## POLITEKNIK MELAKA

# **DIPLOMA IN INTERNATIONAL BUSINESS**

SALARY CALCULATOR WEBSITE
(AYANG'S KITCHEN SALARY SYSTEM)

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**APRIL 2024** 

## CONFIRMATION OF THE PROJECT

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## ACKNOWLEDGEMENTS

Praise to Allah, Lord of the Universe for His blessings and guidance, which have enabled us to successfully complete this project. Peace to Prophet Muhammad S.A.W. the sole human inspiration worthy of imitation. Alhamdulillah all raise to Allah S.W.T the almighty for granting us the strength, patience and endurance provided us to accomplish this project despite the challenge we encountered.

The completion of this Salary Calculator Website (Ayang's Kitchen Salary System) project would not have been possible without the support, guidance, and assistance of many individuals. We are deeply grateful to Madam Zaihasra Binti Rukiman for their valuable insights, encouragement, and continuous supervision which have played a crucial role in in ensuring the success of this project. Their unwavering support and expertise have greatly contributed to our understanding and execution of this project.

We extend our heartfelt appreciation to Madam Tuty Binti Kamis and Madam Zaihasra Binti Rukiman from the Commerce Department of Polytechnic Melaka, for their guidance, patience, and valuable suggestions throughout the development process. We would like to thanks to Ayang's Kitchen, the company we selected as our final year project, for their willingness to collaborate with us and provide crucial insights into real-world salary management. Their cooperation has helped us tailor our project to meet industry needs.

Our sincere, gratitude goes to all lecturers, colleagues, and friends also who supported us in various ways whether through technical advice, constructive feedback, or moral support. Their motivation and contribution have been invaluable throughout this journey. Lastly, we are deeply indebted to our families for their unconditional love, patience, and support. Their encouragement has been driving force behind our dedication to completing this project.

## **EXECUTIVE SUMMARY/ABSTRACT**

Efficient salary management is a crucial aspect of business operations, ensuring employees receive fair and timely compensation while maintaining compliance with labour laws. However, manual payroll processing is prone to errors, time consuming, and lacks transparency, leading to employee dissatisfaction and operational inefficiencies. This project introduces the salary calculator website namely Ayang's Kitchen Salary System, an automated payroll management system specifically designed for Ayang's Kitchen, a growing food and beverage business.

The system aims to reduce payroll errors, improve efficiency and enhance transparency in salary computations by automating key processes such as salary calculations, staff attendance, adjustments and payslip generations also other features in future. By integrating an employee database, payroll reporting and user access control, the system provides a structured and reliable payroll solution that minimizes miscalculations and administrative workload.

The development of this system aligns with the United Nations Sustainable Development Goals (SDG), particularly SDG 9: Industry, Innovation, and Infrastructure, by leveraging technology to enhance business efficiency. Designed with an aesthetic theme inspired by coffee, sewing machines, fauna, and earth elements (green & brown), the Ayang's Kitchen Salary System ensures a user-friendly and visually appealing experience.

Lastly, this project contributes to modernizing payroll management for small medium-sized enterprises (SMEs) by ensuring accurate salary distribution, legal compliance and improved employee satisfaction. By automating payroll processes Ayang's Kitchen can streamline its business operations and sustain future growth effectively.

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### CHAPTER 1

#### 1.0 INTRODUCTION

In recent years, organizations have more and more used web applications to automate different human resources functions, saving payroll processing too. The conventional payroll approaches tended to be prone to human errors delays and inefficiencies harming overall productivity and employee morale. To examine the determinants of user acceptance of such system, researchers have widely used the Technology Acceptance Model (TAM), which suggests that perceived ease of use and perceived usefulness are the most important determinants of a user's intention to use new technology (Davis, 1989).

There are a few studies between 2020 and 2025 that have confirmed the relevance of TAM in explaining the adoption of digital tools in HR management. Ismail et al. (2021) had validated the IT acceptance and staff performance relationship and concluded that perceived usefulness and ease of use both significantly influenced performance. Swagath and Pandita (2020) had used TAM to evaluate HR planning system and emphasized that the satisfaction of the users was greatly influenced by ease of use. In the same vein, Hendricks et al. (2023) assured that electronic procedures were implemented upon their perceived benefits and ease by the users.

For salary system-related cases, TAM has also been employed in the forecasting of successful adoption for Human Resources Information System (HRIS). Shahreki and Lee (2024) evidence performance expectancy and facilitating conditions as vital in utilizing HRIS in small and medium-sized firms in emerging markets. Shahreki et al. (2023) discovered that technology readiness was the mediating variable in e-HRM system acceptance. Earlier, Shahreki et al. (2020) proved that electronic HR system task performance relied on perceived usefulness. In their larger review, Menant et al. (2021) established TAM's cross-platform applicability by emphasizing system quality and trust in users in acceptance.

Further, Lew and Atan (2021) enhanced TAM by incorporating trust and perceived risk as vital drivers of the adoption of cashless payments, among other digital technologies. Vui et al. (2022) also analysed employees' intention to utilize e-HRM and proposed a TAM-based framework that centred on ease of use, behavioural intention, and system design. Anjum and Islam (2020) also supported the notion that the expansion of TAM constructs would assist in explaining e-

HRM behavioural intentions. Altogether, these studies supported TAM as a valid basis for the measurement of web applications acceptance in HR, particularly in scenarios of salary calculation.

#### 2.0 LITERATURE REVIEW

#### 2.1 Human Resources Management

Human Resource Information Systems (HRIS) have transformed HR work by rendering recruitment, performance management, and compensation activities digital. The TAM, or the Technology Acceptance Model, formulated by Davis in 1989, regards perceived usefulness and perceived ease of use as two major determinants for new technology adoption by users. In a comprehensive review, Menant et al. (2021) attested to the effectiveness of TAM in predicting HRIS acceptance. They also determined other variables—system security, response time, and data quality—that increase the model's predictive ability. In addition, user satisfaction and organizational elements, such as the role of the HR department, were discovered to have a significant influence on HRIS acceptance.

Within the Malaysian setting, Shahreki et al. (2020) examined the adoption of e-HRM among HR professionals. Their study discovered that e-HRM goal clarity, social influence, perceived usefulness, user satisfaction, and support positively influenced attitudes toward e-HRM usage. These findings indicate the importance of user education and support for successful e-HRM adoption.

#### 2.2 Salary Calculators

Salary calculators, as components of HRIS, enable the calculation of salaries efficiently and accurately. While there are not many specific studies conducted on the applicability of TAM for salary calculators, the concepts are applicable here. Perceived usefulness and ease of use have a crucial role in acceptance. Menant et al. (2021) say that in the HR context, technology acceptance is significantly impacted by system attributes, including data quality and user satisfaction.

In Malaysia, organizational culture and user support have been some of the variables that affected the adoption of e-HRM systems like salary calculators. Shahreki et al. (2020) pointed out social influence and facilitating conditions as key factors in the adoption of such technologies.

## 2.3 Payroll Processing

Technology has transformed payroll processing with automation and real-time processing. In Malaysia, digitalization has resulted in the implementation of AI-driven payroll systems for improved accuracy and compliance. Such systems automate automates routine tasks, eliminate human errors, and facilitate timely salary payments.

The use of AI and machine learning in payroll systems has also made operations easier. These technologies mechanize the gathering and analysis of data, identify discrepancies, and improve efficiency in general. With less human intervention, organizations can have more accurate and dependable payroll processes.

#### 3.0 BUSINESS PROBLEM OR ISSUE

Managed employee salaries was a critical aspect of business operations, especially for companies in the food and beverages like Ayang's Kitchen. With a workforce consisting of kitchen staff, waiters, cashiers, each having different pay structures, and allowances also staff attendance, manual salary computation became complex and prone to errors. The issue in Ayang's kitchen's payroll management was manual salary calculation which increased error risk because salary calculations at Ayang's Kitchen were performed manually, increasing the likelihood of errors such as incorrect total of final salary of staff, or miscalculated allowances. Small miscalculations could result in overpaying or underpaying employees, leading to payroll disputes and dissatisfaction among staff.

Moreover, it was a time-consuming payroll process. The admin spent a significant amount of time computing salaries for different employees, verifying records of attendance or task, and ensuring accurate payments. As Ayang's Kitchen expanded, manual payroll processes became inefficient and unsustainable, requiring automation to handle growing workforce demands. Furthermore, the lack of payroll transparency where employees may not have clear visibility into how their salaries were calculated, lead to confusion and mistrust. Without a proper payroll system, it was difficult for Ayang's kitchen to generate pay slips, track salary history, or provide clear breakdowns of earnings and deductions.

## 4.0 BUSINESS OBJECTIVES

The implementation of a Ayang's Kitchen salary System aims to solve payroll management challenges and improve overall business efficiency. The following objectives outline the key benefits and goals of this project:

- 1. To improve payroll processing of Ayang's Kitchen company efficiency.
- 2. To identify the effectiveness of Salary Calculator Website.

#### 5.0 JUSTIFICATION OF BUSINESS PROJECT

The development of a Salary Calculator System for Ayang's Kitchen is essential to improve payroll efficiency, reduce human errors, and ensure compliance with labour regulations. As an F&B business, Ayang's Kitchen employs various workers with different pay structures, making salary calculations complex and time-consuming, record of task and attendance. Currently, the payroll process is done manually, increasing the risk of miscalculations, delays, and compliance issues. By implementing an automated system, Ayang's Kitchen can streamline salary management, ensuring accurate and transparent payroll processing.

One of the main reasons for this project is to reduce human errors in salary calculations. Manual payroll processing increases the chances of mistakes, such as incorrect payments, miscalculated deductions. These errors can lead to employee dissatisfaction and disputes, affecting overall morale and productivity. With an automated system, salary computations will be accurate, consistent, and reliable, minimizing payroll discrepancies and ensuring that employees are fairly compensated for their work.

Another key reason is to improve payroll processing efficiency. Handling payroll manually for a growing workforce takes significant time and effort, especially when dealing with different works that staff do and, and statutory contributions. The proposed Salary Calculator System will automate these processes, allowing admin personnel to save time and focus on other important administrative tasks. Additionally, employees will receive their salaries on time, preventing any financial stress due to delayed payments.

The lack of payroll transparency is also a concern that this project aims to address. Currently, employees may not have a clear understanding of how their salaries are calculated, leading to confusion and potential conflicts. By implementing this system, Ayang's Kitchen can provide detailed salary breakdowns, allowing employees to view their carnings, deductions, and history of salary before in an organized manner. This will increase trust and satisfaction among employees, as they will have full visibility into their payroll information.

Ensuring compliance with labour laws and tax regulations is another critical factor. Malaysian businesses are required to adhere to minimum wage laws, overtime policies, and statutory

deductions such as EPF, SOCSO, and EIS. Manual payroll management increases the risk of non-compliance, which could result in penalties, fines, or legal action. By implementing an automated system, Ayang's Kitchen can ensure that all salary calculations align with government regulations, reducing risks and ensuring smooth business operations.

Additionally, the scalability and long-term sustainability of Ayang's Kitchen must be considered. As the company expands and hires more employees, manual payroll processing will become increasingly complex and inefficient. A digital Salary Calculator System will allow the company to handle a growing workforce with ease, making it a valuable investment for future business growth. This system will provide a structured and professional payroll management approach, ensuring that the company's salary administration remains efficient and well-organized as it scales.

In conclusion, the Salary Calculator System is a necessary solution for Ayang's Kitchen to enhance payroll accuracy, streamline salary management, ensure legal compliance, and support future business growth. By automating salary calculations, the company can minimize payroll errors, increase efficiency, and improve employee satisfaction, ultimately leading to a more structured and professional payroll system.

#### 6.0 SCOPE OF BUSINESS PROJECT

The Salary Calculator System for Ayang's Kitchen is developed to automate payroll management, ensuring accurate salary calculations, efficient payroll processing, and compliance with Malaysian labour regulations. This system is designed to assist admin personnel and business owners in managing employee salaries while providing employees with transparency regarding their earnings. By implementing this system, Ayang's Kitchen can eliminate payroll miscalculations, reduce administrative workload, and improve overall salary management efficiency.

The primary users of this system include admin staff, business owners, and employees. Admin will use the system to process payroll, manage employee records, track attendance, and generate payslips, while employees will have access to their salary details, deductions, and payslips through a secure interface. The system will feature role-based access control to ensure that only authorized users can modify or view payroll-related information.

One of the core functionalities of this system is automated salary computation. It will calculate salaries based on working hours, overtime, allowances, and statutory deductions such as EPF, SOCSO, and EIS, ensuring compliance with Malaysian labour laws in future while have improvement from their company. Additionally, the system will provide features for leave and tracking, helping Ayang's Kitchen accurately determine employees' earnings and prevent payroll disputes. The system will also include automated payslip generation, allowing employees to download their payslips and view salary breakdowns.

The system will be developed as a web-based platform that is mobile-friendly, allowing users to access payroll information conveniently from any device. It will incorporate a secure database to store employee records and payroll data, ensuring data confidentiality and integrity. The design of the system will align with Ayang's Kitchen's branding, featuring elements inspired by coffee, sewing machines, fauna, and earth tones (green and brown) for a visually appealing user interface.

While the system is primarily designed for payroll processing, it will not include advanced accounting or financial reporting features in its initial version. Additionally, since the system is customized for Ayang's Kitchen, modifications may be required if it is later adapted for other businesses in the F&B industry. However, the system will be scalable, allowing Ayang's Kitchen to expand its workforce without increasing payroll processing difficulties.

In conclusion, the Ayang's Kitchen Salary System is an essential tool for Ayang's Kitchen to enhance payroll accuracy, increase efficiency, and ensure compliance with labor laws. By implementing this system, the company can streamline payroll management, improve employee satisfaction, and support long-term business growth while maintaining a professional and transparent salary administration process.