



**ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE, GRADUATE PROGRAM**

**THE ROLE OF REWARD MANAGEMENT SYSTEM IN IMPROVING
EMPLOYEE PERFORMANCE: A CASE OF MOTOR AND ENGINEERING
COMPANY OF ETHIOPIA (MOENCO)**

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

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Declaration

I Meseret Haile, declare that this work entitled **The Role of Reward Management System: The case of Motor and Engineering Company of Ethiopia** is outcome of my own effort and that all source of materials used for the study have been duly acknowledged. I have produced it independently except the guidance and suggestion of the Research Advisor. This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of MA in Human Resource Management.

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Statement of Certificate

This is to certify that Meseret Haile has carried out her research work on the topic entitled: **The Role of Reward Management System to Improve Employee Performance: Case of Motor and Engineering National Company** for the partial fulfillment of Masters of Art in Human Resource Management at Addis Ababa University-School of Commerce. This study is an original work and not submitted earlier for any degree either at this University or any other University and it is suitable for submission of Master's Degree in Human Resource Management.

Advisor: Dr. Worku Mekonnen

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Acronyms

HRM Human Resource Management

MOENCO Motor and Engineering National Company

SD Standard Deviation

SPSS Statistical Package Software for Social Science

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Acronyms

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Abstract

*The current trend towards performance related reward systems is designed to lead to greater rewards and motivations for those who contribute the most. However, designing such reward systems is complex, as they aim at influencing human behavior. cultures, underpinning core values and increasing the motivation and commitment of employees. These reward processes cover both financial and non-financial rewards. There are direct financial rewards which consist of payments in the form of wages, salaries and bonuses. There are also indirect financial rewards, or benefits, such reward had been seen as vital instrument in employee performance. A well rewarded employee feels that he/she is being valued by the company that he/she is working for. They are also encouraged to work harder and better if they are aware that their well-being is taken seriously by their employers, and that their career and self development are also being promoted and taken care of by their company. This study sought to find out that the role of reward management system to improve employee performance. Data were collected through questionnaire prepared based on various scholars work. The validity of the instrument was checked and internal consistency of instrument was measured using Cronbach Alpha and the result was 83%. A quantitative descriptive research design with survey method is applied in this study. Using stratified random sampling technique 99 participants (employees) from the target (MOENCO) were selected from the total population of 140. The results indicates that there is a statistically positive significant and direct existing relationship between Extrinsic reward and employees performance ($r = .385^{**}$, $p < 0.01$) but this relationship is less as compared to the Intrinsic Reward ($r = .437^{**}$, $p < 0.01$). The results of regression analysis shows that; 21.8% is explained by, 27% change in employee performance. The results of the analysis shows that, in the performance management systems practice of MOENCO there are some strong areas to be further strengthened and as well as weak areas to be improved. Employee promotion is one among the weak, areas. It is suggested that MOENCO needs to revise the career ladder in order to create an opportunity for future promotion.*

Chapter One

1. Introduction

1.1 Background of the Study

HRM aims at enhancing the motivation, job engagement and commitment of employees through introducing policies and processes that can ensure that people are valued and rewarded for what they do and achieve, and for the levels of skill and competence they reach (Armstrong, 2012). Contemporary companies are established to accomplish specific objectives. The Companies that wishes to achieve these objectives must have a competitive and perhaps a comprehensive reward system that is aligned with the organizations business strategy that reflects the competitive reality of the labour market. No organization can achieve its stated objectives without its employees. Employees are the core business elements that define the overall outcomes irrespective of the challenging conditions. Normally, employees are individuals who are contracted by companies to offer their skills in exchange for monetary and other forms of agreed rewards. The employees are able to apply their expertise to accomplish their designated tasks as per the specifications of the job.

