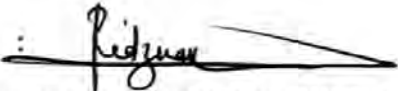


CONFIRMATION SUPERVISOR

"I acknowledge that have read this thesis and in my opinion the thesis is sufficient in term of scope and quality for award of Bachelor of Technology Management (High Tech Marketing)"

Signature : 
Name of Supervisor : EN HASAN BIN SALEH
Date : 8.6.18

Signature : 
Name of ^{Evaluator} Supervisor : PROF. DR. MOHD RIDZUAN BIN NORDIN
Date : 7/6/18

**THE IMPACT OF WORK ENVIRONMENT
(COMMUNICATION, REWARD, SAFETY AND HEALTH)
THAT INFLUENCE EMPLOYEE MOTIVATION AT
RISDA NEGERI MELAKA**

NORAKILA BINTI ABDUL AZIZ


**A thesis submitted in fulfillment of the requirements for the degree
of Bachelor of Technology Management (High Tech Marketing)**

**Faculty of Technology Management and Technopreneurship
Universiti Teknikal Malaysia Melaka**

JUNE 2018

DECLARATION

I declare that this thesis entitle “The Impact of Work Environment (Communication, Reward, Safety and Health) that Influence Employee Motivation at Risda Negeri Melaka” is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

Signature : 

Name : NORAKILA ABDUL AZIZ

Matrix No : B061410195

Date : 6 JUNE 2018

DEDICATION

I would like to dedicate the success of this project report especially my father Mr. Abdul Aziz Bin Ismail and my mother, Norliza Binti Ishak. The sacrifices that they had made for me to further studies would not be enough by just submitting the report, but it is beyond that. Thus, I am honored to have them as my parents. Secondly, dedication to all my siblings which have helped me a lot in term of spirit, encouragement, finance support and for giving timely advice in all the ways. I express a deep sense of gratitude to my lecturer whom also my supervisor for this Final Year Project, Mr. Hasan Bin Saleh and also to my beloved fellow friends.

ABSTRACT

The purpose of the study was to determine the impact of work environment (communication, reward, safety and health) that influence employee motivation at Risda Negeri Melaka. The objective of this study was specifically i) Identify communication among employee and top management that can affect employee motivation. ii) Examine whether reward can influence employee motivation. iii) Identify the most significant factor that influence employee motivation. This study used the quantitative analysis by using questionnaires as the research instrument. Risda Negeri Melaka staff consist 100 employees was the target population. Therefore, a sample of 80 respondents was selected according to Krejcie and Morgan (1970) to answers the questionnaire. A set of descriptive statistic including graph, means, standard deviation and frequency tables were used to present the result of study. Correlations among the variables were calculated using Statical Package for Social Science (SPSS) version 20. Regression result shows that safety and health is the most contribute factors that influence employee motivation at Risda Negeri Melaka.

Keywords: Work Environment, Employee Motivation

ABSTRAK

Tujuan kajian ini adalah untuk menentukan kesan persekitaran kerja (komunikasi, ganjaran, keselamatan dan kesihatan) yang mempengaruhi motivasi pekerja di Risda Negeri Melaka. Objektif kajian ini adalah secara khusus i) Mengenal pasti komunikasi di kalangan pekerja dan pengurusan atasan yang boleh mempengaruhi motivasi pekerja. ii) Mengenalpasti adakah ganjaran dapat mempengaruhi motivasi pekerja. iii) Mengenalpasti faktor yang paling mempengaruhi motivasi pekerja. Kajian ini menggunakan analisis kuantitatif dengan menggunakan soal selidik sebagai instrumen kajian. Staf Risda Negeri Melaka terdiri daripada 100 orang pekerja adalah populasi sasaran. Oleh itu, sampel sebanyak 80 responden telah dipilih mengikut Krejcie dan Morgan (1970) untuk menjawab soal selidik. Satu set statistik deskriptif termasuk graf, cara, sisihan piawai dan jadual frekuensi digunakan untuk membentangkan hasil kajian. Korelasi antara pembolehubah dikira menggunakan Pakej Statical Package for Social Science (SPSS) versi 20. Hasil regresi menunjukkan bahawa keselamatan dan kesihatan adalah faktor yang paling mempengaruhi motivasi pekerja di Risda Negeri Melaka.

