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**EFFECT OF REWARD MANAGEMENT ON EMPLOYEES  
PERFORMANCE: CASE OF ETHIO TELECOM**

**BY**

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**Thesis Submitted to Addis Ababa University School of Commerce in Partial  
Fulfilment of the Requirements for Master of Art in Human Resource  
Management**

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## **Declaration**

I Eyob Mazengiya declare that the thesis entitled "The effect of reward management on employees' performance in case of Ethio Telecom" is my original work and it has not been presented for a degree in any other university and all sources of materials used for the project have been duly acknowledged.

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## **List of Acronyms**

<b>HR:</b>	Human Resource
<b>KPI:</b>	Key Performance Indicator
<b>HRM:</b>	Human Resource Management
<b>ET:</b>	Ethio Telecom
<b>SPSS:</b>	Statistical Package for Social Sciences

## ***Abstract***

*This research paper examined the effect of reward management practice on employee's performance in case of ethio telecom. And focus on how different types of reward system affect employee's performance and try to establish which types of reward management are more useful to the organization and how can reward management contribute to the overall employee's performance. Data were collected for this study from 246 population 152 sample was taken for the study. The study used qualitative and quantitative research approach to achieve the aim of the study. Under this study questionnaire was adopted, as the main objectives of the study was to examine the effect of reward management on employees performance there were used 8 variables for the study those are independent variable perception of reward and extrinsic reward (payment, promotion) intrinsic reward (recognition, career development, working condition, and learning and development variable were used and from dependent variable perception of employee performance were used. The study used SPSS version 20 software to analyze the data collected. The result of descriptive analysis indicated payment and working condition factors are more attractive and influence employee's performance than other variables. Employees were moderately satisfied on the other variable (recognition, promotion, career development, working condition and learning and development.) As the result indicted the researcher recommended to the organization to crate good awareness and give emphasize on those factors and implemented in the organization as employee performance are a key to organization development. The result found from the person's correlation coefficient implies that independent variable was significantly correlated with dependent variable employee's performance. Finally The researcher conclude and recommends that in order to create effective reward management the organization should emphasize on factors those have Low mean value to increase employees performance.*

***Key words Reward Management, Employee Performance***

# CHAPTER ONE: INTRODUCTION

## 1.1 Background of the Study

Armstrong (2007) contend that reward management handle with strategies , police and process required establishing that the rate of people and improvement they make to accomplished organizational , departmental and team goal is recognized and rewarded. Reward management is fundamentally about people it is stakeholder oriented, strategic and evidence based reward management concerned with people especially the employees who are reward for the effort, skill and contribution but also the directors and managers rewarded specialist who plan, manage and administer reward this is accordance with the view expressed by (schnelder1987).

Byars and Rue (1994) stated that the reward management, organizational rewards consist of the types of rewards to be offered and their distribution. Reward management organizational reward includes all types of rewards both intrinsic and extrinsic rewards. According to Armstrong (2010) non-financial rewards can be extrinsic, such as praise or recognition, intrinsic arising from the work itself associated with job challenge and interest and feelings that the work is worthwhile. Stoner and Freeman (1992) defined intrinsic reward as the psychological reward that is experienced directly by an employee. According to Barrton (1999) rewards attribute to all form of financial return and tangible service gain and employees earn as part of an employment affairs.

Aiila and Abiola 2004 revealed that reward package can influence on employee performance base on their outcome conclude that reward system support to expand employee performance by build-up employee skill, knowledge, and abilities in order to achievement organizational target. According to Agwu M.O. (2013) reward practices play a vital role in improving employee performance and to achieve organizational goal. As many researchers identified that employee rewards directly attach to employee performance. there are two types of rewards as earlier mentioned financial (extrinsic) non-financial (intrinsic) rewards both can be utilized positively to enhance employee's performance. According to Ghoshal and Barlet (1995) the overall aim of reward management should be to add value to people, it is not just about attracting value to them. More specifically the aims are to support the achievement of business goal through high

performance, develop and support the organization culture and to define what important in terms of behaviour and outcome.

As stated by Cooke (2016) employee performance can be determine as the accomplishment of limited work measured across predetermined or classified standards of efficiency, completeness, cost and speed. According to Jankingthong K. & Rurkkhum (1991), employee job performance is one of the most essential dependent variables and has been studies for a long decade. Employee performance means using their skills, ability, experience and so forth to perform the assigned task required by their subordinate with effectiveness and efficiency (DuBrin, 2006).

According to Armstrong (2004) describe that the concept emphasize the importance considering all aspect of reward as an integrated a coherent whole. Each of aspect of total reward especially, base pay contingent performance, competence or contribution on employees gain and non-financial reward which include reward from employment situation and the work itself are linked together. Armstrong (2006) also defined performance as the development of quantified objectives. Performance is not only a matter of what people achieves but how they achieve.

Different researchers conducted on effect of reward management on employee performance in different countries in Ethiopia Amanuel Zawedu conducted on a research on effect of reward management on employee performance in Jupiter international hotel Addis Ababa on his analysis he found there is different between intrinsic and extrinsic reward on employee performance, even if a researcher conducted on effect of reward management on employee performance it is important to examine it in different context. The first one is issues of sector difference the researcher conducted hotel sector this research will be focus on employees who are worked on telecom sector at ethio telecom the second issue is time difference.

## **1.2 Statement of the problem**

Today many companies are suffer due to poor performance, low staff moral and high employee turnover cause of lack of effective reward management. According to Ghoshal and barttlet (1995) the overall aim of reward management must be to add value to people, it is not just about offering value to them more specifically the aims are to support the achievement of business goal through high performance to develop and support the organizational culture and to define what is important in terms of behaviour and outcome. Ethio telecom is an organization which gives

telecom service starting from 1984, ethio telecom has long time reward culture and this reward system manage by HR .The existence of reward system may not be enough in an organization to have motivated employee who have a good work performance it need to have a good reward management system. The researcher make discussion with employees and check monthly and annual report shows that some staff members of ethio telecom are not satisfied by reward management system. For instance in 2011fiscal year annual bonus raised complain by contact centre employees they believe the distribution of bonus is not considering their performance and value to the organization. This creates in some of contact centre advisor to have high interest to leave the contact centre section and to leave the organization it also creates lack of motivation on coaches to work effectively. There is also dispute between contact centre section and HR department which is not solved yet related to bonus payment and transfer. As researcher discussed with some advisor they have expressed as If they have got lack of motivation to achieve their daily KPI target after HR decide on annual bonus.

There are number of studies attempting explain effect of reward management on employees performance. Study by ( heysokoth 2014) in north cost Kenya hotel result shows that the hotel reward in recognition of series of achievement the employees reward is based on management objective and the employees are well paid however not all strategic objective have a reward for being met but almost half . This implies that the hotel effectively used strategic reward as a reward management practice but for not having a reward for meeting each strategic objective. And W, L Njanja et al (2013) their result shows that most of employee perception cash bonus more motivates their performance, and also there were few researches made on telecom sector at ethio telecom tewobstal melke (2018) and ephriem tamerat (2016) on effect of reward management practice on employee motivation. Previous researchers were more focused on the effect of reward management on employee motivation not employee performance , hence this research will be as a bridge to fill the gap on the rewards management effect on employees performance by assessing the existing ethio telecom reward management practice and by examining the effect on ethio telecom Leghar call centre employees performance. Therefore the researcher will focus on investigating effect of reward management on ethio telecom contact centre employees at Leghar site.

## **1.3 Objective of the study**

### **1.3.1 General objectives**

The general objectives of this study are to investigate the effect of reward management on employee's performance at ethio telecom contact centre Addis Ababa.

### **1.3.2 Specific objective of the study**

- 2 To assess practice of reward management ethio telecom contact centre Addis Ababa
- 3 To evaluate level of performance at ethio telecom contact center section Addis Ababa
- 4 To identify the effect of reward on employees performance in ethio telecom contact center section Addis Ababa.

## **1.4 Research question**

1. How does the reward management practice look like at ethio telecom
2. What is the level of performance in ethio telecom call center
3. What is the effect of reward on ethio telecom call center employee's performance .

## **1.5 Significance of the study**

This study is expected to be an important one in helping the reward management practice at ethio telecom, mainly to the HR division reward management department. It is hoped that findings of this study will provide to reward management section officials of the company with a clear awareness of the problem in reward management practice. This study may be helpful as a benchmark for reference for future researches.

## **1.6 Scope of the study**

This study geographically will try to cover ethio telecom call centre here in Addis Ababa. Leghar site, which is found downtown Addis Ababa next to the commercial bank of Ethiopia head quarter, this study conceptually, will focus on examining the effect of reward management on employee performance. The source of information for this study will be current contact centre employees of the organization, the study will collect data through using questionnaires. This study will follow quantitative and qualitative research approaches and it will try to address only some factors of reward management affecting employees' performance. The study will take a respondent only from ethio telecom call centre here in Addis Ababa, therefore the population for the study is

ethio telecom call centre employees in Addis Ababa and the study mainly focus on analyzing the effect of reward management by comparing variables reward management as independent and employee performance as dependent variable .

### **1.7 Limitation of the study**

Under this study a researcher expect to face some confines during the study, first lack of time to cover all parts of the study and second major limitation is to be lack of a researcher's well developed experience and financial problem to conduct the study. These are challenges that I will expect during the study.

### **1.8 Definition of terms**

Reward management is concerned with the program, schedule that the rate of people and the improvement they make to attain organizational, departmental, and team target is perceived and rewarded. It is about the composition, employment and conservation of reward structure (complementary reward process, practice and policy) that objective to delight the need of both organizational and its stakeholders and to operate fairly, equitably and consistently.

Financial reward encompass all rewards that have financial rate and add up to total compensation base pay, contingent on performance, contribution, competency or skill pay related to service, financial recognition schemes, and benefit such as pension, sick pay and health insurance.

Non-financial reward : are those that target on the needs people have to changeable degrees for recognition , accomplishment , responsibility , autonomy , influence and the incorporate the notion of comparative rewards which are the intangible rewards concerned with the work environment (quality of working life , the work itself , work life balance ) recognition performance management and learning and development .

According to the Armstrong (2008) performance management is methodological process for improving organizational performance by developing the performance of individuals and teams.

Extrinsic Reward: provided by employers in the form of pay will help to attract and retain employees and, for limited periods, may increase effort and minimize dissatisfaction. (Armstrong 2007) Intrinsic reward concerns with psychological development of employees.

(Williamson, Burnett and Bartol 2009) Intrinsic reward is non-financial rewards related to responsibility, achievement and the work itself may have a longer-term and deeper impact on motivation. (Armstrong 2007). Intrinsic motivation is defined as the doing of an exercise for its inherent satisfactions rather than for some separable effect. When intrinsically motivated a person is lifted to act for the pleasant or challenge bring about rather than because of external prods, constraint, or rewards.

## **1.9 Organization of the study**

This study will divided into five chapter the first chapter will introduce the topic , back ground of the study , statement of the problem , research question, research objectives , significant of the study , and limitation of the study . Chapter two will cover literature on reward management and Chapter three will deal with research design and methodology use to conduct the study. Chapter four will present analysis of result of interview, questionnaire and secondary documents. Finally chapter five will reveal findings, conclusion and recommendation of the study.

# **CHAPTER TWO**

## **REVIEW OF RELATED LITERATURE**

### **Introduction**

This chapter will define the base of the study by explaining theoretical framework guiding the study before begin the empirical foundation for the relationship between the two variable of the study that is reward management and employee performance.

### **2.1 Theoretical Review of Reward Management**

Armstrong and Murlis 1998 pointed out that essentially static techniques of salary administration have developed into the dynamic approach of reward management; the emphasis is performance recognizing that the motivation to improve and the rewards for achievement must extended not only to the high flyers but to the staff at levels who help to achieve the success of organization. Secondly the emphasis is on flexibility reward management process no longer be confined to the strategic of rigid salary structures and elaborate job evaluation schemes, reward management handle with plan, policies and practice required to assure that the improvement of people to the organization is acknowledged by both financial and non financial means, it is about the lay out, implementation and conservation of reward systems (reward processes, practices and procedure) which objectives to meet the needs of reward management is not just about pay and employee benefits. It is equitably distressed with non-financial rewards such as recognition, learning and development opportunities and increased job obligation organization and its stakeholders. Armstrong and Murlis (2004 p3) describe reward management “as the process of developing and employment of strategies and policies that objectives to reward people adequately, accurately and frequently in accordance with their value to the organization, it also deals with the lay out, implementation and conservation of reward processes and exercise that are geared towards the development of organizational, team and individual performance” reward management consists of analyzing and regulating employee remuneration, compensation and all of the other gain for the employees, reward management objectives to create and efficiently operate a reward system for an organization, reward structure usually consists of pay policy and process, salary and payroll legislation, total reward, minimum wage, administer pay and team reward, the plan of reward management activity and process should start from knowing of the significance of the psychological contract concept, motivation theory and the factors affecting pay levels, but it

must focus on the needs of the organization and the people who work in it, these needs are most likely to be met if reward processes are based on an articulated and integrated approach to the development of the framework of reward philosophies, strategies and policies that will support the achievement of the organization's business strategies, as well as acting as levers for change. (Armstrong, 2010) .

