

Extrinsic Rewards and Job Satisfaction among Employees in RISDA Selangor

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ABSTRACT

From the perspective of human resource management, the reward system is measured as one of the most important elements and is motivated by extrinsic rewards or financial rewards that can lead to a positive impact on employee job satisfaction. Therefore, this study aims to investigate the relationship between extrinsic rewards and job satisfaction and examine the extrinsic factors that affect employees' job satisfaction. The extrinsic or financial rewards such as base salary raise, salary increment, and promotion have been discussed in this study. Employees working at the Rubber Industry Smallholders Development Authority office located in Shah Alam, Selangor were taken as samples for this study. 40 questionnaires were distributed and 36 were collected for analysis. Statistical Package for Social Science version 28 was employed to perform the descriptive analysis while Spearman correlation analysis was done to establish the relationship between independent and dependent variables. The results revealed that there was a strong positive monotonic correlation between extrinsic rewards and job satisfaction, which was highly statistically significant ($r_{s(34)} = .977$, $p = .001$). Thus, hypothesis 1 was supported. This implies that extrinsic rewards raise the level of employees' job satisfaction and can, ultimately increase the organisation's productivity. Therefore, the results of this study can be a useful guideline for RISDA organisation to improve its reward system and hopefully be able to satisfy employees' needs and simultaneously achieve higher employee satisfaction.

Keywords: *Employee, Extrinsic Reward, Job Satisfaction, RISDA*

1.0 INTRODUCTION

Most management stimulates employees through extrinsic and intrinsic rewards to support the physiological and financial needs that have directly linked to job satisfaction. Job satisfaction is the level of contentment employees feel with their work (Chiradeep, 2021). This feeling is primarily based on how satisfied a person feels. Beyond their routine tasks, this includes their level of satisfaction with colleagues or managers, their view of the organisation's policies, and how their job affects their personal lives. In Organisational Behaviour, job satisfaction is one of the most researched variables in workplace psychology and has been linked to a variety of psychosocial problems (Spector, 1997). Effective job satisfaction is a person's emotional feeling about the work while, cognitive job satisfaction is how satisfied employees feel

concerning a certain part of their employment such as pay, hours, or benefits. Job satisfaction can be defined as a positive emotional state resulting from the appraisal of one's job as achieving or facilitating the fulfilment of one's job values (Locke, 1976). Many organisations pay more attention to assessing staff career satisfaction levels to predict major employee behaviours, such as job performance, leaving a job, or ceasing a job (Salleh et al., 2020). Numerous studies have found a relationship between the rewards system and employees' job satisfaction. Job satisfaction is influenced by several elements in reward systems. The rewards systems are categorized into two groups financial and non-financial rewards. Financial rewards are also called extrinsic rewards and non-financial rewards are called intrinsic rewards. The financial rewards include pay, bonuses, allowances, insurance, incentives, promotions, and job security, whereas the non-financial rewards include appreciation, meeting new challenges, a caring attitude from the employer, appreciation, and recognition that motivates the employee.

Hence, a reward system in an organisation should be designed with a constructed strategy that becomes part of organisational culture (Francis et al., 2020). According to the research, a reward system has a huge impact on the productivity of employees, as it can create a sense of satisfaction in them. Thus, organisations must develop programs such as reward systems to fulfil employees' needs and motivate them to work. It is therefore important for an organisation to discover what motivates the employees in order to organise an appropriate reward system and increase better results. Indeed, employees are partly responsible for the success of the vision, mission, and goals of the organisation. The management should form policies, organisational structures, and reward systems that could ensure the distribution of rewards is carried out on a fair and equitable basis to all employees to motivate them optimally (Jehangir et al., 2016). This is because the performance and effectiveness of most organisations could not be recognized without the attention and contribution of employees. It is a widely held belief in psychology or other disciplines that providing extrinsic incentives (like money) as an incentive will lead to improved performance. External rewards can be detrimental to task performance in other situations, especially when creative problem-solving is necessary due to the difficulty in determining the best course of action. Moreover, the right choice of financial or non-financial rewards can increase employees' motivation at work and strengthen their loyalty to the company. Therefore, this recent study is conducted to reveal the relationship between extrinsic (financial) rewards and job satisfaction among employees in RISDA, Selangor, and to identify the extrinsic factors that affect employees' job satisfaction. The study took place at RISDA as it is a federal government agency under the Ministry of Rural Development and is responsible for establishing the natural rubber industry of the country to develop strong and stable (RISDA, 2022). As the RISDA office is dispersed throughout Peninsular Malaysia, it is crucial to understand how to engage employees so that they are satisfied and motivated to achieve exceptional accomplishments. The results of this study were then able to assist the management in identifying the appropriate rewards that encourage employees to be satisfied in their work.

