

Further research might be necessary to explain more of the variance in job satisfaction if the researcher desires to pursue the matter further. The *Coefficients* table helps to identify which among the two (2) dimensions of independent variables significantly impact the variance in job satisfaction. Refer to the column **Beta** under *Standardized Coefficients*; the highest number in Beta is .281 for "extrinsic rewards", which is significant at the .001 level. The Beta for intrinsic rewards is .273. Among the two

variables, the extrinsic rewards are the strongest variables followed by intrinsic rewards.

Table 4.6: Regression of work rewards and job satisfaction

Model Summary <sup>b</sup>						
	Std. Error of the					
Model	R	R Square	Adjusted R Square	Estimate	Durbin-Watson	
1	.496 <sup>a</sup>	.246	.230	.48406	2.389	
a. Predictors: (Constant), TOTALEXTRINSICREWARDS, TOTALINTRINSICREWARDS						
b. Dependent Variable: TOTALJS						

Coefficients <sup>a</sup>					
Unstandardized Coefficients Standardized Coefficients					
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	1.440	.456		3.159	.002
TOTALINTRINSICREWARDS	.399	.165	.273	2.413	.018
TOTALEXTRINSICREWARDS	.270	.109	.281	2.481	.015
a. Dependent Variable: TOTALJS					

# 4.9 Hypotheses Testing

As mentioned above there are four (4) hypotheses that were generated for this study and the use of the following is necessary.

- Pearson correlation to test hypotheses 1
- •Pearson correlation to test hypotheses 1a
- •Pearson correlation to test hypotheses 1b
- •T-test to test hypotheses 2

The results of these tests mentioned above and their interpretation are discussed and elaborated as follows.

<u>Hypotheses 1</u>: Use of Pearson correlation. Hypotheses 1 is stated in the null and alternate as follows:

H1<sub>o</sub>: There is no positive relationship between work rewards and job satisfaction.

H1a: There is a positive relationship between work rewards and job satisfaction.

Table 4.7: *Hypotheses Testing 1* 

Correlations						
Items	Work rewards	Job satisfaction				
Work rewards	1	.495**				
Job satisfaction		1				
**. Correlation is significant at the 0.01 level (2-tailed).						

The result shows the relationship between work rewards and job satisfaction. Based on the correlations, there are 0.495 moderate positive relationships. According to Davies (1971) 0.30 to 0.49 stated as moderate relationship. The first hypotheses are accepted. The higher the work rewards, the job satisfaction level will be increased.

<u>Hypotheses 1a</u>: Use of Pearson correlation. Hypotheses 1a is stated in the null and alternate as follows:

H1a: There is no positive relationship between intrinsic rewards and job satisfaction.

H1aa: There is a positive relationship between intrinsic rewards and job satisfaction.

Table 4.8: *Hypotheses Testing 1a* 

Correlations						
Items	Intrinsic rewards	Job satisfaction				
Intrinsic rewards	1	.443**				
Job satisfaction		1				
**. Correlation is significant at the 0.01 level (2-tailed).						

The result shows that the relationship between intrinsic rewards and job satisfaction. Based on the correlations, there are 0.443 moderate positive relationships. According to Davies (1971) 0.30 to 0.49 stated as moderate relationship. Therefore these second hypotheses are accepted. The higher the intrinsic rewards, the job satisfaction level will be increased.

<u>Hypotheses 1b</u>: Use of Pearson correlation. Hypotheses 1b is stated in the null and alternate as follows:

H1b<sub>o</sub>: There is no positive relationship between extrinsic rewards and job satisfaction.

H1ba: There is a positive relationship between extrinsic rewards and job satisfaction.

Table 4.9: Hypotheses Testing 1b

Correlations						
Items	Extrinsic rewards	Job satisfaction				
Extrinsic rewards	1	.446**				
Job satisfaction		1				
**. Correlation is significant at the 0.01 level (2-tailed).						

The result shows that the relationship between extrinsic rewards and job satisfaction. Based on the correlations, there are 0.446 moderate positive relationships. According to Davies (1971) 0.30 to 0.49 stated as moderate relationship. Therefore these third hypotheses are accepted. The higher the extrinsic rewards, the job satisfaction level will be increased.

<u>Hypotheses 2</u>: Use of T-test. Hypotheses 2 is stated in the null and alternate as follows:

- H2<sub>o</sub>: There is no difference between genders with the perception of the job satisfaction.
- H2A: There is a difference between genders with the perception of the job satisfaction.

Table 4.5 shows that there is no difference between genders with perception of job satisfaction. The Sig (2-tailed) value 0.233 which is more than 0.05 measurement is not involving perception by gender towards job satisfaction. Therefore, the result proves that there is no difference of perception between male and female employee towards job satisfaction.