Kata Kunci: Persekitaran Kerja, Motivasi Pekerja

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CHAPTER 1

INTRODUCTION

1.1 Background

This chapter will be allocated about problem statement, research objective and research question. The topic of this study is about “The impact of work environment that influence employee motivation at Risda Negeri Melaka”. Most company today realize having a motivated employee enables company to perform better at work and help to boost growth of the company. No organization can achieve its objective without employees (Sajuyigbe et al. 2013). Therefore, motivation employee can create competitive work environment to get the task done efficiently and effectively that can achieve the company goals. Without a motivated workplace, companies could be placed in crucial position.

Motivation can be divided into intrinsic and extrinsic motivation (Ryan & Deci, 2000). Intrinsic motivation refers to the level of employees motivate to perform well because of some rewards or feelings that they expect to receive or experience as a result of performing well including

enjoyment, persistence and psychological well-being (Deci & Ryan, 2008). While, extrinsic motivation refer to the motivation to work primarily in response to something apart from the work itself like reward and benefit (Legault, 2016). To construct work environment in which an employee is motivated about work entail both intrinsic and extrinsic factors that fulfilling the employee's desire and expectation from work and workplace factors that facilitate employee motivation. However, employers fold to know the meaning of motivation to accomplish their goals because they deficient in the skill and knowledge to present work environment that fosters employee motivation.

Lane, Esser, Holte, & Anne (2010) observed that the largest part business pay no attention to the effective environment inside their company consequential in an adverse result on the routine of their employees. An effective environment consist employee security, environment safety positive communication among colleague, reward as achieving the target and cooperation in the decision-making stage of the company. Chandrasekar (2011) argue that to boost earning of company, they must be wary to develop a workplace that strengthen the capability of the workers to be more effective. He claim that interaction between employees in corporate are essential to achieve company objective. He also describes that the transmission of instruction necessity correctly accomplish so the operations of business are running successfully and can compete the objective of organization. Based on the discussion, the objective of this study is to determine impact work environment that influence employee motivation.

1.2 Problem Statement

Employee motivation are the crucial element to be count in an organization because it's can create competitive work environment and thus help to achieve company goals. Employees who do not have driven to succeed at company adversely affect others in workplace. Dissatisfaction in office environment leading to no employee motivation and excitement for mission of the company. The fact finding that many companies have disengaged employees with low motivation and only 13% of employees are engaged at work (Steve Crabtree, 2013). Most upper management have tried to attain motivation of their employees by trying to use methods that were successful in other areas around the world and have desolately been disappointed

Employee motivation is an issues that has acquire very significant attention by managers and researchers alike (Gautam, Mandal and Dalal, 2006). It is recognize with certainty that no organization may possibly flourish without their employees. Employees are the essential reason that any organization might have the potential to keep in existence for a long time. However, there has been a great challenge on the part of managers in organization on deciding how definitely they can attain maximal motivation for their employees whom they believe would go a very long way to improve on the organizational performance. Therefore, this study aims to investigate how communication, reward, safety and health in organization can influence employee motivation at Risda Negeri Melaka.

1.3 Research Objective

The objectives of this study are outlined below:

- 1) To identify communication among employee and top management that can affect employee motivation.
- 2) To examine whether reward can influence employee motivation.
- 3) To identify the most significant factor that influence employee motivation.

1.4 Research Question

This study observe how the impact of work environment that influence employee motivation at Risda Negeri Melaka. The questions to be addressed in this study include as below:

- 1) What communication used by top management that can influence employee motivation at Risda Negeri Melaka?
- 2) Why reward can influence employee motivation at Risda Negeri Melaka?
- 3) What is the most significant factor that influence employee motivation at Risda Negeri Melaka ?

1.5 Significance of Study

This study was conducted to find the impact of work environment that influence employee motivation. Most organization be found lacking to conscious the importance of work environment for employee motivation and thus face difficulties during their work. Therefore, this study will offer some empirical message for employee and organization in that company. The result from this study will encourage employee to contribute more to their job and may help in their personal growth and motivation by providing good work environment. In addition, this study also bring awareness to organization about the importance communication among employee and top management, reward and also safety and health that can influence employee motivation.

1.6 Scope of Study

Scope of this study is to know the impact of work environment that influence employee motivation. This study was carries at Risda Negeri Melaka. The researcher choose Risda Negeri Melaka because the location of this company around the campus so that data collection might be easy to distribute and collect the survey in term of location, time and cost. The respondents were selected among management staffs in Risda Negeri Melaka which include finance and account department, human resources department, management and marketing department, maintenance and electrical. The total number of respondents involves 80.