2.0 LITERATURE REVIEW

2.1 Employee Rewards

It is widely discussed that the primary purpose of human resource management is to set policies into place that increase employees' job satisfaction. Employees anticipate both financial and non-financial incentives for their work and services. In the absence of fair compensation, opportunities for training and development, and recognition, employees become disgruntled and underperform. The dissatisfaction brought on by the lack of these rewards management typically results in significant staff turnover and low performance. Reward management is a motivational practice that is applied in organisations to develop organisational performance (Abourizk, 2021). Employees will be motivated to work better and accomplish the aims and objectives of the firm if there is a good reward system in place. A well-managed rewards system can act as a motivator for productive employees and high-quality work. Typically, rewards are given for exemplary behaviour to strengthen the relationship between staff and management since staff members feel appreciated for their hard work and efforts. This will lead to improving employee self-esteem, better performance as well as increased productivity (Awan & Zamir, 2016).

In many institutions, rewards and compensation have also been identified as important variables influencing employees' job satisfaction. Wangechi et al. (2018) reported that the reward system influenced approximately 11.3% of job satisfaction among employees working at the government of Nyeri county in Kenya. This explained that the employees were not satisfied with the reward given to them and felt that their reward is low as compared to other employees working in the private sector with similar qualifications. Then, the omission of the reward system hinders employees' performance and satisfaction within the organisation (Dirks, 2020). It is agreed by Bustamam et al. (2014) that reward systems are applied within organisations as a vital and contributable management device to a firm's success by inducing individual behaviour and motivating employees at work. According to Suhail et al. (2020), reward systems are seen as important management tools for raising employee motivation, job satisfaction, and commitment in order for them to sustain high performance and partially accomplish organisational goals that result in business success and profitability. Organisational commitment, job stress, job happiness, and reward satisfaction were found to have a positively significant link with turnover intention in a study by Mamat and Aziz (2021). These variables can be used to forecast and analyse organisational behaviour concerning human resource management.

2.2 Extrinsic Rewards (Financial Rewards)

A rewards system is a crucial tool that management can use to inspire employee enthusiasm. It means that to retain employees coming to work and inspire them to attain high levels, reward systems try to entice them to join the organisation in the first place. According to Byars and Rue (2005), rewards consist of extrinsic rewards and intrinsic rewards. These extrinsic and intrinsic rewards are also referred to as financial and non-financial rewards. Extrinsic rewards are tangible rewards, and these rewards are external to the work or task performed by the worker. Financial or extrinsic rewards are paid to employees whose production exceeds some predetermined standard (Dessler, 2017). Extrinsic rewards are often obtained in terms of salary/pay, incentives, bonuses, promotions, job security, and overtime payments (Mahaney & Lederer, 2006). Olubusayo et al. (2014) added that retirement plans, employees' stock, and profit sharing are also financial rewards that might retain employees in the organisation. This implies that financial rewards are given an upper hand when rewarding employees in organisations.

The financial incentive is linked to the attempts of the management in assuring the employees' financial security. For instance, the management makes financial investments through competitive pay scales, performance bonuses, annual raises, or commissions (Kubica & Szarucki, 2016). According to Jasiyah et al. (2018), these financial initiatives meet the employees' primary financial demands, which motivates them to work. Therefore, a successful recognition and incentive system may inspire employees. Success depends on how the organisation evaluates the salary results and keeps employees motivated. Employees are certainly highly motivated by money since it satisfies both their basic requirements and their desire for ownership and status.

