

**Practices and Challenges of Reward Management at
Etete Milk Processing Share Company**



**A Thesis Submitted to Addis Ababa University School of Commerce In partial fulfillment
of the requirements for the award of Master of Art Degree in Human Resource
Management**

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Declaration

I hereby declare that this thesis is my own work developed in partial fulfillment of the requirements for the Degree of masters in Human Resource management and that; to the best of my knowledge, it contains no material previously published by other person or material which has been accepted for the award of any other degree by any university or academic institution except where due acknowledgement has been made in the context.

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Signature

Certification

This is to certify that Abraham Mekonnen Alemu has done his research work titled “Practices and Challenges of Reward Management at Etete Milk Processing Share Company” In partial fulfillment of the requirements for the award of Master of Art Degree in Human Resource Management at Addis Ababa University, School of Commerce. This work is original and it is suitable for submission in partial fulfillment of the requirements for the award of Master of Art Degree in Human Resource Management.

Ato Bentie Workie

Signature

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TABLE OF CONTENTS

DECLARATION.....	i
CERTIFICATION.....	ii
ACKNOWLEDMENT.....	iii
TABLE OF CONTENTS.....	iv
ABSTRACT.....	vii
LIST OF TABLES	viii
LIST OF FIGURES	ix
LIST OF CHARTS.....	x
ACRONYMS.....	xi
CHAPTER ONE.....	1
1.1. BACK GROUND OF THE STUDY	1
1.2. BACK GROUND OF THE ORGANIZATION	3
1.3. STATEMENT OF THE PROBLEM.....	3
1.4. OBJECTIVE OF THE STUDY	4
1.5. SIGNIFICANCE OF THE STUDY	4
1.6. SCOPE OF THE STUDY.....	5
1.8. ORGANIZATION OF THE STUDY	5
CHAPTER TWO.....	6
REVIEW OF RELATED LITRATURE	6
2.1. REWARD MANAGEMENT	6
2.2. THE AIMS OF REWARD MANAGEMENT	7
2.3. REWARD PHILOSOPHY	8
2.4. THE REWARD SYSTEM.....	8
2.5. ELEMENTS OF REWARD SYSTEM	10
2.5.1. BUSINESS STRATEGY.....	10
2.5.2. REWARD STRATEGY AND POLICY	10
2.5.3. REWARD MANAGEMENT AND PEOPLE.....	10

2.6. ESSENTIALS OF REWARD MANAGEMENT	11
2.7. PURPOSE OF REWARD MANAGEMENT.....	11
2.7.1. MOTIVATION	12
2.7.2. JOB SATISFACTION AS REWARD	13
2.7.3. MERIT BONUS.....	14
2.8. CONCEPTUAL FRAMWORK.....	14
CHAPTER THREE.....	15
THE RESEARCH METHODOLOGY	15
3.1. RESEARCH APPROACH.....	15
3.2. RESEARCH DESIGN	15
3.3. POPULATIN AND SAMPLE SIZE	16
Source: Own survey, 2018.....	17
3.4. DATA SOURCE AND TYPE/ DATA COLLECTION INSTRUMENT.....	17
3.5. DATA COLLECTION PROCEDURE.....	18
3.6. ETHICAL CONSIDERATION	18
3.7. DATA ANALYSIS	19
CHAPTER FOUR.....	20
DATA PRESENTATION, ANALYSIS AND INTERPRETATION	20
4.1. DATA PRESENTATON AND ANALYSIS.....	20
4.2. RESPONSE RATE & BACK GROUND OF RESPONDENT	20
4.3. REWARD POLICY AND PRACTICE	23
4.4. REWARD PROCEDURE	30
4.5. SUCCESS OF EMPLOYEES.....	34
CHAPTER FIVE.....	40
SUMMARY, CONCLUSION AND RECOMMENDATION	40
5.1. SUMMARY.....	40
5.2. CONCLUSION.....	41
5.3. RECOMMENDATION	42
BIBILIOGRAPHY	43
Appendix.....	46

ABSTRACT

This study is about the practices and challenges of reward management in Etete Milk Processing Share Company. Reward and compensation is a crucial instrument in achieving organizational efficiency and effectiveness. It's also an important tool in motivating employees to work towards the organizational goals and objectives. The purpose of this study is therefore to identify how this company practices reward management and asses the challenges confronted in practicing it.

Within the work realm of this company It was observed that there is a perception of lack of improvement in the reward management system parallel to the ever changing competition and economic environment, and other compensation and benefit issues that hinder the achievement of organizational objectives.

The student researcher has therefore aimed in identifying the practices and challenges of reward management that exist in Etete Milk Processing share company reward management system. In doing so the research has assessed the practices and challenges of reward management of the company, Analyzed the extent to which employees are satisfied by the existing reward management system in the company, determining the level of transparency the company has in equitability of reward schemes decision making process.

The researcher has also examined the mechanisms used to update the reward management system of the company and also the extent to which existing employees reward scheme is equitable or not.

To undertake this study the student researcher has applied a descriptive research method. Based on this a combination of data collection methods have been used to find answers for the research questions. The research questions have therefore been addressed through questionnaires, interview and other methods of data collection including observation and secondary sources of information. For the purpose of this study a census on all 147 employees of the company has been used to take part on the process.

Finally the researcher has found out that the company has a system of rewarding and motivating its employees towards achieving organizational objectives however the rewarding systems are not based mainly on performance and is not in line with the continuously changing competition and business environment. Besides the annual bonuses and salary increments are given to all employees once annually based on the salary scale, which is not advisable according to the theoretical frameworks the researcher used and in the meantime the performance of the employees are overlooked.

The conclusion is, therefore, the rewarding systems which Etete Milk Processing share company uses do not motivate its employees to be competitive and work to the best interest of the company given that the rewarding systems do not take competitiveness and performance into account.

List of Tables	Pages
Table 1- Population summary of Etete Milk processing PLC.....	17
Table 2- Demographic profile of respondents.....	21
Table 3- Reward policy and practices of Etete Milk processing PLC.....	23
Table 4- Reward procedure of Etete Milk processing PLC.....	30
Table 5- Success of Employee of Etete Milk processing PLC.....	34

List of Figure	Pages
Figure 1. Conceptual framework.....	14

List of Charts	Pages
Chart 1. Summary of the reward policy and practices Etete Milk processing PLC.....	27
Chart 2. Summary of the procedures of Etete Milk processing PLC.....	32
Chart 3. Summary of the success of the respondents in Etete Milk Processing PLC.....	36

Acronyms

PRMS: Profitable Reward Management Strategy

HRM: Human Resource management system

HR: Human Resources

S.co: Share Company

NGOs: Non-Governmental Organizations

CHAPTER ONE

THE PROBLEM AND ITS APPROACH

1.1. BACK GROUND OF THE STUDY

The aims of reward management are achieved by developing and implementing strategies, policies, processes and practices that are founded on a philosophy, operate in accordance with the principles of distributive and natural justice, function fairly, equitably, consistently and transparently, are aligned to the business strategy, fit the context and culture of the organization, are fit for purpose and help to develop a high performance culture (Armstrong, 2007).

Reward management deals with the strategies, policies and processes required to ensure that the contribution of people to the organization is recognized by both financial and non-financial means (ebid).

It is about the design, implementation and maintenance of reward systems (reward processes, practices and procedures), which aim to meet the needs of both the organization and its stakeholders (Kohn, 1993).

Reward Strategy, in practice, is beyond the obligatory compensation or remuneration package; it is a package of motivational incentives that guide action in manipulating and controlling the behavior of employees towards the achievement of the organization's goal (Stoner et al, 1995). It is in recognition of the importance of reward as motivational technique that most organization invests heavily in them (reward) in order to gain control of the behavior of their employees (Shields, 2007).

A reward strategy just like any other strategy in the organization must seek to address an organization's bottom line. Its purpose must therefore be to support the corporate strategy and address organizational needs. Profitable Reward Management Strategy (PRMS) includes supporting the achievement of overall business strategy, it is integrated with other HRM strategies, it is strategic in nature in the sense that it looks at supporting overall organizational effectiveness and efficiency, it adopts a 'total' reward approach which recognizes that there are a number of ways of rewarding people- being both financial and non-financial, it is based on a philosophy of rewarding people differently for the value they create i.e. the return on human capital investment

and it seeks to achieve a perfect balance in the employment relationship and a generally positive employment relationship (Armstrong, 2003).

Reward management is the process of formulating and implementation of strategies and policies that aim to reward people fairly, equitably and constantly in accordance with their value to the organization (Armstrong and Murlis, 2004). It also deals with the design, implementation and maintaining of reward processes and practices that are focused towards the improvement of organizational, team and individual performance (ebid).

Literally, according to the above definitions reward management is a motivational tool used in appreciating employees on the efforts contributed to the organization. Which means reward could be interchanged as compensation or remuneration or explicit price of labor. Furthermore, reward management is more concerned with people (employees) and the value they create in the organization (Schneider, 1987).

For organizations to achieve a highly committed business environment and its overall business goal, a reward strategy must be developed to ensure that the contribution people make to achieving organizational or team goals are valued, recognized and rewarded (Armstrong, 2010).

If a business is as good as the people who work in it then reward management becomes central in that it can determine the goodness of the people who work in the business of motivation and commitment. They show to the organization (unsatisfactory rewards = low commitment). (Isaack etal, 2016), which shows the organizations with well to do reward systems enjoy better results in terms of productivity and general performance than those with poor ones such as the civil service (Armstrong, 2007).

In view of the above, this research will basically intend to study the practices and challenges of reward management, the case of Etete Milk Processing S.Co.

In few years of existence, Etete Milk Processing S.Co has established recognition with the customers and NGO's that are interested in working with farmers in the milk sector (Like, SNV...).

Etete Milk Processing S.Co is committed in encouraging, supporting and delivering its human resource developments for all staff throughout the organization to aid each process and the

organization as a whole to meet its objectives thereby assisting the company to remain competitive and highly effective in milk processing sector.

Therefore, this study will attempt to explore the practices and challenges of reward management within Etete Milk Processing Share Company, which is expected to have impact on the development of employee's efficiency and effectiveness on work and thereby determine company performance.

1.2. BACK GROUND OF THE ORGANIZATION

Etete Milk Processing Share Company is a dairy processing company in Ethiopia owned by multinational companies, Dairy invest Ltd based in UK, London and Etete Milk Processing share company based in Ethiopia. It specializes in the production and supply of dairy products such as pasteurized milk, yogurt, flavor yogurt, butter, cream, goat cheese, mozzarella cheese, provolone cheese, smoked cheese, feta cheese, and other related products.

Etete Milk Processing Share Company head office is located in Addis Ababa and the factory based in Aleltu, Oromia region. The company has 147 permanent and 50 temporary employees. The major customers of Etete Milk Processing Share Company are Hyper, super Markets, small Shops, restaurants, Cafes, Ethiopian Airlines and different governmental and non-governmental Companies like Universities.

1.3. STATEMENT OF THE PROBLEM

In general, the concept of reward is to create self-starter, motivated employees and for the companies to be competent in the current competitive market of the current economy. Based on the success stories described in many literatures such as Armstrong and Taylor (2010), Armstrong and Murlis (2004) it is indicated that rewards are largely to attract and retain competent staff and employees in an organization, that guarantees attractive fringe benefits to the employees, the student researcher will investigate the practices and challenges of Etete Milk Processing S.Co's existing employees reward system in place.

It is observed that the main problem that exists in many organizations' employee reward system is lack of improvement in the reward management system in accordance to the drastically changing

competition and economic environment, discriminatory nature of the reward management system implementation and delay to give solutions for reward claim of employees.

The student researcher worked in identifying the practices and challenges of reward management that exist in Etete Milk Processing S.Co's reward management system. Which Etete Milk Processing S.Co benefits out of the findings, with this regard, the student researcher focused on investigating on the following likely to exist major openings and loops in the area of reward management;

- Existence of unsatisfied employees on the reward management system;
- Transparency level on individuals reward decision making;
- If any existence of unfair practice on salary increase, incentives, bonus, promotion and demotion, and on many more reward related issues.