## 4.10 Summary of Chapter Four

Based on the four (4) hypotheses tested, three of the hypotheses are substantiated and accepted while one is rejected. T-test result indicated there is no difference in genders toward job satisfaction while Pearson correlation results indicated that there is a positively relationship between work rewards and job satisfaction. The result also indicated that intrinsic rewards and extrinsic rewards have a positively relationship toward the independent variable which is job satisfaction. In summary, table 4.9 below is the summarized result of all hypotheses:

Table 4.10: Finding Summary

	Hypotheses	Significant	Reject/ Fail to reject Ho
H1o:	There is no positively relationship between work rewards and job satisfaction.	Substantiated	Reject Ho
Н1а:	There is a positively relationship between work rewards and job satisfaction.		
H1a <sub>0</sub> :	There is no positively relationship between intrinsic rewards and job satisfaction.	Substantiated	Reject Ho
Н1аа:	There is a positively relationship between intrinsic rewards and job satisfaction.		
H1b <sub>o</sub> :	There is no positively relationship between extrinsic rewards and job satisfaction.	Substantiated	Reject Ho
H1ba:	There is a positively relationship between extrinsic rewards and job satisfaction.		

H2o:	There is no difference between genders with the perception of the job satisfaction	Not substantiated	Fail to reject Ho
H2A:	There is a difference between genders with the perception of the job satisfaction		

In the next chapter, a detailed discussion on the results is going to be offered. Chapter five will be discussing implications of the study's findings on practice and future research will be deliberated. In addition, the study's main limitations also will be highlighted.

#### **CHAPTER FIVE**

### DISCUSSION AND RECOMMENDATION

#### 5.1 Introduction

This chapter begins with an introduction and summarized description of the thesis. Then, the background of respondents will be discussed in more details followed by a review of the findings of each of the research questions presented earlier in chapter 1.3. This chapter also will conclude the study on the work rewards and the relationship to the job satisfaction among MATRADE employees. In further, recommendation will follow onward by suggesting the solutions and more practical approaches to be used as reference in future.

The purpose of the study is to examine the influence of work rewards towards job satisfaction among MATRADE employees. The work rewards are divided in to two (2) namely the intrinsic rewards (task autonomy, task significance and task involvement) and extrinsic rewards (social rewards and organizational rewards). The result of this study confirmed that the variables considered in the theoretical framework are important.

# 5.2 Discussion of Research Question

In this section, the questions raised up from the chapter 1.3 will be discussed.

### 5.2.1 Relationship between Work Rewards and Job Satisfaction

The first research question stated in chapter one; is there a relationship between work rewards and job satisfaction. An analysis has been done for this which is using Pearson correlation coefficient to measure the relationship between work rewards and job satisfaction. The work rewards that comprise of intrinsic rewards and extrinsic rewards do have influences towards the job satisfaction among MATRADE employees based on the respondent feedback received.

Breaking down further the intrinsic and extrinsic rewards which are, task autonomy, task significance and task involvement for intrinsic and social rewards and organizational rewards for extrinsic rewards, they results shows that work rewards has the relationship towards the job satisfaction. Total combination shows the intrinsic rewards and extrinsic rewards have moderate relationship towards the job satisfaction. Refer to *pages 37* for hypothesis testing it show that the level of significance is 0.495. Therefore it is necessary for an organization to pay more attention to work rewards when designing a rewards system for the employee's job satisfaction. Organization that has balanced and good rewards system will create better work environment and with less attrition rate.

## 5.2.2 Different level of Job Satisfaction by gender

The second questions raised before this study was conducted were to determine the different level of job satisfaction by gender in the organization. In this study, the result revealed the mean there is no difference in the means of 3.84 and 3.81 with standard deviation of 0.50 and 0.58 for men and women on job satisfaction. In fact they have the same opinion. Refer to the **Appendix 2.** 

Not much study was conducted on the subject of work rewards and job satisfaction at government agencies. However, a study conducted by Kalantari (1995), where result do show difference in opinion where female reported to be responded lower levels of work satisfaction and motivation in comparison to the male respondent. The result could be attributed to number of factors. According to Kalantari, the result found that there is substantial evidence to indicate that female have not been compensated fairly for their work when compared to male in similar position. He found that traditionally female in the United States have played a different role to male in the labour force. However in the context of Malaysia, there is equal opportunity in terms of the employment and rewards and the study would not be valid in Malaysia and for this study. Cultural and practices in countries varies and therefore the opinion too may be different to one another.

In light of the above study result, it is in my opinion, the respondents result shows no difference in their opinion and have the same respond. Both male and female have the same desire to their job satisfaction in the career. Both want an equal opportunity to

be successful in their career. This is because Malaysia practices equal opportunity of employment.

#### 5.2.3 Influence of Work Rewards on Job Satisfaction

Finally, the last research question was the influences of work rewards on job satisfaction. Findings show that work rewards influence the job satisfaction among MATRADE employees. Under the both dependent variables, it has moderate correlation with job satisfaction. Job satisfaction is less influenced by intrinsic reward which is task autonomy, task significance and task involvement. The complex work situation and vulnerable position may equally lead to an ambiguous attitude regarding the consequences of intrinsic rewards. The extrinsic rewards; social reward and organizational reward influenced the job satisfaction at MATRADE.