2.3 Employee Job Satisfaction

Financial rewards have perceived a great impact on job satisfaction. When high salaries or bonuses are given to employees, it is clearly shown that most of them are well satisfied with their jobs; this will directly give a positive impact on the job performance among the employees (Zaraket & Saber, 2017). Moreover, when an employer offers better extrinsic rewards, the employees will increase their motivation level and improve their job performance (Munir et al., 2016). Job satisfaction leads to favourable outcomes and feelings of achievement during the job. Zeeshan et al. (2013) stated that rewards have an affirmative impact on work performance in an organisation because they can enhance the work competency of the organisation. The strategic reward system is a way in which a company's policies help to reach the goal of its business objectives (Cotton, 2020). In addition to boosting productivity and employee satisfaction, using rewards as motivation will give businesses a competitive edge by ensuring that their workforces are qualified (Khalid & Ayub, 2015).

According to a study by Seman and Suhaimi (2017), both monetary and non-monetary rewards have a significant impact on employees' job satisfaction. It indicates that employees will be happier and naturally perform better if the organisation can offer more rewards, both financial and non-financial. Employee satisfaction is also an indicator of how much employees really consider their jobs. In general, a worker's

job satisfaction is a result of various hierarchical work environments that influence them. Such attitudes may be related to working factors such as employee safety, working environment, pay, quick complaint handling, the workplace, ability to advance, incentives for decision-making participation, and other marginal rewards. The absence of financial rewards results in lower job satisfaction as the employees lack the financial security to fulfil their basic demands however, the absence of non-financial incentives also causes employees to be less loyal to their employers (Wangechi et al., 2018; Mamat and Aziz, 2021).

2.4 Factors affecting extrinsic rewards

A common belief in psychology, economics, and other disciplines is that if extrinsic rewards such as money are present as a motivator, it will result in greater performance. Edirisooriya (2014) in her study on the impact of rewards on employee performance at ElectriCo, a public sector-oriented organisation found that reinforced money is a crucial factor in extrinsic rewards since money can satisfy their needs indirectly through financial rewards and incentives for past performances. Since public sector organisations are so important to society, government organisations must motivate their employees because they interact directly with the people to provide timely and efficient public services. Numerous studies show that pay may also be a powerful de-motivator; if employees are dissatisfied with their reward, it will be challenging for the company to find and keep capable employees. Moreover, a previous study focused on the effect of rewards on employee job performance among courier companies in Faisalabad City has found that there are relationships between extrinsic rewards and employees' job performance. This shows that an adequate level of incentives is given to the employees able to create contributions to the employee performance as they give their efforts to the growth of the company (Munir et al., 2016).

2.5 Herzberg's Hygiene Theory

Human motivation theories and job satisfaction theories are closely related. The most common and prominent theory is Herzberg's hygiene theory. Herzberg (1966) suggests that job satisfaction and dissatisfaction are not two opposite ends of the same continuum, but instead are two separate and, at times, even unrelated concepts. According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction". Figure 1 shows the graphical representation of Herzberg's description of satisfiers and dissatisfiers as illustrated by Collins (2002). In order for motivation to exist at work, certain occupational variables, such as hygiene factors, are necessary (Juneja, 2022). These factors do not lead to long-term positive satisfaction.

However, if these elements are absent from the workplace, it results in discontent. The elements of hygiene represented the physiological demands that people sought and expected to be awarded. This theory is relevant and important to this study since it recognises that there are two categories of needs that employees have, and that management should fulfil both. The theory recognizes the components of reward systems namely compensation or salary, corporate policies, and administrative rules, benefits, working conditions, employee status within the company, interpersonal relationships with co-workers, supervisors, and subordinates, and job security as relevant factors determining job satisfaction. As a result, managers should regularly attempt to poor hygiene sources of job dissatisfaction in the workplace and ensure there are more satisfiers in job content.