1.7 Summary

This chapter is consists of the fundamental of this research and objective of this study is to determine impact work environment that influence employee motivation. This chapter also explains the research question as well as research objective.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter will be discuss about literature review for this study which researcher collect from previous study, books, journals and articles. The initial introduction will discuss about employee motivation. Researcher highlights work environment like communication, reward, safety and health that influence employee motivation. Besides that, literature review will be helpful for researcher in constructing the research method whether it can be done through quantitative or qualitative. Researcher illustrate the theoretical framework of this study based on the hypothesis and makes summary of literature review for this study.

2.2 Work Environment That Influence Employee Motivation

2.2.1 Communication

Effective communication between employees at all levels can create a positive working environment and improve employee motivation. Employees that are vastly motivated are more attainable to communicate openly with management by bring onward suggestion and view, accepting the guidance and commit their ideas (Kinicki & Kreitner, 2006). It can be capable to observe that open conversation express a scale to dominate their work environment as well as admit for advancement of their working condition. Communication also needs to remain transparent and clarify because unclear communication can lead expectation not being met, relationship spoiled, breakdown of trust and result in demotivated employees.

Communication is the transfer of information from sender to receiver, with the message being understood by receiver. This meaning communication is the connection between individuals and organization. Communication is process that contains expressing, listening and understanding (Banerji and Dayal, 2005). Communication encourage to greater coordination and interaction among workers, good communication can motivating the employee and helps in create connective between different position and responsibility of management, communication clears confusion, misunderstanding and delays in administration.

According to Kernan and Hangers (2002) found that affection of manager's communication relates positively to employees' justice perceptions and trust in managers. Clear and decent communication helps to encourage and also can sustain relationship between employees, managers, departments and all levels of company which can help employees in reaching maximum productivity and increase motivation in workplace. Also Sharbrough, Simmons and Cantrill (2006) found that the use of motivational language by managers affect positively with perceived managers' communication competence to satisfaction. This should overcome the gap between what is intended.

Sirota, Mischkind, Meltzer (2006), construct that upper management communicate openly and commonly can identify improvement in workers attitude. Persuasive interaction must be implement in business to allow their employees by offering them right to extending their performance. A motivated workforce is also more likely to be pleased incorporate in the authoritative process. Therefore, it is crucial to mind that every administrative action as well as activity include of direct or indirect communication. Whether plan and organizing either directing or leading, managers find themselves communicating with and through others. Managerial decisions and organizational policies are inadequate unless they are understood by those responsible for enacting them. Inefficient communication can clearly affect a company's performance leading to a drop in its share price. Moreover, effective communication is critical for employee motivation and job satisfaction (Kinicki&Kreitner, 2006).

2.2.2 Reward

Reward is a broad construct that has been said to represent anything that an employee may value that an employee is willing to offer in exchange of the employee contribution (Chiang and Birtch, 2008). Armstrong and Taylor (2014) designated that “reward deals with strategies and process required to safeguard that the value of employees and the contribution they make to achieving organizational, departmental and team goals is recognized and rewarded”. According Torrington et al. (2008) aside from helping to ensure that effective performers are recruited and retained, in common terms it is necessary that the reward package they are given serves to motivate positively.

According to Saeed et al., (2013) rewards can be extrinsic or intrinsic factors. Extrinsic motivation indicate to factual rewards such as pay, additional benefits, work environment, work conditions and job security. Extrinsic not only be satisfied by the work itself, but pleasure comes from something the task leads to such as money. The effects of work as well as its contributing factors are also importance for the need of achievement and work is seen as a means to attempt other goals (Kalimullah et al., 2010). For intrinsic factor, Abiola and Ajila’s (2004) argue that, intrinsic rewards are opportunity to use one’s ability, a sense of challenges and achievement, receiving appreciation, positive recognition, and being treated in a caring and considerate manner. It also can be terms as psychological rewards.

Lotta (2012) acknowledge that extrinsic incentives are indeed effective in motivating employees. Also Ojokuku and Sajuyigbe (2009) find out that extrinsic (pay satisfactions dimensions) have significant effect on employee performance. Extrinsic rewards endure significant for workers. They will be more motivated by pay and it is an important consideration for