Similarly, 68.6% of respondents stated that job satisfaction will encourage employees' enthusiasm to work even at odd times. All this demonstrates the power of employee job satisfaction in the agencies if management or governments pay attention to the variable that triggers employee satisfaction. These findings support Wang and Feng (2003) claim that the higher the job satisfaction, the more likely workers will hold a positive attitude towards their jobs, and more likely to be committed to the organization. Work rewards are found to have a positive and significant impact on job satisfaction. This is confirmed by the acceptance of hypotheses 1, 1a and 1b.

#### 5.3 Discussion

This study was done to investigate the influence of work rewards toward job satisfaction among MATRADE employees. There are many similar studies was done in various industries such as in banking industry, telecommunication industry, hospital industry. There have been lots of similar study were conducted to prove that the work rewards has influence towards job satisfaction, thus this provide better or valid result. Therefore, this study was extended to employees that work in government agencies to measure the reliability of the tow facets in work rewards mainly (a) intrinsic rewards (task autonomy, task significance and task involvement) and (b) extrinsic rewards (social rewards and organizational rewards); which will increase the stability on the study academically. Besides, this study was conducted among MATRADE where it creates new opportunity for researches to see which elements of the job rewards is more effective and which are not can be considered to be eliminated.

Besides, this study would be worthy and contributes value to the academic world due to lack of study were conducted among government agencies in Malaysia. Although many dimensions of work rewards are related to job satisfaction, the intrinsic rewards low mean values as compared to other dimensions which is extrinsic rewards. This shows that employees are less influence with their task autonomy, task significance and task involvement. Employees are more influence to extrinsic rewards such as social rewards and organizational rewards toward their job satisfaction. After interpretation of results, Hypotheses 1 is sustained as there is a significant relationship is found between work rewards and job satisfaction. For the Hypotheses 2 and 3 is sustained also as there is significant relationship between intrinsic and extrinsic

rewards towards job satisfaction. It may get other different dimension in intrinsic rewards such as self-development, task variation, quality of work and others. But comparatively extrinsic rewards have stronger relation than intrinsic rewards. It means that MATRADE employees are more concerned with what the job is actually paying to them.

The study conducted by Clifford (1985) showed that people are more satisfied with intrinsic rewards than extrinsic rewards. As MATRADE is public organization, it has very attractive fringe benefits, pension plans and others for retired workers. The core competency advantage over private sector is job security and associated fringe benefits, so these factors result the high relationship between job satisfaction and extrinsic rewards. Regarding the different level in gender, the respondents result shows no difference in their opinion and have the same respond. Both male and female have the same desire to the job satisfaction. Both want an equal opportunity to be successful in their career.

In my personal opinion, employee satisfaction is important because is able to give an opinion about general emotion and thinking forms of employees about their job and workplace. Understanding employee satisfaction and the factors leading to it are of paramount importance to organization. This is because it may determine the attraction and retention of high caliber employees and in turn increased turnover, improved corporate image for the organization among other benefits. Employees respond best and most effectively not when they are controlled by management, placed in narrowly defined jobs and rated as unwelcome necessity, but instead when they are given broader responsibilities, encouraged to contribute and helped to achieve satisfaction in

their work. Moreover, the data provide evidence in support of hypotheses 1, 1a, 1b and 2. Both extrinsic and intrinsic rewards are positively related to job satisfaction. The extrinsic rewards; 'social rewards' and 'organizational rewards' tend to be more strongly positively related to job satisfaction among workers who desire these rewards. To ensure the reward system is effective and motivates the desired behaviors, it is essential to consider carefully the rewards and strategies utilized and ensure the rewards are linked to or based on performance. To be effective, any performance measurement system must be tied to compensation or some sort of reward. Rewarding performance should be an ongoing managerial activity, not just an annual pay-linked ritual.

#### 5.4 Limitation

The study was conducted within MATRADE employees; account department, finance department, human resource department and information technology department only. The study should involved larger group of MATRADE employees which is estimates about 500 staff to gain more precise result and the findings would be helpful in providing stability on the study.

Besides, the data obtained for this study is only applicable for MATRADE employees; account department, finance department, human resource department and information technology department. It can be used only to measure the influence of work rewards towards job satisfaction and may not be used for other research involving other government agencies.

### **5.4** Future Studies

This study is done particularly to investigate the influence of work rewards toward job satisfaction among MATRADE employees. Therefore, more studies can be done to measure the factors that influence the work rewards towards job satisfaction in other government agencies to give higher reliability to the application of effectiveness of safety practices and implementation in other industries to give higher reliability to the application of work rewards.

Based on this, future studies could explore several areas or dimension of research that can make more valuable contributions to job satisfaction and employee rewards systems in different sectors including other government agencies.

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