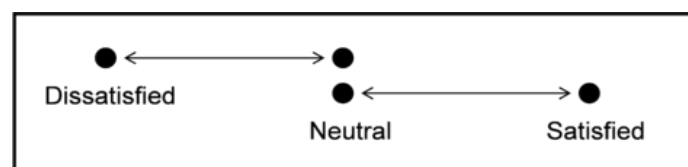


Figure 1: Graphical Representation of Herzberg's Description of Satisfiers and Dissatisfiers

2.6 Conceptual Framework

The conceptual framework of this study, which was adopted by Rehman et al. (2010), is shown in Figure 2. The dependent variable in this model is employee job satisfaction, while the independent variable is extrinsic or financial reward. This study, therefore, attempts to determine the relationship between extrinsic rewards and job satisfaction with special reference to the employees of RISDA in Shah Alam, Selangor. This research is crucial in providing essential information to strategically administrative entities so they

may provide appropriate rewards that encourage workers to be satisfied with their jobs. Thus, this study proposed the following hypotheses:

H₀: There is no significant relationship between extrinsic rewards and job satisfaction.

H₁: There is a significant relationship between extrinsic rewards and job satisfaction.

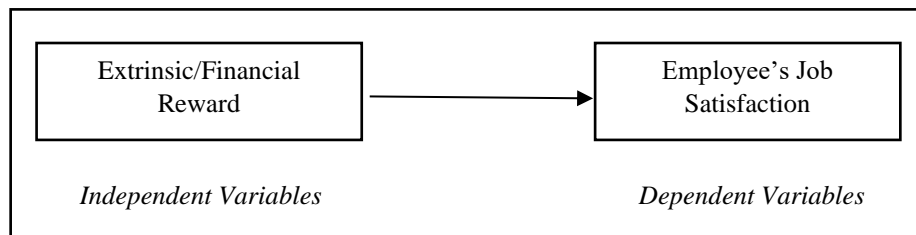


Figure 2: Conceptual Framework

3.0 METHODOLOGY

3.1 Population and Samples

This research was conducted through quantitative analysis using a closed-ended questionnaire. The respondents for this study are the employees that work at the RISDA office in Shah Alam, Selangor. This company consists of 40 numbers of employees scattered over eight (8) divisions, which include the administration division, replanting and plantation division, finance and budget division, entrepreneur development division, engineering services division, productivity and marketing division, policy and strategic planning division, and training division. Based on the sample size table by Krejcie and Morgan (1970), 36 questionnaires are sufficient for analyses. A simple random sampling method was employed to select the respondents for the survey. Simple random sampling is a sampling technique in which each member of a population has an equal chance of being chosen, through the use of an unbiased selection method (Simkus, 2022). In this research, each of the 40 employees is assigned a number between 1 and 40, after which 36 of those numbers are chosen at random. Because individuals who make up the subset of the larger group are chosen at random, each individual in the large population set has the same probability of being selected.

3.2 Instrumentations

The questionnaire was divided into three (3) sections. For this research, nominal scale and ordinal scale were used to measure the variables. Section A contained eight (8) items that captured demographic variables of the respondents like gender, age, race, education, marital status, divisions, job tenure, and salary level. Section B and Section C used the Likert 5-point scale as the measurement technique to demonstrate the respondent's perceptions of the statements. The researchers are most strongly advised using a 5-point Likert scale, which ranges from "strongly agree" to "strongly disagree," since it would lower patient respondents' degree of frustration while also increasing response rate and response quality (Sachdev and Verma, 2004). In Section B it comprised eight (8) items that were used to measure extrinsic rewards. Responses to all items were made on a scaled format ranging from "1 = strongly disagree", "2 = disagree", "3 = neutral", "4 = agree", and "5 = strongly agree". The last section was Section C, which consisted of seven (7) items that required the respondents to estimate their job satisfaction. Respondents were also required to rate their level of satisfaction using Likert 5-point scales ranging from "1 = strongly disagree" to "5 = strongly agree".

3.3 Statistical Analysis

The reliability analysis using Cronbach's alpha was conducted to examine the internal consistency of items for each of the constructs in the instrument. The data were analysed using Social Package for Social Sciences (SPSS) version 28. Several statistical methods, including descriptive analysis, reliability analysis, and Spearman's correlation analysis, were used to summarise the data. The reliability statistics were computed to ensure that the instruments were reliable while descriptive analysis was used to describe the demographic profiles and the response of the employee to the factors of extrinsic rewards towards job satisfaction. The relationship between the factors that affect extrinsic rewards and job satisfaction is next

examined using Spearman’s correlation analysis. The Spearman rank correlation coefficient is used to check the agreement on the ranking of the results between two groups which are extrinsic rewards and job satisfaction. Without the consideration of normality or equal variance of data, the Spearman rank correlation coefficient focuses on differences in rank orders of data rather than differences in means (Hwang, 2018). The value of the coefficient ranges from – 1 to 1, with 1 and – 1 being the strongest positive and negative correlations, respectively. All hypothesis tests were conducted at a confidence level of 95% with a P-value of 0.05.

4.0 RESULT AND DISCUSSION

4.1 Reliability Analysis

The reliability of the Likert scale questionnaire was evaluated through Cronbach’s Alpha which measures internal consistency. Cronbach’s alpha was calculated by application of SPSS for reliability analysis. The value of the alpha coefficient ranges from 0-1. The higher the value, the more reliability of the scale generated. Table 1 indicates Cronbach’s alpha value for the variables for this study. It is clearly shown that financial or extrinsic rewards had the highest reliability ($\alpha=0.976$) followed by job satisfaction ($\alpha=0.959$). This illustrates that all the two scales show a very strong correlation with the range of consistency of $\alpha \geq 0.9$ (Sekaran & Bougie, 2013). This indicated that the reliability of the items measured in each of these indices is excellent and the consistency is relatively high.

Table 1: Reliability Statistics

Variables	Cronbach's Alpha	N of items	Internal consistency
Extrinsic rewards	.976	8	Excellent
Job satisfaction	.959	7	Excellent

4.2 Demographic Profiles of Respondents

Table 2 reports the demographic profiles of the 36 respondents of employees in RISDA, at Shah Alam, Selangor. All the respondents are Malay (47%) with a balance response gathered from male and female employees. The majority of the respondents were married (83%), below 40 years old (53%) with SPM/STPM academic qualifications (63.9%). Additionally, 47% of the respondents made more than RM3,000 per month and had careers spanning more than ten (10) years. The above results clearly show that majority of the respondents are in between 20-40 years of age. Tausif et al. (2012) in their study stated that satisfaction increases with the increase in age. Results show that the age differences of the employees affect the association between employee rewards and employee job satisfaction. This shows that old employees are more satisfied with job rewards than young employees.

Calk and Patrick (2017) conducted a study to investigate factors affecting workplace motivation among Millennials preparing to enter the workforce to start their careers. Millennials or Generation Y are born between 1980 to 2000. The findings of the study detailed that Millennials prefer non-financial perks to pay alone, such as work environment and experience. Stable, secure jobs with expected salaries and a suite of benefits are not likely to be attractive to Millennials who scale low on the safety motivational need. However, based on the study carried out by Tan & Wan (2012) with the aim to determine the motivational factors for Generation X and Generation Y has found different expectations from the previous generation. They reported that Generation X (born between 1966-1976), always emphasis on financial benefits. Generation X learned from their elders that following company rules and regulations are the least likely to secure their jobs (Dougan et. al., 2008). According to Sekyi et al. (2016), if employees have devoted a significant number of years to a company, the employer should reward them for their loyalty. Therefore, the compensation demonstrates a link between the rewards that a company provides and those people who are attracted to working in the company by the compensation, as well as those employees who are eager to continue working for the company.

Table 2: Demographic Profile of Respondents (n = 36)

Demographic profile		Frequency	Percentage (%)
Gender	Male	17	47
	Female	19	53
Age	20-30	8	22.2
	31-40	11	30.6
	41-50	9	25.0
	> 50	8	22.2
Race	Malay	36	100.0
Marital status	Single	6	16.7
	Married	30	83.3
Level of education	SPM/STPM	23	63.9
	Diploma	10	27.8
	Bachelor	2	5.6
	Master	1	2.8
Job tenure	< 1 year	1	2.8
	1 – 5 years	5	13.9
	6 – 10 years	9	25.0
	> 10 years	21	58.3
Salary level	< RM1000	2	5.6
	RM1001-RM2000	11	30.6
	RM2001-RM3000	6	16.7
	> RM3000	17	47.2

4.3 Descriptive Statistics of the Extrinsic Factor among Employees at RISDA, Selangor

Descriptive statistics in the form of percentages, mean and standard deviation for each item that has been assessed through the questionnaire is presented in Table 3. The table demonstrates that the variable of extrinsic rewards has produced a mean value ranging from 4.3333 to 2.9444. Among all, item 8 had the highest mean followed by item 7 with (M=4.3333, SD=0.82808; M=4.2500, SD=2.9444) respectively. It shows that most of the respondents agreed that an individual who does well in their job can stand a fair chance of being promoted. Pearce1 et al. (2019) in a study that investigates the impact of financial and non-financial rewards on employee motivation in Sierra Leone have found that the employees who deliver higher targets receive more benefits than those who do not. They also recommend reward packages must be valuable to the employees and should be based on realistic and reliable standards. Moreover, the respondents also agreed that getting additional pay to the basic salary can boost their job satisfaction and provide a decent chance of getting promoted within the company. This statement is in line with the findings by Razak et al. (2018) that job promotion enhances employee performance, with the opening of better promotion opportunities due to improved employee performance. According to Sekyi et al. (2016), compensation and benefit plans have the greatest impact on employee loyalty in the hotel industry in Takoradi, Ghana. Their findings show that hotel employees are most motivated by higher pay and financial rewards, which further increase employee loyalty along with job satisfaction.

Based on Table 3's results, most employees responded positively to the process used to determine pay raises and claimed that the management treated the salary increases correctly. Most respondents were also satisfied with their basic salary, as well as their previous and most recent pay. According to Miller (2017), employee contentment is mostly influenced by the perception of fair compensation rather than actual pay levels. When employees are aware of the procedure used to set their compensation range, the process is more likely to influence their opinions than their actual income. However, a study conducted by Bustamam et al. (2014) reported dissimilar results. They stated that most employees in the hotel industry are dissatisfied with the past salary increase as they expected to receive more from their current employer. This happens as the frontline employees have low-income earners that generally do not exceed RM2000 per month. Therefore, poor reward management will affect employee satisfaction and demotivate them, which will affect the outcome of their performance. Among all the extrinsic variables, item 4 has the lowest mean (M=2.9444, SD=0.89265). It shows that most of the respondents were not satisfied with their compensation increases because of too little increment. The study conducted by Wangechi et al., (2018) reported parallel results. There were signs that the Nyeri county government's staff were dissatisfied with their compensation.

This is because they believed that their pay was inadequate in comparison to the salaries of other employees in the private sector with equivalent qualifications.

Table 3: Descriptive Statistics for Extrinsic Factors of RISDA Employees (n=36)

Item No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
1	Satisfied with the base salary	13.9%	8.3%	22.2%	41.7%	13.9%	3.3333	1.24212
2	Satisfied with past salary increment	8.3%	5.6%	36.1%	33.3%	16.7%	3.4444	1.10698
3	Satisfied with recent salary raise	11.1%	5.6%	30.6%	44.4%	8.3%	3.3333	1.09545
4	Too few and far raises the salary	8.3%	11.1%	63.9%	11.1%	5.6%	2.9444	.89265
5	Satisfied with how raises are determined	8.3%	5.6%	36.1%	38.9%	11.1%	3.3889	1.04957
6	Pay increases are handled fairly	5.6%	2.8%	19.4%	61.1%	11.1%	3.6944	.92023
7	Additional pay increased job satisfaction	2.8%	0%	5.6%	52.8%	38.9%	4.2500	.80623
8	Stand fair chances of being promoted	2.8%	0%	5.6%	44.4%	47.2%	4.3333	.82808