Ajila and Abiola (2004) revealed that reward package can influence on employee performance. Baseon their findings they concluded that reward system helps to increase employee performance by enhancing employee skills, knowledge and abilities in order to achieve organizational objectives. According to the Allenand Kilmann (2001), reward practices play a vital role in improving employee performance and to achieve organizational goals. If organization fails to reward employees, it will directly affect to decrease employee performance and an efficient reward system can be a good motivator but an inefficient reward system can lead to demotivate the employees in terms of low productivity, internal conflicts, absenteeism, high turnover, lack of commitment and loyalty, lateness and felling grievances. Therefore, organization needs to develop strategic reward system for employees in order to retain competent employees which

result to obtain sustainable competitive advantage. One of the leading challenges in most companies is implementing effective reward system to enhance their employees performance. Employees, technically known as human resources in some companies are rightly considered as the most important assets and means of competitive advantage. Most companies are now have the line in their promotional activities saying “Our employees are our most important assets”. Therefore, companies are needed to take care of their assets and when it comes to employees then taking care means satisfying them by improving their performance through monetary and non-monetary incentives. If companies fail to do so, employees may be tempted to leave the company which may lead to staff turnover, reduce employees’ productivity and eventually reduce the effectiveness and efficacy of the company. Furtado, et al. (2009) stated that rewarding employees is associated with the motivation of the workforce of an organization for better performance. However, what type and mix of rewarding tools to use is the challenge for the organizations. Several studies have demonstrated that rewards are considered to have positive impact on the employee’s health and work place safety. Employees’ reward system is one of the factors that are sought to increase employees’ engagement in the work place, which is the key element in their work performance

The current trend towards performance related reward systems is designed to lead to greater rewards and motivations for those who contribute the most. However, designing such reward systems is complex, as they aim at influencing human behavior. Cultures, underpinning core values and increasing the motivation and commitment of employees. These reward processes cover both financial and non-financial rewards. There are direct financial rewards which consist of payments in the form of wages, salaries and bonuses. There are also indirect financial rewards, or benefits, such reward had been seen as vital instrument in employee performance. A well rewarded employee feels that he/she is being valued by the company that he/she is working for. They are also encouraged to work harder and better if they are aware that their well-being is taken seriously by their employers, and that their career and self-development are also being promoted and taken care of by their company. Lastly but importantly, rewards management is also concerned

with the development of appropriate organizational as insurance plans (life, health etc.), retirement plans, sick leave and the others. Finally, the non-financial rewards also consist of the satisfaction that a person receives from the job itself, from the psychological and physical environment in which the person works.(Mondy and Noe, 2002).

To this end, this study focused on the reward management of MOENCO with the objective of investigating whether reward systems influence the levels of performance among employees of MOENCO. The study also aimed to discover which of the two kinds of rewards (Intrinsic and Extrinsic) can satisfy employees of MOENCO and which of the two kinds of rewards are the most influential factor for employee performance and identified rewards that can help them to achieve high levels of job performance.

1.2 Background of the Company

The Motor and Engineering Company of Ethiopia (MOENCO) has founded by Mr. Y.D. Lappine 50 years ago as a small garage in the heart of Addis Ababa, around the area commonly known as Mexico, with a capital of 200,000 Ethiopian Birr. Nine years later, MOENCO took over the TOYOTA franchise business for Ethiopia when Inchcape, a London based international organization, became a major shareholder and injected a considerable amount of capital. This was a milestone moment in the firm's journey to become the MOENCO of today. Since the date of establishment, MOENCO has growth both in terms of size and in terms of modernization of its service shops and parts distribution centers, which display a passion for creating the ultimate customer experience.

In addition, MOENCO merged and took over the Orilex Company with all their stocks and assets. It also acquired additional agencies such as Lister, Blackstone, Barber-Greene, Columbian steel Tank Co., Marzulli and also the agencies for pharmaceutical products. A well-known international organization called an Inchcape PLC of London was attracted and took over the share-holding of the previous Orilex members and provided very substantial foreign capital thus became the major shareholder. With

Inchcape's encouragement and financial contribution, MOENCO took over the Toyota franchise for Ethiopia and Eritrea in 1968. Inchcape PLC is the major shareholder of MOENCO and its appointee, the Managing Director, has an executive power in the overall management of the company. Today, MOENCO has four operational sites: two in Addis Ababa; one in Awassa, which opened in 1998; and one in Bahir Dar that was opened in 2004. Additional outlets are planned to be opened soon in Nazareth and Kaliti. There are more than 600 employees in the company with an annual turnover of close to one billion Ethiopian Birr.

MOENCO has realized the importance of having the right talent in the right position and monitoring individual effectiveness through performance management. Consequently, there is a system in place whereby every employee has a goal at the beginning of the year followed up by periodical assessments to ensure that goals are being met consistently in an effective and efficient manner. The company also uses the performance management process to reward employees fairly and objectively. The company's all round effort in employee performance through and rewarding human capital has helped to place MOENCO where it is today.

1.3 Statement of the Problem

Human resources are very important elements in achieving organizational goals and objectives. Proper utilization of human resources needs to be the focus of any organization. Building a Reward System will play an important role in enhancing the success of every company. In a highly skilled & knowledge based economy, employees have become the most important determinant factors of the organizational success. In this contemporary world, where people have become more and more demanding about their lives and surroundings, the reward system could be used to motivate employees by satisfying these demands. However, there exists a lack of understanding on how to motivate all those high demanding individuals, making most of the reward systems sub-optimized. To create an optimal reward system, companies need to better understand what really motivates, and what does not. Hafizaet.al(2011)stated that when

organizations perform optimally and compete effectively, they can maximize on their resources they have, one of which is the human capital which is the most important asset any organization can possess.

The informal discussion made with MOENCO Human Resource Manager shows that most of the problems in the company are related with the reward design gap: that is employees are complaining the current reward system designed is not consider the nature of their work, because some jobs are generated high stress and challenges. Besides, employees are complaining the current reward system designed in the company is not comparable with other similar companies and is not enough to resist the current inflationary situations. Employees are resigning from the company due to the prevailing reward system. In addition majority of employee leave in search of better pay and join other competitor company.

As per the finding of the assessment, the reward system in MOENCO consists a small combination of reward package which cannot satisfactorily reward its employees and which in turn affects MOENCO to face a remarkable employee's turnover. Hence, the senior management sees the need to retain its employees by designing a competitive reward packages.

Therefore, this study aims to evaluate and understand how important the established reward management system as a whole by MOENCO and assess whether the current reward management have a relationship with employee performance.

1.4 Research Questions

The study will attempt to address the following research questions:

1. What are the rewards (Intrinsic and Extrinsic) currently used in MOENCO?
2. What is the level of employee performance in MOENCO?
3. What is the relationship between reward management system and employee performance?

4. What are the factors of reward (Intrinsic and Extrinsic) that affect employee's performance in MOENCO?

Hypotheses

Based on the casual relationship given in this study, the following hypotheses are developed for testing.

H1:- Extrinsic Reward is positively related to Employee Performance

H2: Intrinsic Reward is positively related to Employee Performance

H3: Extrinsic Reward has a significant impact to Employees Performance

H4: Intrinsic Reward has a significant impact to Employees Performance

1.5 Objectives of the Study

1.5.1 Main Objective

The main objective of this study is to assess the role of reward management system to improve the employee's performance in MOENCO.

1.5.2 Specific Objectives

The specific objectives of this study are include the following:

- i. To identify the current reward (Intrinsic and Extrinsic) of the company
- ii. To evaluate the level of employee performance of MOENCO
- iii. To evaluate the relationship between reward system (Intrinsic and Extrinsic) and employee performance
- iv. To identify the most influential factors of Rewards that affect employee's performance.

1.6 Significance of the Study

This research aims to address the important role of the reward management system towards improving employee performance. The output of this research may be utilized as an input by Management of MOENCO to maintain its current reward management

system. The findings of this study may also help in linking the theories of reward system to the practical application of the company. Moreover, the findings generated from this study will possibly create awareness about planning and implementing an effective reward system and suggest ways forward. Finally, researchers who want to make further studies on the same area and/or similar studies in other companies may benefit from the outputs of this study that can serve as an additional input to their investigation.

1.7 Scope of the Study

MOENCO Company has branches in major cities of Ethiopia. For instance Adama, Hawassa, Bahir Dar with its head quarter located in Addis Ababa, the capital of Ethiopia. This study was conceptually delimited to examining the role of reward management system to improve employee performance by considering selected types of reward practices and by testing the hypothesis formulated to prove as to which proposed factors have effect on performance of the employees and to see whether or not there is a link between the selected reward practices and performance of employees.

Although, the study would have been more comprehensive if other reward variables that have impact on employee performance would have been addressed, the scope of the study is limited to the reward systems i.e. Intrinsic and Extrinsic.

Based on the company organizational structure, there are three divisions that include: Managing Director, After Sales Division and National Service Division. The study was mainly focus on National Service Division of MOENCO. Because this division is a major source of income for the company in the day to day operation. The division has four sub divisions that include Service and Repair Section, Body and Paint Service, