# TO STUDY THE INFLUENCES OF THE COMPENSATION, WORK ENVIRONMENT AND MOTIVATION ON EMPLOYEE SATISFACTION AMONG INDUSTRIAL TRAINEES

# ΒY

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### DEDICATION

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List of Abbreviations

- ANOVA<sup>a</sup> Analysis of the variance formula
- DV Dependent Variables
- IV Independent Variables
- SPSS Statistical Package for Social Science

#### PREFACE

The idea to look into the relationship between compensation, work environment, motivation, and employee satisfaction among industrial trainees was motivated by a recognized gap in the literature and own industrial training experience. This study explores the complex interactions among these variables and how they affect industrial trainees' general satisfaction levels. This study uses thorough research and academic approaches to gain insights into the dynamics occurring in organizational contexts.

Compensation, which includes monetary and non-monetary benefits, is a key component of employee satisfaction since it shapes opinions about fairness and appreciation. Similarly, the work environment's physical, social, and psychological components have an important effect on employee satisfaction and employee experience. Moreover, intrinsic and extrinsic motivation are critical factors that propel industrial trainee success and engagement.

By presenting quantitative data and academic analyses of the connections between compensation, work environment, motivation, and satisfaction among industrial trainees, researchers can add to the existing information. Academic approaches such as questionnaires and statistical analyses can provide insightful information that may guide organizational practices and policies, improving employee satisfaction and effectiveness.

In conclusion, this study is evidence of how consumer online purchase intention has changed in the digital age and how compensation, work environment and motivation on employee satisfaction among industrial trainees.

#### ABSTRACT

This study investigates the effects of motivation, work environment, and compensation on employee happiness in industrial trainees. Dependent variables include compensation, the environment at work, and motivation; is there a connection between these variables and industrial trainees' employee satisfaction.

The Statistical Package for Social Science (SPSS) software version 29 analyzes the 290 respondents' data through several methods, including multiple regression, descriptive, inferential, and pilot testing. The analysis can assist in determining whether the variables are related to industrial trainees' job satisfaction.

In conclusion, there is a relationship between satisfaction among industrial trainees and variables including motivation, work environment, and compensation. It is significantly correlated with industrial trainees' employee satisfaction. The academic community and companies that offer industrial training may benefit from some of this research's insights.

## **CHAPTER 1: RESEARCH OVERVIEW**

## **1.0 Research Background**

A positive outlook, knowledge, and skills are essential for graduates to prepare them for the workforce. The goal of industrial training and industrial training programme is to get graduates ready for the workforce. According to Shukor (2020), business owners are incapable of providing industrial trainees for interviews without some sort of industrial training, so these programme will assist industrial trainees in becoming more suitable for employment by giving them direct work experience.

In Malaysia, industrial trainees must finish supervised practical training in particular industries in order to earn a diploma, certificate, or bachelor's degree. The degree programme include this requirement (Shukor, 2020). Although it is a requirement, industrial trainees must be satisfied with their industrial training experience in order to have a trial run at their future career situation. The purpose is to examine the relationships between compensation, work environment and motivation that affect employee satisfaction among industrial trainees participating in industrial training. Employee satisfaction is obviously a complicated concept influenced by a variety of factors. A carefully industrial training programme is essential to creating a workforce that is more adaptable, as evidenced by the significant effects of industrial training relevance and quality on turnover and unemployment rates among fresh graduates.

The benefits received by employees in exchange for their labour are referred to as compensation (Riyadi, 2019). The compensation has a significant impact on how fair, equitable, and valuable employees perceive their work, which in turn shapes employee satisfaction. Furthermore, it has been determined that a significant determinant of employee satisfaction is the work environment, which includes elements like leadership, organizational culture, and interactions between coworkers. Additional factors that enhance employees' overall satisfaction at work include intrinsic and extrinsic motivators.

Employee satisfaction is greatly impacted by the work environment because it affects productivity and creates a positive work environment. To prepare industrial trainees for degree programme and to meet the increasing demand for qualified graduates, universities are now offering industrial industrial training programme. It is now acknowledged that industrial training is a necessary precondition for having an efficient workforce (Alawattegama & Perera, 2019). Similarly, it will affect the industrial trainees' performance and employee satisfaction during the industrial training.

It is particularly crucial for industrial trainees participating in industrial training to understand these factors, as their training experiences can greatly influence their future career planning, assumptions about the field of work, and potentially even the rate of turnover in the Malaysian workforce. The study indicates that industrial trainees' intentions for their future careers and their industrial training experiences are related and that early career intentions have a significant impact on future intentions to leave the company (Aun & Chee, 2020). During industrial training, industrial trainees shift from learning in the classroom to professional application. Therefore, examining the factors that promote or interface employee satisfaction during this critical period can provide valuable insights into the opportunities and challenges that may affect the nature of the Malaysian labour market.

### **1.1 Research Problem**

High employee turnover is a prevalent problem that many Malaysian organizations must deal with. Employee satisfaction with various aspects, including career opportunities, compensation, and development opportunities, is a major factor influencing the turnover rate (Mahadi, Woo, Baskaran & Yadi, 2020). The same justifications apply when a trainee leaves a company. Given their perception that the work they completed was worth more, students anticipate receiving more money than the allowance provided (Indeed Editorial Team, 2021). Throughout the entire industrial training, they hope to acquire unique skills as well, but occasionally their assignments are limited to foundational or preparatory work. These factors play a part in industrial trainees' low intention to stay with their industrial training organizations. It is important for organizations to understand the industrial trainees' perspectives and satisfaction during the industrial training.

In Malaysia, unpaid industrial training is a significant issue, with many industrial trainees struggling financially due to employers' lack of support. The Employment Act does not protect these training programs, making them vulnerable to abuse (Yamada, 2002). Compensation-related issues affect industrial trainees' motivation and career direction, leading to concerns about financial compensation. Many businesses argue that industrial training programs result in training costs, and if they offer an allowance, they will have to cover those costs in addition to the industrial trainees' compensation (Carliner, 2018). This lack of financial satisfaction can demotivate industrial trainees, hindering their commitment to their tasks.

Performance-based rewards can also discourage industrial trainees, as they may feel discouraged without tangible benefits associated with their achievements. One of the main sources of dissatisfaction is salary and rewards since an imbalance in these areas can quickly lead to a decline in inspiration. (Cook et al. 1997, 190-191, as cited in Blomquist, 2013). These compensation-related concerns negatively impact employee satisfaction and dedication to their positions, ultimately affecting their overall satisfaction and commitment to their jobs.

The working environment is made up of a variety of procedures, frameworks, systems, instruments, and circumstances that affect how well each person performs. These include work location, policies, rules, culture, resources, and external and industrial trainees' environmental elements (Bushiri, 2014). Industrial trainees often face challenges due to the absence of an appropriate training framework, which can lead to confusion and reduced productivity. The term "organisational environment," also known as "work environment," describes the culture of the company, coworkers, professional development, and learning outcomes. These elements have a favourable effect on how satisfied students are with their internships (Kukreti & Dani, 2021).

Limited exposure to different departments can also limit learning opportunities and hinder their ability to understand company operations. Insufficient guidance and oversight can also pose a challenge, as industrial trainees may struggle to handle their duties without proper mentorship from experienced supervisors. According to McDonald & Wilson-Mah (2022)., one procedure that provides chances to improve career development and psycho-social support in the workplace is mentoring. The lack of mentorship can make them feel isolated and hinder their professional development. These issues make industrial trainees' work environments difficult, affecting their overall development and learning during their training term.

According to O'Toole (2001), referenced by Trede et al. (2013), the people "create the material surroundings around them, so influence the environment, but the environment in turn influences people," and the physical spaces of a work environment are "indicators of culture." Industrial trainees often face challenges in their physical workspace, including limited space, discomfort, and inadequate tools and equipment. Hence, safety concerns are crucial, as hazardous working conditions can harm their health. Inadequate facilities, noise, and distractions can hinder concentration and focus. Inadequate ventilation and lighting further exacerbate discomfort. Old technology also hinders productivity and opportunities for industrial trainees to gain valuable experience. Therefore, addressing these issues is crucial for enhancing industrial trainees' productivity.

One of the key elements influencing individuals to behave and perform is motivation. Mental maturity affects work readiness as well. This is evident in the industrial trainees' varying levels of work-related motivation (McGuire et al., 2019, as cited in Fauzan et al., 2023). for example, industrial trainees often face motivation-related difficulties, such as monotonous tasks and lack of variety, which can lead to bored and loss of motivation. The lack of credit for their efforts can also demotivate them. Another major issue is low personal growth, which can be exacerbated by poor relationships and communication with colleagues. Ineffective communication can make industrial trainees feel alone and difficult to fit in at work. Low motivation can also stem from the belief that one is not growing personally, which can result from inadequate skill development or lack of learning opportunities. The perception of unchanging professional development can harm industrial trainees' passion for tasks and commitment to the industrial training program.

## **1.2 Research Objectives & Research Questions**

### **1.2.1 Research Questions**

Several questions are involved in the research, as listed below:

- i. Does compensation affect the employee satisfaction among industrial trainees?
- ii. Does work environment affect the employee satisfaction among industrial trainees?
- iii. Does motivation affect the employee satisfaction among industrial trainees?

### **1.2.2 Research Objectives**

This study initiatives to determine and comprehend the factors influencing the phenomenon by examining the effects of compensation, work environment, and motivation on employee satisfaction among industrial trainees enrolled in industrial training. The study also explores the relationships between the dependent variable, which is employee satisfaction, and the independent variables, such as compensation, work environment, and motivation.

- i. To examine the relationship between compensation and employee satisfaction among industrial trainees.
- ii. To study the relationship between work environment and employee satisfaction among industrial trainees.
- iii. To investigate the relationship between motivation and employee satisfaction among industrial trainees.

# **1.3 Research Significance**

Three key parties, such as industrial trainees, industrial training providers, and universities—benefit from increasing the efficacy of industrial training programme, as covered in the excerpt provided (Alawattegama & Perera, 2019b).

It is essential that industrial trainees participate in an organized industrial training programme that takes into account factors like compensation, work environment, and motivation. Enhancing these elements will directly improve the training that industrial trainees get in the industrial setting. For industrial trainees, a more satisfying and rewarding industrial training experience is facilitated by appropriate compensation, a positive work environment, and strong motivation.

Initial, industrial trainees will be able to close the knowledge gap between academics and practical applications by gaining priceless practical experience. Their skill set is improved by this practical experience, which also makes them appear more competitive and ready for the workforce. Industrial training link theory and practice by engaging participants in supervised timed work. These industrial training programme enhance industrial trainees' professional development, experiences and their personal skills (Gault ct al., as cited in Anjum, 2020).

An efficient industrial training programme is a means of discovering and developing talent for industrial training providers. Through this practice, it gives these providers the opportunity to actively influence the future workforce's skills and competencies and bring them closer to achieving industry standards. According to Mgaya (2014), referenced by Binder et al. (2015), stated that the host organizations can gain from industrial training in the following ways: fulfilling their corporate social responsibility; gaining fresh ideas and technologies;

saving costs; and the corporate image can be improved. Besides, industrial training providers fulfill changing industry demands and growing a talent pool that makes a significant contribution to productivity and innovation depend on this cooperation.

## **1.4 Conclusion**

The study examines the difficulties that Malaysian industrial trainees pursuing industrial training experiences such as unpaid industrial training, poor working environment and poor working motivation. It draws attention to the government's effort to provide low-income industrial trainees with a minimum monthly allowance. The study also looks at how motivation, work environment, and pay affect industrial trainees' job satisfaction. This research holds importance for the overall growth of industrial trainees, filling the knowledge gap between theory and practice, and supporting industrial training providers in identifying and developing talent. To increase the effectiveness of industrial training programme for all parties involved, the research highlights the significance of bridging the theory and practice gap and the necessity for cooperation between industrial trainees, universities, and training providers.

## **CHAPTER 2: LITERATURE REVIEW**

## 2.0 Underlying Theories

Acknowledging positive work environment influences, particularly those that come from managers and supervisors, is crucial since it can provide significant and valuable outcomes. It is important to identify unusual and negative factors and make an effort to reduce it. In general, a variety of factors, including compensation, benefits, working environment, working motivation, coworkers, and others, can alter an employee's degree of performance and satisfaction (Mehrad, 2020). To study the influences of compensation, work environment, and motivation on employee satisfaction among industrial trainees, Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory apply in this research. These theories offer an organized framework through which to investigate the complex relationships between the satisfaction of basic needs and motivational elements and employee satisfaction.

According to Frederick Herzberg's theory, it is including two types of factors that affect employee satisfaction and dissatisfaction: "motivator factors" and "hygiene factors." The goal of hygiene factors, which include pay, benefits, and work environment regulations, is to keep employees happy. It as a positive emotional that occurs from an evaluation of work experiences or one's work (Mehrad, 2020). In order to prevent employee dissatisfaction, Herzberg proposed several factors that are related to employee satisfaction, including employee security, supervisory relationships, administration and company policy, salary, supervision, interpersonal relationships, physical working conditions, and benefits. Other factors included in the list of factors that Herzberg proposed are related to achievement, advancement, recognition, responsibilities, growth, and the work itself. Herzberg (1959) believes that employment satisfaction is not always correlated with the presence of motivators or the desired degree of hygiene factor (Thant & Chang, 2020).

Based on professional experiences and human psychology, Abraham Maslow Theory proposed a hierarchy for individual motivational demands. Neglecting to attend to basic human needs undermines the human spirit, leaving people unable to find fulfilment in their personal development, career, or occupation. Physiological needs, security needs, affection needs, self-esteem, and one's level of perfection are a few examples of fundamental needs (Maslow, 1954, as cited in Khan et al., 2021).

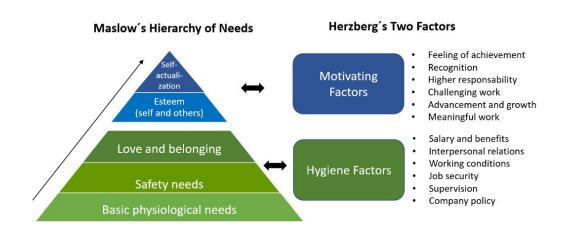


Figure 2.1: Comparison of Herzberg's and.Maslow's theories of motivation

<u>Adapted from:</u> (Nishimura et al., 2021). Weaknesses in motivation and in establishing a meritocratic system: A portrait of the Portuguese public administration.

# 2.1 Review of Variables

### 2.1.1 Dependent Variable: Employee Satisfaction

According to Herzberg's theory, there are two ways to measure "employee satisfaction." According to Herzberg (1964), referenced by Bhardwaj et al (2021), the main metrics include fundamentals of employee satisfaction, such as employee attitudes and observations, the type of managerial strategies, associations, the nature and extent of upper management, security of employment, working environments, status and compensation levels, and creating communication, it homogeneous and subordinate workers, as well as distinct existence of an unparalleled. These elements may have an impact on employee discontent (Bhardwaj et al., 2021).

In the framework of industrial training, employee satisfaction is the general sense of fulfillment and contentment that people feel in their work roles. It functions as the main outcome measure and shows how the study's industrial trainees' satisfaction levels are affected by factors like compensation, work environment, and motivation. The level of satisfaction will be evaluated using a range of indicators, including employee satisfaction, motivation, and perceptions of the work environment.

#### 2.1.2 Independent Variable: Compensation

The company compensates its employees in recognition of their hard work and performance. It is a method by which management can enhance productivity, inspire workers, and raise employee performance (Mathis & Jackson, 2000, as cited in Idris et al., 2020). Employee satisfaction can be impacted by a number of factors, including compensation (Mabaso and Dlamini, 2017, as cited in Idris et al., 2020).

Compensation comes in two varieties. Both monetary and non-monetary rewards exist, and they are in both direct and indirect forms of financial compensation are available. When an employee is paid directly for their services provided while working for a specific company, their monthly or weekly benefits are typically the extent of their direct compensation. Employee benefits are a common form of indirect compensation, which is non-wage compensation given to employees in addition to their regular salaries or wages (Mardiyanti et al., 2018).

Employee perception of the organization can be positively impacted when non-financial tools are prioritized, such as the possibility of expanding family and vacation benefits. A few aspects of the job that are very important to the organization, like job satisfaction, can be explained in part by rewards. As a result, rewards comprise all monetary benefits provided by the company, such as salary, promotions, verbal acknowledgement, and duties (Deperi, Tortia and Capita, 2010, as cited in Abdullah & Hooi, 2013).

The benefits that industrial trainees receive, both monetary and non-monetary, are referred to as the independent variable of "compensation" in this study. All forms of recompense that industrial trainees receive during their industrial training are included in the term "compensation," which also includes bonuses, wages, and benefits (Sidabutar et al., 2020). Examining how adequate compensation affects industrial trainees' perceptions of fairness, worth, and satisfaction in work environments, this variable is meant to clarify how industrial trainees feel about their overall employee satisfaction levels.

### 2.1.3 Independent Variable: Work Environment

The work environment is defined by as the place where employees carry out their regular tasks (Lambert et al.,2007, as cited in Basalamah & As'ad, 2021). According to Mohsen Farmahini Faharani (2014), referenced by Basalamah & As'ad (2021) the wok environment is everything that near to employees and has an affect on how proficiently they accomplish the tasks that have been assigned to them. Examples of this include having an air conditioner and enough lighting. The working environment comprehend various aspects that employees can influence when performing their duties, including temperature, humidity, ventilation, lighting, noise levels, cleanliness of the workspace, and the sufficiency of work equipment (Arianto, 2013, as cited in Basalamah & As'ad (2021). The work environment they work in, their work methodology, and the impact their work has on both individuals and groups (Akob et al's, 2020).

Industrial trainees undergoing industrial training benefit greatly from a pleasant work environment, which also has a major impact on their degree of engagement, output, and satisfaction. A safe and encouraging environment at work gives workers confidence and increases productivity. When employee experience comfortable in the work environment, they are easy to feel at home and make better use of their work time (Kurniawaty et al., 2019). industrial trainees undergoing industrial training perform differently and are more satisfied when they work in a particular environment. By examining the study of the work environment as an independent variable, industrial trainees can gain insight into the organizational elements that either enhance or diminish employee satisfaction.

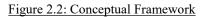
### 2.1.4 Independent Variable: Motivation

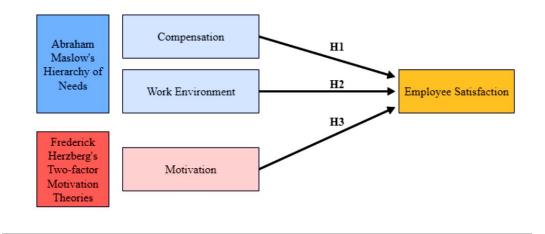
Social ties within the working environment, both external and internal motivators, the level of supervision, and a solely performance at work all have an influence on employee satisfaction. The relationship and communication between supervisors and employees is one of the organization's greatest assets (Ali & Anwar, 2021). An employee's motivation for working for a company is one of its motivators. Workplace motivation is a condition that has an impact on behaviour and works to create, direct, and sustain certain behaviour.

When someone is motivated, their level of passion, love, and authenticity at work will all rise. Improved jobs will result from increased enthusiasm and willingness to work, which will boost productivity at work. Hygiene factors include things such as working conditions, compensations, relationships with employees, administrative policies, and supervision. According to Herzberg (1966), these are the primary causes of dissatisfaction at work (Alrawahi et al., 2020). Workplace motivation is typically complex for employees because it depends on both organizational and individual factors. Here, salary, job security, and coworker relations are categorized as organizational factors that have an impact on motivation, while goals, attitudes, and abilities are included in the category of individual factors that influence motivation (Sidabutar et al., 2020).

## 2.2 Conceptual Framework

The conceptual framework of this study explores the variables influencing employee satisfaction among industrial trainees. It was developed through a literature review. The study looks into how three independent factors compensation, work environment, and motivation—affect industrial trainees undergoing industrial training's overall level of employee satisfaction. Employee satisfaction is the main dependent variable that is being examined, and it provides information about the complicated nature of the industrial training experience.





Source: Developed for the research

## 2.3 Hypotheses Development

### 2.3.1 Compensation and Employee Satisfaction

Research by Mabaso and Dlamini (2017), Yaseen (2013), Muguongo et al. (2015), Salisu et al. (2017), and Sopiah (2013), as cited by Hidayati et al. (2022), highlights the substantial positive impact of compensation on employee satisfaction. Additionally, Onsardi et al. (2017), referenced by Hidayati et al. (2022), found similar results, indicating a direct positive influence of empowerment and compensation on employee satisfaction.

However, conflicting findings suggest no clear evidence of a relationship between compensation and employee satisfaction. The majority of empirical studies, notably Yamoah (2014), as cited by Hidayati et al. (2022), lean towards a markedly positive correlation. Organizations, recognizing the pivotal role of compensation, can adopt various strategies tailored to their circumstances to enhance employee satisfaction.

Sidabutar et al. (2020b) emphasize that compensation serves as a means to boost employee performance, motivating them and fostering employee satisfaction by recognizing their contributions. According to Ivancevich (2007), referenced by Sudiardhita et al. (2018), the goal of compensation is to establish a fair reward system, aligning the interests of both employers and employees for sustained commitment and optimal performance. Ultimately, compensation is viewed as a crucial tool for balancing the company's interests in enhanced employee performance and employees' concerns for financial well-being and security (Sudiardhita et al., 2018).

H01: There is no relationship between the compensation and employee satisfaction.

H1: There is relationship between the compensation and employee satisfaction.

### 2.3.2 Work Environment and Employee Satisfaction

According to studies by Muhammad et al. (2015), Salunke (2015), Raziq and Maulabakhsh (2015), and Agbozo et al. (2017), referenced by Hidayati et al. (2022), consistently show a significant positive correlation between employee satisfaction and the quality of the work environment. TAccording to Chieze et al. (2017), additional evidence for this relationship, showing that a supportive work environment has a positive impact on career advancement in addition to employee satisfaction. According to Chandrasekar (2011), referenced by Raziq and Maula-Bakhsh (2015), emphasizes the significance of the work environment and emphasises that companies that want to become more profitable should give priority to creating an environment that increases employee productivity.

According to Sukdeo (2017), the factors that determine the work environment have a big influence on how satisfied employees are. The elements forming the work environment have a major impact on employee satisfaction, it is reasonable to argue that employee satisfaction and the work environment are key factors in determining productivity. This relationship implies that companies can increase overall productivity and employee satisfaction by making strategic investments in creating a positive work environment.

H02: There is no relationship between the work environment and employee satisfaction.

H2: There is relationship between the work environment and employee satisfaction.

### 2.3.3 Motivation and Employee Satisfaction

One of the elements that an employee needs to do to perform well at work is to be motivated. Motivation asks how a worker can use all of his or her strength and potential to work efficiently and produce quality work. For someone to exhibit a behavioral attitude at work that exhibits high enthusiasm as a form of embodiment of employee satisfaction, they must feel that their needs have been met. An individual's positive attitude towards their work and the entire work environment are indicators of their employee satisfaction (Sidabutar et al., 2020b). Among the most important factors affecting an employee's performance is motivation, which determines how well they can utilize their strengths and potential to produce effective, high-quality work. Individual requirements must be met before employee satisfaction, as demonstrated by an enthusiastic demeanour at work, can materialize.

According to Almaçık et al. (2012), referenced by Pancasila et al. (2020), work motivation is positively correlated with organisational commitment and employee satisfaction. The study's results support these findings. The aspects of motivation that enhance employee satisfaction are the needs that employees anticipate. Although the findings of some studies have been inconsistent, motivation generally has a favourable and substantial impact on workers' employee satisfaction (Pancasila et al., 2020). According to Igalens and Roussel (1999), employee satisfaction and motivation have an impact on an employee's behaviour and emotions.

H03: There is no relationship between the motivation and employee satisfaction.

H3: There is relationship between the motivation and employee satisfaction.

# **2.4 Conclusion**

In conclusion, this study investigates the multifaceted relationships between industrial training students' compensation, work environment, motivation at work, and employee satisfaction. Based on Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory, the conceptual framework considers these factors and emphasizes how much of an impact they have on employee satisfaction. The hypotheses argue that there may be a relationship between employee satisfaction and compensation, work environment, and motivation. Previous study indicates inconsistent outcomes, highlighting the complexity of these dynamics. The study provides knowledge of the complex interactions between these variables and how they affect job satisfaction, providing insightful information to companies looking to improve the industrial training experience.

# **CHAPTER 3: METHODOLOGY**

## **3.0 Introduction**

Chapter 3 contains information on sampling design, research design, collecting data methods, data processing, and recommended data analysis tools. This study collects primary data using questionnaires to examine the effects of compensation, work environment, and motivation on employee satisfaction among industrial students.

# 3.1 Research Design

### **3.1.1 Descriptive research**

This study uses descriptive research. Igwenagu (2016) defines descriptive research as evaluating whether general ideas can be drawn from previous research. Descriptive research has different meanings, such as discovering how variables relate and how it could react to research questions. Description research can be useful because it studies university students with industry training. Accordingly, descriptive research can be applied to evaluate a group or topic to identify a specific condition. Thus, it can explain why compensation, work environment, and motivation affect employee satisfaction among industrial trainees.

### 3.1.2 Quantitative Research

Quantitative research uses questionnaires to analyze large amounts of respondent data (Rutberg & Bouikidis, 2018). This strategy prioritizes quantitative data above subjective assessments and focuses on quantifiable social conduct factors. Due to its larger sample sizes and effective data collecting, quantitative research allows researchers to control study factors (Rutberg & Bouikidis, 2018). Quantitative research involves a hypothesis defining the projected correlation, regression, outcome, or prediction (Polit & Beck, 2012, referenced by Rutberg & Bouikidis, 2018).

Quantitative research requires statistical methods and mathematical calculations. According to Basias & Pollalis (2018), quantitative studies analyze hypotheses and concepts using numerical data and statistical analysis. Mathematics' statistics is good for large amounts of quantitative data, uncertain hypotheses, and research topics that demand measurable comparisons (Basias & Pollalis, 2018).

### **3.1.3 Explanatory Research**

Causal research, also known as explanatory research, is a method used by researchers to understand the nature and magnitude of cause-and-effect relationships. It helps researchers understand the impact of changes on various processes and established standards. Dudovskiy (2018) highlights the importance of causal research in elucidating patterns of correlation

between variables. The research aims to determine if employee satisfaction among industrial trainees is influenced by independent variables such as compensation, work environment, and motivation. Wunsch & Gourbin (2020) stated that the complexity of causal inferences in demographics, highlighting the potential for difficulties in practical application. Therefore, it help to understand the complexities and constraints associated with generating causal inferences to accurately interpret results and carry out these studies appropriately with saving cost and time.

## **3.2 Sampling Design**

Study design and hypothesis determine the sample size (Serdar et al., 2021). A sample design allows researchers to estimate the population by picking certain elements from a wider group for data collection. Due to the difficulty of collecting population data, the target demographic and sample size must be chosen. The research's features, methodology, and sample processes affect the outcomes. Research requires controlled sample sizes, correct population participation, and sufficient data to address research questions (Majid 2018).

### **3.2.1 Target Population**

The phrase "target population" designates a certain group or demographic that shares characteristics. Analyze to determine the respondents and exclude non-related individuals. Additionally, the researcher must choose a target group to examine, analyze, and select a sampling frame from this population. This study targets Malaysian industrial trainees who are also university students. Maslow's 1954 theory states that basic needs determine satisfaction. Unfulfilled needs of compensation, work environment, or work might be unsatisfied (Norazmi et al., 2019; Firkhan et al., 2021).

### **3.2.2 Sampling Elements**

Respondents will be university students. Respondents must also be Malaysians living in Malaysia. Respondents with industrial training experience are more likely to have ideas and clearly understand the questions. In addition, respondents must have basic English proficiency to complete the questionnaire in English, enhancing the reliability of the results. Although certain respondents may not be competent to answer the survey, individuals without industrial training and foreigners who work in Malaysia would be terminated. Anyone who is a university student but has not experienced industrial training will be excluded.

### **3.2.3 Sampling Frame and Sampling Location**

A sampling frame is a list of samples taken from the population. Due to the huge population, the sample frame was undefined in this research. Malaysia served as the study's sampling location. Thus, the study's target respondents are Malaysian university students who have experienced industrial training.

## **3.2.4 Sampling Technique**

The difference between probability and non-probability sampling is established using a variety of sample approaches. Convenience sampling requires self-selection, while probability sampling reduces bias. Nonprobability sampling and probability population segmentation produce reliable findings (Stratton, 2021). There were multiple reasons why this study used the non-probability convenience sampling approach. First, because the study's sampling frame is undefined, the probability sampling approach is inappropriate, displacing the non-probability sampling technique as the sole choice (Saunders, et al., 2019). Convenience sampling, a non-probability sampling, is used to collect data for this study, due to it is low-cost, time-efficient, and used to find the most accessible person or people.

### 3.2.5 Sampling Size

Most researchers accept 100 samples (Bullen, 2022). It is also advised to sample 10% of the population, with no more than 1000 samples. In 2022, university enrollment in Malaysia was over 282,000 male and over 405,000 female (*Malaysia: Number of University Students by Gender* | *Statista, 2024*). The sample size should not exceed 1000, as 687,000 represents 10% of the population. PLS-SEM minimum sample size is usually determined using the "10-times rule". It is recommended that the sample size be 10 times the number of significant model connections (Kock & Hadaya, 2018). The questionnaires have 28 items; thus, 280

respondents are calculated by multiplying 28 by 10. Select the sample size between the smallest and largest.

Given the restricted time and budget, this study used a sample size of 280, which is recommended when resources are scarce. Researchers suggest a sample size of 30 to 500 to minimize errors (Research Gaps, 2023). Supporting 280 samples is within this range. Thus, 300 surveys were delivered to participants via Google Forms.

## **3.3 Data Collection Method**

One of the most essential components of conducting research is collecting data. The significance of the data sources influences the validity of the results. Inaccurate data might lead to negative consequences.

### 3.3.1 Primary Data

Data collected must be accurate, complete, and adaptable to future changes. According to Li., et al. (2019), precise decision-making strategies that minimize biases and errors are important. Glen (2023) states that the primary data collection is data collected directly from a source without alteration. Since researchers collected all the data, it is more reliable and accurate than secondary data. Primary data collection methods include direct personal inquiry, indirect oral inquiry,

correspondent data, telephone interviews, postal questionnaires, and demographic questionnaires (Glen, 2023).

This research targets Malaysian university students who completed industrial training. Survey sections A, B, and C are involved. The Personal Data Protection Statement in Section A explains confidentiality and privacy policies to respondents. The questionnaires with dependent and independent variables are established in Section C, while demographic data are generated in Section B. Around 280 targeted demographic respondents are expected to get the survey questionnaire. The Google form will be sent over Facebook, email, RED, Messenger, Instagram, and WhatsApp to collect responses and statistics.

### 3.3.2 Research Instrument

Measurements, data collection, and analysis related to research interests and objectives are made possible by research instruments' scientific and methodical designs (Oben, 2021). The study used a questionnaire to gather primary data from participants to examine the effects of motivation, work environment, and remuneration on employee satisfaction among industrial trainees. In the study, self-administered questionnaires were used. Self-administered questionnaires are a valuable tool for collecting data from huge, varied, and representative respondent samples conveniently and cost-effectively (Barnette, 1999, as referenced by Saunders & Kulchitsky, 2021).

#### 3.3.2.1 Design of Questionnaire

To directly collect primary data from respondents, the questionnaire must be carefully designed to reduce errors and ensure effective data collection. The questionnaire will be in English and include closed-ended questions with many response options. Cover pages introduce the study and state the objectives. The second page is divided into two sections: Section B collects demographic data, whereas Section C constructs measurement. Section B includes a few questions: gender, study field, presence of industrial training, duration of industrial training, and compensation. This researchers better understand respondents data can help and examine outcomes faster. Section C will highlight participants' opinions using a 5-point Likert Scale from 'Strongly Disagree' to 'Strongly Agree'. Industrial trainees' perspectives on compensation, work environment, motivation, and employee satisfaction will be examined here.

After collecting data, the relationship between the independent variables (compensation, work environment, and motivation) and the dependent variable (employee satisfaction among industrial trainees) will be examined. 300 questionnaires should be released via social media. A disclaimer emphasizes that respondents willingly answer the questionnaires before answering. This disclaimer emphasizes data privacy and confidentiality, as stated in Section A.

#### 3.3.2.2 Pilot Test

Pilot studies do not test hypotheses; hence, sample size is rarely estimated. In (2017) stated that some research proposed 30 samples per group, while others recommended 12. This test determines reliability and how difficult the question is to answer. Responses were used to modify the questionnaire.

Construct	Cronbach's Alpha	Number of Items
Compensation	0.888	7
Work Environment	0.912	5
Motivation	0.703	5
Employee Satisfaction among Industrial Trainees	0.919	6

Source: Developed for the research.

The test results strongly indicate that all the values in Cronbach's Alpha are within an acceptable range, indicating the research instrument's reliability. According to Taber (2017), the dependability of Cronbach's alpha would not fall below an acceptable value of 0.70. The internal consistency value is shown in Table 3.2.

#### Table 3.3.2.1 Coefficient of Cronbach's Alpha Value

Cronbach's Alpha Value	Internal Consistency		
0.5<α<0.6	Poor		
0.6 ≤α<0.7	Acceptable		
0.7≤ α<0.9	Good		
α≥0.9	Excellent		

Source: Selwin et al. (2017)

#### **3.3.2.3** Construct Measurement

The Likert Scale is commonly used in research to assess subjective characteristics and collect vast volumes of data. Thus, Section B was evaluated using a five-point Likert Scale. According to WorkTango (2023), the 5-point Likert scale is a popular technique for gathering data since it is easy for respondents and researchers to use. It is also simple to utilize when asking respondents to complete questionnaires. The test results definitively show that all the values in Cronbach's Alpha are within an acceptable range, indicating the research instrument's accuracy.

Table 3.3.2.3.1: The Origin of Constructs

Variables	Sources
Compensation	(Siddiqi & Tangem, 2018)
Work Environment	(Siddiqi & Tangem, 2018)
Motivation	(Supriyanto et al., 2022)
Employee Satisfaction among Industrial Trainees	(Supriyanto et al., 2022)

Source: Developed for the research.

#### 3.3.2.4 Nominal Scale

Glen (2023) suggests using a nominal scale for demographic variables such as age and gender that cannot be measured or quantified. The questionnaire used in Section B collects demographic information from the respondents and applies a nominal scale for research purposes.

3.3.2.5 Likert Scale

Likert data is a widely used quantitative research method for measuring non-physical phenomena, consisting of a series of declarative statements with five possible responses: disagree, agree, neither disagree nor agree, and strongly disagree (Zou et al., 2022). This 5 point Likert Scale applied in the Section C questionnaires.

## **3.4 Data Processing**

Data processing involves transforming raw data files into clean, processed analytical files for conclusions (The University of Queensland Library, 2023).

### 3.4.1 Data Checking

After receiving 30 questionnaires from target respondents in a pilot test, the researcher must verify for errors or invalidates. Problems with the questionnaire must be fixed before the survey is conducted. This will reduce the number of mistakes and misinterpretations made by respondents.

### 3.4.2 Data Editing

The subsequent phase in data processing is data editing. Data editing is a statistical procedure that rapidly cleans up and attributes lost or

contradicting data, making the data suitable for analytic and micro-data studies (Winkler 1999). Some examples of errors include the respondents failing to respond with an answer because they failed to understand the questions.

### 3.4.3 Data Coding

Data coding encodes and converts each response into a numerical value. The questionnaire uses a numbered code (1-5) to indicate the respondents' responses. Section C of the questionnaire questions about three independent and one dependent factors. Codding ranges from '1' (strongly disagree) to '5' (strongly agree). Finally, only SPSS version 26 can generate the data.

### 3.4.4 Data Entry

Data entry refers to the systematic process of inputting obtained data into a computer system for analysis. An SPSS data editor is software that can be used to analyze data. This software will be able to look at the data that was gathered so that this study can continue.

## 3.5 Proposed Data Analysis Tool

Data analysis summarizes targeted respondent data (Zikmund et al., 2013). Data is analyzed to determine variable relationships. This research will use SPSS to calculate descriptive, inferential, regression, and Pearson correlation coefficient analysis.

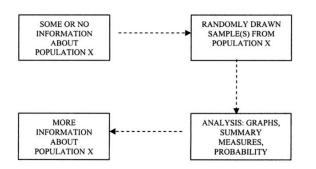
### 3.5.1 Descriptive Analysis

Descriptive statistics organize data by describing the relationship between variables in a population or sample (Kaur et al., 2018). Bar charts, pie charts, tables, and histograms are used to simplify results. According to Lawton (2022), descriptive analysis uses mathematical computations to analyze data by central tendencies like mean, median, mode, and standard deviation. Section B of demographic data, including respondents' previous gender and age data, was evaluated using descriptive analysis.

### **3.5.2 Inferential Statistics**

Inferential Statistics uses probabilistic methods to examine sample data from a known population to better understand the entire population (Asadoorian & Kantarelis, 2005). Inferential analysis is used to conclude this research. The total sample size will influence research results. Figure 3.1 show the flow of inferential statistics.

Figure 3.5.2.1: Inferential Statistics



Adapted from: Asadoorian & Kantarelis (2005)

### 3.5.3 Multiple Regression Analysis

Regression models are used to characterize variable connections by fitting a line to observed data. Regression estimates whether a dependent variable fluctuates as the independent variable(s) change. Multiple linear regression determines the association between two or more independent variables and a single dependent variable. Multiple linear regression can be used to determine. First, how strongly two or more independent factors affect one dependent variable. Second, the dependent variable's value is at a specific value of the independent variables.

 $Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \ldots + \beta nXn$ 

The dependent variables are represented by the letter Y, the constant symbol  $\alpha$ , the correlation coefficients  $\beta 1$  to  $\beta n$ , and the independent variables X1 to Xn. Hence, the multiple regression analysis for this study will be:

Y= Employee Satisfaction among Industrial Trainees

X1= Compensation

X2= Work Environment

X3= Motivation

## **3.6 Conclusion**

This chapter discusses a quantitative research study on the influences of compensation, work environment, and motivation on employee satisfaction among industrial trainees. Data was collected from Malaysian university students with industrial training experience using questionnaires. The study used descriptive, inferential, and multiple regression analyses. Data from respondents will analyze by SPSS.

# **CHAPTER 4: DATA ANALYSIS**

## **4.0 Introduction**

The primary findings of the data analysis in this chapter are based on the methodology outlined in Chapter 3, which begins with the screening of the data process and includes demographic, inferential, and regression analysis results.

## 4.1 Data Screening

A total of 290 data sets were analyzed and coded. The Malaysian university students who experienced industrial training responded to all 290 data sets, which were then processed for further analysis.

## 4.2 Descriptive Analysis

### 4.2.1 Descriptive Analysis: Demographic Question

Table 4.2.1: Respondent's frequency and percentage

Demograph	ic	Frequency	Percentage (in %)
Gender			
	Male	70	24.1
	Female	220	75.9
			100
Field of stud	ly		
	Engineering and Science	42	14.5
	Accountancy and Management	129	44.5
	Medicine and Health Science	29	10.0
	Arts and Social Science	40	13.8
	Information and Communication Technology	38	13.1
	Creative Industries	12	4.1
			100
Experience	Experience of industrial training		
	Yes	290	100
	No	0	0
			100
Duration of	industrial training		
	Less than or equal 6 months	188	64.8
	Within 6 months	66	22.8
	More than 6 months	36	12.4
			100
Compensati	on during industrial training		
	Less than or equal RM 500 /month	104	35.9
	RM501 to RM1000 /month	133	45.9
	RM1001 to RM1500 /month	46	15.9
	More than RM1501 /month	7	2.4

100

Source: Developed for the study.

Demographic data provides many insights into the sample population. The demographic breakdown of the sample group provides distinctive insights into the respondents' origins and experiences. First, the severe gender imbalance, with 75.9% female and 24.1% male responses, highlights a significant gender divide in the questioned population. This observation motivates to look further into potential differences in potential experiences and perceptions between male and female industrial trainees.

The distribution of the surveyed industrial trainees across various study subjects differs significantly. Accountancy and management are the most prevalent fields, accounting for 44.5% of respondents, while Creative Industries has the lowest representation at 4.1%. Engineering and Science (14.5%), Arts and Social Sciences (13.8%), and Information and Communication Technology (13.1%) have similar levels of representation. Medicine and Health Science (10.0%) are between these two extremes. This variety highlights the different academic backgrounds of industrial trainees, with a significant emphasis on commercial fields such as accounting and management and a lower proportion of artistic disciplines.

The examination of respondents' industrial training experience demonstrates that all 290 persons (100%) had received industrial training, showing widespread participation in the sample. This consistency indicates many industrial training programs among the examined population. In comparison, the absence of respondents claiming no industrial training experience (0%) demonstrates this category's under-representation in the sample. This extreme discrepancy between the greatest (100%) and lowest (0%) frequencies highlights the survey respondents' overwhelming engagement in industrial training programs, showing the widespread distribution of this experience within the sample community. The analysis of respondents' industrial training duration indicates several tendencies. Most industrial trainees (64.8%) completed programs lasting less than or equal to 6 months, demonstrating a preference for short-term engagements. A lower proportion (22.8%) received training within 6 months, with an even smaller number (12.4%) receiving training for more than 6 months. The difference between the lowest and highest duration is large, with short-term relationships outnumbering longer-term ones.

The monthly compensation differs among industrial trainees. Most respondents (45.9%) got monthly compensation ranging from RM501 to RM1000, demonstrating a common income range within the studied cohort. The smallest percentage (2.4%) earned more than RM1501 per month. The difference reflects the variety of compensation levels among industrial trainees, with the majority falling in the middle. While a significant proportion obtain intermediate compensation, a smaller percentage receive more compensation, highlighting inequalities in earning compensation within the sample population.

## **4.2.2** Central Tendencies Measurement of Constructs

	Ν	Sum	Mean	Std. Deviation
Compensation	290	917.57	3.1640	.96088
Work Environment	290	1118.00	3.8552	.84443
Motivation	290	1174.00	4.0483	.59677
Employee Satisfaction among Industrial Trainees	290	1127.00	3.8862	.79315
Valid N (listwise)	290			

#### Table 4.2.2 Descriptive Statistics

Source: Developed for the study.

In this study, each component was assessed using a 5-point Likert scale ranging from "strongly disagree" (1) to "strongly agree" (5). Table 4.2.2 shows that motivation has the greatest mean compared to the other variables (4.0483), implying that the mean agreement level for motivation is in the "agree" category. Moreover, the lowest mean is compensation, with a value of 3.1640, indicating that average responses move a little towards the "agree" category. In the end, the other constructs have a similar level of agreement, with mean scores leaning slightly towards "agree." In general, the average level of agreement for all constructions is in the "agree" category.

Table 4.2.2 summarizes the descriptive statistics for four main variables among industrial trainees: compensation, work environment, motivation, and employee satisfaction. These statistics provide an understanding of the dataset's central patterns and variability, aiding data interpretation.

The mean value for Compensation is 3.1640, while the standard deviation is.96088. This implies that, on average, respondents ranked their compensation slightly above the scale's midpoint, indicating moderate satisfaction with the compensation. The standard deviation reflects a high level of diversity in replies, showing that attitudes toward compensation varied greatly among industrial trainees.

The mean value for Work Environment is 3.8552, with a standard deviation of.84443. This implies that, on average, respondents rated the work environment positively, placing it above the middle of the scale. The relatively low standard deviation indicates less variability in replies than compensation, implying a more consistent view of the work environment among industrial trainees.

Next, Motivation has a mean of 4.0483 and a standard deviation of 59677. This suggests that, on average, respondents were highly motivated during their industrial training. The relatively low standard deviation indicates respondents had a more consistent impression of motivation, with less variability in replies compared to compensation and work environment.

Furthermore, the mean value of employee satisfaction among industrial trainees is 3.8862, with a standard deviation of 79315. This indicates that, on average, respondents were moderately to highly satisfied with the industrial training experience. Similar to the work environment, the standard deviation suggests moderate diversity in replies, implying varying satisfaction levels among industrial trainees.

According to an analysis of the strongest and weakest variables, motivation is the strongest variable among the four, with the highest mean value and the lowest standard deviation. This demonstrates a consistent and high degree of motivation among industrial trainees. Compared to the other variables, compensation is the weakest variable, with a lower mean value and a bigger standard deviation. This implies greater heterogeneity in compensation perceptions among industrial trainees, which could indicate areas of dissatisfaction or varying compensation expectations.

## 4.3 Reliability Analysis

Table 4.3 Reliability Test

Construct	Crobrach's Alpha	Number of items	Strength of Association
Compensation	0.898	7	Good
Work Environment	0.878	5	Good
Motivation	0.708	5	Good
Employee Satisfaction among Industrial Trainees	0.890	6	Good

Source: Developed for the study.

The reliability test in this study examines 28 items, as given in Table 4.3. Compensation is the mode of reliability testing, with a Cronbach's Alpha of 0.898. This shows that this variable has the highest internal consistency, resulting in a trustworthy and accurate measurement of the variable under discussion. Other characteristics include the work environment (0.878), motivation (0.708), and employee satisfaction among industrial trainees (0.890).

## **4.4 Inferential Analysis**

The following subsection focuses on the model summary, ANOVA, multiple linear regression and coefficients. In this analysis, compensation is represented as IV1, work environment as IV2, motivation as IV3, and employee satisfaction among industrial trainees as DV.

#### 4.4.1 Multiple Linear Regression Analysis

### 4.4.1.1 Model Summary

Table 4.4.1.1 illustrates the model summary of multiple linear regression.

]	Model	R	R Square	Adjusted R Square	Std Error of the Estimation
	1	.807ª	.651	.647	.47120

Table 4.4.1.1 Model Summary

a. Predictors:(Constant),Motivation,Compensation,Work Environment

Source: Developed for the study.

Table 4.4.1.1 shows the model summary for The regression study, which found a reasonably substantial association between motivation, compensation, work environment, and satisfaction among industrial trainees. The model's coefficient of determination (R squared) indicates that these predictors contribute to 65.1% of the variance in employee satisfaction. The adjusted R-squared value of 0.647 demonstrates strong explanatory power without overfitting. The standard error of the estimation (0.47120) represents the average deviation of observed data from predictions.

Motivation is the most powerful predictor, with a high coefficient value (0.807) and a considerable effect on satisfaction. Compensation significantly impacts satisfaction, although to a lesser amount than motivation. While still important, the work environment has a lower impact than motivation and compensation. Hence, motivation is the most powerful predictor, followed by compensation and work environment.

#### 4.4.1.2 ANOVA<sup>a</sup>

The table below illustrates the ANOVA<sup>a</sup> of multiple linear regression.

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	118.305	3	39.435	177.615	<.001 <sup>b</sup>
Residual	63.499	286	.222		
Total	181.805	289			

a. Dependent Variable: Employee Satisfaction among Industrial Trainees

b. Predictors:(Constant), Motivation, Compensation, Work Environment Source: Developed for the study.

There are important findings about the association between the predictor and outcome variables from the Multiple Linear Regression Analysis (ANOVA) performed in Table 4.4.1.2. The regression model shows a significant overall effect, with an F-value of 177.615 (p <.001), showing that the predictor variables explain a large part of the variance in the outcome variable. The regression model, in particular, explains 65.2% of the total variation in the outcome variable, as indicated by the strong Rsquared. This shows that the model has a high predictive capacity for explaining the variation in the outcome variable.

Analyzing the individual predictor factors shows that some have a greater influence on the outcome variable than others. Based on the significant contributions to the explained variance of the regression model, the most predictive variables are motivation, work environment, and compensation. These characteristics are anticipated to play an important influence in determining employee satisfaction among industrial trainees. Conversely, other variables that contribute less to the explained variance of the regression model, including environmental factors or demographic characteristics, can have lesser relationships with employee satisfaction.

### 4.4.1.3 Coefficients<sup>a</sup>

The following table show the Coefficients<sup>a</sup> of multiple linear regression.

Model	Unstandardized B	Coefficients Std. Error	Standardized Coefficient Beta	t	Sig.
(Constant)	.116	.192		.861	.390
Compensation	.189	.034	.229	5.565	<.001
Work Environment	.464	.043	.494	10.859	<.001
Motivation	.330	.056	.248	5.884	<.001

### Table 4.4.1.3: Coefficients<sup>a</sup>

a. Dependent Variable: Employee Satisfaction among Industrial Trainees

Source: Developed for the study.

Three of the independent factors and the dependent variable have a significant degree of relationship. The unstandardized coefficients are used to calculate the impact of a unit change in the independent variables

on the dependent variables, as Table 4.4.1.3 summarizes the coefficients' results. When there is a unit change in employee satisfaction among industrial trainees, there are 0.229 changes in compensation, 0.494 changes in the work environment, and 0.248 changes in motivation.

The following is how the multiple regression equation can be created:

 $\mathbf{Y} = \mathbf{a} + \mathbf{b}\mathbf{1}\mathbf{X}\mathbf{1} + \mathbf{b}\mathbf{2}\mathbf{X}\mathbf{2} + \mathbf{b}\mathbf{3}\mathbf{X}\mathbf{3}$ 

Whereas:

Y = employee satisfaction among industrial trainees (DV)
A = Constant term, Value of Y when X becomes zero
X1 = compensation (IV)
X2 = work environment (IV)
X3 = motivation (IV)
B1 = compensation (IV)
B2 = work environment (IV)
B3 = motivation (IV)

As a result, the multiple linear regression equation is as follows:

Employee satisfaction among industrial trainees (DV) =(0.282) + (0.229 \* IV1) + (0.494 \* IV2) + (0.248 \* IV3)

The standardized beta coefficient compares the significance of each independent variable to the dependent variable. Table 4.5.1.3 illustrates the standardized coefficients indicating that, among industrial trainees, the work environment's beta (0.494) is the most significant factor impacting employee satisfaction with work. Motivation comes in second place with a beta of 0.248, followed by compensation with a beta of 0.229.

Furthermore, every independent variable meets the  $p \le 0.05$  requirement. Thus, this study proved the significance of these three variables.

## **4.5** Conclusion

The chapter covers the findings of a data analysis on employee satisfaction among industrial trainees, with emphasis on compensation, work environment, and motivation. All 290 data collected are usable and were maintained for descriptive and inferential analysis. The investigation suggests that changes in the work environment have a significant impact on employee satisfaction among industrial trainees, followed by motivation and compensation. The regression equation offers a quantitative framework for analyzing these relationships. The reliability test evaluated the internal consistency of variables, with high Cronbach's Alpha coefficients for each one. These findings support the reliability and precision of the measures used, assuring a trustworthy collection of data and the research's conclusions.

# <u>CHAPTER 5: DISCUSSION, CONCLUSION, AND</u> <u>IMPLICATIONS</u>

## **5.0 Introduction**

In this chapter, the findings from Chapter 4 are discussed, followed by implications, limitations, recommendations for further research, and a conclusion.

## 5.1 Discussion on Objectives

The objective of this research is to study the influences of compensation, work environment, and motivation on employee satisfaction among industrial trainees. The current research aims to study the influences of the compensation, work environment, and motivation affect employee satisfaction among industrial trainees.

Multiple linear regression was performed to identify the key variables influencing employee satisfaction among industrial trainees. According to Chapter 4, the independent factors account for 65.1% of the variation in the dependent variable. Another 34.9% remain uninfluenced. The standardized coefficients showed that the work environment was the most important factor influencing employee satisfaction among industrial trainees, followed by motivation and compensation.

# **5.2 Discussions of Major Findings**

No	Hypothesis	Significant Level	Conclusion	Supported Sources
H1	There is relationship between the compensation and employee satisfaction.		Accepted	(Sudiardhita et al., 2018)
H2	There is relationship between the work environment and employee satisfaction.		Accepted	(Taheri et al.,2020)
H3	There is relationship between the motivation and employee satisfaction.	< 0.001 $p = 0.000 \le 0.05$	Accepted	(Igalens and Roussel, 1999; Pang et al., 2018) (Sedarmayanti,2012)

#### Table 5.2 Summary of Hypotheses Findings

Source: Developed for the study.

The primary objective of this study is to uncover the relationship between the compensation and employee satisfaction among industrial trainees. The correlation between compensation and employee satisfaction is substantiated by the multiple linear regression analysis (coefficient). The relationship between compensation and employee satisfaction has been supported by the multiple linear regression analysis (coefficient) and the results has been indicate that the p-value is less than 0.001 and this can indicate that there is a significant relationship between perceived trust and consumer online purchase intention. Since, employee compensation is essential since it recognizes the efforts and benefits of the company (Sudiardhita et al., 2018). The objective is to improve job performance and employee satisfaction by developing a suitable reward system for both employers and employees (Ivancevich, 2007 as referenced by Sudiardhita et al., 2018). Additionally, it

promotes equity and fairness, which improves employees' views of their general quality of life and well-being.

The second objective for this research is to identify the relationship between work environment and employee satisfaction among industrial trainees. The relationship between work environment and employee satisfaction has been supported by the multiple linear regression analysis (coefficient) and the results has been indicate that the p-value is less than 0.001 and this can indicate that there is a significant relationship between work environment and employee satisfaction. A positive work environment guarantees job stability, worker safety, performance recognition, facilities for incentives, and mutual respect between managers and employees (Taheri et al.,2020). If the work environment feels comfortable and inspiring, employees will perform at their best since they will be pleased with their surroundings (Robbins & Judge, 2001 as cited by Kurniawaty et al., 2019).

The third objective in this research is to identify the relationship between motivation and employee satisfaction among industrial trainees. The relationship between perceived credibility and consumer online purchase intention has been supported by the multiple linear regression analysis (coefficient) and the results has been indicate that the p-value is less than 0.001 and this can indicate that there is a significant relationship between motivation and employee satisfaction. This conclude that H3 will be accepted and proved to have a positive relationship. Motivation and job satisfaction influence employees' behaviour and feelings (Igalens and Roussel, 1999; Pang et al., 2018). Sedarmayanti (2012) defines motivation as the willingness to exert significant effort to achieve organizational goals, which is affected by the effort's ability to meet individual needs, which can defined as satisfaction (Sedarmayanti, 2012, as cited by Riyanto et al., 2017).

# **5.3 Implications of This Study**

This research studies into employee satisfaction among industrial trainees, focusing on the influences of compensation, work environment, and motivation. This research has been limited to academic settings, with most studies focusing on university students' viewpoints. The study fills this gap by offering more insights into the elements that influence satisfaction among industrial trainees.

The findings have essential effects on strategic human resource management strategies because they can assist organizations in modifying policies and programme to better suit the needs of industrial trainees. By understanding the influence of compensation, work environment, and motivation, organizations may improve employee satisfaction among industrial trainees.

This study also identifies possibilities for development in industrial training programme, such as strengthening compensation systems, the work environment and motivating industrial trainees. This can increase the effectiveness of industrial training activities while also providing a positive experience for industrial trainees.

Furthermore, this research can assist organizations in planning their recruiting and recruitment strategies. Organizations that priorities competitive compensation, attractive work environments, and motivating opportunities are more likely to attract top candidates. Administrators can use the study's findings to create and carry out policies that improve the quality of industrial training programme.

Future research and studies into the structure of employee satisfaction among industrial trainees may result in a more complete understanding of this critical topic. Finally, the results of the research extend from industrial training to include more general problems such as handling human resources, organizational performance, and developing policies.

# 5.4 Limitations of This Study

Self-administered questionnaires are at risk of bias, which may result in outcomes that are not entirely truthful. For example, when conducting questionnaire surveys to look into behaviour that are considered embarrassing or socially inappropriate, response bias is a special issue. A systematic difference in features between respondents and non-respondent would have resulted in non-response bias (Sedgwick, 2014).

While the monotonous research approach provides structure, it can additionally overgeneralize and lack depth in data analysis. Research may neglect qualitative information, contextual details, and individual experiences, reducing the depth of conclusions. It also faces difficulties in examining changing interactions between variables, which restricts investigating complex relationships.

The unequal representation of various ethnic groups in the research is the problem of non-diverse replies. The data might be biased and less representative of the general population because there were significantly more Chinese respondents than Indian or Malay respondents. This imbalance may result in less accurate conclusions because diverse cultural origins may influence perceptions and behaviors differently. For instance, if Chinese viewpoints predominate in the data, it may be difficult to fully reflect the unique opinions that Chinese people have about their working relationships with Indians and Malays.

Constraints and inadequate information generation are the main weaknesses of the quantitative data collection method. Although quantitative approaches are quick and straightforward, it limit the range of ideas that respondents can express or the depth to which they can go with a research issue, especially when it comes to subtle correlations between variables. Most quantitative surveys use closed-ended questions that force respondents to select from established response alternatives. This might make it more difficult for respondents to provide a thorough response or to contribute fresh perspectives beyond the possibilities that have been predefined. Consequently, the depth of understanding obtained from quantitative data may be restricted, particularly in capturing the specifics of participants' viewpoints or experiences.

## 5.5 Recommendations for Future Study

To prevent bias in self-administered questionnaires, start with clear instructions emphasizing the importance of honest and thoughtful responses to ensure data accuracy. Avoid collecting personal information to protect respondents' privacy and prevent embarrassment. Use clear, non-threatening language in the questionnaire to encourage respondent answers. Additionally, consider sending reminders or offering incentives to increase response rates and minimize nonresponse bias. Furthermore, keep the survey brief to maintain respondents' interest and engagement.

By using a mixed-methods strategy to combine quantitative and qualitative data for a complete understanding of the research issue, researchers can overcome restrictions. This strategy allows the study of complicated relationships, catches contextual details, and uses longitudinal research to examine variable interactions over time.

To overcome language barriers and ensure diversity, questionnaires should include different languages, such as English, Mandarin, and Malay in future study.

This method improves comprehension for respondents with varying language backgrounds. Additionally, using open-ended questionnaires or interviews makes it possible to record a variety of viewpoints and ideas in future research successfully. Participants are free to express themselves thanks to this qualitative method, which has richer data supporting quantitative conclusions.

In self-recommendation, using moderators in research can considerably increase the depth of investigations and provide more support and evidence for study conclusions. By including moderators in research designs, researchers may look deeper into the complexity of variable connections, providing a more complete knowledge of complicated topics. Moderators are important variables that give insight into the conditions under which specific effects occur, revealing the complexities of causal linkages. This approach adds to the analysis and improves the validity and generalization of study findings. Furthermore, identifying moderators allows researchers to better customize interventions and strategies to specific conditions or groups. Including moderators in research procedures allows researchers to gain deeper insights, enhance theoretical frameworks, and progress knowledge in different domains.

## **5.6** Conclusion

This study examines how compensation, work environment, and motivation influence employee satisfaction among industrial trainees from several perspectives. To achieve these objectives, a comprehensive study proposal has been developed. Chapter 2 of the study includes a thorough literature review covering all key domains.

In Chapter 3, an in-depth research technique is presented and supported. Results

from the approach show that compensation, work environment, and motivation influence employee satisfaction among industrial trainees. Three independent variables—compensation, work environment, and motivation—affect employee satisfaction among industrial trainees. Based on multiple linear regression, all dependent variables significantly affect employee satisfaction among industrial trainees.

This study provides helpful information and benefits to understanding how compensation, work environment, and motivation influence employee satisfaction among industrial trainees. However, some limitations could be improved in future studies with the reference or recommendations given in current research.

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# **APPENDIX 1: SURVEY QUESTIONNAIRE**



## UNIVERSITI TUNKU ABDUL RAHMAN FACULTY OF ACCOUNTANCY AND MANAGEMENT BACHELOR OF INTERNATIONAL BUSINESS (HONS)

### UNDERGRADUATE FINAL YEAR PROJECT

### To Study The Influences of Compensation, Work Environment and Motivation on Employee Satisfaction among Industrial Trainees

#### **Survey Questionnaires**

The objective of this survey is to conduct research titled: "To Study The Influences of Compensation, Work Environment, and Motivation on Employee Satisfaction among Industrial Trainees."

All provided information will be assured to keep it private and confidential.

The collected information used solely for academic purposes.

Instruction:

- 1. This questionnaire comprises THREE (3) sections. Kindly respond to ALL questions in each section.
- 2. The completion of this form is estimated to take 5 to 10 minutes.
- 3. The contents and responses provided in this questionnaire will be maintained with the utmost confidentiality.

Your valued participation and cooperation are sincerely appreciated.

## Prepared by: Sam Li Xing 18UKB06310

## Section A: Personal Data Protection Statement

#### PERSONAL DATA PROTECTION NOTICE

Please be informed that in accordance with Personal Data Protection Act 2010 ("PDPA") which came into force on 15 November 2013, Universiti Tunku Abdul Rahman ("UTAR") is hereby bound to make notice and require consent in relation to collection, recording, storage, usage and retention of personal information.

- 1. Personal data refers to any information which may directly or indirectly identify a person which could include sensitive personal data and expression of opinion. Among others it includes:
  - a) Name
  - b) Identity card
  - c) Place of Birth
  - d) Address
  - e) Education History
  - f) Employment History
  - g) Medical History
  - h) Blood type
  - i) Race
  - j) Religion
  - k) Photo
  - Personal Information and Associated Research Data
- 2. The purposes for which your personal data may be used are inclusive but not limited to:
  - a) For assessment of any application to UTAR
  - b) For processing any benefits and services
  - c) For communication purposes
  - d) For advertorial and news
  - e) For general administration and record purposesf) For enhancing the value of education

  - g) For educational and related purposes consequential to UTAR
  - h) For replying any responds to complaints and enquiries
  - For the purpose of our corporate governance i)
  - For the purposes of conducting research/ collaboration i)
- 3. Your personal data may be transferred and/or disclosed to third party and/or UTAR collaborative partners including but not limited to the respective and appointed outsourcing agents for purpose of fulfilling our obligations to you in respect of the purposes and all such other purposes that are related to the purposes and also in providing integrated services, maintaining and storing records. Your data may be shared when required by laws and when disclosure is necessary to comply with applicable laws.
- 4. Any personal information retained by UTAR shall be destroyed and/or deleted in accordance with our retention policy applicable for us in the event such information is no longer required.

5. UTAR is committed in ensuring the confidentiality, protection, security and accuracy of your personal information made available to us and it has been our ongoing strict policy to ensure that your personal information is accurate, complete, not misleading and updated. UTAR would also ensure that your personal data shall not be used for political and commercial purposes.

#### Consent:

- 6. By submitting or providing your personal data to UTAR, you had consented and agreed for your personal data to be used in accordance to the terms and conditions in the Notice and our relevant policy.
- If you do not consent or subsequently withdraw your consent to the processing and disclosure of your personal data, UTAR will not be able to fulfill our obligations or to contact you or to assist you in respect of the purposes and/or for any other purposes related to the purpose.
- 8. You may access and update your personal data by writing to us at\_\_\_\_\_.

#### Acknowledgment of Notice

- [ ] I have been notified and that I hereby understood, consented and agreed per UTAR above notice.
- [ ] I disagree, my personal data will not be processed.

Name: Date:

## **Section B: Demographic Questions**

- 1. What is your gender?
  - () Male
  - () Female
- 2. What is your field of study?
  - () Engineering and Science
  - () Accountancy and Management
  - () Information and Communication Technology
  - () Arts and Social Science
  - () Creative Industries
- 3. Are you currently undergoing industrial training?
  - () Yes
  - ( ) No
- 4. What is your industrial experience?
  - () Less than or equal 3 months
  - () 4 months to 6 months
  - () More than 6 months
- 5. What is your allowance during industrial training?
  - () Less than or equal RM 500 /month
  - ( ) RM501 to RM1000 /month
  - () RM1001 to RM1500 /month
  - () More than RM1501 /month

## Section C: Likert Scale Question

[1: Strong Disagree 2: Disagree 3:Neutral 4:Agree 5:Strongly Agree]

### Compensation (IV)

Compensation, including both monetary and non-monetary benefits, significantly impacts employee satisfaction among industrial trainees. These benefits, including bonuses, wages, and other non-monetary benefits, contribute to trainees' perceptions of fairness, worth, and overall satisfaction in their work environments.

	Questions	ly ee	ee	-		y'
		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Allowance received is enough to support myself	1	2	3	4	5
2.	Satisfied with compensation received in returning for my contribution	1	2	3	4	5
3.	Received compensation are as good as most other organizations offer	1	2	3	4	5
4.	Allowance and benefits offered by the company is attractive	1	2	3	4	5
5.	Satisfied with company's leave benefits	1	2	3	4	5
6.	Satisfied with joining team building activities and seminars	1	2	3	4	5
7.	Satisfied with the medical benefits offered by company	1	2	3	4	5

### Work Environment (IV)

The work environment, including temperature, lighting, ventilation, noise levels, cleanliness, and equipment sufficiency, significantly impacts trainees' satisfaction and engagement. A positive work environment boosts productivity and confidence, while ensuring safety and encouragement, thereby enhancing the overall experience for industrial trainees.

	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Satisfied with physical environment, including temperature, humidity, ventilation, lighting, noise levels, cleanliness of the workspace, and the sufficiency of work equipment	1	2	3	4	5
2.	Clear definition of received tasks	1	2	3	4	5
3.	Satisfied with job aid from colleagues / supervisors	1	2	3	4	5
4.	Satisfied with communication's method of supervisor	1	2	3	4	5
5.	Satisfied with guidance of supervisor	1	2	3	4	5
6.	Satisfied with job/ technical knowledge of supervisor	1	2	3	4	5

## Motivation (IV)

Motivation plays a crucial role in employee satisfaction, impacting job performance and productivity. It positively influences passion and authenticity at work, while hygiene factors like working conditions, compensation, and policies contribute to job dissatisfaction. Workplace motivation is complex, influenced by both organizational and individual factors.

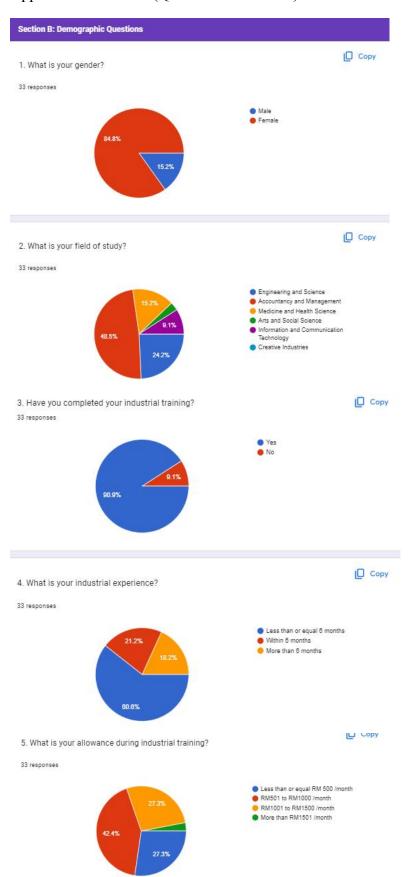
	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
		St Di	ĮŪ	N	1	St A
1.	Good involvement in tasks	1	2	3	4	5
2.	Good effective of communication with colleagues	1	2	3	4	5
3.	Good relationship with colleagues	1	2	3	4	5
4.	Obtaining praise and recognition	1	2	3	4	5
5.	Obtaining personal growth	1	2	3	4	5
6.	Enjoyment and Fulfillment	1	2	3	4	5
7.	Satisfied with company management	1	2	3	4	5
8	Tasks given was monotonous	1	2	3	4	5

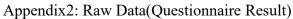
### **Employee Satisfaction among Industrial Trainee (DV)**

Employee satisfaction is a crucial factor in industrial training, influenced by factors such as compensation, work environment, and motivation. This study evaluates satisfaction among industrial trainees, considering attitudes, managerial strategies, job security, working conditions, status, and communication. Evaluation indicators include satisfaction, motivation, compensation, and perceptions of the work environment.

-						
	Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1.	Satisfied with the ability of supervisor in decision making	1	2	3	4	5
2.	Satisfied the respect from company owner and supervisor, as well as treat you in fair	1	2	3	4	5
3.	Satisfied with overall working environment	1	2	3	4	5
4.	Satisfied with personal growth and development in future career	1	2	3	4	5
5.	Satisfied with the task achievement in performing	1	2	3	4	5
6.	Satisfied with the communication and relationship between colleagues	1	2	3	4	5
7.	Satisfied with the received recognition after performing the job	1	2	3	4	5
8.	Job give the opportunity to do task that uses my abilities and own solutions	1	2	3	4	5

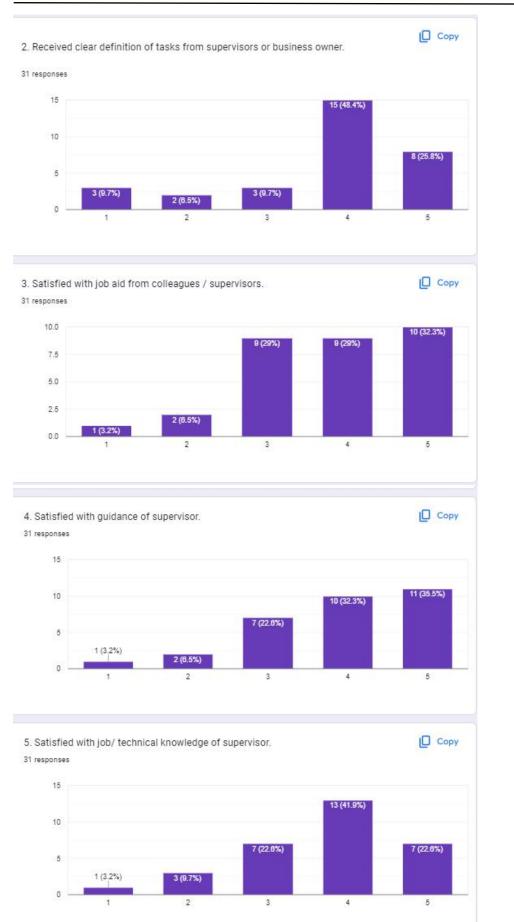
9.	Able to use own judgement when performing tasks required by job and tasks	1	2	3	4	5

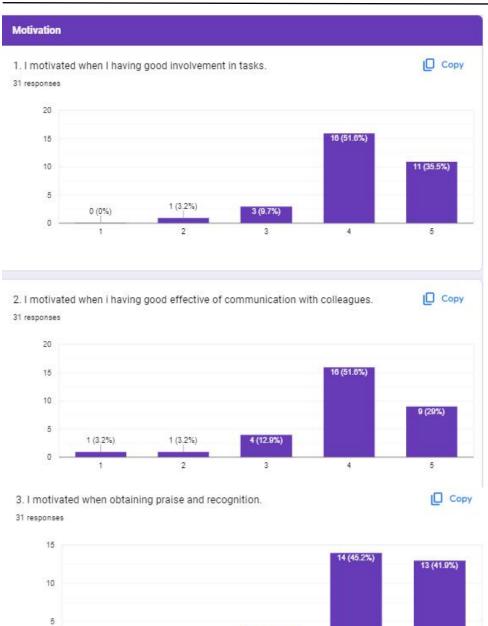












I motivated when I satisfying with company management and policy.

0 (0%)

2

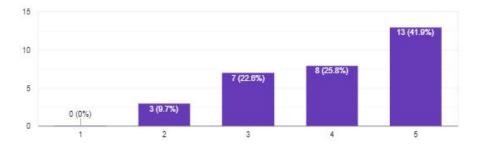
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5

31 responses

0

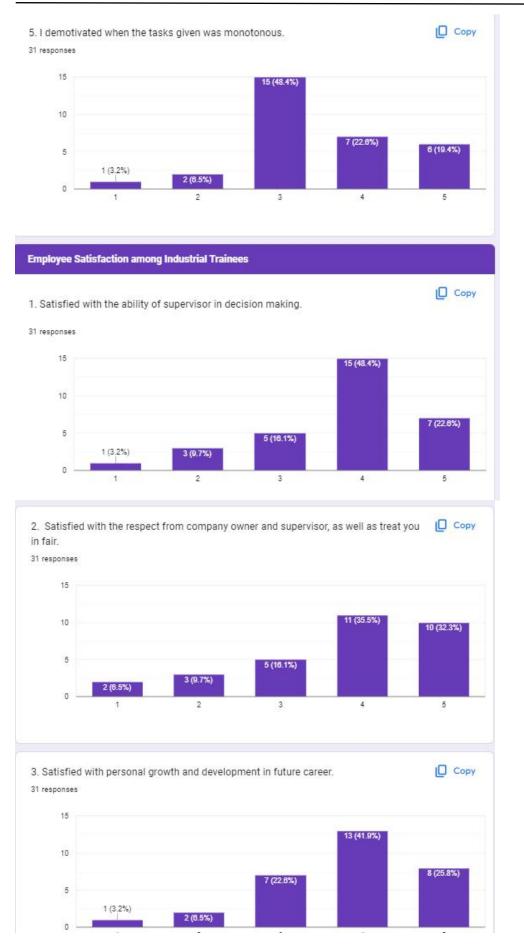
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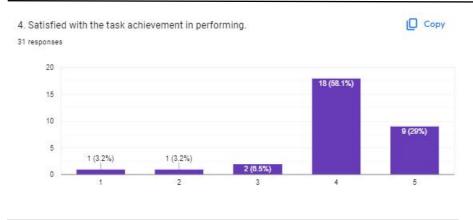


4 (12.9%)

3

4





5. Satisfied with the received recognition after performing the job.



31 responses