## **2.1.1 Strategic Reward management**

Strategic reward management is a path to the expansion and discharge over the longer term of reward strategies and the oversee principles that build them, as characterized by Armstrong and Brown (2006). It provides answers to two basic questions, first where do we want our reward exercise to be in a few years' time? And second how do we aim to get there? It therefore deals with both ends and means, as an end it describes a perception of what reward processes will look like in a few years' time, as a means it shows how it is expected that the vision will be executed.

### ***2.1.1.1 Aim of Reward Management***

Reward management handle with processes, policies and plan which are appropriate to assurance that the improvement of employees to the business is recognized by all means, aim of reward management is to reward employees fairly, equitably and frequently in correlation to the value of these individuals to the organization, reward system exists in order to motivate employees towards accomplish strategic goals which are set by designate, reward management is not only distressed with pay and employee benefits, it is uniformly concerned with non-financial rewards such as recognition, training, development and expanded job responsibility.

According to Ghoshal and Bartlett (1995) the overall aim of reward management should be to 'add value to people', it is not just about attracting value to them, more specifically the aims are to:

- ✓ support the achievement of business goals through high performance
- ✓ develop and support the organization's culture
- ✓ define what is important in terms of behaviors and outcomes;

### **2.1.2 Importance of Reward Management**

Reward management supports the accomplishment of business goals by helping to establish that the organization has the talented and committed people it needs, it contributes to the achievement of high performance by ensuring that the reward system recognizes and encourages it, and reward management can characterize expectations through performance management and contingent pay schemes. (Armstrong, 2010) reward management policies in association with HR policies can help to create a working environment that provides for the just, fair and ethical treatment of employees, these are policies about treating people accordingly and avoiding the creation of unacceptable reward practices that reflect badly on the organization.

### **2.1.3 Characteristics of Reward Management**

According to Armstrong 2010 reward management is fundamentally about people, it is stakeholder oriented, integrated strategic evidence based.

- Reward management and people

Reward management distressed with people especially the employees who are rewarded for their achievement, skill and improvement but also the directors, managers and reward specialist who plan manage and administrate reward (Schneider 1987).

- A stake holder approach

The purpose of human resource management is to meet the need of all stakeholders in the business employees, customers, suppliers, and the public at large as well as management and shareholders. Reward management shares that purpose in doing so it can make significance contribution to meeting the varied need of stakeholder successfully. It is accordingly concerned with improving business performance, shaping the behavior of employees and developing a climate of trust and reward management can best do this if it is confirmation based.

- Integrated reward management

Unified reward management is an approach to reward management that administer for reward police and practice to be treated as coherent whole in which the parts contribute.

### **2.1.4 Philosophy of Reward Management**

(According to Michael Rose) Reward Philosophy (also Reward Principles) the description of the beliefs of reward and how it should operate within the organization it may be linked to the organization's values. It is overall and is used to generally frame the reward strategy.

According to Armstrong 2005 defined reward management is based on a well articulated philosophy a set of belief and guiding principle that are consist with the value of the organization and helps to enact them . These include belief in the need of achieving fairness, equity, consistency and transparency in operating the reward system.

The philosophy of reward management also admit that it must be strategic in realize that it forward longer-term issues describe to how people should be valued for what they do and what they achieve. Reward strategies and the processes that are required to implement they have to flow from the business strategy.

## **2.2 Reward Management Components**

According to Armstrong 2005, the components of reward management are:

**Reward system:** reward system contains all the elements of reward namely Police, Practices, Process, procedure and Structure.

**Reward strategy:** determine the direction in which reward management innovation and development should be integrated the priority that should be given to initiatives and the pace at which they should be implemented.

**Total reward:** it is the combination of financial and non financial rewards available to employees.

**Total remuneration:** the value of all cash payment (total earnings) and benefits received by employees.

**Base or basic pay:** the base rate is the amount of pay (the fixed salary or wage) it may be varied according to the grade of the job.

**Job evaluation:** the systematic process of establishing the relatives size of jobs roles within the organization in order to establish internal relatives and provide the basis for designing an equitable grade structure, grading jobs in the structure and managing relatives.

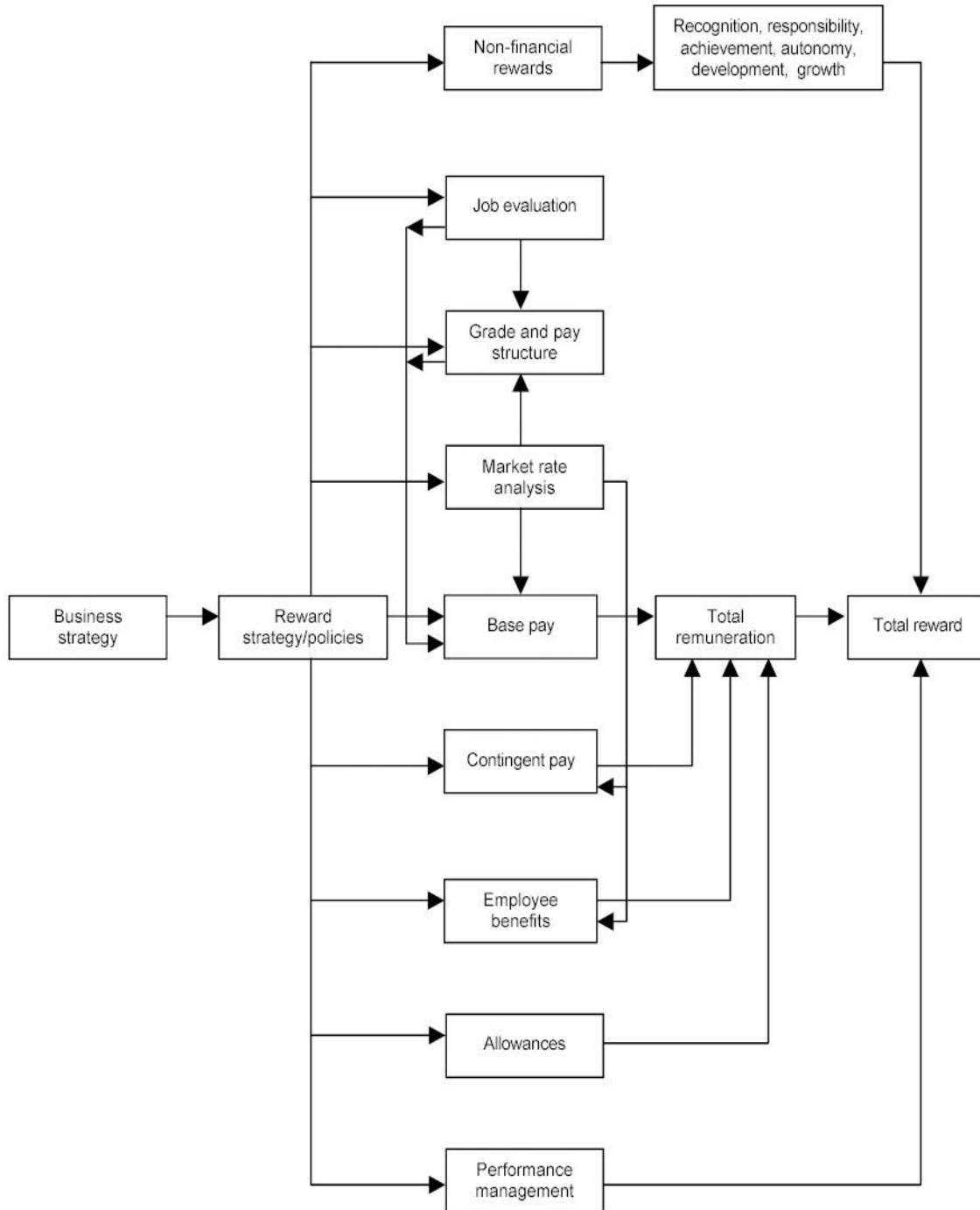
**Market analysis:** the process of identifying rate of pay in the labor market to inform decisions on level of pay within the organization which will be influenced by its market stance.

**Grade and pay structure:** grade structure the sequence or hierarchy of grades, bands or levels which may be divided into jobs or career families and into which on the base of job evaluation, groups of jobs or roles that are broadly comparable in size are placed, and pay structure, the range of base pay that are attached to grade or levels in job or career families and the scope of pay progression related to the performance, competence, contribution or service. Base pay level will influence equity and market rate considerations.

**Contingent pay:** additional financial reward that are related to performance, competence, contribution, skill or experience.

**Employee benefit:** the provision of employee for employee of pensions, sick pay, various kinds of perks such as company cars and entitlement to holidays and other leave.

**Allowance:** paid in addition to basic pay for special circumstance.



(Source Armstrong , Stephens 2005)

Figure 2.1 Reward management: elements and interrelationships

## 2.3 Reward System

A reward system subsists of the associated processes and exercise that combine to ensure that reward management is accomplished adequately to the gain of the organization and the people who work there. The reward system is a group of variables important for encouragement importance (i.e. desire and "wanting", ambition, or craving for a reward) associative learning (primarily classical reinforcement and classical conditioning) and positively valenced emotions especially ones which involve pleasure as a core component (e.g., joy, euphoria and ecstasy).

According to Katz and Kahn 1966 explain reward system operates in accordance with the principle of system theory.

According to Armstrong 2010 reward strategies direct the development and operation of reward practices and processes and also form the basis of reward policies, which in turn affect reward practices, processes and procedures, these different aspects of a reward system are:

- **Reward Strategy:** these demonstrate what the organization aims to do in the longer term to build and achieve reward policies, practices, processes and procedures that will encourage the achievement of its business and HRM goals, reward policies set guidelines for decision making and action, for example an organization may have a policy that sets the levels of pay in the organization related with median market rates.
- **Reward Practices:** these encompass the program, structures and approach used to achieve 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 arrangements that reflect market rates of development.
- **Reward Process:** these consist of the ways in which policies are implemented and practices carried out, for example the outcomes of surveys are applied and how managers manage the pay adjustment and review process.
- **Reward Procedure:** these are operated in order to maintain the system and to ensure that it functions efficiently and flexibly and provides value for money; an example is a procedure for conducting an annual pay review.

## 2.4 Types of Reward

According to Watson Stephen (2003) rewards serve many purposes in organizations, they provide to make a good employment deal, hold on to good employees and to cut down employee turnover the assumption goal is to increase people's willingness to work in one's company to enlarge their capacity. According to Ibrar and Owais (2015) there are two types of reward:

### ➤ Intrinsic Reward

Intrinsic desire is defined as the doing of an activity for its internal satisfactions rather than for some separable effect, when intrinsically motivated a person is gone to act for the fun or challenge entailed rather than because of external press, burden, or reward intrinsic rewards may include praise for completing a project or meeting performance objectives psychological and social forms of benefit also reflect intrinsic type of rewards.

### ➤ Extrinsic reward

- Extrinsic reward is tangible rewards and these rewards are external to the job or task achieve by the employee, external reward can be in terms of incentives, bonus, promotions, job security etc (Nadia et al 2011).
- Base pay and variable pay are the most accepted forms of direct compensation; the most common indirect compensation is employee benefits.
- Base pay the basic compensation that an employee collects, usually as a wage or salary, is called base pay, many organizations use two base pay categories hourly and salaried, which are analyze according to the way pay is assigned and the nature of the jobs, hourly pay is the most accepted factor and is based on time.
- According to (Mathis & Jackson, 2010,) employees paid hourly got wages, which are payments calculated based on time worked while salaries are paid every month regardless on the number of hours worked, variable Pay, another type of direct pay is variable pay which is compensation channels precisely to individual team or organizational performance, the most accepted types of variable pay for most employees are bonuses and incentive program payments, executives generally accepted longer-term rewards such as stock options, there is reasoning to understand that performance-based policies for rewarding top managers that link equity -based incentives to performance are adequate,

benefits, many organizations implement rewards in an indirect manner, with indirect compensation, employees receive the tangible.

- Value of the rewards without collecting actual cash a benefit is a reward-for instance, health insurance, vacation pay, or a retirement pension-given to an employee or a group of employees for organizational membership, regardless of performance.

## **2.5 Total Reward**

According to Paul Thompson (2002) expressed Total reward is to provide a package of reward to employees in way that optimize employee satisfaction with reward from their work and with does this such that the employee's contribution to the employers is optimized at an acceptable cost, definitions of total rewards typically encompass not only traditional, quantifiable elements.

According to Mnus and Grham 2003 defined total reward 'includes all types of rewards Indirect as well as direct and intrinsic as well as extrinsic .All aspects of reward namely base pay, contingent pay, employee income and non-financial rewards, which have intrinsic rewards from the work itself, are associated together and treated as an unified and coherent whole. Total reward associate the impact of the two major kind of reward those are transactional reward tangible reward rising from transactions between the employer and employees regarding pay benefit and relational rewards intangible reward distressed with learning and development and the work knowledge .

According to worldatwork (2000) explained total rewards are all of the employer's available tools that may be used to attract, retain, motivate and satisfy employees. The total rewards approach recognizes that it is necessary to get financial rewards (pay and Benefits) right but it also appreciates the importance of providing people with rewarding Apply that arise from the work they do, their work environment, how they are managed And the opportunity to develop their skills and careers, Paul Thompson (2002) Definitions of total rewards commonly enclose not only traditional, significant aspect like salary, variable pay and benefits, but also further intangible non-cash elements such as scope to accomplish and exercise responsibility, career opportunities, learning and development, the intrinsic motivation afford by the work itself and the quality of working life provided by the organization.