1.4. OBJECTIVE OF THE STUDY

In due course of this research study the following basic research questions were raised to guide the entire inquisitive research process;

- What are the challenges of the reward management in the company?
- What is the level of employee's satisfaction with the existing reward management system in the company?
- How does reward affect employee's satisfaction in the company?
- What is the extent of management transparency to employees on communication and on decision making regarding reward in the Company?
- What mechanisms do exist in updating the reward management system in the company?
- To what extent the existing employees reward scheme is equitably offered among employees in the company?

1.5. SIGNIFICANCE OF THE STUDY

This study was assumed to have various benefits to different bodies, such as:

- Serve as a tool in suggesting a way to a better practice in reward management to the Company

- Significance in creating awareness in the mind of the management of Etete Milk Processing Share Company in light of practices and challenges of reward management including best practices.
- Used as a reference material for those who are interested to conduct further, a detailed and comprehensive study in the area.

1.6. SCOPE OF THE STUDY

Though this research was done from different perspectives of human resources management, this study is purposefully limited by its scope only to focus on the practices and challenges reward management on Etete Milk Processing Share Company. The study is conducted in Etete Milk Processing Factory and the methodology used is Descriptive research study aimed at depicting the practices and challenges in an accurate way.

1.7. LIMITATION OF THE STUDY

Due to the limitation of resources basically finance, time and information the student researcher limits this research work to be done on Etete Milk Processing Share Company.

1.8. ORGANIZATION OF THE STUDY

The paper is organized into four chapters; the first chapter consists of background of the study, Statement of the problem, Objectives of the study, Research question, Significance of the study, Limitation of the study, Research design & methodology, Organization of the study. The second chapter is about the literature review. The third chapter includes data presentation, Analysis and Interpretation and the final chapter incorporates, Summary of the findings, Conclusions & Recommendations of the study and other necessary documents of the research like reference, list of Bibliography, Appendices, and sample questions.

CHAPTER TWO

REVIEW OF RELATED LITRATURE

2.1. REWARD MANAGEMENT

Reward is the generic term for the totality of financial and non-financial compensation or total remuneration paid to an employee in return for work or service rendered at work (Shields, 2007). Reward which is sometimes been refers to as compensation or remuneration, is perhaps the most important contract term in every paid employment. Its impact on workers (or employee's) performance is in most instance greatly misinterpreted. The understanding of this term is very important; this is because the incentive scheme given to an employee will influence the behavior and level of engagement to organization (Shields, 2007).

Reward management deals with the strategies, policies and processes required to ensure that the contribution of people to the organization is recognized by both financial and non-financial means. It is about the design, implementation and maintenance of reward systems (reward processes, practices and procedures), which aim to meet the needs of both the organization and its stakeholders. The overall objective is to reward people fairly, equitably and consistently in accordance with their value to the organization in order to further the achievement of the organization's strategic goals (Armstrong & Stephens, 2005).

According to Armstrong (2010) reward management is defined “ as the strategies, policies and processes required to ensure that the value of people and the contribution they make to achieving organization, departmental and team goals is recognized and rewarded”.

Reward management is more concerned with people (employee) and the value they create in the organization (Schneider, 1987). Reward system is an “integration of the sources and the courses of actions that inform the selection of a mix of rewards aimed at facilitating the attraction and retention of employees, and to encourage employees' effort, cooperation as well as willingness to learn new skills and adopt to change” (Torrington el al (2009) sited in (Cowling and Mailer, 1998).

Reward management is not just about pay and employee benefits. It is equally concerned with non-financial rewards such as recognition, learning and development opportunities and increased job responsibility (Schneider, 1987).

Literally, according to the above definitions reward management is a motivational tool used in appreciating employees on the efforts contributed to the organization. Which means reward could be interchanged as compensation or remuneration or explicit price of labor. Reward management is more concerned with people (employee) and the value they create in the organization (Schneider, 1987). For organizations to achieve a highly committed business environment and its overall business goal, a reward strategy must be developed to ensure that the contribution people make to achieving organizational or team goals are valued, recognized and rewarded (Armstrong, 2010).

According to Byars and Rue (2005), rewards are of two types, the extrinsic reward and intrinsic reward. Extrinsic rewards are the tangible rewards in form of pay and benefits while intrinsic rewards are intangible rewards internalized by individual employees as a result of their participation in specified activities. Another word of extrinsic and intrinsic is Financial and Non-financial some texts also refer to them as monetary and non-monetary.

2.2. THE AIMS OF REWARD MANAGEMENT

According to (Armstrong & Stephens, 2005) the aims of reward management are to: reward people according to the value they create, align reward practices with business goals and with employee values and needs, reward the right things to convey the right message about what is important in terms of behaviors and outcomes, help to attract and retain the high-quality people the organization needs, motivate people and obtain their engagement and commitment and develop a high-performance culture.

The aims of reward management are achieved by developing and implementing strategies, policies, processes and practices that are founded on a philosophy, operate in accordance with the principles of distributive and natural justice, function fairly, equitably, consistently and transparently, are aligned to the business strategy, fit the context and culture of the organization, are fit for purpose and help to develop a high-performance culture (Armstrong & Stephens, 2005).

2.3. REWARD PHILOSOPHY

According to Torrington et al (2009), “since 1940s payment schemes have had two underlying philosophies. First is the service philosophy (experience). It indicates that people become more effective as they remain in a job, so their service should be rewarded through incremental pay scales. Second is ‘fairness philosophy’ that organizations must have standard structure of reward strategy that will promote fairness”.

Reward management is based on a well-articulated philosophy – a set of beliefs and guiding principles that are consistent with the values of the organization and help to enact them. The philosophy recognizes that, if human resource management is about investing in human capital from which a reasonable return is required, then it is proper to reward people differentially according to their contribution (i.e. the return on investment they generate). The philosophy of reward management also recognizes that it must be strategic in the sense that it addresses longer-term issues relating to how people should be valued for what they do and what they achieve (Armstrong & Stephens, 2005). Reward strategies and the processes that are required to implement them have to flow from the business strategy (Armstrong & Stephens, 2005).

Reward management adopts a ‘total reward’ approach, which emphasizes the importance of considering all aspects of reward as a coherent whole that is linked to other HR initiatives designed to achieve the motivation, commitment, engagement and development of employees (Armstrong & Stephens, 2005). This requires the integration of reward strategies with company’s strategies, including talent management and human resource development. Reward management is an integral part of a human resource management approach to managing people within the organization like Ete Milk Processing Share Company.

2.4. THE REWARD SYSTEM

The reward system is an “integration of the resources and course of actions that inform the selection of a mix of rewards aimed at facilitating the attraction and retention of employees, and to encourage employees’ effort, cooperation as well as willingness to learn new skills and to adapt

to change’’ (Torrington et al (2009) cited in (Crawling and Miller, 1998). In a simple word Armstrong (2010) defines reward system as ‘‘the interrelated processes and practices that combine to ensure that reward management carried out effectively to the benefit of the organization and the people who work there’’. This indicates that reward strategy adopted by any organization must be alignment with the Human Resources and business strategies of the organization.

The approaches to achieving the aims of reward management as described above are incorporated in the reward system of an organization. This consists of, Reward strategies, which set out what the organization intends to do in the longer term to develop and implement reward policies, practices, processes and procedures that will further the achievement of its business goals (Armstrong & Stephens, 2005, 8). For example, an organization may have a strategy to maintain competitive rates of pay.

Reward policies are the guidelines and courses of actions formulated for successful reward system within greatest impact on the motivation and performance of individual employees. For reward system to be effectively administered, Byar and Rue (2005) suggest that the policies should be clearly indicated; the minimum and maximum levels of pay considering – the worth of the job to the organization, ability to pay, government regulations in labor market, other market pressures.

Reward policies, which will set guidelines for decision making and action. For example, an organization may have a policy that sets the levels of pay in the organization compared with median market rates (Armstrong & Stephens, 2005).

Reward practices, which consist of the grade and pay structures, techniques such as job evaluation, and schemes such as contingent pay used to implement reward strategy and policy. For example, the policy on pay levels will lead to the practice of collecting and analyzing market rate data, and making pay adjustments that reflect market rates of increase (Armstrong & Stephens, 2005).

Reward processes, which consist of the ways in which policies are implemented and practices carried out, for example the way in which the outcomes of surveys are applied and how managers manage the pay adjustment and review process (Armstrong & Stephens, 2005).

Reward procedures, which are operated in order to maintain the system and to ensure that it operates efficiently and flexibly and provides value for money. For example, a procedure will be used for conducting the annual pay review (Armstrong & Stephens, 2005).

2.5. ELEMENTS OF REWARD SYSTEM

The reward system is allocation of compensation and benefits to employees that follow established standards, rules and procedures (The Law Online Dictionary, 2002).

2.5.1. BUSINESS STRATEGY

The starting point of the reward system is the business strategy of the organization. This identifies the business drivers and sets out the business goals. The drivers are unique to any organization but will often include items such as high performance, profitability, productivity, innovation, customer service, quality, price/cost leadership and the need to satisfy stakeholders – investors, shareholders, and employees (Armstrong, 2012).

2.5.2. REWARD STRATEGY AND POLICY

The reward strategy flows from an analysis of the business drivers. The question is: ‘How can these are supported by reward in order to achieve the goals of the business?’ The reward strategy will define longer-term intentions in such areas as pay structures, contingent pay, employee benefits, and steps to increase engagement and commitment and adopting a total reward approach.

2.5.3. REWARD MANAGEMENT AND PEOPLE

Reward management is concerned with people – especially the employees who are rewarded for their efforts, skills and contribution but also the directors, managers and reward specialists who plan, manage and administrate rewards. This is in accordance with the view expressed by Schneider (1987): Organizations are the people in them people make the place. His point was that: Attraction to an organization, selection by it, and attrition from it yields particular kinds of persons in an organization. These people determine organizational behavior...Positive job attitudes for workers in an organization can be expected when the natural inclinations of the persons there are allowed to be reflected in their behaviors by the kinds of processes and structures that have evolved there.

2.6. ESSENTIALS OF REWARD MANAGEMENT

In conjunction with one another to ensure that the contribution people make to achieving organizational, departmental and team goals is recognized and rewarded. It consists of a related set of activities that impinge and impact on all aspects of the business and the HRM practices within it. In an integrated approach ‘each individual element of reward supports the other to reinforce organizational objectives.’

As mentioned by Armstrong .M, (2005, 2007, and 2010) integration takes three forms:

- Strategic integration: the vertical integration of reward strategy with business strategy.
- HRM integration: the horizontal integration of reward strategies with other HR strategies, especially those concerned with high performance, engagement, talent management and learning and development.
- Reward: market driven, with overall performance dictating rate of progress of salaries within broad band’s rather than existing grades.
- Recruitment: competency based, with multi-assessment processes as the basic approach.
- Performance management: not linked to pay, concentrated on personal development, objective setting and competency development.
- Training and development: targeted on key competencies and emphasizing self-development.

2.7. PURPOSE OF REWARD MANAGEMENT

What is it that organizations hope to obtain by offering rewards to their employees; that is, what should a system of reward management seek to do? In essence (and again in prescriptive mode) a reward system maintained by a work organization is likely to have three primary objectives: like to attract the right people at the right time for the right jobs, tasks or roles, to retain the best people by recognizing and rewarding their contribution and to motivate employees to contribute to the best of their capability (Ronald J. & Cary L., 2005).

Notice here the strong linkage between the reward and staffing functions (Regarding the staff attraction and retention objectives) and between the reward and performance management functions (regarding motivation).According to Redman T. and Wilkinson A., (2006) a well

formulated and administered reward system is likely to have a number of important secondary objectives. In particular, it should seek to be:

- Need-fulfilling: the rewards should be of value to employees in satisfying relevant human needs
- Felt-fair, particularly in terms of offering rewards commensurate with contribution
- Legal: it should comply with relevant legal requirements regarding employee rights and entitlements, including, of course, all mandatory benefits and minimum standards
- Affordable: the rewards allocated, and any associated on-costs, should be within the organization's financial means
- Cost-effective: there should be an appropriate 'return on investment' from total reward outlays
- Strategically aligned: as with performance management, reward management should support the organization's corporate and business objectives.

Taken together, this is a particularly exacting set of objectives, and it is most unlikely that any organization will be willing or able to achieve all of them simultaneously.

For instance, one of the greatest challenges lies in reconciling the need for reward fairness with the objective of cost-effectiveness.

Which is of greater importance? Dissatisfaction arising from perceptions of reward inequity can certainly lead to increased employee turnover and reduced motivation, but the costs and benefits of being a low payer will vary depending on the type of organization involved. While some organizations may suffer serious performance impairment, others may be able to absorb these consequences and still meet their objectives. Tensions may also arise the fundamentals that we need to consider: 'motivation', 'job satisfaction' and 'organizational commitment' (Redman T. and Wilkinson A., 2006).

2.7.1. MOTIVATION

Motivation is the wellspring of task, behavior or effort, and it refers to the strength of a person's willingness to perform allotted work tasks – to undertake work effort (Shields, 2007). To motivate means to energize the individual to deliver work effort and task behavior (Schmid, B. & Adams, J. 2008). The term itself derives from the Latin word *movere*, meaning 'to move' (Steers & Porter 1991: 5–6). However, motivation is not a homogeneous or indivisible phenomenon. It can be

broken down into various elements. When we study motivation, then, we are really concerned with three related aspects of task behavior:

- The direction of that behavior: why people take certain actions rather than others; e. g. emphasizing product quantity over quality
- The intensity of that behavior: why the actions taken involve either a lot of effort, or a little
- The duration of that behavior: why some actions are more sustained and enduring than others (Kanfer, 1998).

What moves one individual to deliver solid and sustained work effort may have little motivational effect on other employees, or may have more behavioral impact in some work contexts and climates than in others. In fact, it is this very variety of possibilities that makes motivation such an absorbing field of academic study and management practice. Second, as our discussion so far suggests, motivation is by no means the only important work attitude. Its significance needs to be understood in context, not in isolation (Kanfer, 1998).

2.7.2. JOB SATISFACTION AS REWARD

Job satisfaction refers to the overall positive or negative attitude that employees hold towards the job and the job context. In other words, how contented or discontented are employees with the totality of their job assignment? In this sense, job satisfaction is also an affective state – that is, an emotional condition – as well as an attitude (Shields, 2007). As a holistic summative feeling about the job, it covers both the job content – or factors ‘intrinsic’ to the job – and the job context – or factors surrounding or associated with the job, such as work relationships, work culture and human resource practices, including those to do with performance and reward management (Shields, 2007). As such, job satisfaction can be said to subsume attitudes and affective states to do with more specific aspects of the job, such as satisfaction or dissatisfaction with performance management procedures and outcomes, reward determination processes and outcomes (i.e. reward satisfaction), career development opportunities and the like. Job satisfaction also has a close but complex association with other affective states, particularly perceptions of organizational justice and injustice (Losey M., Meisinger S., and Ulrich D., 2005).

2.7.3. MERIT BONUS

The main alternative means of linking pay outcomes to individual performance assessment is the merit bonus approach, also known as the ‘lump sum’ method. A bonus is a payment made quite separately from base pay.

Merit bonuses do not become annuities and, to be retained, they must be re-earned. The critical difference between this approach and traditional merit increments is that the payments made are conditional rather than cumulative. In short, they avoid the annuity problem. This may be one of the reasons for the increasing popularity of the merit bonus alternative (Lawler, 1990: 82).

As noted in previously, one of the chief shortcomings of merit pay as a means of recognizing and rewarding individual performance is its formalistic basis and once-a-year payment regimen. To address these problems, in recent times many organizations that are committed to rewarding individual performance have opted for a range of more flexible and timely practices known generically as ‘recognition awards’ (Talya Bauer and Berrin Erdogan, 2018).

2.8. CONCEPTUAL FRAMEWORK

The following conceptual framework is developed from the above literature review. Reward which is composed of both financial rewards (which are extrinsic like payment, and benefits) and non-financial rewards (contains both extrinsic and intrinsic rewards and includes payment, bonus, working conditions, recognition, and the overall organizational and work environment) will result in employee satisfaction, motivation and productivity. Hence, reward is an independent variable and employees satisfaction, motivation and productivity is the dependent one.

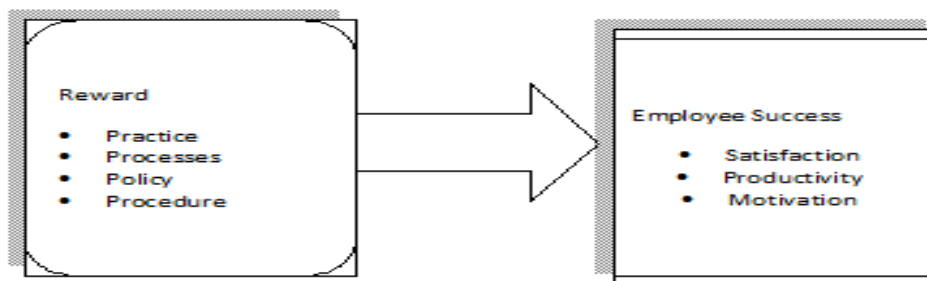


Figure1: Conceptual Framework (Adapted from; (Haimanot Yohannes, MA Thesis, 2017 and Bethelhem Getachew, MA Thesis, 2015)

CHAPTER THREE

THE RESEARCH METHODOLOGY

Methodology refers to the material and method of study that is the variables (materials) over which the study data to be collected, data analysis, sampling and interpretation (Williams, 2011). Hence, this study focuses on the practices and challenges of Reward Management in Etete Milk Processing Share Company.

3.1. RESEARCH APPROACH

The study has applied Concurrent Triangulation mixed (both qualitative and quantitative) research approach that has helped the researcher to tackle the problem from different directions and to meet the objective of the study, which is characterized by both qualitative and quantitative methods used to confirm, cross-validate, or corroborate findings within a study and data collection is concurrent (Creswell, 2003). The student researcher chose this due to generally; both methods are used to overcome a weakness in using one method with the strengths of another (Creswell, 2003).

3.2. RESEARCH DESIGN

Research is divided into three broad categories as per their purpose; exploratory, descriptive, and experimental (Mark, S., Philip, L., & Adrian, T. 2009). The research may be explanatory or causal research if it tries to establish relationship that exists between variables. It aims at identifying how one variable affects the other; it seeks to provide an empirical explanation to the causes and effects relationship between one or more variables (Mark, S., Philip, L., & Adrian, T. 2009).

Hence this study has used descriptive observational survey research; Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study.

There are three ways a researcher can go about doing a descriptive research project, and they are:

- Observational, defined as a method of viewing and recording the participants
- Case study, defined as an in-depth study of an individual or group of individuals

- Survey, defined as a brief interview or discussion with an individual about a specific topic

Therefore, the researcher has used this method is to describe and to assess the practices and challenges of reward management with in Etete Milk Processing Share Company, to assess the prevailing situation and to address problems related to this issue.

Besides, the selected research design has been found to be best so as to describe the research phenomena realistically on the research setting using the information collected from respondents.

3.3. POPULATIN AND SAMPLE SIZE

The populations of the study were the employees and process owners of Etete Milk Processing Share Company at a different level of the organization. To be the data source and a base for the analysis 147 permanent employees of Etete Milk Processing Share Company were taken as the total population, out of which much of the data collected for the purpose of the study emanates from. The sampling technique applied for the selection of respondents out of the entire population is Census sampling technique.

According to Kothari, 2004, all items in any field of inquiry constitute a ‘universe’ or ‘population’. A complete enumeration of all items in the ‘population’ is known as a census inquiry. It can be presumed that in such an inquiry, when all items are covered, no element of chance is left and highest accuracy is obtained.

For the fact that the entire population number is small has given the student researcher a flexibility and time to cover all population size.

When the universe is a small one, it is no use resorting to a sample survey. When field studies are undertaken in practical life, considerations of time and cost almost invariably lead to a selection of respondents i.e., selection of only a few items. The respondents selected should be as representative of the total population as possible in order to produce a miniature cross-section. The entire stratum is presented in the following table as collected from the company monthly man power statistical report.

Table 1- Population summary of Etete Milk Processing PLC (Source from Month end Man power report of Etete HR department of January 2018)

Name of Department	Population size		
	Supervisory Level	Operational Level	Total
GM Office	1	1	2
Production and Technique	7	55	62
Finance	3	3	6
HR and Admin	2	26	28
Commercial	3	34	37
Quality	2	8	10
IT	1	1	2
Total	19	128	147

Source: Own survey, 2018

3.4. DATA SOURCE AND TYPE/ DATA COLLECTION INSTRUMENT

The study was carried out by based on the data that's gathered from both primary and secondary sources. The data was specifically collected from the questionnaire and interview responses of the employees of Etete Milk Processing Share Company.

Unstructured interview as well as focus group discussions with concerned and involved personnel in reward and compensation such as supervisors has provided a lot of relevant information and gave a meaningful picture on the reward management practice and challenges in Etete Milk Processing Share Company.

On the other hand, a secondary data sources related to rewarding and compensation were also obtained from the past years in the bulletins of the company, books, journal, policy procedures as well as labor law and labor union agreement documents.

3.5. DATA COLLECTION PROCEDURE

The data collection procedure that was used in this study is mainly through disseminating questionnaire that consists of both close and open-ended questions. Additional primary data was collected from the respondents such as employees and process owners through the interview.

On the other hand, secondary data was obtained from document sources such as manuals, rules, reports, and work procedures and regulations related to the topic that were developed in the past years by the management of the company to improve productivity.

In addition, the researcher has also analyzed documented materials such as collective agreements of the Etete Milk Processing Share Company so as to assess how the Company handles the reward and compensation issues. The Company's policy of rewarding and compensating, the country's labor law, as well as the labor union agreements of Etete Milk Processing Share Company were used by the researcher as an input to the study. The researcher has utilized documents of the past years' used in rewarding and compensation within Etete Milk Processing Share Company. These include their job descriptions (whether they are from the executive or the lower level).

At this stage, the feeling, attitudes and perceptions of the employees as well as their beliefs about what should be done within the Company in order to enhance the reward and compensation issues were also considered to be part of the data collection process and objective judgment. The data collection has focused over the systems and procedures of reward and compensation details and in doing so the entire population was considered as the subject of the study. The study has tried to identify if there are differences among the different level of population with regard to the systems and procedures of reward and compensation and its overall contribution to the motivation and improvement of employees.

3.6. ETHICAL CONSIDERATION

In the process of conducting this research, the researcher has done everything appropriate to uphold the rights of the participants to decide their own decision in accordance with their own interest. The participants of the study were given sufficient information about the necessity and purpose of the research.

During the data collection and analysis, the personal information of the respondents was kept Confidential.

3.7. DATA ANALYSIS

The collected data, was analyzed using the basic data processing procedures such as: editing, coding & classification sand thereby making it ready for analysis through percentage frequencies, tabulation &descriptive statistics.

The major questions are identified and summarized and all the responses were organized in a table. Then percentage description of the questionnaire was calculated and the result of the analysis was discussed, interpreted and summarized in the form of findings. In addition to this the analysis also involves the systematic classification of the responses collected from interviews, discussions. Moreover, the researcher used documents that show how Etete Milk processing share company works with reward and compensations. These are documents related to rewards, bonus, salary increments and other related rewarding systems. In this case, the fact that the researcher has familiarity of the institution has also contributed to the privileged understanding of the documents and its management in general.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents the data collected from respondents and the analysis made with the results and its interpretation.

4.1. DATA PRESENTATION AND ANALYSIS

This study tried to utilize primary data to explore practice and challenges of reward management within Etete Milk Processing Share Company entrusting to have impact on the development of employee's efficiency and effectiveness on work and thereby determine company performance.

Data gathered by questionnaire and interview is presented using qualitative tabular presentation and qualitative presentation as well. The analysis is also made in tabular percentage and graphical analysis while the qualitative data presentation is made in verbatim description and analytics of written statement.

In addition, the information collected from interviewing Human Resources manager and other referrals within the company is also discussed. It is also used as supporting documents combined with secondary data for discussion and recommendations.

The responses provided from the participants and from the data gathered through different secondary sources is analyzed in light of the theoretical frame work provided in the review of the literature by focusing on the following major variables of the study.

- Reward policy and Practice
- Reward Procedure
- Success of employees

4.2. RESPONSE RATE & BACK GROUND OF RESPONDENT

During the course of the study a total of 147 questionnaires has been distributed and the achieved response was counted to be 131 which is 89.11%. With the same taken 16 questionnaires were unreturned and resulted the unreturned questionnaire to count for 10.89 % percent of the total population of the study.

The data collected on the background of the respondents is presented and analyzed as indicated here under;

Table 2 - Demographic profile of respondents

Background of the respondents	No of respondents	Percentage of total
Gender		
➤ Female	39	29.77%
➤ Male	92	70.22%
Total	131	100.00%
Age Group		
➤ Below 30	19	14.5%
➤ 31-40 years	25	19.0%
➤ 41-50years	60	45.8%
➤ more than 50years	27	20.6%
Total	131	100.00%
Marital Status		
➤ Married	75	57.25%
➤ Single	54	41.22%
➤ Divorced	2	2%
Total	131	100.00%
Educational Background		
➤ Less than diploma	74	56.48%
➤ Diploma	33	25.19%
➤ First Degree	22	16.79%
➤ Second Degree	2	1.52%
Total	131	100.00%
Work experience in DBE		

➤ Below 2 years of service	80	61.06%
➤ 2-4 years of service	29	22.13%
➤ 4-6 years of service	15	11.45%
➤ More than 6 years experience	7	5.34%
Total	131	100.00%
Monthly salary		
➤ Below Br 2500	24	18.32%
➤ Br 2501 - Br 6001	75	57.25%
➤ Br 6001 - Br 10000	25	19.08%
➤ Above 10,000	7	5.34%
Total	131	100.00%

Source: Own Survey 2018

As can be seen from the above table, the gender composition of the respondents shows 39 (29.77%) of the respondents are female while the rest of 92 (70.22%) are male. The findings of the study reveal that the participation of both male and female staff in filling the questionnaire, but still male respondents dominate the mix due to the fact that most employees are male in the company.

The table also shows that 19 (14.5%) of the respondents are found in the age range of below 30 years old, 25 (19.00 %) are found in the age range of 31 to 40 years old, 41 to 50 years old respondents counts for 60 (45.80%) finally respondents more than 50 years old were 27 (20.60%). This implies that the age group 31-50 counts for 85 (64.8%) of the respondents and which is the most productive and the most reward and recognition seeking age group.

In terms of educational background, out of the total respondents 74 (56.48%) are less than diploma, 33 (25.91%) diploma, 22 (16.79%) first degree holders, and second degree holder counts for 2 (1.52%). This indicates that the majority of the organization's staff is low level professionals with different work experience and capacity that requires for different reward management system.

From the table we can see that out of the total respondents, 80 (61.06%) of the respondents have worked in Etete milk processing share company for less than two years, 29 (22.13%) have worked for 2-4 years, 15 (11.45%) have worked for 4-6 years, 7 (5.34%) have worked for more than 6 years. The data indicates that the share company has small number of employees who have long

stay in the company. Which shows the existence of high turnover which in turn indicates dissatisfaction on the reward management practice which in reverse shows employee retention and motivation.

From the above table we can observe that 18.32% of the respondent's income per month is between below Br 2500; 75 (57.25%) respondents earn a monthly salary of birr 2500 – 6000. Respondents getting a salary of birr 6001 to 10000 count for 25 (19.08%). Finally, 7 (5.34 %) respondents earn more than 10000 per month. By implication employees were less paid even as compared to the minimum salary level set by the civil service lower scale.

4.3. REWARD POLICY AND PRACTICE

Respondents were asked in a very detailed 25 questions under the category of reward and practice. To reply the same respondents were asked to reveal their responses in a choice ranging from strongly agree to strongly disagree.

Table 3- Reward policy and practice of Etete Milk Processing PLC

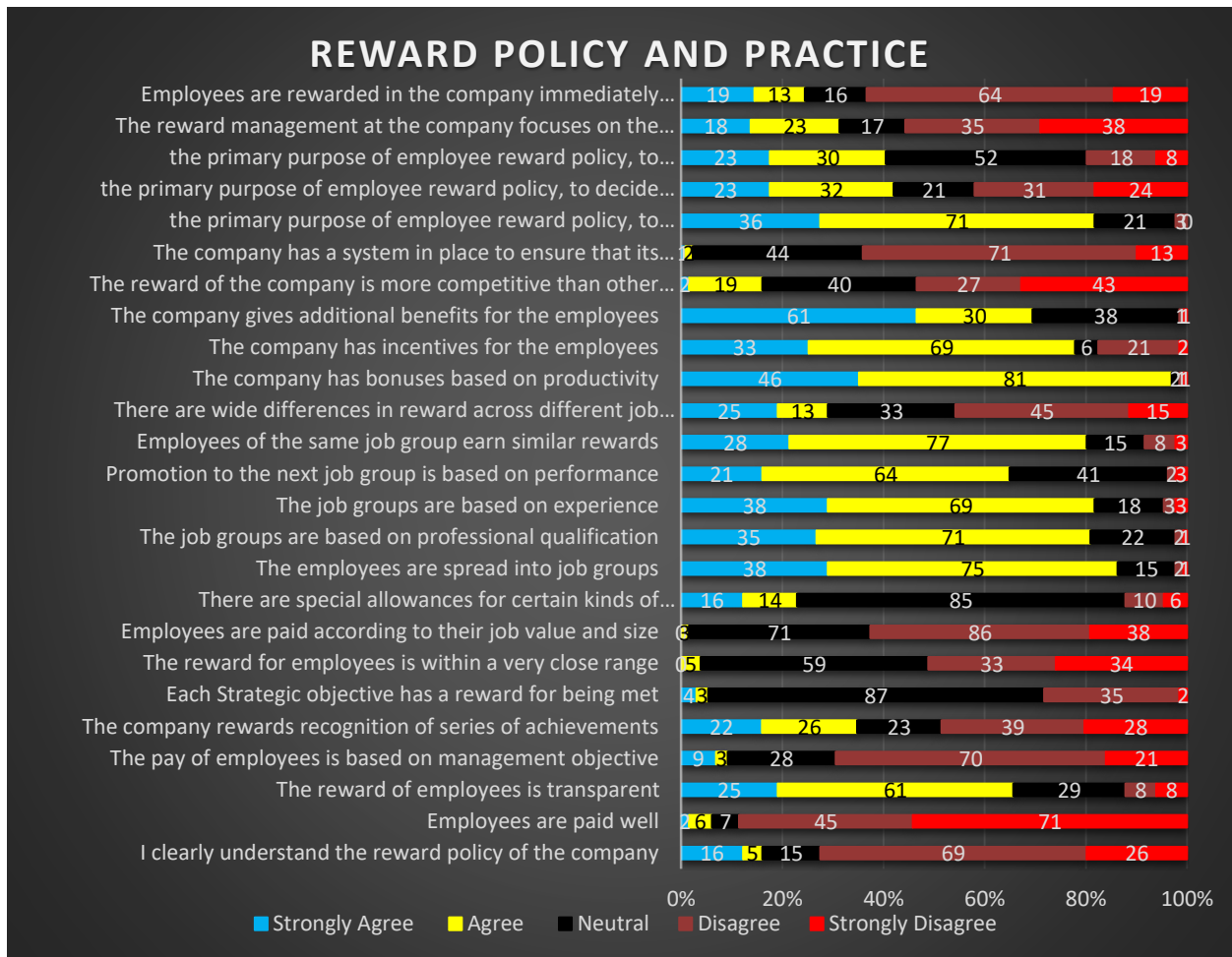
S.No	Reward Policy and practice	Strongly Agree	Agree	Strongly Agree + Agree	Neutral	Disagree	Strongly Disagree	Total
1	I clearly understand the reward policy of the company	16	5	21	15	69	26	131
	Percentage description	12.21%	3.82%	16.03%	11.45%	52.67%	19.85%	100.00 %
2	Employees are paid well	2	6	8	7	45	71	131
	Percentage description	1.53%	4.58%	6.11%	5.34%	34.35%	54.20%	100.00 %
3	The reward of employees is transparent	25	61	86	29	8	8	131
	Percentage description	19.08%	46.56%	65.64%	22.14%	6.11%	6.11%	100.00 %
4	The pay of employees is based on management objective	9	3	12	28	70	21	131
	Percentage description	6.87%	2.29%	9.16%	21.37%	53.44%	16.03%	100.00 %

5	The company rewards recognition of series of achievements	2	15	17	23	59	32	131
	Percentage description	1.53%	11.45%	12.98%	17.56%	45.04%	24.43%	100.00%
6	Each Strategic objective has a reward for being met	4	3	7	87	35	2	131
	Percentage description	3.05%	2.29%	5.34%	66.41%	26.72%	1.53%	100.00%
7	The reward for employees is within a very close range	0	5	5	59	33	34	131
	Percentage description	0.00%	3.82%	3.82%	45.04%	25.19%	25.95%	100.00%
8	Employees are paid according to their job value and size	0	3	3	71	86	38	198
	Percentage description	0.00%	1.52%	1.52%	35.86%	43.43%	19.19%	100.00%
9	There are special allowances for certain kinds of responsibility	16	14	30	85	10	6	131
	Percentage description	12.21%	10.69%	22.9%	64.89%	7.63%	4.58%	100.00%
10	The employees are spread into job groups	38	75	113	15	2	1	131
	Percentage description	29.01%	57.25%	86.26%	11.45%	1.53%	0.76%	100.00%
11	The job groups are based on professional qualification	35	71	106	22	2	1	131
	Percentage description	26.72%	54.20%	80.92%	16.79%	1.53%	0.76%	100.00%
12	The job groups are based on experience	38	69	107	18	3	3	131
	Percentage description	29.01%	52.67%	81.68%	13.74%	2.29%	2.29%	100.00%
13	Promotion to the next job group is based on performance	21	64	85	41	2	3	131

	Percentage description	16.03%	48.85%	64.88%	31.30%	1.53%	2.29%	100.00 %
14	Employees of the same job group earn similar rewards	28	77	105	15	8	3	131
	Percentage description	21.37%	58.78%	80.08%	11.45%	6.11%	2.29%	100.00 %
15	There are wide differences in reward across different job groups	25	13	38	33	45	15	131
	Percentage description	19.08%	9.92%	29%	25.19%	34.35%	11.45%	100.00 %
16	The company has bonuses based on productivity	46	81	127	2	1	1	131
	Percentage description	35.11%	61.83%	96.91%	1.53%	0.76%	0.76%	100.00 %
17	The company has incentives for the employees	33	69	102	6	21	2	131
	Percentage description	25.19%	52.67%	77.86%	4.58%	16.03%	1.53%	100.00 %
18	The company gives additional benefits for the employees	61	30	91	38	1	1	131
	Percentage description	46.56%	22.90%	69.46%	29.01%	0.76%	0.76%	100.00 %
19	The reward of the company is more competitive than other competitors	2	19	21	40	27	43	131
	Percentage description	1.53%	14.50%	16.03%	30.53%	20.61%	32.82%	100.00 %
20	The company has a system in place to ensure that its rewards are competitive compared to other competitors	1	2	3	44	71	13	131
	Percentage description	0.76%	1.53%	3.06%	33.59%	54.20%	9.92%	100.00 %
21	the primary purpose of employee reward	36	71		21	3	0	131

	policy, to motivate employee to their job			107				
	Percentage description	27.48%	54.20%	81.68%	16.03%	2.29%	0.00%	100.00 %
22	the primary purpose of employee reward policy, to decide employee promotion and employee salary revision	23	32	55	21	31	24	131
	Percentage description	17.56%	24.43%	41.99%	16.03%	23.66%	18.32%	100.00 %
23	the primary purpose of employee reward policy, to improve quality of work	23	30	53	52	18	8	131
	Percentage description	17.56%	22.90%	40.46%	39.69%	13.74%	6.11%	100.00 %
24	The reward management at the company focuses on the real needs of employees	18	23	41	17	35	38	131
	Percentage description	13.74%	17.56%	31.3%	12.98%	26.72%	29.01%	100.00 %
25	Employees are rewarded in the company immediately when they perform best	19	13	32	16	64	19	131
	Percentage description	14.50%	9.92%	24.42%	12.21%	48.85%	14.50%	100.00 %

Chart 1- Summary of the reward policy and practice of Etete Milk Processing plc



Source: Own survey, 2018

The table and bar chart named “reward policy and Practice” depicts the key factors that highly influence reward policy and practice of Etete Milk processing share company. As shown there, with regard to the employees being rewarded immediately after they perform best majority of the employees disagree. In terms of the reward management 73 (55.72%) respondents believe that the

company reward management doesn't consider the real needs of the employees. This implies that the practice of reward management in the company is found to be poor.

According to 53 respondents that counts for 40.45% responded that the primary purpose of employee reward policy in Etete milk Share Company is to improve quality of work while 52 (19.08%) respondents remain neutral when asked were about the purpose of reward. With the same issue 55 (41.98%) of respondents agree and finally the respondents who strongly agree on the primary purpose of reward policy counted for 55 (41.98%).

In relation to this 107 (81.67%) respondents agree and strongly agree that the primary purpose of employee reward policy is to motivate employees to their job while only 30 (22.9%) respondents disagree on the issue.

Regarding to the existence of a system that can ensure a competitive reward system 71 (54.19%) respondents believe that there is no such a system that can assure a competitive reward system. While 44 (33.58%) are neutral to the statement and only 3 (0.22%) respondents believe there is reward system in the company.

With regard to the competitiveness of the reward system of Etete as compared to other companies 70 (53.43%) respondents don't believe its competitive while only 21 (16.03%) believe so and 40 (30.53%) respondents are not sure of its competitiveness.

With regard to additional benefits 91 (69.46%) respondents have replied that the company extends additional benefits for employees while only 11 (8.39%) respondents disagree to this and the rest remain neutral on the issue.

Similarly as shown in the table 102(77.86%) respondents have replied that the company provides incentives for employees and 23(17.55) of the respondents don't agree or highly disagree to this and only 6(0.45%) respondents were not sure of this.

Regarding bonuses 127 (96.94%) respondents agree or strongly agree that the company has a bonus that is based on productivity while the remaining few are not sure and disagree. Concerning

reward across different job groups 60 (45.80%) respondents responded that there are no wide differences in reward across different job groups. While 38 (29%) believed that there are wide differences and 33 (25.19%) respondents are on the middle of the road.

The table also reveals that 105 (80.15%) respondents agree and strongly agree that employees in the same job groups earn similar rewards while only 3 (2.29%) strongly disagree to this and likewise 85 (64.88%) agree and strongly agree and strongly agree that promotion in the company to the next job group is based on performance but only 3 (2.29%) disagree to this and 41 (31.29%) respondents aren't sure.

When we see using professional qualification as a base for grouping jobs 106 respondents agree and strongly agree that this is true in the case of Etete while 22 (16.79%) are neutral about this and only 3 (2.29%) disagree and strongly disagree on this. Accordingly 113 (86.25%) respondents believe that employees are spread into job groups while the remaining few are neutral and disagree about this.

In other scenarios table 2 depicts that 124 (94.65%) respondents doesn't believe that they are being paid according to their job value and size but 71 respondents are not sure whether they are paid according to their job value and size or not.

Moreover as shown in the table 67v respondents doesn't believe that the reward for employees are within a very close range and 59 employees are neutral about this and the remaining few agree that they are in a very close range.

The other factor was whether each strategic objective possesses a reward for being met or attached to it. Hence 87 respondents are not sure while 35 disagree or highly disagree that the strategic objectives doesn't have a reward attached to them if being met. But only 7 respondents believe that there are rewards attached to every objectives.

In this study the respondents were also asked if the company rewards or recognizes series of achievements and 48 respondents believe that the company does so while 67 respondents disagree or highly disagree to this and the rest 23 are not sure of it.

As shown in the table 91 respondents disagree or highly disagree to the statement that says the pay of the employees is based on the management objectives.

With regard to transparency of the reward system 86 respondents have replied that it is transparent but 16 respondents highly disagree to this.

Related to payment for 116 respondents believe that they are not well paid but only 8 have replied on the contrary.

Finally as can be shown in table two 92 doesn't have a clear understanding of the reward practices and policies of Etete milk processing share company but on the other hand 21 believe they do have an understanding and 15 respondents don't clearly understand it. So this shows to a larger extent that the company need to work more on its employees in creating an awareness regarding the reward practice and policies.

4.4. REWARD PROCEDURE

This table and the following chart depicts the data presentation of reward procedure and graphical representation of the same.

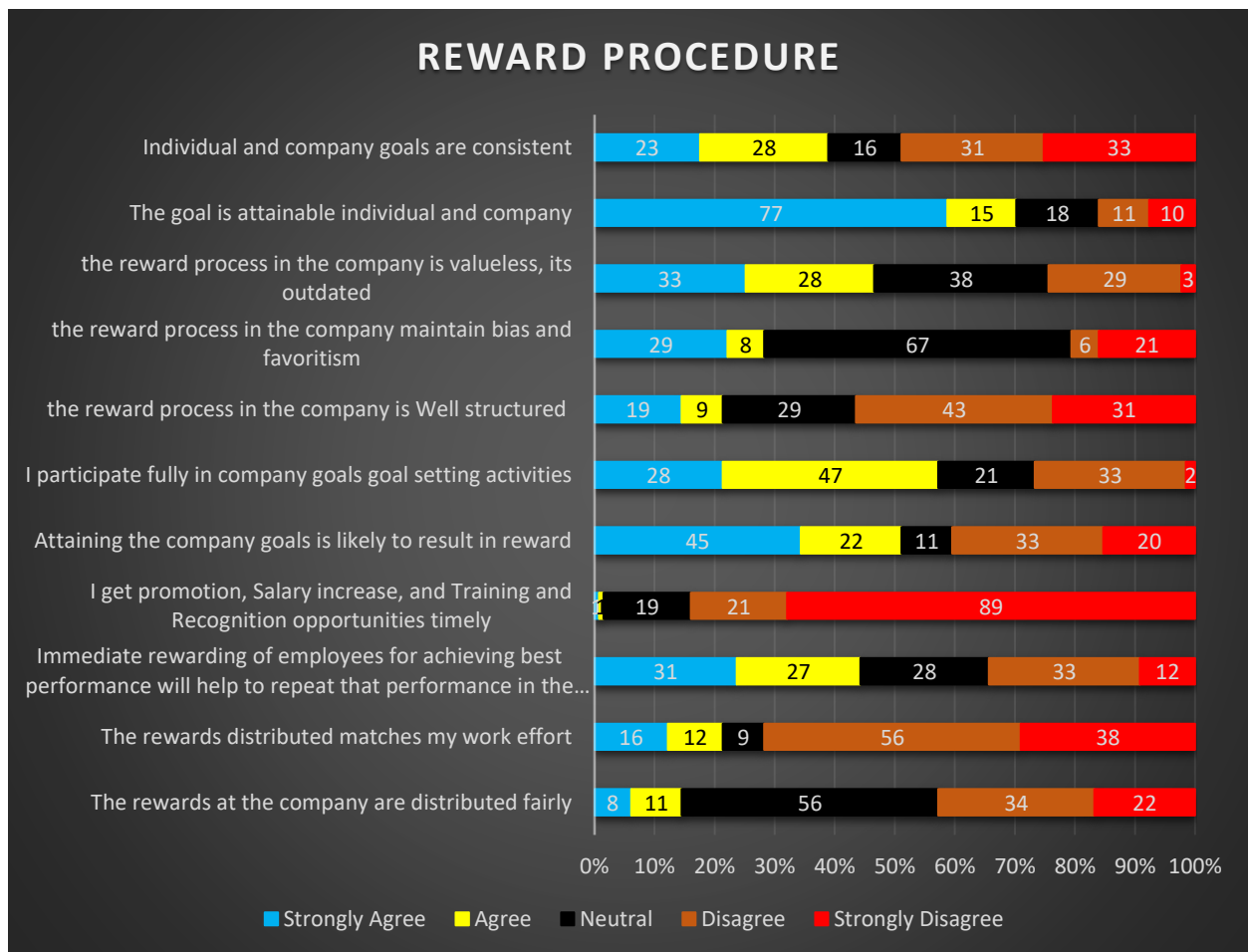
Table 3- Reward procedure of Etete Milk processing Plc

S.no	Reward Procedure	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
1	The rewards at the company are distributed fairly	8	11	56	34	22	131
	Percentage description	6.11%	8.40%	42.75%	25.95%	16.79%	100.00%
2	The rewards distributed matches my work effort	1	2	34	56	38	131
	Percentage description	0.76%	1.53%	25.95%	42.75%	29.01%	100.00%
3	Immediate rewarding of employees for achieving best performance will help to repeat that performance in the future.	31	27	28	33	12	131
	Percentage description	23.66%	20.61%	21.37%	25.19%	9.16%	50.00%
4	I get promotion, Salary increase, and Training and Recognition opportunities timely	1	1	19	21	89	131
	Percentage description	0.76%	0.76%	14.50%	16.03%	67.94%	100.00%

5	Attaining the company goals is likely to result in reward	45	22	11	33	20	131
	Percentage description	34.35%	16.79%	8.40%	25.19%	15.27%	100.00%
6	I participate fully in company goals goal setting activities	28	47	21	33	2	131
	Percentage description	21.37%	35.88%	16.03%	25.19%	1.53%	100.00%
7	the reward process in the company is Well structured	19	9	29	43	31	131
	Percentage description	14.50%	6.87%	22.14%	32.82%	23.66%	100.00%
8	the reward process in the company maintain bias and favoritism	29	8	67	6	21	131
	Percentage description	22.14%	6.11%	51.15%	4.58%	16.03%	100.00%
9	the reward process in the company is valueless, its outdated	33	28	38	29	3	131
	Percentage description	25.19%	21.37%	29.01%	22.14%	2.29%	100.00%
10	The goal is attainable individual and company	77	15	18	11	10	131
	Percentage description	58.78%	11.45%	13.74%	8.40%	7.63%	100.00%
11	Individual and company goals are consistent	23	28	16	31	33	131
	Percentage description	17.56%	21.37%	12.21%	23.66%	25.19%	100.00%

Source: Own survey, 2018

Chart 2 - Summary of the reward procedure of Etete Milk Processing plc



Source: Own survey

The above table reveals the opinions and perceptions of the respondents about the reward procedure implemented in Etete Milk Processing Share Company. Therefore, regarding the consistency of individual and organizational goals 51(38.93%) respondents agreed and strongly

agreed that the goals are consistent while 64 (48.85%) respondents replied the other way round and the rest 16 (12.21%) respondents remained neutral. In an issue related to this 92 (70.22%) respondents have replied positively to the attainability of goals both individually and on a company level.

As can be seen from the table the respondents were asked if the reward process in the company is valueless and outdated. Accordingly 61 (46.56%) respondents agreed and strongly agreed that they believe so while 32 (24.42%) respondents believe against the statement. And the rest 38 (29.00%) are neutral about it.

Regarding favoritism and bias in the reward process of the company 37 (28.24%) respondents agree and strongly agree that there is while 67 (51.14%) respondents are not sure and 27 (20.61%) disagree or highly disagree that there is favoritism and bias in this area.

The respondents have also been asked regarding the process structure of the company therefore 28 (21.37%) respondents said that it isn't structured while 74 (56.48%) respondents believed on the contrary.

Regarding the participation in the goal setting process of the company 75 (57.25%) respondents agreed and strongly agreed that they take part in it while 35 (26.71%) respondents responded otherwise.

In relation to this 67 (51.14%) respondents agreed and strongly agreed that the company goals are likely to result in reward but 53 respondents answered the other way round.

Other issue raised as part of the study as can be seen in the table is whether getting promotion, salary increase, training ,recognition opportunities is timely or not 110 (83.96%) respondents countered to disagree or strongly disagree while 19 (14.50%) respondents remained neutral while the rest 2 (0.15%) agree and strongly agree to the statement.

Regarding performance as shown in the table 58 (44.27%) respondents believe that immediate rewarding of employees for achieving best performance will help to repeat that performance in the future while 45 (34.35%) respondents the other way and 28 (21.37%) responses are neutral.

On another issue 28 (21.37%) respondents believe that rewards distributed match the work effort but 94 (71.75%) replied that they agree and highly disagree and with regard to fairness of the system 19 (14.50%) respondents believe that that the reward in the company are distributed fairly while 56 (42.47%) responses disagree or highly disagree on this issue and the rest 56 are neutral. Therefore it's safe to say that the rewards put in to effect are not perceived fair by the majority of employees hence creating a feeling among the employees that's basically in polarity to the agreed objective that's mainly motivation and empowerment.

4.5. SUCCESS OF EMPLOYEES

This table depicts the data presentation of respondents related to success of employees. With the same regard the bar chart also reveals graphical presentation of the same data.

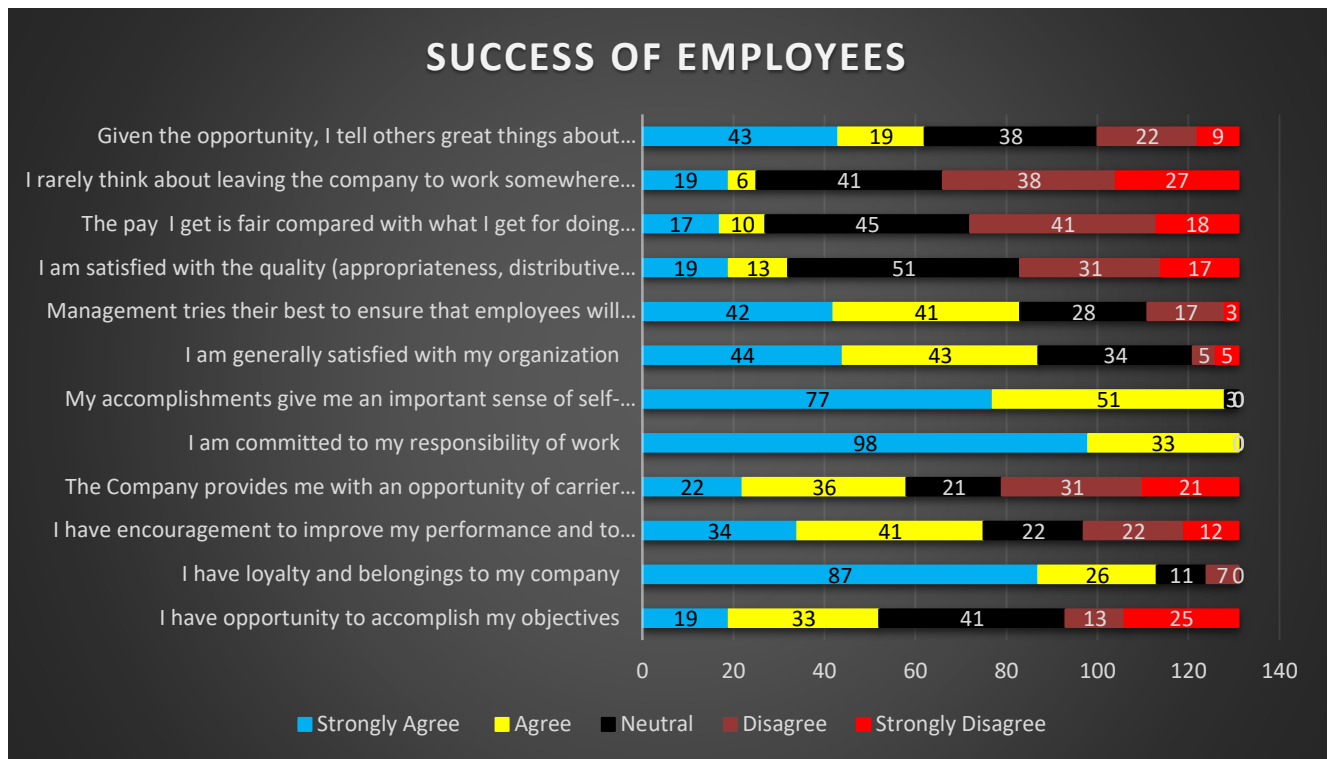
Table 5- Success of Employees of Etete Milk Processing PLC

SNO	Success of employees	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
1	I have opportunity to accomplish my objectives	19	33	41	13	25	131
	Percentage description	14.50%	25.19%	31.30%	9.92%	19.08%	100.00%
2	I have loyalty and belongings to my company	87	26	11	7	0	131
	Percentage description	66.41%	19.85%	8.40%	5.34%	0.00%	100.00%
3	I have encouragement to improve my performance and to develop my skills	34	41	22	22	12	131
	Percentage description	25.95%	31.30%	16.79%	16.79%	9.16%	100.00%
4	The Company provides me with an opportunity of carrier development	22	36	21	31	21	131
	Percentage description	16.79%	27.48%	16.03%	23.66%	16.03%	100.00%
5	I am committed to my responsibility of work	98	33	0	0	0	131
	Percentage description	74.81%	25.19%	0.00%	0.00%	0.00%	100.00%
6	My accomplishments give me an important sense of self-respect	77	51	3	0	0	131
	Percentage description	58.78%	38.93%	2.29%	0.00%	0.00%	100.00%

7	I am generally satisfied with my organization	44	43	34	5	5	131
	Percentage description	33.59%	32.82%	25.95%	3.82%	3.82%	100.00%
8	Management tries their best to ensure that employees will not leave form the company	42	41	28	17	3	131
	Percentage description	32.06%	31.30%	21.37%	12.98%	2.29%	100.00%
9	I am satisfied with the quality (appropriateness, distributive and procedural justice) of rewards	19	13	51	31	17	131
	Percentage description	14.50%	9.92%	38.93%	23.66%	12.98%	100.00%
10	The pay I get is fair compared with what I get for doing similar jobs in other organization	17	10	45	41	18	131
	Percentage description	12.98%	7.63%	34.35%	31.30%	13.74%	100.00%
11	I rarely think about leaving the company to work somewhere else	19	6	41	38	27	131
	Percentage description	14.50%	4.58%	31.30%	29.01%	20.61%	100.00%
12	Given the opportunity, I tell others great things about working at the company	43	19	38	22	9	131
	Percentage description	32.82%	14.50%	29.01%	16.79%	6.87%	100.00%

Source: Own survey, 2018

Chart 3: Summary of the success of employees of Etete Milk Processing PLC



Source: Own survey, 2018

The above table reveals the major factors that determine the success of an employee hence asked if they have opportunities given to them to accomplish their objectives 52 (39.69%) respondents agreed and highly agrees and 38 (29.00%) responses showed to differ and the remaining 41 (31.29%) respondents are neutral.

Asked about loyalty and belongings they have to the company 113 (86.25%) respondents agreed and strongly agreed to have loyalty as well as belongingness while 7 (5.34%) respondents replied that they hardly agree to this statement. The rest 11 (8.33%) respondents are not sure of the issue.

The employees were also asked if they have encouragement to improve their performance and to develop their skills hence 75 (57.25%) replied to agree and strongly agree on this while 34 (25.95%) respondents thought the other way and disagreed and highly disagreed with the statement. On a similar issue they were inquired if the Company provides them with an opportunity of carrier development and 58 of the respondents agreed and highly agreed while 52 (39.69%) respondents disagreed and highly disagreed and 21 (16.03%) are not sure of it.

Regarding the commitment they have to responsibility of work all of the respondents agreed and strongly agreed that they are committed. In terms of having an important sense of self-respect through achieving accomplishment 128 (97.70%) respondents have agreed and strongly agreed that they get a great deal of self-respect out of the accomplishment they achieve. And only 3 (0.22%) respondents are not sure on this issue.

In terms of being satisfied 87 (66.44%) of the respondents said that they agree and strongly agree that they are of course satisfied with their company and 10 (0.76%) respondents think the other way and 34 (25.95%) respondents are not sure whether they are satisfied or not.

As can be seen from the table 83 (63.35%) respondents believe that the management of the company tries its best to ensure that employees will not leave form the company whereas 20 (15.26%) responses does not agree to this and 28 (21.37%) are not sure.

In terms of being satisfied with the quality (appropriateness, distributive and procedural justice) of rewards 32 (24.42%) respondents agreed and strongly agreed that they believe that they are satisfied while 48 respondents replied on the differing but 51 (38.93%) responses are on the middle of the road.

Regarding payment 27 (20.61%) respondents believe that the pay they get is fair compared with what they get for doing similar jobs in other organization while 59 (45.03%) beg to differ and still 45 respondents are not sure whether it's fair or not.

Asked about their tenure 25 (19.08%) respondents rarely think about leaving the company to work somewhere else and 65 (49.61%) employees replied the exact opposite and 41 (31.29%) employees are not sure to stay or leave the company to work somewhere else. But given the opportunity, 62 (47.32%) respondents tell others great things about working at the company while 31 do not so and 38 of the respondents are not certain about it.

Based on this it can be shown that though a very significant number of respondents have inherent good attitude and perception about their company however the company needs to strive more in creating a loyal employees that would sign up for a very long tenancy.

A structured interview that has been conducted with employees supervisors' managers based on snowball sampling only for this interview has provided the researcher further insight as to the challenges and practices of reward management practice in Etete. Most of the professionals who administer it have responded that the most challenging factor is that the reward packages of other similar companies in the industry are becoming aggressively larger and more attractive and influential in variety and until recent years given the capacity of Etete it was considerably difficult to coup up with such a competition.

The respondents were also asked if they were included in the development of the reward management practice and as to this most of them have replied that the reward procedures and the types of rewards and under which conditions they are provided are found in the human resource operational manual. So since the manual has been developed in the inception of the company only few senior employees have the chance of taking part in the development. But as per the response of the majority of interviewees if change is required in the type and amount of the reward then they employees can have their say put in to effect in discussion with the management of the company through their elected representatives.

In addition to this most of the employees have responded that the determination of the benefits and pay raise is based on the annual profit statement of the company but regarding salary scale the respondents have implied that they don't have complete information on how it is determined.

Moreover a significant majority of the interviewees have also pointed out that they don't have a complete understanding of the reward policy of the company. They have stated that they are only informed about some fragments of the reward and benefits scheme.

In relation to this the respondents have specified that the reward policy that exists in Etete has in fact a positive impact on productivity and motivation in some ways; but as explained by the majority of the interviewees such encouragement only occurs during the annual salary increment and release of some sort of bonus. But they also have stated that only a couple of reward types couldn't possibly be powerful enough to derive the behavior and motivation of the work force in a certain desired direction.

Regarding the inspiration level of the employees to support the company goal the majority of respondents have firmly stated that they have a strong belief in the company goal and firmly support it but a substantial majority of the interviewees doesn't strongly believe that the company reward management affects the level of their success. Among the respondents we have come to notice that the company revises its reward policy annually and majority of the respondents have strongly stated that such process focuses only on determining whether to increase salary level or not; nothing beyond, but the other intrinsic and extrinsic reward packages are often over looked. Considering the value of the reward policy in maintaining and promoting employees the reward management system of the company lacks consistency and standard procedure. According to the majority of the interviewees the reward practice in Etete milk processing Share Company is fragmented and often it is only focused on financial rewards which are either salary increment or bonuses.

On the other round majority of the respondents have stated that they would be very much delighted to stay and happily work in the company without getting distracted by the idea of moving out to other companies in search of better pay but an approach that's only focused on a very few variables of rewarding and motivation couldn't practically be motivating enough to encourage employees stay energetic and help them keep their tenure.

Concerning the criteria of evaluation used in the management of reward; the company usually uses seniority/experience and productivity but though this is believed to be appropriate and correct by majority of the respondents it is safe to say that there are more reward criteria that should be considered. Among these significant number of respondents have indicated that the effort wielded during performance, skills held, job difficulty and the circumstance under which an employee makes a decision should also be considered as parameters of reward and recognition.

Therefore; as discussed widely in the analysis part all of the factors have had their share of influence in shaping the practices and challenges of the reward system in Etete so taking this in to consideration though the other major group of factors have a negative and positive influence on the practical application and in the challenge the reward policy and practice of the company as can be seen from the analysis visibly has its flaws and strengths that highly pave the way for the other variables to exist either in favor of the reward practice if they exist positively and vice versa.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

In this study the practice and challenges of reward management at Etete Milk Processing Share Company was examined. Specifically the factors that influence policy and practice of reward management, the reward procedure and success of employees were thoroughly assessed using a descriptive method of research.

Hence this final chapter of the paper deals with the summary of the major findings of the study, conclusions are presented, and recommendations which the investigator assumed to be operational are also forwarded.

5.1. SUMMARY

- Regarding reward policy and practice in Etete Share Company it's noted that the primary purpose of reward policy is to motivate employees but the company is still required to put in place a solid system that ensures a competitive reward management system and the company still needs to be competitive enough as compared to other similar organizations.
- Majority of the respondents perceived that the company doesn't focus on the real needs of the employees when implementing the reward plan. More over the competitive level of the company in terms of its rewarding level and system is very low.
- On the positive side of the issue at hand the company provides a significant amount of incentives and additional benefits and productivity based bonuses which will relatively enhance the motivation and morale of its employees. In addition to this the company is doing relatively better than its performing in the other variables and also better in providing similar rewards to the same job groups, in also using experience and qualification as a base for promotion and job grouping respectively.
- However we can understand from the study that the company has majority of employees which believe they are being paid in lesser proportion to their job value and size.
- Each strategic objective of the company doesn't have a parallel reward if they are achieved if being met but in terms of rewarding series of visible achievements it is doing relatively well.

- Based on the perception of the respondents regarding their satisfaction to the amount of pay they receive. The amount of compensation and benefit of the company is considered to be unsatisfactory to the majority.
- As reported by a considerable number of respondents, the goals of the company are believed to be attainable and likewise the organizational and individual goals are consistent.
- The timely management of promotion, salary increment training and recognition opportunities is not satisfactory as per the majority of the respondents and the rewards that the company provides doesn't match the work effort exerted.
- The company has a work force that have a great sense of belongingness, loyalty and considering the response of the majority of the employees they believe they are committed to the responsibilities and also have a sense of self-respect out of their own accomplishment.
- Based on a considerable number of respondents though the employees of the company are satisfied most of them still think of leaving the company for an increased compensation and benefit.

5.2. CONCLUSION

- In their perception about the company reward practice the employees have agreed on the existence of better bonuses and incentives but still they feel that the rewards provided by the company are not just consistent with just as compared to their job value and size.
- With regard to the system of reward management it's clearly agreed by the respondents that the company doesn't have a system in place to ensure its competitiveness and as the majority of respondents confirmed it's lagging in its competitiveness in this regard.
- As depicted in the analysis the company doesn't address promotional issues, salary increments training and recognition opportunities timely and as can be seen from the respondents even though the company goals are attainable and even believed to be consistent with individual goals their attainment should have a positive and swift rewarding impact to encourage similar behavior.
- Etete have a workforce that share positive experience dealt with in the company and as per a significant majority of respondents they believe they have commitment, loyalty and

belongingness but still most of them think of leaving the company to work somewhere else for a better pay and reward. This shows that the organizational payment is not satisfactory for the respondents. Considering the competitive nature of the industry that the company is in increasing some percentage of salary at the end of each year may not motivate the employee, it needs an incremental change on the basic salary.

- Due care must be taken when administering Promotion, transfer and recognition as it must be on the basis of the performance of the employee not by favoritism, family and friends;
- Etetes' approach or practice regarding of the employee reward and compensation shows a high level of unfairness and had some problems according the majority of the respondents.

5.3. RECOMMENDATION

- A contemporary and solid system should be developed that can maintain the just between job value and the amount, type and quality of the reward that can be provided it is also believed that this helps to create a standard mechanism of applying satisfactory reward management practice that can consistently go in conformity to the purpose desired.
- A culture of frequent communication and awareness should be applies to equip all the employees everything they need to understand with regard to the reward policy and practice of Etete and also with regard to the practical application of the reward administration so that they can clearly state their level of satisfaction, feeling of trust and confidence in the system. In doing so the supervisors or managers in charge of the reward procedure should call for pre-reward meetings periodically and consistently and also collect the feedback accordingly to create a mutually conducive environment regarding the topic at hand.
- A timely administration of rewards and benefits should be practiced for a high belief and satisfaction from the employees and to comprehend the true impact of the practice so that any errors or strong features should be kept for the future.
- The sense of belongingness and loyalty that the employees have towards the company should be considered as a competitive edge to reverse any adverse factor that may lead the employees to shorten their tenure in the organization.
- The consistency of individual and company goal should be more aligned as there are significant numbers of employees who still feel the reverse.

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Appendix

**ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
GRADUATE PROGRAM IN HUMAN RESOURCES MANAGEMENT
አዲስአበባዩኒቨርሲቲ
የንግድ ስራ ኮሌጅ**

Questionnaire to be filled by Employees of Etete Milk Processing Share Company

Dear Staff member/Respondents

My name is Abraham Mekonnen Alemu, a prospective graduate student at Addis Ababa University designed this questionnaire to collect data from employees of Etete Milk Processing Share Company for conducting my Thesis on the title “Practice and Challenges of Reward management at Etete Milk Processing Share Company”.

በእኔ ወተት ማቀነባበሪያ ሰራተኞች የሚሞላ

የተከበሩ የድርጅቱ ሰራተኛ/መልስ ሰጪ

እኔ አብረሃም መኮንን የተባልኩ የአዲስ አበባ ዩኒቨርሲቲ ተመራቂ ተማሪ፣ በሰራተኛ አስተዳደር ማስተርስ መመረቂያ ጽሁፍ መረጃ ለመሰብሰብ የሚከተለውን መጠይቅ አዘጋጅቻለሁ።

I kindly request you to spend your Precious time to fill the questionnaire. I assure you that, the information you provide will be used for academic purpose only. It will be handled in a confidential manner. Therefore, you are not expected to write your name.

የሚከተለውን መጠይቅ እና ግልጽ ምላሽዎን እንዲሰጡን በትኩረት እየጠየኩ፣ የምትሰጡት መልስ

በሚስጥር የሚያዝ ሲሆን ለዚህ ጥናት አላማ ጥቅም ብቻ ይውላል ። ስለዚህም በዚህ ፎርም ላይ

ስምዎን መጻፍ አይጠበቅብዎትም።

Please answer all questions. If you are interested to have further information about this study or have any problem when responding to this questionnaire you can contact me:

እባክዎት ሁሉንም ጥያቄዎች ይመልሱ። ተጨማሪ ማብራሪያ ከፈለጉ ልረዳዎት ዝግጁ ነኝ።

Abraham Mekonnen Alemu
አብረሃም መኮንን አለሙ
ስልክ/Tel No. 0911 877383
Email: ete.abrish@gmail.com

Thank you very much for your cooperation. ለትብብርዎ በጣም አመሰግናለሁ።

General Instructions

1. Do not write your name. ስምዎን መጻፍ አይጠበቅብዎትም።
2. Please fill all questions, all questions are equally important for the completion of the study. ሁሉም ጥያቄዎች ለጥናቱ እኩል ጠቀሜታ አላቸው።

Section 1. Background Information/ የተጠያቂው መረጃ

Instruction: please answer by circling the letter that mostly suits your background
መመሪያ፤ እባክዎ ስለራስዎ ተቀራራቢ የሆነውን በማክበብ ይመልሱ

1. Age group/ አድሜ
 - a. Below 30 / ከ30 በታች
 - b. 31-40
 - c. 41-50
 - d. above 50/ከ50 በላይ
2. Gender/ጾታ
 - a. Male/ወንድ
 - b. Female/ሴት
3. Marital Status/የጋብቻ ሁኔታ
 - a. Married/ያገባ
 - b. Single/ያላገባ
 - c. Divorced/የተፋታ
4. Qualification/የትምህርት ደረጃ
 - a. Less than Diploma/ከዲፕሎማ በታች
 - b. Diploma/ዲፕሎማ
 - c. First Degree/የመጀመሪያ ዲግሪ
 - d. Second Degree/ሁለተኛ ዲግሪ, Other please specify (ሌላ ከሆነ ይግለጹ)_____

5. Years of service in Etete Milk Processing Share Company/ የአገልግሎት ዘመን

- a. Less than 2 years / ከ2 አመት በታች
- b. 2 to 4 years /ከ 2 – 4 አመት
- c. 4 to 6 years /ከ4 – 6 አመት
- d. More than 6 years/ ከ6 አመት በላይ

6. Monthly Salary/ ወረሃዊ ደመወዝ

- a. <2,500
- b. 2,501- 6,001
- c. 6,001- 10,000
- d. Above 10, 000 /ከ10፣000 በላይ

Questioner/መጠይቅ

Category/ ክፍል	Question/ጥያቄ	Strongly Agree በጣም እስማማለሁ	Agree እስማማለሁ	Neutral መካከለኛ	Disagree አልስማማም	Strongly Disagree በጣም አልስማማም
		5	4	3	2	1
Reward Policy and practice/ የሽልማት ፖሊሲና አሰራር	I clearly understand the reward policy of the company/የድርጅቱን የማበረታቻ ፖሊሲ ተረድቼዋለሁ					
	Employees are paid well/ የሰራተኞች ደመወዝ አጥጎቢ ነው					
	The reward of employees is transparent/ የሰራተኞች ማበረታቻ ግልጽነት ያለው ነው					
	The pay of employees is based on management objectives/ የሰራተኞች ክፍያ የድርጅቱን አላማ መሰረት ያደረገ ነው፤					
	The company rewards recognition of series of achievements/					

ኩባንያው ለስኬቶች እውቅና እንዲሰጥ ያደርጋል					
Each Strategic objective has a reward for being met/በእያንዳንዱ ስትራቴጂክ አላማ ማበረታቻ ሽልማት አለው					
The reward for employees is within a very close range/ የሰራተኞች ማበረታቻ ሊደረስበት በሚችል ግብ አለው					
Employees are paid according to their job value and size/ ሰራተኞች በስራቸው አላማና ልክ ይከፈላቸዋል					
There are special allowances for certain kinds of responsibility/ለአንዳንድ ኃላፊነቶች የተለዩ አበል ክፍያ አላቸው					
The job groups are based on professional qualification/ የስራ ክፍፍሎች በሙያ ተመሳሳይነት የተመሰረተ ነው።፤					
The job groups are based on experience/ የስራ ክፍፍሎች በስራ ልምድ የተመሰረተ ነው።፤					
Promotion to the next job group is based on performance/የስራ እድገት					

	በሰራተኛው ብቃት ላይ የተመሰረተ ነው።።					
	Employees of the same job group earn similar rewards/ በተመሳሳይ የስራ ክፍል ላይ ያሉ ሰራተኞች ተመሳሳይ ክፍያ ያገኛሉ።።					
	There are wide differences in reward across different job groups/ በተለያዩ የስራ ክፍሎች መካከል ከፍተኛ የክፍያ ልዩነት አለ።።					
	The company has bonuses based on productivity/ ድርጅቱ ምረቃነትን መሰረት ያደረገ ጉርሻ አለው።።					
	The company has incentives for the employees/ ድርጅቱ ለሰራተኞች ማበረታቻ አለው					
	The company gives additional benefits for the employees/ ድርጅቱ ለሰራተኞች ተጨማሪ ጥቅማጥቅም ይሰጣል					
	The reward of the company is more competitive than other competitors/ የድርጅቱ ማበረታቻ					

	<p>ከሌሎች ተወዳዳሪ ድርጅቶች የተሸለ ነው።።</p>					
	<p>The company has a system in place to ensure that its rewards are competitive compared to other competitors/የድርጅቱ ማበረታቻ ከሌሎች ድርጅቶች ጋር ተወዳዳሪ እንዲሆን የሚያደርግ አሰራር አለው።።</p>					
	<p>The primary purpose of employee reward policy, is to motivate employee to their job/የድርጅቱ ማበረታቻ ፖሊሲ ተቀዳሚ አላማ ሰራተኞችን በስራቸው ላይ ማበረታት ነው።።</p>					
	<p>The primary purpose of employee reward policy, is to decide employee promotion and employee salary revision/የድርጅቱ ማበረታቻ ፖሊሲ ተቀዳሚ አላማ የሰራተኞችን ደመወዝ ማሻሻያና እድገት ላይ ዉሳኔ ለመስጠት ነው።።</p>					
	<p>The primary purpose of employee reward policy is to improve quality of work/የድርጅቱ ማበረታቻ ፖሊሲ</p>					

	<p>ተቀዳሚ አለማ የስራ ጥራትን ማሳደግ ላይ ነው።።</p>					
	<p>The reward management at the company focuses on the real needs of employees/የድርጅቱ ማበረታቻ አሰራር በሰራተኞች እዉነተኛ ፍላጎት ላይ ያተኮረ ነው።።</p>					
	<p>Employees are rewarded in the company immediately when they perform best /ጥሩ ስራ የሰሩ ሰራተኞች ወዲያውኑ ማበረታቻ ያገኛሉ።።</p>					
<p>Reward Procedure የሽልማት አተገባበር</p>	<p>The rewards at the company are distributed fairly/የድርጅቱ ማበረታቻ ፍትሀዊ ክፍፍል አለው ።።</p>					
	<p>The rewards distributed matches my work effort/የድርጅቱ ማበረታቻ ፍትሀዊ ክፍፍል በስራ ላይ ካለኝ ጥረት ጋር ተዛማጅነት አለው ።።</p>					
	<p>Immediate rewarding of employees for achieving best performance will help to repeat that performance in the future./ጥሩ የሰሩ ሰራተኞች ወዲያውኑ ማበረታቻ</p>					

ሲያገኙ ጥሩ ስቸውን ደጋግመው ይፈጽሙታል፤፤					
I get promotion timely/በድርጅቱ ውስጥ እድገት ሳይዘገይ አገኛለሁ ፤፤					
I get Salary increase timely/በድርጅቱ ውስጥ የደመወዝ ጭማሪ ሳይዘገይ አገኛለሁ ፤፤					
I get Training timely/በድርጅቱ ውስጥ ስልጠና ሳይዘገይ አገኛለሁ ፤፤					
I get Recognition opportunities timely/በድርጅቱ ውስጥ ማበረታቻ ሳይዘገይ አገኛለሁ ፤፤					
Attaining the company goals is likely to result in reward/የድርጅቱ ግብ ማሳካት ሁሌም ማበረታቻ ያስገኛል፤፤					
I participate fully in company goal setting activities/የድርጅቱ ግብ ሲታቀድ እሳተፋለሁ፤፤					
the reward process in the company is well structured /የድርጅቱ የማበረታቻ አካሄድ አተጠናክረ ሁኔታ የተሰራ ነው፤፤					

	The reward process in the company maintains bias and favoritism/የድርጅቱ የማበረታቻ አካሄድ በአድሎና በማበላለጥ የተሞላ ነዉ።።					
	The reward process in the company is not important, its outdated/የድርጅቱ የማበረታቻ አካሄድ ጊዜ ያለፈበትና የማይጠቅም ነዉ።።					
	The Company goal is attainable at individual and company level/የድርጅቱ ግብ ለሰራተኛዉ ና በአጠቃላይ መመታት የሚችል ነዉ።።					
	Individual and company goals are consistent/የድርጅቱ ግብ በተናጠል ሰራተኛ ደረጃና በአጠቃላይ ተዛማጅነት አለዉ ።።					
Success of Employees/የሰራተኞች ስኬት	I have opportunity to accomplish my objectives /የድርጅቱ አላማ ለማሳካት የማበረታቻ አካሄድ አተጠናከረ ሁኔታ የተሰራ ነዉ።።					
	I have loyalty and belongings to my company/ለድርጅቱ ታማኝነትና የኔነት ስሜት አለኝ።።					

	<p>I have encouragement to improve my performance and to develop my skills/በድርጅቱ አቅምን አዉጥቼ እንድሰራና ችሎታዬን እንዳሳድግ እበረታታለሁ ፤፤</p>					
	<p>The Company provides me with an opportunity of career development/ድርጅቱ በስራዬ ራሴን እንዳሳድግ እድል ይሰጠኛል፤፤</p>					
	<p>I am committed to my responsibility of work/በድርጅቱ ውስጥ ላለኝ ስራ ቁርጠኛ ስሜት አለኝ፤፤</p>					
	<p>My accomplishments give me an important sense of self-respect/ስኬቴ ራሴን እንዳከብር ያደርገኛል፤፤</p>					
	<p>I am generally satisfied with my organization/ በአጠቃላይ በድርጅቱ ደስተኛ ነኝ፤፤</p>					
	<p>Management tries their best to ensure that employees will not leave from the company/የድርጅቱ አስተዳደር ሰራተኞች ድርጅቱን ለቀዉ</p>					

	እንዳይሄዱ የተቻለቸውን ሁሉ ያደርጋሉ፤፤				
	I am satisfied with the quality (appropriateness, distributive and procedural justice) of rewards/ በድርጅቱ ማበረታቻ አግባብነት፣የአሰራርና የክፍፍል ፍትሃዊነት ደስተኛ ነኝ፤፤				
	The pay I get is fair compared with what I get for doing similar jobs in other organization/ የሚከፈለኝ ክፍያ ከሌሎች ድርጅቶች ጋር ሲወዳደር ፍትሃዊ ነዉ፤፤				
	I rarely think about leaving the company to work somewhere else/ ድርጅቱን ለቅጭ ሙሄድ ብዙም አስቤ አላዉቅም፤፤				
	Given the opportunity, I tell others great things about working at the company/ እድሉን ሳገኝ ጥሩ ጥሩ ነገሮችን ስለድርጅቱ ለሌሎች አወራለሁ፤፤				
	I feel i am part of something meaningful in my position with the company/ ራሴን በድርጅቱ ዉስጥ				

	<p>ቸርጉም ያለው ስራ አካል አድርጎ አያለሁ፤፤</p>					
	<p>Company inspires me to do my best work every day/ ድርጅቱ የበለጠ እንድሰራ ያነሳሳኛል፤፤</p>					
	<p>The pay I get matches with my job and experience/ የሚከፈለኝ ከምስራቂና ካለኝ የስራ ልምድ ጋር ተመጣጣኝ ነው፤፤</p>					
	<p>The pay I get is equitable with what others get doing similar jobs in this organization/ የሚከፈለኝ በድርጅቱ ከሌሎች ተመሳሳይ ስራ ከሚሰሩ ጋር ተመጣጣኝ ነው፤፤</p>					

Thank you

If you have any comment please let me know

ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
GRADUATE PROGRAM IN HUMAN RESOURCES MANAGEMENT

Interview Questions/ቃለ መጠይቅ

Dear Respondents/ የተከበሩ መላሽ

This questionnaire is for evaluation of reward practice, policy and management of employees and your response will not be used other than research purpose. So, you are kindly requested to give your response honestly.

ይህ መጠይቅ የተዘጋጀው ስለ ሰራተኞች ማበረታቻ ፖሊሲ፣ አተገባበርና፣ አስተዳደር ለማጥናት ሲሆን ምላሽዎ ለዚህ ጥናት አላማጥቅም ብቻ ይውላል፤ ስለሆነም የሚከተለውን መጠይቅ ቀና እና ግልጽ ምላሽዎን እንዲሰጡን በትህትና እጠይቃለሁ፤፤

Thank you in advance. በቅድሚያ አመሰግናለሁ፤፤

1. What is Etete Milk Processing Share company vision and Mission statement?
የእቴቴ ወተት ማቀናበሪያ አ.ማ. ራዕይ እና ተልዕኮ ምንድን ነው?
2. What is the objective of the company reward management practice? የድርጅቱ ማበረታቻ ፖሊሲ አስተዳደር አተገባበር ዓላማው ምንድን ነው?
3. Kindly list all challenges of reward management practice of Etete Milk Processing Share Company? የእቴቴ ወተት ማቀናበሪያ አክሲዮን ማህበር የማበረታቻ አስተዳደር ተግዳሮቶችን ዘርዝረው ይጻፉ?
4. Did Etete Milk Processing Share Company considered employee participation during the design of reward management practice? Process? Policy? Procedure?
እቴቴ ወተት ማቀናበሪያ አ.ማ. የማበረታቻ ፖሊሲው፣ አስተዳደር አሰራሩን፣ አካሄዱን ሲቀርጽ ሰራተኞችን አሳትፎዋል?
5. Did Etete Milk Processing Share company conducted a survey with the employee about their feeling or attitude toward reward management practice and how significant for them? If they

- do how often? የአቴቴ ወተት ማቀናረያ አ.ማ. ሠራተኞች ላይ ስለማበረታቻ ማኔጅመንት አተገባበር ላይ ያላቸውን አመለካከት ወይም ስሜትን አስመልክቶ ጥናት ተደርጎ ያዉቃል? ከሆነ በየስንት ጊዜው?
6. How does the Etete Milk Processing Share Company determine salary, benefit, pay raise?
የአቴቴ ወተት ማቀናረያ አ.ማ. ደመወዝ፤ ጥቅማጥቅም፤ ደመወዝ ጭማሪ የሚወሰነው እንዴት ነው?
 7. Are the Etete Milk Processing Share company employee aware about reward policy? የአቴቴ ወተት ማቀናረያ አ.ማ. ሠራተኞች የማበረታቻ ፖሊሲውን በደንብ ያውቁታል?
 8. Do you think the overall reward policy developed by Etete Milk Processing Share company lead employee to Perform in a certain way as the company wants them? የአቴቴ ወተት ማቀናረያ አክሲዮን ማህበር የማበረታቻ ፖሊሲ ሰራተኞችን ድርጅቱ በሚፈልገው መንገድ ስራቸውን እንዲያከናውኑ በሚያደርግ መልኩ የተዘጋጀ ይመስልዎታል?
 9. Do you think the reward policy and practice of the company encourage/ inspire the employees to support the company goal? የድርጅቱ ማበረታቻ ፖሊሲ እና አሰራር ሰራተኞችን ድርጅቱን ግቡን እንዲመታ እንዲደግፉ ያበረታታቸዋል?
 10. How are the reward management in the company affecting the employee success? በድርጅቱ ውስጥ ያለው ማበረታቻ ፖሊሲ በሠራተኞችን ስኬታማነት ያለው ተጽእኖ ምን ይመስላል?
 11. Does your company revise/ look back its reward policy? How often? በድርጅቱ ውስጥ ያለው ማበረታቻ ፖሊሲ ማሻሻያ ተደርጎበት ያዉቃል? ከሆነ በየስንት ጊዜው?
 12. Do you think that employees have a procedure for pursuing their grievances and having them addressed objectively? ሠራተኞች ቅሬታዎቻቸውን የሚያመለክቱበት፤ የሚከታተሉበት እና መፍትሄ እንዲያገኙ የሚያስችል የአሰራር ሂደት አለ ብለው ያምናሉ?
 13. How far the system of reward policies and management system of your organization enables to maintain and promote its employees? የድርጅቱ የማበረታቻ ፖሊሲ አሠራር እና አመራር ሠራተኞችን ለመንከባከብ እና ለማበረታት ምን ያህል ያለመ ነው?
 14. What kind of evaluation criteria (form) do you use in your organization to reward and compensate you as an employee? And do you recommend some additional statement that included in the form? ድርጅቱ ሰራተኞችን ለማበረታታትና ጥቅማጥቅም ለመስጠት ምን ዓይነት የምዘና መስፈርት (ፎርማት) ይጠቀማል? በቅጹ ላይ ያልተካተቱ ተጨማሪ መስፈርቶች ካሉ?