4.4 Descriptive Statistics of the Job Satisfaction among Employees at RISDA, Selangor

Table 4 presents employees' perceptions of their job satisfaction. The table shows that the variable of job satisfaction has produced a mean value ranging from 4.4444 to 3.4167. Overall, the findings indicated that most of the respondents were satisfied with their job performance. Among all, item 6 had the highest mean followed by item 1 and item 2 with (M=4.4444, SD=0.80868; M=4.2222, SD=0.54043; M=4.1667, SD=0.56061) respectively. The result indicates that about 93% of employees say they get along well with their co-workers. Besides, most of the respondents in this study are delighted with their job responsibilities and working environment. Additionally, a positive workplace culture can be created by having good employee relationships. This in turn emerges as a satisfying employee experience. In the workplace, having positive employee interactions will increase confidence and trust. According to Angshuman (2022), the degree of confidence and trust also depends on how employers interact with their employees. Thus, it is essential to provide effective workplace communication and to acknowledge employees' efforts. This was consistent with the study's findings that showed most of the respondents were satisfied (72%) with the way their managers treated them and assisted them in achieving the organisation's objectives. According to a study by Ansah et al. (2018) on employers' perceptions of the influence of relationships on organisations' survival and competitive edge, good relationships foster a positive work environment and boost productivity in companies. Although rewards may be the obvious way to encourage employees to give their all at work, building strong interpersonal bonds is the key to boosting output. This is also supported by the finding of this current study which showed that most employees working in RISDA Shah Alam were satisfied with their pay for the work they did (58%) and agreed to have prospects for advancement (66%).

Table 4: Descriptive Statistics for Job Satisfaction of RISDA Employees (n=36)

Item No.	Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std. Dev
1	Satisfied with the responsibility of the job	0%	0%	5.6%	66.7%	27.8%	4.2222	.54043
2	Satisfied with the working conditions	0%	0%	8.3%	66.7%	25.0%	4.1667	.56061

3	Satisfied with the amount of pay for the work	5.6%	13.9%	22.2%	50.0%	8.3%	3.4167	1.02470
4	Satisfied with the way the manager treats	2.8%	2.8%	22.2%	64.9%	8.3%	3.7222	.77868
5	Satisfied with the way manager provides help	5.6%	0%	25.0%	61.1%	8.3%	3.6667	.86189
6	Satisfied with the relationship with co-workers	2.8%	0%	2.8%	38.9%	55.6%	4.4444	.80868
7	Satisfied with the chances for advancement	5.6%	2.8%	25.0%	33.3%	33.3%	3.8611	1.09942

4.5 Spearman's Correlations of Extrinsic Rewards and Job Satisfaction

A Spearman's correlation was run to determine the relationship between extrinsic rewards and job satisfaction of employees in RISDA, Selangor (Table 5). The results show there was a strong positive monotonic correlation between extrinsic rewards and job satisfaction, which was highly statistically significant ($r_s(34)=.977$, $p=.001$). A positive correlation implies that employees' attitudes about job satisfaction will improve as more extrinsic or financial rewards are offered to them. Thus, hypothesis 1 (H1), which is, "there is a relationship between extrinsic rewards and job satisfaction" was accepted. The relationship between extrinsic rewards and job satisfaction is also demonstrated in a form of a scatter plot (Figure 3). It clearly shows that the points closely follow the curve hence the relationship is described as strong. Since the scatter plot shows increasing values for both variables, it can be said that there is a positive correlation between the extrinsic rewards provided by management and employee job satisfaction.

This finding is supported by Riasat et al. (2016), who found that an employee's job performance and job satisfaction are positively and significantly correlated with extrinsic rewards. When employees receive large pay or incentives, it shows that most of them are satisfied with their jobs, directly affecting job performance. Noorazem et al. (2021) also reported the same findings in their study on the effects of the reward system on employees' performance. The results show that all variables including salary and bonuses have a significant positive correlation with employees' performance. This result means that within this population, the salary and bonuses received are associated with employee performance. This implied that the higher the employees were paid for their jobs and if bonuses were given to them after one year of service, the tendency to perform better in their jobs will be improved. Hee et al. (2020) in a study to examine the factors influencing job satisfaction have discovered similar results. They found that there is a significant positive relationship between pay and benefits and job satisfaction. It explains that the higher the pay and benefits, the higher the job satisfaction of the staff in the organisation.

Seman and Suhaimi (2017) stated that financial incentives exhibit a substantial positive link with job satisfaction. Their finding suggested that an increase in rewards will lead to satisfied employees. To support this claim, Mazlan et al. (2021) discovered that using reward systems can increase employee satisfaction in the workplace. Employees are better equipped to complete their work successfully when they are both financially and psychologically satisfied with their jobs. Zaraket and Saber's (2017) researched on the effects of monetary compensation on blue-collar workers' job satisfaction and performance. They found that there is a positive correlation between financial rewards and job satisfaction. This shows wages and benefits are important for employees' satisfaction. In addition, this finding is also in line with previous research conducted by Munir et al., (2016). The result of the study shows that there is a strong relationship between extrinsic rewards and employees' job performance. This indicates that the individual enjoyed the payment given security and at the same time may enhance their performance. Asekun (2015) also observed a significant and positive association between job satisfaction and pay satisfaction in a study of employee turnover in a sample of corporate organisations in Lagos, Nigeria. According to this, individuals are more likely to be happy with their jobs and they are more satisfied with their wages. This finding is also consistent with the studies conducted by researchers who discovered that extrinsic rewards were the most important contributor to employees' job satisfaction (Edirisooriyaa, 2014 & Rehman et al., 2010).

Table 5: Correlation Analysis of Extrinsic Rewards and Job Satisfaction of Respondents

Spearman's rho		Extrinsic rewards	Job satisfaction
Extrinsic rewards	Correlation Coefficient	1.000	.977**
	Sig. (2-tailed)		.001
	N	36	36
Job satisfaction	Correlation Coefficient	.977**	1.000
	Sig. (2-tailed)	.001	
	N	36	36

** Correlation is significant at the 0.01 level (2-tailed)

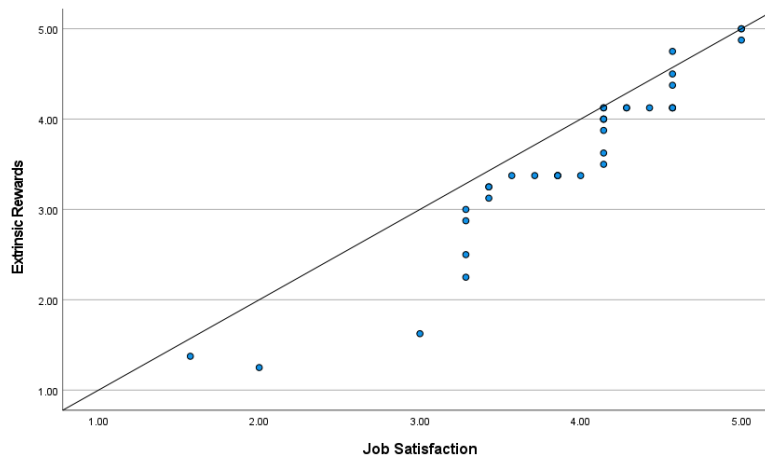


Figure 3: Scatter plot of Extrinsic Rewards and Job Satisfaction

5.0 CONCLUSION

This study has successfully analysed the relationship between extrinsic rewards and job satisfaction among employees in RISDA, Selangor. The findings revealed that there was a strong positive monotonic correlation between extrinsic rewards and job satisfaction, which was highly statistically significant ($r_s(34)=.977, p=.001$). This signifies those monetary incentives have a big role in influencing how satisfied employees are at work. This means employees who are fully satisfied with their financial rewards will result in a higher level of satisfaction. Moreover, this study has well-identified significant factors that influence job satisfaction among employees of RISDA in Selangor. From the survey, it was realised that individual employees are satisfied when a promotion is offered based on good performance. Besides, they were also gratified with the additional pay they earned together with the basic and recent salary as they believed that pay increases are handled fairly by the management. They also have a good relationship with co-workers and are satisfied with their job responsibility since their work in a comfortable working place. Since most employees felt satisfied with their jobs, it is considered that RISDA management in Shah Alam, Selangor, has well managed the extrinsic rewards to their employees. This indicated that the overall extrinsic or financial rewards have been favourably affecting the employees' job satisfaction as shown by Spearman's result. Even though the organisation's reward system in this study is good, it needs to be constantly reviewed to make sure there are no flaws and there is no decline in employees' job satisfaction. The findings of this study can therefore inspire managerial actions that emphasise extrinsic rewards to improve employees' job satisfaction. The results could then be utilised as a guideline for RISDA management in Malaysia or in other industries to enhance understanding of the impact of the reward system on employee productivity. Future research should concentrate on gathering information on motivational levels to present a clear picture of what motivates employees' job satisfaction.

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