**Table 2.1 the components of total reward**

<b>TRANSACTIONAL REWARD</b>	BASE PAY	TOTAL REMUNERATION	TOTAL REWARD
	CONTINGENT PAY		
	EMPLOYEE BENEFIT		
<b>RELATIONAL REWARD</b>	LEARNING AND DEVELOPMENT	NONFINANCIAL INTRINSIC REWARD	
	THE WORK EXPERIENCE		

- Transactional rewards tangible rewards arising from transactions between the employer and employees concerning pay and benefit.
- Relational rewards intangible rewards concerned with learning and development, and the work place experience.

### 2.5.1 Benefits of total reward

The benefits of a total reward approach are:

- ✓ Greater impact– the combined effect of the different types of rewards will make a deeper and longer-lasting impact on the motivation and commitment of people
- ✓ Enhancing the employment relationship– the employment relationship created by total rewards approach makes the maximum use of relational as well as transactional rewards and will therefore appeal more to individuals.
- ✓ Flexibility to meet individual needs as pointed out by Bloom and Milkovich (6):

‘Relational rewards may bind individuals more greatly to the organization due to they can answer those appropriate individual demand.

- ✓ Winning the war for talent– relational rewards help to bring a positive psychological contract and this can play as a differentiator in the recruitment market, which is much more difficult to replicate than individual pay practices.

## 2.5.2 Relational Rewards

### ❖ Workplace learning

The workplace itself as an environment for learning can reward people by contribute them opportunities to develop their skills and therefore their employability, learning can be intentional and planned, aimed at training employees by supporting, structuring and monitoring their learning on the job but, significantly, learning is an everyday part of the job (Armstrong 2010).

### ❖ Training

The arrangement of standardized and planned guidance and improvement activities to promote learning can implement employees constantly to enhance their skills and progressively develop their careers.

### ❖ Performance management

According to Armstrong (2010) Performance management process is a capable means of given relational rewards. They can be the basis for establish a positive psychological contract by clarifying the mutual expectations of managers and their staff.

### ❖ Career development

According to Armstrong (2010) Rewarding people over career development is linked with the practice of talent management, which carry out recruitment and retention of talented people and their career progression but is also associated with providing rewards through the working environment.

## 2.6 Reward Practice

❖ **Base Pay** : The basic compensation that an employee earns, commonly as a wage or salary, is called base pay (Mathis & Jackson, 2000). Base pay is the amount of pay that establishes the rate for the job or the person. Base pay management uses the information from market pricing and job evaluation to layout and serve grade and pay structures.

## ❖ **Employee Benefit**

As Armstrong (2007) pointed out, employee benefits consist of arrangements made by employers for their employees that enhance the latter's well-being. They are afforded in further to pay and form important parts of the total reward package. As components of total remuneration, they may be delayed or contingent such as a pension scheme, insurance cover or sick pay, or they may be actual such as a company car or a loan. Employee benefits also include holidays and escape adjustment, which are not closely remuneration. Benefits are occasionally assign to dismissively as 'perks'(perquisites) or 'edge benefits', but when they cater for personal guarantee or personal needs they could hardly be characterize as 'edge'. (According to Armstrong 2007) Employee benefit strategies will be concerned in general terms with the direction the organization wants to go with regard to the range and scale of benefits it wants to provide and the costs it is prepared to incur. The strategy forms the foundation for the formulation of employee gain policies. Employee benefit policies are concerned with:

- The types of gain to be provided, considering account their value to employees, their cost and the need to form the benefit package competitive.
- The size of the benefits.
- The need to harmonize benefits.
- The total costs of benefits plan in relation to the costs of basic pay.
- The use of flexible benefits.

## ❖ **Recognition**

Armstrong (2010) states that recognition arrangement as part of a total reward package implement acknowledgment to be shown to individuals for their achievements, informally on a day-to day basis or through formal recognition arrangements. They can take place quietly between managers and their team workers or be visible celebrations of success. A recognition arrangement can be precise and organization wide, providing extension to recognize achievements by gifts or treats or by public applause. Commonly, the awards are non-financial but some organizations administer cash awards.

## ❖ **Promotion**

Promotion is a critical aspect of employee's life style and affair, affecting other job experience levels and can have an obvious effect on other job aspects like job attachment and responsibilities. Additionally, promotion can consequences the instrument of apply better attempts, if employees put an important value on it. If not, the companies would focus on pay increase to reward high effort and capacity. Certainly, the employees may be benefiting the promotions since they generate an increase in job services (Gohari, Ahmadloo & Hosseinpour, 2013).

## ❖ **Working conditions**

The physical environment in which the work is describe here adverse environmental conditions such as noise, heat, and fumes are detailed along with the frequency of exposure. Most professionals and administration job characterization do not include this section because work is assumed to be performed under normal office conditions. If it is not the section should be included. Work conditions are defined by criteria such as physical effort, Work environment sensory attention and Physical risks (Ruddy, 2007).

## ❖ **Learning and development**

(According to Armstrong 2010) Resignations and turnover can increase if people are not given acceptable opportunities for learning and development, or feel that demands are being made upon them that they cannot fairly be normal to fulfill without proper training. New employees can go through an 'induction pressure' if they are not given adequate training when they join the organization. Learning program and training schemes should be developed and introduced that :

- ✓ Give employees the competence and certainty to accomplish expected performance standards.
- ✓ Enhance existing skills and competences.
- ✓ Help people to achieve new skills and competences so that they can make better use of their abilities, take on greater responsibilities, undertake a greater variety of tasks and acquire more under skill- and competence based pay arrangement .

- ✓ Assure that new employees immediately acquire and learn the basic skills and knowledge needed to make a good start in their jobs.
- ✓ Increase employee capacity, inside and outside the organization.

### ❖ **Career Development**

According to Dipak Kumar (2006) career development define as the process of increasing an employee's potential for advancement and career change. In other words it is a process of planning of series of possible jobs which an individual may hold in the organization over time and developing strategies designed to provide necessary jobs skills as the opportunity arise. Accordingly career development detail to the readiness for progression through a series of positions during an individual working life, objectives of career development are:

- To appeal to and maintain effective persons in an organization
- To utilize human resource optimally
- To improve moral and motivational level of employees
- To exercise a balanced promotion from within policy

## **2.7 Employee job Performance**

### **2.7.1 Performance**

According to Jankingthong K. & Rurkkhum (1991), employee job performance is one of the most important dependent variables and has been studies for a long decade.

Campbell (1990) states that: 'Performance is behavior and should be distinguished from the outcomes because they can be contaminated by systems factors. 'Employee performance means a performance encompass an event in which normally one ambition of people the performer or performers act in a circumstance way for another group of people (Chaundry& Sharma, 2012). It refers to employees' efficiency at work, how well employees perform on the job and assignments assigned to them measured against the generally accepted measure of performance standards set by their companies (Torrington, 2008). Desired performance can only be achieved efficiently and effectively, if employee gets a sense of mutual gain of organization as well as of him, with the fulfillment of that defined target or goal an organization must attentively set the rewards system to evaluate the employee's performance at all levels and rewarding them whether clear pay for performance of invisible satisfaction. The approach of performance management

has provided a rewards system which subsist of needs and goals adjustment between organization and employees, rewarding employee both extrinsically and intrinsically. (Aktar, Sachu, & Ali, 2012) A valuable reward system that focuses on rewarding employees and their teams will handle as a driving force for employees to have higher performance hence end up achieve the organizational goals and objectives. A reward system that is given for high performance is more effective in inducing high performance in the future than a reward that is not dependent on performance.

## **2.7 Performance and Reward**

According to Armstrong 2010 defined reward makes an overall positive impact on performance when it contributes to the development of a high-performance culture, one in which the values, norms and HR practices of an organization associate to create a climate in which the accomplishment of high levels of performance is a way of life. Such a culture can be demonstrated in a high performance work system. Within the high-performance culture and work arrangement, reward impacts on individual and organizational performance by:

- ✓ Concentrate consideration on the values of the organization for high performance and the behaviors required to achieve it.
- ✓ Assure that performance omission are defined and understood
- ✓ Providing the means to inspire and recognize high performance
- ✓ Enhancing engagement and promoting positive discretionary effort; persuading intelligent people to join and stay with the organization.

### **2.7.1 Meaning of individual performance**

(According to Armstrong 2007) Individual performance is developed through performance management systems, which play an important part in performance and reward management. They afford the framework for developing performance through the agreement of performance expectations and the formulation of performance development.

### **2.7.2 Impact of reward on individual performance**

Extrinsic rewards can be used as motivators to advance performance, although they are not necessarily effective in this role they can also convey the message that performance is important and help to focus on specific aspects of performance that need to be improved (Armstrong 2010)

hand book of reward management practice) People can be inspired to achieve certain goals and will be fulfilled if they accomplish these goals through improved performance. They may be even more convinced if they are then rewarded by extrinsic acceptance or an intrinsic sense of achievement. This advice that performance advancement can be achieved by giving people the opportunity to perform through job and work-system design and leadership, ensuring that they have the knowledge and skill appropriate to perform, and rewarding them by financial or non-financial means when they do perform.

## **2.8 Theories**

### **2.8.1 Instrumentality theory**

'Instrumentally' is the belief that if we do one thing it will lead to another. In its cheap form, instrumentality theory states that people work only for money. The theory appear in the second half of the 19th century, when intensify was on the need to justify work and to build on economic outcomes. It concludes that people will be motivated to work if rewards and penalties are tied precisely to their performance. Instrumentality theory is based on the assumption of reinforcement, which states that, with know how in taking action to satisfy needs, people realize that certain actions help to achieve their goals while others are less successful. Achievement in achieving goals and rewards therefore acts as a positive incentive and reinforces the behavior, which is repeated the next time a similar need emerges. Conversely, collapse or punishment provides negative reinforcement, suggesting the need to seek alternative means of achieving goals. This process has been called the law of consequence.

### **2.8.2 Herzberg's Two-Factor Model**

The two-factor model of satisfiers and dissatisfies was developed by Herzberg et al (1957) following an analysis into the sources of job satisfaction and dissatisfaction of accountants and engineers. The main conclusion of this research, according to Herzberg is that the wants of employees are divided into two groups. One group revolves around the need to establish in one's occupation as a source of personal growth. The second group completes as a fundamental base to the first and is associated with fair treatment in compensation, supervision, working conditions and administrative practices. The achievement of the needs of the second group does not influence the individual to high levels of job satisfaction and to additional performance on the job. In order to delight this second group of needs the avoidance of dissatisfaction and poor job

performance must be ensured. Conversely, Herzberg's two-factor model has been criticized because no seek was made to measure the relationship between satisfaction and performance. However, Herzberg had immense consequence on the job enhancement movement, which sought to design jobs in a way that will maximize the opportunities to obtain intrinsic satisfaction from work and thus improve the quality of working life. His emphasis on the distinction between intrinsic and extrinsic motivation is also critical.

### **2.8.3 Goal Theory**

Goal theory as leading by Latham and Locke (1979) states that assistance and performance are higher when individuals set definite goals, when goals are difficult but acknowledged, and when there is a feedback on performance. Erez and Zidon (1984) indicated the need for acknowledgement of and engagement to goals. They establish that, as long as they are agreed, demanding goals lead to correct performance than easy ones.

### **2.8.4 Expectancy Theory**

The concept of expectancy was originally contained in the valency-instrumentality-expectancy (VIE) theory, which was formulated by Vroom (1994). Valency stands for rate, instrumentality is the assumption that if we do one thing it will lead to another and expectancy is the probability that action or effort will lead to an outcome. Motivation is only likely when a precisely recognized and usable relationship exists between performances and outcome and the outcome is seen as a means of satisfying needs.

## **2.9 Empirical Review**

There are different studies all over the world conducted on effect of reward management on employees' performance some of a study authored by Amanuel Zawedu the effect of reward management on employee job performance in Jupiter international hotels Addis Ababa. The study used descriptive method to evaluate the characteristics of Jupiter international hotel employees' job performance on effect of reward management; the study used primary data from hotels employees' and managing directors, the questionnaires provided to management of hotels and whole staff members. Finding of the research were that there is a difference between intrinsic and extrinsic reward on employees performance, employees of Jupiter international

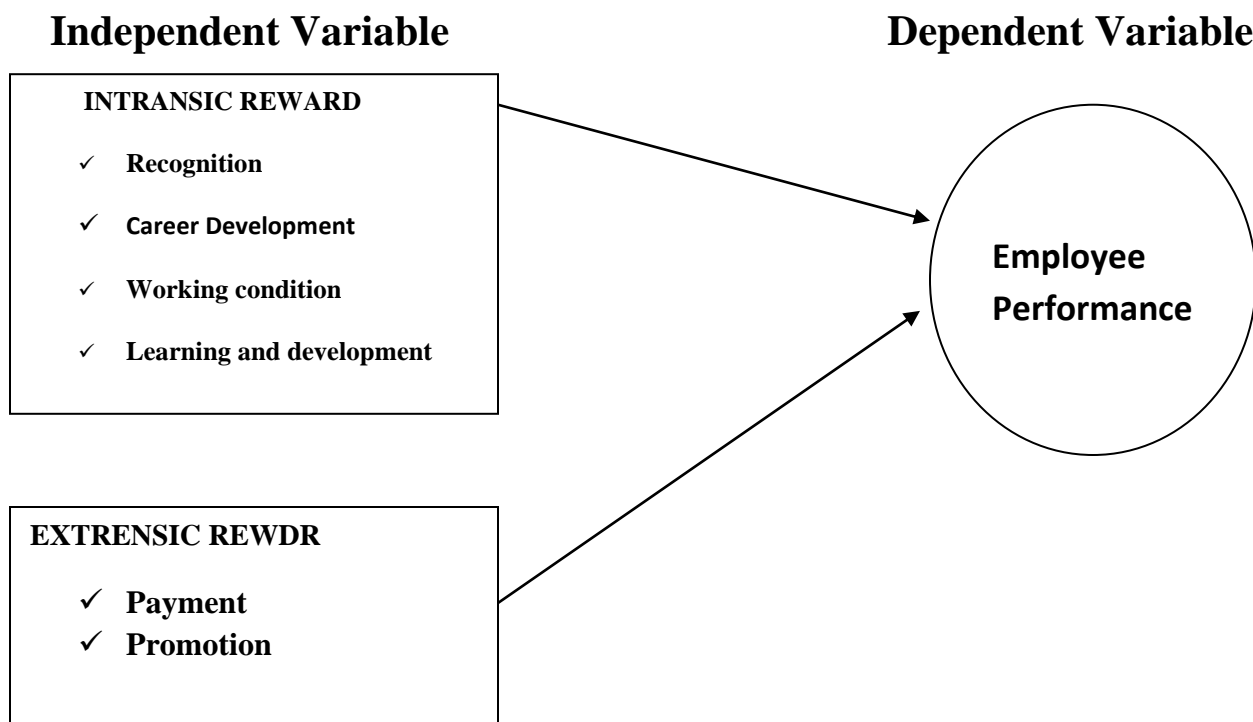
hotel are more motivated by intrinsic reward such as growth as opposed to extrinsic reward. Conclusion and recommendation of the study is that intrinsic reward is increase more employee job performance. And the study recommended that as the work force is relatively young and there is high turnover in the Hotel industry, this challenge can be tackled by training and working on the intrinsic rewards which have shown a relatively strong Relationship with the employee job performance, it is highly recommended that the reward pay should be revised at certain intervals in order for the employees to remain in Jupiter International Hotel and have a successful career in the Hotel industry since the reward play relationship with employee job performance is not very strong.

Second empirical study on conducted on the title ‘Effects of Reward Management on Employee Performance in Hotels in North Coast, Kenya’, authored by NdedeHeysOkoth. The study focused on 27 beach resorts in Kenya northern costal sea side the study used descriptive cross sectional method to evaluate hotels. The researcher used standard questionnaires for the investigation of the effect of reward management and employee job performance. The questionnaire revolved around the reward policy, strategic reward, equal pay grade structure, contingent pay, and market rate reward system and employee job performance. The findings of the research were that effective reward management and employee job performance have high correlation. This means effective reward management would inevitably produce higher employee job performance. The conclusion and recommendation of the study is that the effect of reward management is a determining factor on employee job performance. The recommendation is that since there are no structured reward management policies for the overall coastal hotels, due to the fact that it has to be individually tailored to meet the needs and reflect the management strategic policy. The best practice should be adopted and documented for future reference.

Third empirical study on the title effect of reward on employee performance in Kenya lighting and power company Authored By W. L, Njanja, “et al “(2013) A study used correlation research design to evaluate the relationship between reward and employee performance a study issued 84 questionnaire to management and employees The result shows that a majority of employees have a perception that cash bonus motivate their performance.

## 2.10 Conceptual framework

In this part the framework is comprised of intrinsic and extrinsic reward as independent variables and employee performance as the dependent variable to evaluate ethio telecom reward management practice at contact centre Addis Ababa. The study will try to describe the effect of reward management on employee performance. A conceptual framework developed based on literature review was developed to explain the effect of reward management on employee performance (figure 2.2).



Source: (Ndede H. Okoth, Effects of Reward Management on Employee Performance in Hotels in North Coast, Kenya, 2014)

# **CHAPTER THREE**

## **RESEARCH METHODOLOGY**

### **Introduction**

This chapter presented methodology applied to conduct the proposed research work. The research design, population, sample techniques, sample size, source of data collected, the instrument used for the study validity and reliability test and ethical issues are discussed under this chapter.

### **3.1 Description of the Study area**

The establishment of telecommunications services in Ethiopia dates back to 1894, seventeen years after the development of telephone technology in the world. Because of disparate reason its name changed many times. Some of them are Ethiopian Telecommunication business (ETS) Ethiopian Telecommunications (ETA) and Ethiopian Telecommunications Corporation (ETC) Then on settlement No 197/2010 ethio-telecom settled at November 29, 2010 as Public Enterprise (Ethio-telecom Establishment assembly of Ministers Regulation, 2010). Directly afford telecom business in the unified country on voice, internet & data, ethio telecom has a plan be a world-class jobholder of telecom services and its missions are connect Ethiopia through state-of-the-art telecom services, Provide high quality, innovative and economical telecom products and services that enlarge the development of our nation, Build distinguished brand known for its customers consideration build its managerial capacity and manpower talent that enables ethio telecom to serve at universal level and Support society and environmental development. Thus ethio telecom is born from this ambition. In order to bring about a paradigm shift in the development of the telecom sector to support the steady growth of our country, contact centre section is a back bone of telecom service in a day to day operating activity at ethio telecom. This study was focused on ethio telecom call centre employees Leghar site which is found down town Leghar next to commercial bank of Ethiopia head quarter. The current Human resources division is structured around five main activities. One of the departments called compensation and benefits department, CBD is in charge of designing a compensation and benefits policy for all employees. It is also important for carry out this policy as well as regularly improving it in order to guarantee equity and competitiveness. (<https://www.ethiotelecom.et/>)

### **3.2 Research Approach**

Approaches to a research are preferred based on either the purpose of research, or the time required to attain research, on the environment in which research is done, or on the basis of some other comparable factor Kothari (2004).

The study has been used both qualitative and quantitative research approach. In this sense by using mixed approach the researcher believes it helpful to get ride off any bias that exists in a research method. The researcher has been distributed questionnaires to ethio telecom employees and have interview with contact centre manager.

### **3.3 Research Design**

The researcher has been used explanatory research design as the study examine effect of reward management on employee performance it is helpful. The researcher used regression analysis for data analysis purpose. The design has an advantage of producing good amount of responses from all respondents of people. At the same time it further explained that, the descriptive statistics is useful for investigating a variety of analytical problems, to assess the dependency one variable over another; the data are usually collected through questionnaire.

### **3.4 Population of the study**

Population is generally large collection of individual or objects that is the main focus of a scientific query. It is for the benefits of the population that a researcher done.

(According to Cooper and Schindler,) population which defined as total collection of elements from which individuals wish to draw a conclusion target population for this study was ethio telecom call centres employees Managers, supervisor, coach and Advisor was included in the study. The study was taking 152 samples from 246 total populations the researcher found it appropriate to employ sample method due to undue time, energy and money.

**Table 3.1**

NO	Position	Number of employees	Percentage
1	Advisors	221	
2	Coaches	19	
3	Supervisors	5	
4	Managers	1	
TOTAL		246	

Source (ethio telecom HR Department 2020)

### **3.5 Sample and Sampling technique**

#### **3.5.1 Sample size**

According to Israel (2012) there are different strategies to calculate sample size. These include using census for small population, using a sample size of similar study, using published tables that is given based on the number of the population without doing any calculation to get the sample size and using formula to calculate sample size. The researcher has used a formula suggested by Israel 2012. Therefore the sample size for this research is based on the formula

Israel, 2012  $n = \frac{N}{N+1(0.05)^2}$  the researcher has got a sample size of 152. Where:

n = the sample size

N = the study population

e = the level of precision = 0.05, (level of confidence 95 %)

1 = designates the probability of the event occurring

**Source: - Israel, 2012, sampling size determination formula**

$$\text{Therefore: } n = \frac{246}{1+246(0.05)^2} = 152$$

### **3.5.2 Sampling techniques**

Sampling technique is a definite plan for obtaining a sample from a given population. Simple random sampling provides the opportunity for each member of the population under study to have an equal chance of being selected. Therefore the study has been selected simple random sampling techniques to draw samples from different positions. While non probability sampling approach have been chosen to select interview with participant.

### **3.6 Data and sources**

The source of data researcher use to this study was collected both qualitative and quantitative data collection method.

#### **3.6.1 Primary Data sources**

For gathering primary data the researcher has been focused on ethio telecom contact centre employee Advisors, Coach, Supervisor and Manager was included in collecting the primary data. The data collected was directly related to the purpose and collected by the researcher through well-developed structure questionnaire. The questionnaire distributed to ethio telecom was open ended questionnaire include different variable such as reward management practice intrinsic and extrinsic reward data were collected from the respondent , intrinsic reward are recognition , working condition ,career development and learning and development whereas extrinsic reward include payment and promotion was included in a collection primary data from the respondents.

#### **3.6.2 Secondary Data Sources**

Secondary data are report or data already possessed by other researchers or academy, commonly for different purposes (Blumberg et al., 2008). Secondary data enable the researcher to place the study in the context of existing knowledge as well as broadens the researchers understanding to the research topic. Under this study secondary data sources are annual and monthly report of the organization, newspapers and organization website which gave the researcher information about the performance of employees, as well as other significant announcement was also consulted.

### **3.7 Data collection method**

Both primary and secondary data was collected in the study the questionnaire used in the study was adopted from Armstrong (2010) which is analysis on employee reward approach used to appraise and control reward by determine the view of respondent which are at the collecting end of the pay policy as basis of taking action and it is taken in away it able to the study. In this researcher the questionnaire has been developed based on the review of literature and learning various research papers and advising with research advisor. The questionnaire also developed using all aspect that is mentioned in the literature review. Interview was made with ethio telecom contact centre director. The questionnaire distributed to respondent has five part the first part include personal information of the respondent, second part include questionnaire regarding reward management practice, third part include questionnaire regarding extrinsic reward, fourth part questionnaire regarding intrinsic reward and fifth part questionnaire related to employee performance . This study questionnaire was measured by five point likert scale attached by 1 strongly disagree 2 disagree 3 neutral 4 agree and 5 strongly agree the likert scale measure the level of agreement and disagreement. The researcher has been tested the validity and reliability test of the study by such prior the study.

### **3.8 Method of data analysis**

To analyse the data obtained from the respondents the researcher has been used SPSS Version 20 and both descriptive and inferential statistics were used. To examine the existing reward management practice of the organization descriptive statistics like frequency, distribution, percentage, mean and standard deviation were applied. On the other hand to examine the relationship between the independent and dependent variable of the study Pearson correlation coefficient was used. And to regulate the degree to which the dimension of reward management practice influence employee's performance, the researcher used regression analysis.

### **3.9 Instrument design/measurement**

Questionnaires for employees of the organization were designed based on the study objectives to provide in depth information for the study. The researcher obtained an authorization letter from the school of Commerce, Addis Ababa University. The questionnaires were issued to 152 respondent's .The respondents were then given two weeks to complete the questionnaire. The

researcher used an adopted questionnaire which is adopted from different journals by previous researchers to measure variables in more valid way.

### 3.10 Validity and Reliability

Reliability and validity address issues about the quality of the data and appropriation of the methods used in carrying out the research.

#### 10.1 Validity

Content validity test has been conducted to ensure that the measure includes sufficient coverage of the investigated questions, meanwhile the face validity conducted to validate the items of research questionnaire and to ensure that the items are more consistent. Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure (R. Kothari, 2004,). Validity refers to the extent to which an instrument measures what is supposed to measure. Data need not only to be reliable but also true and accurate.

##### 10.1.1 Reliability

Reliability is concerned with consistency and reliability refers to the consistence, stability or dependability of the data. A good measurement is one that if repeated a second time gives the same outcome as it did the first-time. If the results are not the same, then the measurement is unreliable Mugenda & Mugenda (2008).To measure the reliability of the data collection instruments, an internal consistency technique using Cronbach's alpha was used (Mugenda 2008). Cronbach's alpha is a coefficient of reliability that allows an unbiased conclusion of data generalization (Zinbarg2005). An alpha coefficient of 0.75 or higher indicated that the gathered data are reliable as they have approximately high internal consistency and can be conclude to reflect opinions of all respondents in the target population (Zinbarg 2005) Thus, as shown in table 3.1 the overall Cronbach’s alphas coefficients for expected scale item are 0.893. Therefore, the normal scales used in this study establish high reliability as seen from the table 3.1 Table.

**Table 3.1 Reliability statistics of the instrument**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.888	.893	8

### **3.9 Ethical Consideration**

To make the research process professional, the researcher has been kept ethical consideration. The researcher has been informed to the respondents about the purpose of the research, why it conducts? Before filling the questionnaire I.e. purely for academic purpose; the researcher also have been introduced to respondents the questionnaire that they are filling is confidentially protected and secure from any kind. In addition to this the researcher informed that their participation in the study is as if based on their consent. The research have not been personalized any of the respondent's response during data presentations, analysis and interpretations. Furthermore, all the materials use for this research will be honestly acknowledged and all the materials use for this research will be honestly acknowledge.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND DISCUSSION

#### Introduction

The main objectives of the study were to study effect of reward management on employee's performance a case study on ethio telecom. Under this chapter presented a discussion of the final results and the process through which the results were obtained. In addition to this the background information of the respondent has been presented. Finally the statistic method of analysis were discussed which include a descriptive analysis, a correlation analysis, and a multiple regression analysis through SPSS version 20.

#### 4.1 Descriptive Analysis

The study considered respondents' general characteristics and information, in this study the researcher considered respondents in terms of gender, age, and year of service (experience), educational level and current position in the organization.

**Table 4.1 Respondent Profile**

<b>Gender</b>	<b>Percent</b>
Male	44.30%
Female	55.70%
<b>Age</b>	<b>Percent</b>
18-25	9.40%
25-40	87.90%
40-50	2.70%
<b>Education-level</b>	<b>Percent</b>
Degree	90.60%
Masters	9.40%
<b>Experience</b>	<b>Percent</b>
1-3 years	30.90%

4-10 years	57.70%
above 10 years	11.40%
<b>Current Position</b>	
	<b>Percent</b>
Advisor	90.60%
Coaches	6.70%
Supervisor	2.70%

**Source: Source: Survey data, 2020**

Table 4.1 shows that from the total 149 who responded the study( 55.7%) percentile of them are female and (44.3 %) percentile of them are male this showed that the gender population is reasonably distributed in the sample. The range between 25- 40 are the highest range of age with( 87.9%) percentile and the lowest range is 40-50 with (2.7%) percentile , and 18 – 25 percentile of employees were ( 9.4%). This indicated the majority of the respondent in the organization are young employees, the highest level of education from the respondent are first degree by (90.6%) percentile while the last percentile (9.4%) in Master’s Degree. It shows that the respondent has ability to fill the questionnaire by having know-how about reward management and employees performance. The highest range in years of job experience is (57.7%) percentile which is 4-10 years of job experience while the last percentile experience is above 10 years with (11.4%) percentile. Employees current position in the organization results shows that (90.6%) percentile of them are advisor which is the highest from the total respondent.

The respondent profile generally implies that majority of ethio telecom employees who replied this study has been women from the total respondent 149 respondent 55.7% of the respondent were female and 44.3% of the respondent were male, this implies that in ethio telecom highest number of the respondent were female for this study as researcher observed in the organization place most of employees are female therefore we can conclude that the result of personal profile related gender is validate to the study and from the total respondent 9.6 % hold first degree, and 9.40 % of the respondent hold masters degree therefore it helped to researcher to gather adequate and valuable information from the respondent as majority of the respondent have masters and first degree education level they have ability to respond questionnaire with well-known understanding of reward management and employee performance, and to this study most of the

respondent were selected those who have been worked more than two years this help the researcher to get validate and equitable information those employees are expected to know well about the reward culture of the organization.

#### 4.1.1 Perception of Reward

The extent to which the respondents agreed with the given statement concerning effect of perception on reward in the ethio telecom call centre was investigated. Data in table 4.2 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard deviation.

**Table 4.2 Perception of Reward**

Variable	Frequency and Percentage						
	1	2	3	4	5	Mean	Standard Deviation
Q1 the reward practice at the organization focus on the real needs of employees'	13 (8.7%)	43 (28.9)	5 (3.4%)	64 (43 %)	24 (16. %)	3.29	1.280
Q2 I clearly understand organization reward policy	9 (6.0%)	35 (23.5%)	7 (4.7%)	59 (39.6%)	39 (26.2%)	3.56	1.270
Q3 the reward of employee is transparent	11 (7.4%)	34 (22.8%)	16 (10.7%)	46 (30.9%)	42 (28.2%)	3.50	1.313
Q4 is there clear reward criteria	3 (2.0%)	28 (18.8%)	37 (24.8%)	43 (28.9%)	38 (25.5%)	3.57	1.123
Q5 Do you agree that reward system	21 (14.1%)	22 (14.8%)	28 (18.8%)	42 (28.2%)	35 (23.5%)	3.32	1.361

are faire and equitable							
Q6 My coach and supervisor care about me as a team member	7 (4.7%)	24 (16.1%)	28 (18.8%)	48 (32.2%)	42 (28.2%)	3.63	1.187
Q7 reward practice of the company are free from discrimination based on demographic factors such as race, gender etc.	7 (4.7%)	16 (10.7%)	33 (22.1%)	47 (31.5%)	46 (30.9%)	3.73	1.149
Q8 the organization design a plan of a reward periodically	4 (2.7%)	16 (10.7%)	37 (24.8%)	47 (31.5%)	45 (30.3%)	3.76	1.082
Q9 reward play key role in the organization	7 (4.7%)	16 (10.7%)	25 (16.8%)	57 (38.3)	44 (29.5%)	3.77	1.128

Total Mean = 3.5712 and total Standard Deviation = .82937

**Source: Survey Result (2020)**

✓ Note for analysis purpose strongly agree and agree merged in the category called ‘agree’ strongly disagree and disagree merged in the category of disagree.

According to the above table 4.2 respondent were asked if the reward practice in their organization focus on the real need of employees or not. As seen in the table 4.2 concerning item one about half of the respondent 88 (59.%) percentiles replied agree this implies when the organization focus on employees need their performance also increase and 56(37.6%) respondent disagree ,moreover 5 (3.4 %) responded neutral. This indicated that there were things that influence employees performance in ethio telecom the mean value from this item were 3.29 and

standard deviation 1.280 in general on item one raised most respondent replies there were things that increase employee performance.

In the table 4.2 item number two raised question to measure understanding of employees on the organization reward policy majority of the respondent 98 (65.8%) of the respondent agree 44 (29.5%) of the total respondent disagree and 7 (4.7%) of the respondent were neutral and this item were supported by the mean value 3.56 and standard deviation 1.270, this implies those ethio telecom employees have understanding of the organization policy.

In the table 4.2 item three raised question for respondent if the reward of the organization is transparent or not 88 (59.1%) of the respondent were replied agree 45 (30.2%) replied disagree and 16 (10.7%) respondent were neutral this is supported by the mean value 3.50 and standard deviation 1.313 this implies that there is things shows organization reward transparently.

In the table 4.2 item number four the respondent asked if there were clear reward criteria in the organization 81(54.4%) of the respondent were agreed 31 (20.8%) disagree and 37 (24.8 %) of the respondent replied neutral this indicated that the organization have a clear reward criteria that increase an employee performance.

Table 4.2 item number five raised question to respondent whether the reward system of their organization fair and equitable or not 77 (52 %) of the respondent replied that their organization reward system are fair and equitable 43 (29.1 %) of the total respondent were also replied disagree and 28 (18.9%) replied neutral this is validated by the mean value 3.32 and standard deviation 1.361 this implies that the organization have faire and equitable reward system.

Table 4.2 item number six respondent asked if their coach and supervisor care about them as a team member 90(60.4%) of the respondent were replied agree 31 (20.8) of the respondent disagree and 28 (18.8%) respondent replied neutral this item supported by the mean value 3.63 and standard deviation 1.187 this implies that when coach and employees care to employees as a team member employee performance also increased.

In the table 4.2 item number seven respondent asked if the organization reward practice free from discrimination based on demographic factors such as race gender 93 (62.4%) of the respondent replied agree 23 (15.4%) of the respondent replied disagree and 33 (22.2%) of the

respondent were neutral this is validated by the mean value 3.73 and standard deviation 1.149 this implies that there were reward practice free from discrimination.

Table 4.2 item number eight raised question about if the organization design a plan of reward periodically 84(61.8%) agree 37 (24.8%) of the respondent were also neutral and 20 (13.4%) of the respondent replied disagree this item validated by the mean value 3.76 and standard deviation 1.082 this implies that organization rewarded periodically.

Finally in the table 4.2 item number nine raised question about whether the reward play a key role in the organization or not 101 (64.8%) agree 25(16.8%) of the respondent replied neutral and 23 (20.7%) of the respondent replied disagree this item supported by the mean value 3.77 and standard deviation 1.128 this implies that reward has a key role in the organization.

According to the open ended question and related to this interviewed identified respondent as implies in the factor the organization employees perception on reward management this idea were known and understood well by ET employees and they have knowledge about the reward management system and this was a cause in increasing employees performance of the organization .

Generally the researcher gather data via (interview open ended and close ended) on perception of reward and this has been related and supported each other and it strengthens for the idea being raised in table 4.2 related about perception of reward management. As result indicated the concerning body was giving enough attention to selected dimension which is perception of reward management, generally understood from the above table 4.2 the mean and standard deviation of selected factor replied by employees of ethio telecom the result implies that the mean value for perception of reward management = 3.5712 and standard deviation = .82937 therefore the cumulative effect of the above table 4.2 result indicated that ethio telecom has been created a good awareness on reward management to its employees and as result shown employees have a good perception on reward management.

As discussed in the literature review part Armstrong (2010) discussed that Reward management supports the accomplishment of business goals by helping to establish that the organization has the talented and committed people it needs. It contributes to the achievement of high performance by ensuring that the reward system recognizes and encourages it. Reward

management can characterize expectations through performance management and contingent pay schemes.

#### 4.1.2 Perception of payment

The extent to which the respondents agreed with the given statement concerning effect of payment in the ethio telecom call centre was investigated. Data in table 4.3 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard deviation

**Table 4.3 Perception on Payment**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q10 payment system is clearly stated and communicated to all employees	10 (6.7%)	16 (10.7%)	26 (17.4%)	64 (43.0%)	33 (22.1%)		3.63	1.141
Q11 my salary is satisfactory in relation to what i do	9 (6.0%)	26 (17.4%)	25 (16.8%)	53 (35.6%)	36 (24.2%)		3.54	1.205
Q12 salary increment are made based on employees contribution to the organization	6 (4.0%)	29 (19.5%)	31 (20.8%)	47 (31.5%)	36 (24.2%)		3.52	1.172
Q13 salary increment are dedicated to in a fair manner	7 (4.7%)	23 (15.4%)	37 (24.8%)	51 (34.2%)	31 (20.8%)		3.51	1.125

Q14 the base of payment , for example over time , variable payment is reasonable	9 (6.0%)	21 (14.1)	37 (24%)	46 (30.9)	36 (24.2%)	3.53	1.177
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Total Mean = 3.5477 and total Standard Deviation = .88788

**Source: Survey Result (2020)**

In the table 4.3 item number ten the respondent asked if the payment system of the organization clearly stated and communicated to all employees or not 97 (65.1%) of the respondent replied agree that the payment system of the organization are clearly stated and communicated to all employees 26 (17.4%) disagree and 26 (17.4%) of the respondent were replied neutral. This implies ethio telecom employees were moderately satisfied and this indicated that employees are communicated and stated about their organization of payment system, this is supported by the mean value 3.63 and standard deviation 1.141.

Table 4.3 item number eleven raised question about whether salary is satisfactory in relation what employees do or not 89 (59.8%) of the respondent agree 35 (23.4%) disagree and 25 (16.8%) of the respondent were replied neutral this is supported by the mean value 3.54 and standard deviation 1.205 this implies that employees are satisfied by salary what they get in relation what they do.

Table 4.3 item number twelve respondent asked if the salary increment are made based on employees contribution to the organization or not 83 (55.7%) of the respondent agree 35 (23.5%) disagree and 31 (20.8 %) of the respondent replied neutral this is validated by the mean value 3.52 and standard deviation 1.172 this implies that the organization rewarded based on employees contribution.

Table 4.3 item number thirteen raised question about whether increment are dedicated in a faire manner 82 (55%) of the respondent agree that the organization increment are dedicated in a faire manner 30 (20 %) disagree 37 (24.8%) of the respondent were neutral that neither agree the increment are dedicated in a fair manner nor disagree. this is supported by the mean value 3.51

and standard deviation 1.125 this indicated that the organization increment are made based on faire manner.

Table 4.3 item number fourteen deal with the question about whether the base of payment for example over time, variable payment is reasonable 82 (55.1 %) of the respondent agree that payment system for base pay is reasonable and agreed 30 (24 %) of the respondent were replied neutral neither agreed nor disagree and 30 (20 %) disagree this is supported by the mean value 3.55 and standard deviation 1.177 this indicated that the organization base of payment system are reasonable and there is things that employees performance increased .

Based on the above table 4.3 open ended question and related to this interviewed selected the respondent as shown in the factor on payment system , payment is one of an extrinsic reward that is cause to increase employees performance in ethio telecom as organization there were clear and communicated in payment system to all employees . And employees were satisfied by the payment system in relation what they get and what they do in the organization There searcher were gather data to analyse the study through (interview open ended and close ended) on payment system of the organization and this has been related and supported by each other and it was strengthen for the issue being raised under this study as the result implies the organization concerning body give attention related to the issue of payment, as payment is a key in the organization activity in making employees performance. generally the above table 4.3 shows that the mean and standard deviation of selected factor which is payment the result indicated given by employees the mean value for payment = 3.457 and standard deviation .88788 this implies the cumulative effect of the result this shows that the organization has a good payment system and employees are satisfied. As discussed in the literature review part. According to Armstrong (2005) Base or basic pay the base rate is the amount of pay (the fixed salary or wage) it may be varied according to the grade of the job.

### **4.1.3 Perception of promotion**

The extent to which the respondents agreed with the given statement concerning effect of promotion in the ethio telecom call centre was investigated. Data in table 4.4 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 =strongly agree. Data was presented in frequency, percentage, mean and standard deviation

**Table 4.4 Perception on Promotion**

Variable	Frequency and Percentage						
	1	2	3	4	5	Mean	Standard Deviation
Q15 every one has equal chance to be promoted	13 (8.7%)	30 (20.1%)	33 (22.1%)	45 (30.2%)	27 (18.1%)	3.29	1.230
Q16 the company's promotion policy is clearly communicated to all employees	18 (12.1%)	29 (19.5%)	30 (20.1%)	41 (27.5%)	31 (20.8%)	3.26	1.316
Q17 the criteria for promotion are acceptable	15 (10.1%)	34 (22.8%)	30 (20.1%)	45 (30.2%)	25 (16.8%)	3.21	1.254
Q18 I am satisfied with the promotion system of the organization	20 (13.4%)	33 (22.1%)	25 (16.8%)	49 (32.9%)	22 (14.8%)	3.13	1.293
Q19 staffs are promoted in a faire and transparent way	19 (12.8%)	27 (18.1%)	30 (20.1%)	47 (31.5%)	26 (17.4%)	3.23	1.290

Total Mean = 3.2225 and total Standard Deviation = .1.08350

**Source: Survey Result (2020)**

In the table number 4.4 item number fifteen respondent asked if everyone has an equal chance to be promoted or not 72 (48.3%) of the respondent were agree 33 (22.1%) replied neutral and 43 (28.8%) of the respondent were replied disagree and this item validated by the mean value 3.29 and standard deviation 1.230 this indicated that in the organization there is things that increase employees performance as everyone promoted equally.

Table number 4.4 item number sixteen deal with the idea that the company promotion policy is clearly communicated to all employees or not 72 (47.6%) of the respondent replied agree 47 (31.6%) disagree and 30 (20.1) of the respondent replied neutral this is validated by the mean value 3.26 and standard deviation 1.316 this implies company's promotion and policy clearly stated and communicated to all employees well.

As indicated table 4.4 item number seventeen respondent asked question whether the criteria for promotion are acceptable or not 70 (47%) 49 (32.9%) of the respondent replied disagree and 30 (20.1 %) of from the total respondent were replied neutral this item supported by the mean value 3.13 and standard deviation 1.293 this implies that in the organization the criteria for promotion are acceptable.

For item number eighteen table number 4.4 respondent asked whether employees are satisfied with the promotion system of the organization or not 71 (35.5%) of the respondent were responded agree 53 (35.5) disagree and 25 (16.8%) of the respondent replied neutral this item validated by the mean value 3.13 and standard deviation 1.293 this shows that employees are satisfied with promotion system of the organization.

table number 4.4 item number nineteen raised question about if staffs are promoted in a faire and transparent way 73 (48.9%) of the respondent replied agree 46 (30.9%) disagree and 27 (18.1 %) of the respondent were neutral this supported by the mean value 3.23 and standard deviation 1.290 this indicated that employees are satisfied by promotion system of the organization.

According to the open ended question and related to this interviewed selected respondent as indicated in the factor the organization employee promotion is one of that effect on employees performance the organization promotion criteria were acceptable and employee was satisfied with the promotion system of the organization.

Generally the researcher gather data through (interview open ended and close ended ) on promotion were related and supported each other and it was strength for issues being raised in the table 4.4 as the result indicated the concerning body of the organization give enough attention to the selected dimension . overall understood from the above table 4.4 that the mean and standard deviation of for selected factor replied by ethio telecom employees the result

implies the mean value for promotion 3.2225 and standard deviation is 1.08350 therefore the cumulative effect of the above table 4.4 result indicated that employees of the organization neither agree on the promotion system of their organization nor disagree.

According to (Gohari, Ahmadloo & Hosseinpour, 2013) Promotion is an important feature of employee's life style and occupation, affecting other job experience levels and can have an obvious impact on other job aspects like job attachment and responsibilities.

#### 4.1.4 Perception of Recognition

The extent to which the respondents agreed with the given statement concerning effect of recognition in the ethio telecom call centre was investigated. Data in table 4.5 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard

**Table 4.5 Perception on Recognition**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q20 I feel that my job receive enough attention from my company	19 (12.8%)	27 (18.1%)	17 (11.4%)	60 (40.3%)	26 (17.4%)		3.32	1.305
Q21 my coach always told me when I am making progress	17 (11.4%)	21 (14.1%)	17 (11.4%)	62 (41.6%)	32 (21.5%)		3.48	1.287
Q22 I receive positive recognition from my coach for what I perform better	14 (9.4%)	21 (14.1%)	28 (18.8%)	58 (38.9%)	28 (18.8%)		3.44	1.215

Total Mean = 3.4094 and total Standard Deviation = .1.10834.

**Source: Survey Result (2020)**

Table 4.5 item number twenty respondent asked whether they feel that their job get enough attention from their company or not 86 (57.7%) responded agree 38 (25.5%) disagree and 17 (11.4%) of the total respondent were replied neutral this item validated by the mean value 3.32 and standard deviation 1.305 this shows that the company give enough attention to employees.

Table 4.5 item twenty one raised question that whether employees told by their coach and supervisor when they make progress or not 94 (57.7 %) of the respondent agree 38 (25.5%) disagree and 17 (11.4 ) replied neutral this item supported by the mean value 3.48 an standard deviation 1.287 this implies employees are told when they make progress .

Table 4.5 item number twenty two respondent asked if they receive positive recognition from their coach for what they perform better 86 (57.7%) agree 38 (25.5%) disagree and 17 (11.4%) neutral this item validated by the mean value 3.44 and standard deviation 1.215 this indicated the employees of ethio telecom responded to this study neither agree about the recognition system of their organization nor disagree.

According to the open ended question and related to the interview identified respondent as implies in the factor recognition is one of the variable that has effect on employee work performance. In the organization employees are feeling as their job receives enough attention from their organization and positive recognition from the coach for what they perform better.

Generally the researcher gather data through (interview open ended and close ended ) on recognition of ethio telecom employees were supported and related each other it was strength for the idea being raised . as the result implies the concerning body of the organization give enough attention to the recognition of employees overall understood from the result ethio telecom employees replied the mean value for recognition 3.4094 and standard deviation 1.10834 therefore the cumulative effect the above table 4.5 result shows that ethio telecoms good in recognizing its employees . Armstrong (2010) states that recognition schemes as part of a total reward package enable appreciation to be shown to individuals for their achievements, informally on a day-to day basis or through formal recognition arrangements. They can take place quietly between managers and their team workers or be visible celebrations of success. A recognition scheme can be formal and organization wide, providing scope to recognize achievements by gifts or treats or by public applause. Typically, the awards are non-financial but

some organizations provide cash awards, importantly recognition is also given less formally when managers simply say, well done’, ‘Thank you’, or ‘Congratulations’ face-to-face or in a brief note of appreciation.

#### 4.1.5 Perception of Career Development

The extent to which the respondents agreed with the given statement concerning effect of career development in the ethio telecom call centre was investigated. Data in table 4.6 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard deviation

**Table 4.6 Perception on Career Development**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q23 I have a good access to development opportunity in my current job	13 (8.7%)	20 (13.4%)	31 (20.8%)	60 (40.3%)	25 (16.8%)		3.43	1.176
Q24 I see a future for myself in higher level role in this organization	12 (8.1%)	22 (14.8%)	29 (19.5%)	55 (36.9%)	31 (20.8%)		3.48	1.206
Q25 my direct supervisor take interest in my career development	15 (10.1%)	22 (14.8%)	23 (15.4%)	60 (40.3%)	29 (19.5%)		3.44	1.243
Q26 the company has a clear career development procedure	13 (8.7%)	26 (17.4%)	20 (13.4%)	60 (40.3%)	30 (20.1%)		3.46	1.238

Q27 the company has applies performance based career development	11 (7.4%)	27 (18.1%)	23 (15.4%)	60 (40.3%)	28 (18.8%)	3.45	1.199
Q28 employees has chance of promotion within the organization	10 (6.7%)	23 (15.4%)	33 (22.1%)	58 (38.9%)	25 (16.8%)	3.44	1.137
Q29 having succession planning of the office	11 (7.4%)	21 (14.1%)	41 (27.5%)	52 (34.9%)	24 (16.1%)	3.38	1.13713

Total Mean = 3.4391 and total Standard Deviation = .96692.

**Source: Survey Result (2020)**

In the table 4.6 item number twenty there raised question if employees have a good access to development opportunity in their current job 85 (57%) responded agree 33 (22.1%) disagree and 31 (20.8 %) of the respondent were replied neutral this indicated employees have a good access to development in the organization.

Table 4.6 item number twenty four deal with question about if employees see themselves in a future higher level in the organization or not 86 (57.7%) agree 29 (19.5 %) of the respondent replied neutral and 34 (22.9%) of the respondent disagree this item supported by the man value 3.43 and standard deviation 1.176 this indicated that employees are satisfied in their current position and see themselves in the future in the higher level of the organization.

In the item number twenty five table number 4.6 respondent asked a question about whether employees current supervisor take interest in employees current career development or not 89 (59.8%) of the respondent replied agree 37 (24.9%) of from the total respondent disagree and 23 (15.4 %) of the respondent responded neutral this item validated by the mean value 3.44 and standard deviation 1 .243 this indicated that employees supervisor take interest of employees.

Table 4.6 item number twenty six respondent asked to know whether organization has career development procedure or not 90 ( 60.4%) of the respondent replied agree 39 (26.1%) responded disagree and 20 (13.4 %) of the respondent replied neutral this item is validated by the mean

value 3.46 and standard deviation 1.238 this implies that organization has clear development procedure.

Table 4.6 item number twenty seven deal with the question the company has applies performance based career development 88 (59.1 %) agree 38 (25.5 %) disagree and 23 (15.4%) of the total respondent replied neutral this is validated by the mean value 3.45 and standard deviation 1.199 this shows that employees are satisfied with employees career development.

In the table 4.6 item number twenty eight respondent asked whether they have a chance of promotion within the organization not 83 (55.7%) agree 33 (22.1 %) disagree and 33 (22.1 %) of the respondent replied neutral this item result supported by the mean value 3.44 and standard deviation 1.137 this implies that employees have a chance of promotion within the organization.

In the table 4.6 item number twenty nine deal with the question about whether employees have succession plan of the office or not 76 (51%) agree 32 (21.5%) disagree and 41 (27.5) of the total respondent replied neutral this item supported by the mean value 3.38 and standard deviation 1.1371 this implies that employees of ethio telecom neither agree on the career development nor disagree.

According to the open ended question and related to this the interviewed selected respondent as indicated in the factor the organization career development is one of variable that is motivate employees and increase employee performance, career development in the organization was good and employees of ethio telecom has a development opportunity in their current job and the organization has clear development procedure. overall the researcher gather data through ( interview open ended and close ended ) on career development were supported and related each other and it was strength for the idea being raised the result shows in the table 4.6 the organization concerning body give enough attention to career development from the above table the result got from the responded show that the mean value for career development 3.4391 and standard deviation .96692 as result implies a researcher observed that employees have a good career development opportunity.

(According to Dipak Kumar 2006 Hand book of human resource planning career development define as the process of increasing an employee's potential for advancement and career change. in other words it is a process of planning of series of possible jobs which an individual may hold

in the organization over time and developing strategies designed to provide necessary jobs skills as the opportunity arise.

#### 4.1.6 Perception of working conditions

The extent to which the respondents agreed with the given statement concerning effect of working conditions in the ethio telecom call centre was investigated. Data in table 4.7 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard deviation

**Table 4.7 perception of working condition**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q30 I have freedom to try new methods of doing in my job	13 (8.7%)	21 (14.1%)	27 (18.1%)	61 (40.9%)	27 (18.1%)		3.46	1.194
Q31 my work hour is reasonable	14 (9.4%)	20 (13.4%)	17 (11.4%)	68 (45.6%)	30 (20.1%)		3.54	1.222
Q32 I have never over worked	11 (7.4%)	25 (16.8%)	23 (15.4%)	61 (40.9%)	29 (19.5%)		3.48	1.195
Q33 basic resource are available	12 (8.1%)	23 (15.4%)	34 (22.8%)	54 (36.2%)	26 (17.4%)		3.40	1.179
Q34 I am satisfied with the way my co workers get along with each other	4 (2.7%)	13 (8.7%)	22 (14.8%)	79 (53.0%)	31 (20.8%)		3.81	.956

Total Mean = 3.5356 and total Standard Deviation = .86502.

**Source: Survey Result (2020)**

In the table 4.7 item number thirty raised question to know whether employees have a freedom to try the methods of doing job or not 88 (59%) agree 34 (22.8 %) disagree and 27 (18.1 %) of the respondent were neutral this item supported by the mean value 3.46 and standard deviation 1.194 this shows that the organization employees have a freedom to try new methods.

In the table 4.7 item thirty one respondent asked if they work hour is reasonable or not 98 (65.7%) of the respondent agree 34 (22.8%) disagree and 17 (11.4%) of the respondent were neutral this item supported by the mean value 3.54 and standard deviation 1.22 this implies that employees work hour is reasonable.

Table 4.7 item number thirty two deal with the question about whether employees have ever over worked or not 90 (60.4%) agree 36 (24.2%) disagree 23 (15.4%) of the respondent responded neutral this item validated by the mean value 3.48 and standard deviation 1.179 this implies that employees have never over worked in the organization .

In the item number thirty three table 4.7 respondent asked if the basic resource are available 80 ( 53.6%) of the respondent agree 35 (23.5%) of the respondent disagree and 34 (22.8) of the respondent were replied neutral this item validated by the mean value 3,40 and standard deviation 1.179 this indicated that basic resource are available in the organization

Table 4.7 item number thirty-four raised question about whether employees satisfied with the way their co worker get along each other 110 (73.8%) of the respondent agree 22 (14.8%) of the respondent replied neutral and 17(11.4%) of the respondent disagree this item supported by the mean value 3.81 and standard deviation .956 this implies that employees are satisfied with their co worker.

According to the open ended question and related to this the interviewed selected respondent as indicated in the factor employees working condition is one of the factor that effect on employees performance . The working condition of the organization has freedom to try new methods in the organization and working hour was reasonable to employees.

Overall the researcher gather data through ( interview open ended and close ended ) on working condition of ethio telecom were related and supported each other and it was strength for the idea being raised result implies given by respondent in the table 4.7 the concerning body of the

organization give enough attention to the working condition of the organization as the result indicated the mean and standard deviation of selected factor replied by the employees of ethio telecom the man value shows, 3.5356 and standard deviation .86502 therefore the cumulative effect of the above result shows that ethio telecom working condition is good to employees.

According to (Ruddy, 2007) the physical environment in which the work is described here adverse environmental conditions such as noise, heat, and fumes are detailed along with the frequency of exposure. Most professionals and executive job descriptions do not include this section because work is assumed to be performed under normal office conditions. If it is not, the section should be included. Work conditions are defined by criteria such as: Physical effort, Work environment Sensory attention and physical risks.

#### 4.1.7 Perception of learning and development

The extent to which the respondents agreed with the given statement concerning effect of learning and development in ethio telecom call centre was investigated. Data in table 4.8 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard

**Table 4.8 Perception on Learning and Development**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q35 the company provide training and development related to our job	6 (4.0%)	6 (4.0%)	30 (20.1%)	75 (50.3%)	32 (21.5)		3.81	.954
Q36 the company provide scholarship	45 (30.2%)	34 (22.8%)	27 (18.1%)	18 (12.1%)	25 (16.8%)		2.62	1.449

Total Mean =3.2181 and total Standard Deviation = .95210

**Source: Survey Result (2020)**

Table 4.8 item number thirty five respondent asked if the company trading and development related their job 107(71.8%0 agree 30 (20.1%) neutral and 12 (8%) disagree this item validated with the mean value 3.81 and standard deviation .954 this indicated organization provided training and development for employees.

In the item number thirty six table number 4.8 respondent asked if the company provide scholarship surprisingly 80 (53%0 disagree 27 (18.1%) of the respondent neutral and 43 (28.9 %) of the respondent agree this item supported by the mean value 2.62 and standard deviation 1.419 this implies that an organization doesn't provide scholarship to employees.

According to the open ended question and related to this the interviewed selected respondent as indicated in the factor the organization learning and development is one of the factor that motivate and increase employee performance in ethio telecom training and development to employee related to their wok and organization provide scholarship only for employees hold under first degree but it did not provide for the degree holder and above. As the result indicated in the table 4.8 concerned body of the organization give enough attention to the learning and development. The mean and standard deviation indicated for the selected factor responded by the employees of ethio telecom the mean value is 3.2181 and standard deviation 95210 this implies that employees of ethio telecom who responded to the study neither agree on the learning and development of their organization neither provide to employees nor disagree.

According to Armstrong (2010) Resignations and turnover can increase if people are not given adequate opportunities for learning and development, or feel that demands are being made upon them that they cannot reasonably be expected to fulfil without proper training.

#### **4.1.8 Perception of Employee Performance**

The extent to which the respondents agreed with the given statement concerning effect of employee performance in the ethio telecom call centre was investigated. Data in table 4.9 was analyzed using a Likert scale where 1 = Strongly Disagree, 2 = Disagree, 3 = neutral, 4 = Agree and 5 = strongly agree. Data was presented in frequency, percentage, mean and standard deviation.

**Table 4. 9 Perceptions on Employee Performance**

Variable	Frequency and Percentage						Mean	Standard Deviation
	1	2	3	4	5			
Q37 employees are rewarded based on his/her performance	12 (8.1%)	23 (15.4%)	26 (17.4%)	64 (43.0%)	24 (16.1%)		3.44	1.170
Q38 I feel that the reward management practice enable me to perform my work with greater accuracy and precisely	15 (10.1%)	19 (12.8%)	18 (12.1%)	71 (47.7%)	26 (17.4%)		3.50	1.212
Q39 I clearly understand and meet the desired performance target	8 (5.4%)	13 (8.7%)	30 (20.1%)	69 (46.3%)	29 (19.5%)		3.66	1.058
Q40 I maintain high professionalism	6 (4.0%)	16 (10.7%)	23 (15.4%)	70 (47.0%)	34 (22.8%)		3.74	1.055
Q41 I give timely quality service to our customer	2 (1.3%)	11 (7.4%)	24 (16.1%)	76 (51.0%)	36 (24.2%)		3.89	.902
Q42 the company has a good team work and team sprit	1 (7%)	10 (6.7%)	27 (18.1%)	77 (51.7%)	33 (22.1%)		3.89	.853
Q43the evaluation is clear and transparent	1 (7%)	16 (10.7%)	30 (20.1%)	74 (49.7%)	28 (18.8%)		3.75	.907
Q44 I consider performance evaluation as one of my important task	1 (7%)	15 (10.1%)	24 (16.1%)	77 (51.7%)	32 (21.5%)		3.83	.903
Q45 I took development and training on how to improve my evaluation skill	2 (1.3%)	12 (8.1%)	28 (18.8%)	77 (51.7%)	30 (20.1%)		3.81	.896
Q46 the company performance management system of my organization is easy to use and useful for decision making	5 (3.4%)	19 (12.8%)	24 (16.1%)	73 (49.0%)	28 (18.8%)		3.67	1.030

Total Mean = 3.697 and total Standard Deviation =.70590.

**Source: Survey Result (2020)**

According to the study table 4.9 item number 37 deal with the question about employees are rewarded based on their performance 86 (59.1 %) Of the respondent replied agree 35 (23.5%) disagree 26 (17.4%) respondent were replied neutral this item were supported by the mean value 3.44 and standard deviation 1.170 this implies that employees are rewarded based on his/her performance.

In the table 4.9 item number thirty eight respondent asked whether they feel reward management practice enable them to perform their work with greater accuracy and precisely or not 97 (65.1%) agree 34 (22.9%) disagree and 18 (12.1%) of the respondent responded neutral this item validated with the mean value 3.50 and standard deviation 1.212 this shows that employees feel better with the greater accuracy and precisely.

Table 4.9 item number thirty nine respondent asked if they clear understand and meet their desire performance target 98 (65.8) agree 30 (20.1%) of the respondent neutral and 21 (14.1 %) of the respondent disagree this item supported by the mean value 3.66 and standard deviation 1.058 this shows that employees understood and meet the desire target.

In the table 4.9 item number forty deal with the question about if employees maintain high professionalism or not 104 (69.8%) of the respondent agree 22 (14.7%) disagree and 23 (15.4) of the respondent replied neutral this item supported by the mean value 3.74 and standard deviation 1.055 this indicated that employee are minting high professionalism in the organization.

Item number forty one table number 4.9 respondent asked to know about whether they are giving quality service to customer or not 112 (75.2%) of the respondent agree and 13 (8.3%) disagree and 24 (16.1%) of the respondent replied neutral this is validated by the mean value 3.89 and standard deviation .902 this implies that employees are giving quality service to employees.

Table 4.9 item number forty two deal with the question about the organization has a good team work and team sprit 110 (73.8%) agree 11 (13.8%) disagree and 27 (18.1%) of the respondent replied neutral this is validated with the mean value 38.9 and standard deviation .853 this indicated that organization has a good team work and sprit.

In the Item forty three table 4.9 respondent asked about whether the evolution system is clear and transparent or not 102 (68.5%) of the respondent replied agree that the organization evaluation

system is clear and transparent and 17 (17.7%) disagree and 30 (20.1%) of the respondent replied neutral this item supported by the mean value 3.75 and standard deviation .907 this indicated that evaluation system of the organization are clear and transparent.

Table 4.9 item number forty four respondent asked about to know if performance evaluation is one of their important task 109 (73.2%) of the respondent agree that performance evaluation is one of their important task 16 (17.1 %) disagree that performance evaluation is not one of their important task and 24 (16.1%) of the respondent were replied neutral neither agree on the performance evaluation that important task nor disagree this item supported by the mean value 3.83 and standard deviation .903 this indicated that performance evaluation is one of the most important task to ethio telecom employees.

In the table 4.9 item number forty five deal with the question about to know whether employees took training and development on how to improve their evaluation skill 107 (71.8) of the respondent agree that employees of ethio telecom took training and development on how to improve their evaluation skill 14 (9.4 %) disagree and 28 ( 18.8%) of the respondent replied neutral this item also validated in the mean value 3.81 and standard deviation .896 this implies that employees of ethio telecom took training and development on how they can improve their evaluation skill.

Finally table 4.9 item number forty six respondent asked whether the organization performance management system is easy to use useful for decision making 110 (67.8%) Of the respondent replied agree that the organization performance management system is easy to use and useful for decision making 24 ( 16.2 %) of the respondent were replied disagree in the organization performance management system whether it is easy to use and useful for decision making 24 (16.1%) of the respondent replied neutral this item validate by the mean value 3.67 and standard deviation 1.030 as result shows this implies that reward management system of the organization easy to use and useful for decision making.

According to the open ended question and associated to this interviewed selected respondent as indicated in the factor about employee's performance in the organization. Employee's performance of ethio telecom is good and in the organization employees are rewarded based on their performance and employees of ethio telecom understood and meet their desire target of

performance. The researcher were gather the data through (interview open ended and close ended ) on employees performance were supported and related each other and it was strength for the idea being raised as the result shows the organization concerned body give high attention to the issues of employee performance. Generally the above table 4.9 shows that the mean and standard deviation of selected factor the mean value for employee performance was 3.697 and standard deviation .90590 this result implies that the organization employees a good employee performance .According to Campbell (1990) states that: ‘Performance is behaviour and should be distinguished from the outcomes because they can be contaminated by systems factors. According to (Chaundry& Sharma, 2012) ‘Employee performance means a performance comprises an event in which normally one group of people the performer or performers act in a particular way for another group of people It refers to employees’ efficiency at work, how well employees perform on the job and assignments assigned to them measured against the generally accepted measure of performance standards set by their companies.

According to Torrington (2008) desired performance can only be achieved efficiently and effectively, if employee gets a sense of mutual gain of Organization as well as of himself, with the attainment of that defined target or goal An organization must carefully set the rewards system to evaluate the employee’s performance at all levels and rewarding them whether visible pay for performance of invisible satisfaction. The concept of performance management has given a rewards system which contains; needs and goals alignment between organization and employees, rewarding employee both extrinsically and intrinsically.

## **4.2 Correlation Analysis.**

The Pearson’s Correlation Coefficient ( $r$ ) is a measure of the degree of association between variables and it takes a value between -1 and 1 Adams et al. (2007) when the correlation is 1 or -1 an impeccable linear positive or negative relationship occurs. However, when the correlation is resulting 0, it entails there is no relationship between the two sets of data ratio level (i.e. independent variable (Perception of reward, payment, promotion, recognition, working condition, career development, learning and development), and dependent variable (employee Performance) and the correlation coefficients were presented in the following table 4.10 below.

**Table 4.10: Correlation Analysis**

		Perceptio n reward	Payment	promotio n	recogniti on	career developm ent	working condition	learning and	employee performa nce
percept	Pearson Correlation	1	.523**	.579**	.587**	.600**	.570**	.448**	.623**
ion of	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
reward	N	149	149	149	149	149	149	149	149
Payme	Pearson Correlation	.523**	1	.542**	.373**	.316**	.459**	.382**	.494**
nt	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	149	149	149	149	149	149	149	149
Promot	Pearson Correlation	.579**	.542**	1	.639**	.533**	.532**	.385**	.476**
ion	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	149	149	149	149	149	149	149	149
Recogn	Pearson Correlation	.587**	.373**	.639**	1	.597**	.531**	.405**	.492**
ition	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000
	N	149	149	149	149	149	149	149	149
career	Pearson Correlation	.600**	.316**	.533**	.597**	1	.568**	.387**	.520**
develop	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000
ment	N	149	149	149	149	149	149	149	149
workin	Pearson Correlation	.570**	.459**	.532**	.531**	.568**	1	.562**	.654**
g	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000
conditi	N	149	149	149	149	149	149	149	149
on									
learnin	Pearson Correlation	.448**	.382**	.385**	.405**	.387**	.562**	1	.544**
g and	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000
develop	N	149	149	149	149	149	149	149	149
ment									
employ	Pearson Correlation	.623**	.494**	.476**	.492**	.520**	.654**	.544**	1
ee	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
perfor	N	149	149	149	149	149	149	149	149
mance									

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

In the above table 4.10 analyze the inter correlation between the variable, in other words it represent the correlation between the independent (perception of reward, payment, promotion , recognition , working condition , career development, learning and development ) and dependent variable (i.e. employee performance) and the correlation indicated that the relationship between perception of reward and employee performance was strong and statistically significant since  $r=0.623$  and  $P=0.000$  which is less than 0.05. Increase in payment was positively correlated with employee performance as  $r =0.494$ , and the relationship was spastically significant since  $P = 0.000$  which is less than 0.05. The researcher also noted that there is positive relationship between promotion and employee performance which was evidenced with result of  $r = 0.476$  and  $P =0.000$  that showed as there was a significant relationship as P-value was less than 0.05. The researcher also revealed that, there was a positive correlation between recognition and employee performance as showed in the above tale as  $r = 0.492$  and  $P = 0.000$  which indicates spastically significant relationship among variables. Additionally the researcher also observed positive correlation between career development and employee performance as exhibited with value of  $r = 0.520$  and  $P =0.000$  that showed the existence spastically significant relationship between measured indicators. Moreover, the researcher also revealed out that, the relationship between working condition and employee performance was positive and statically significant with the value of  $r = 0.654$  and  $P =0.001$  and learning and development also positively correlated with employee performance with  $r = 0.544$  and  $p=0.000$  as seen on the table 4.10 above.

### 4.3 Multiple Linear Regression Analysis

According to Coakes and Steed (2007), multiple regressions are an extension of bivariate correlation and state that the result of regression is an equation that represents the best prediction of a dependent variable from several independent variables. Regression analysis is used when there are independent variables with the dependent variable.

**Table 4.11: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.749 <sup>a</sup> .	.561	.539	.46526

- a. **Predictors: (Constant)**, learning and development, payment, career development, recognition, working condition, promotion, perception of reward.

The model analysis includes the independent variable which is (payment, promotion, recognition, working condition, career development and learning and development) and dependent variable employee performance. The value of R square(R<sup>2</sup>) 0.561 implies that, the model showed as there is a variation of 56.1 % percentiles, performance of ethio telecom employees was explained by payment, promotion recognition, career development, learning and development, working condition .

**Table 4.12 “ ANOVA<sup>a</sup> analysis**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	39.046	7	5.578	25.769	.000 <sup>b</sup>
	Residual	30.521	141	.216		
	Total	69.567	148			

- a. Dependent Variable: employee performance

- b. Predictors: (Constant), learning and development, payment, career development, recognition, working condition, promotion, perception of reward.

As seen from the above table ( ANOVA) analysis, the model is a good descriptor of the relationship between dependent variable (employee performance ) independent (i.e. payment , promotion , recognition , career development , working condition and learning and development ) can significantly explain and related to the dependent variable.

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.139	.201		5.670	.000
perception of reward	.206	.069	.250	3.003	.003
payment	1.08	.055	.140	1.943	.054
promotion	-.027	.053	-.042	-.510	.611
recognition	.022	.051	.036	.444	.658
career development	.061	.056	.086	1.086	.279
working condition	.240	.064	.302	3.734	.000
learning and development	.128	.050	.178	2.563	0.11

**Table 4.13 Coefficient** (Source: Source: Survey data, 2020)

a. Dependent Variable: employee performance

The above regression coefficient model table implies that the coefficient for (payment, promotion, recognition, career development, working condition and learning development help in the improving employee performance significantly).

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### Introduction

This chapter gives the summary of findings from chapter four and also give conclusion that were drawn from the findings of the study and recommendation for improvement arising from the study.

#### 5.1 Summary of the findings

**The gender** diversity in the sample population is 44.30 % male and 57.70 % female which is nearly comparable to the total gender diversity of the company which is composed of 44.30 % male and 57.30 % females, this implies that gender population is almost fairly distributed in the sample.

**The age** of respondents is concerned, (9.41 %) of the respondents are in the range of 18-25 years, (87.9 %) of the respondents are in the range of 26-40 years, (2.71%) are in the range of 40-50 years and 0% are above 50 years, this indicate that majority of respondents in the company are youngsters.

**The education level** (90.6 %) of the respondents are degree holders and (9.41 %) of the respondents are Masters. Since most of the respondents are degree and above holders, therefore they would have the ability to fill the questionnaire by having know-how about reward management and employees performance

**Current position in the organization** (90.6%) of the respondent which is 135 employees from the total respondent were in advisor position where as (6.7%) of respondent were in coaches position 10 employees from the total respondent and (2.7%) of the respondent which is 4 employees from the total respondent were in supervisor position.

**The experience** 30.9 % of the respondents served the company less than five years; those who worked 4-10 years are 57.7 %, and above 10 years 11.4 % with this reference one can say that ethio telecom poses significant percent of experienced worker. This study focused on examining the effect of reward management on employee performance in the case of ethio telecom, the researcher has been used both descriptive and inferential statistics , descriptive

statistics such as frequency , percentage , mean and standard deviation, were used to examine the reward system of ethio telecom , on other hand to determine then influence of independent variable on dependent variable inferential statistics such as correlation and multi regression were used.

In descriptive statistics the findings indicate that, the mean result for payment (3.5477), promotion (3.2225), recognition (3.4094) career development (3.4391), working condition (3.53356) and learning and development (3. 21181) in which most of the respondents were neutral on raised issues except payment and working conditions that approaches to agree.

Concerning Pearson's correlation coefficient the study showed that, there is a positive and significant relationship with  $p=0.000$  with  $r=0.494$  for payment and  $0.476$  for promotion and  $r=0.492$  for recognition,  $r=0.520$  career development,  $r=0. 654$ , working condition and  $r=0.554$  for learning and development.

Regarding multi regression analysis the study showed that proportion of variation in employee performance explained by independent variable (intrinsic, extrinsic and perception of reward) is 56.1 % as indicated with  $R^2$  value.

## **5.2 Conclusion**

The purpose of the study was to examine the effect of reward management on ethio telecom employees performance based on the findings of the study the researcher conclude the following points :

As seen from descriptive analysis the researcher concludes both extrinsic and intrinsic rewards are valuable predictors of employee performance, however when we see each variable in relation to employee performance payment has the highest mean value from extrinsic factor and working condition from intrinsic factor and this result implies both variables have an effects on employee performance . And ethio telecom has a good payment system to its employees based on their productivity and ethio telecom call centre employees are paid based on their performance at the end of the month. Another factors which has positive effect on ethio telecom employee is working condition as the result from respondents are satisfactory and ethio telecom employees performance are affected by the mentioned variable.

As revealed in the study, regarding promotion, career development, recognition and learning and development factors are attractive however the descriptive analysis result indicated that learning and development is the least preference from variable by respondent.

(According to Armstrong2010 ), Resignations and turnover can increase if people are not given adequate opportunities for learning and development or feel that demands are being made upon them that they cannot reasonably be expected to fulfil without proper training . As the finding indicates that ethio telecom do not provide learning and development opportunities to employees and the other mentioned factor were explored by respondent either satisfied or dissatisfied by the factors.

The major finding in person's correlation coefficient state that correlation among independent and dependent variable was positive and significant with  $p=0.000$  and with positive medium correlation coefficient of the independent variable were significantly correlated with dependent variable which is employee performance.

The findings of multi regression analysis imply that all independent variable can explain (56.1%) of the variation dependent variable.

Overall the researcher has seen in the study that ethio telecom has gap in managing reward system. As the result indicated from descriptive analysis ethio telecom HR officials should work on some factors of reward (promotion, recognition, learning and development and career development) factors in order to increase employee's performance.

In conclusion the employee of ethio telecom is more satisfied in (payment, working condition) factors this implies that employees are more affected by both variables.

Based on the study result the researcher give over all conclusion, that ethio telecom HR officials to give emphasize and to work on both intrinsic and extrinsic factors, In order to increase employee's performance in the organization.

### 5.3 Recommendations

Based on the finding of the study the researcher gives the following recommendation:

- ✓ The descriptive finding indicated that, payment and working condition are attractive factors in increasing employee performance and ethio telecom officials should continue to provide attractive payment and kept the working condition well conducive in order to increase employees' performance more and to maintain that exist performance.
- ✓ As per findings of the study showed that, more of the staff members are moderately satisfied with recognition, promotion, working condition, career development and learning and development, therefore ethio telecom HR officials should focus on recognizing employees who perform better and should crate clear awareness on the promotion and career development system and provide learning and development opportunities to its employees.
- ✓ According to Latham and Locke (1979) , money is obviously the primary incentive' but they went on to say that 'money alone is not enough to motivate high performance and money maybe an important factor in attracting and retaining people (the sorting effect). It can produce satisfaction, but this may be short-lived. And if the principles of distributive and procedural justice are not followed, it can cause lasting dissatisfaction. Therefore the researcher recommended that Payment is an important factor in the organization that improve employees performance but it is not the only important factor and it is better the HR of ethio telecom to give emphasis on the other variable and working on it in order to increase high employees performance and to maintain that exist one.

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## **Appendix A Questionnaire**



**ADDIS ABABA UNIVERSITY**

**COLLEGE OF BUSINESS AND ECONOMICS**

**SCHOOL OF COMMERCE**

**MA Program in Human Resource Management**

**Questionnaires to be filled by the respondents**

**Dear Respondents,**

This questionnaire is designed by a graduate student from Addis Ababa University to conduct a study in partial fulfillment of a Master's degree program in Human Resources Management (HRM). As part of the requirement for the award of the degree, I am expected to undertake a research study on the Effect reward management on employee performance in the case of ethio telecom call centre Addis Ababa I am therefore, seeking your assistance to fill the questionnaire attached. Your response to the questions is highly appreciated. The outcome of this study will enhance knowledge on the effect of reward management on employee Performance, Participation in this study is voluntary, and all who participate will remain anonymous. Your name is not needed. All information offered will be treated confidentially, and the results will be presented in such a way that no individuals may be recognized. Thank you in advance for the valuable information you are sharing and your precious time you are going to spend for this purpose.

E mail [eyobmazengiya29@gmail.com](mailto:eyobmazengiya29@gmail.com) Phone Number: 924594372

**PART ONE**

**A, DEMOGRAPHIC QUESTIONS**

1 Gender    male             Female

2 Age        less than 18         18 -25         25 -40

40-50         50 -60         60 and above

3 Educational Level    below 12 grade         Diploma         Degree

Masters         PHD

4 Year of experience in the organization

Less than one year     1- 3 years     4 -10     Above 10 years

5 current positions in the organization

Advisor         Coaches         Supervisor         Manager

## B, PART TWO, REWARD QUESTIONNAIRES

Please tick the relevant column's showing scale from “strongly disagree to strongly agree”

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
	1	2	3	4	5
The reward practice at the organization focuses on the real needs of employees					
I clearly understand organization reward policy					
the reward of employee is transparent					
Is there clear reward criteria					
Do you agree that the reward system are faire and equitable					
My coach and supervisor care about me as a team member					
reward practice of the company are free from discrimination based on demographic factors such as race , gender etc.					
The organization design a plan of a reward periodically					

### C, Extrinsic Reward Questionnaires

<b>Statement</b>	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Payment</b>					
Payment system is clearly stated and communicated to all employees					
My salary is satisfactory in relation to what I do					
Salary increment are made based on employees contribution to the organization					
Salary increment are dedicated to in a fair manner					
The base of payment , fro example over time , variable payment is reasonable					
<b>Promotion</b>					
Everyone has an equal chance to be promoted					
the company's promotion policy is clearly communicated to all employees					
the criteria for promotion are acceptable					
I am satisfied with the promotion system of the organization					

### D, Intrinsic Reward Questionnaires

<b>Statement</b>	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Recognition</b>					
I feel that my job receive enough attention from my company					
my coach always told me when i am making progress					
I receive positive recognition from my coach for what i perform better					
<b>Career Development</b>					
I have a good access to development opportunities in my current job					
I see a future for myself in higher level role in this organization					
My direct supervisor take interest in my career development					
The company has a clear career development procedure					
The company has applies performance based career development					
Employees’ chance of promotion within the organization					

<b>Working condition</b>					
I have freedom to try new methods of doing in my job					
My work hour is reasonable					
I am never over worked					
Basic resource are available for my work					
I am satisfied with the way my co workers get along with each other					
<b>Learning and development</b>					
The company provide training and development related to our job					
The company provide scholarship					

## E, Employee job performance

Please tick the relevant column's showing scale from “strongly disagree to strongly agree

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
	1	2	3	4	5
Employees are rewarded based on his/her performance					
I feel that the reward management practice enable me to perform my work with greater accuracy and precisely					
I clearly understand and meet the desired performance target					
I maintain high professionalism					
I give timely quality service to our customers					
the company has a good team work and team sprit					
The evaluation is clear and transparent					
I consider performance evaluation as one of my important task					
I took development and training on how to improve my evaluation skill					

## **Appendix B: Interview**

### **Part Interview Questions**

#### **To the Director of ethio telecom call centre**

1. What is your understanding on perception of your organization?
2. Does your organization have a good payment system?
3. Do you give equal promotion to all employees?
4. Do you give recognition for better performance?
5. How do you see working condition of your organization?
6. Does your organization have learning and development opportunities to employees?
7. How effective is do you think employees performance of your organization?

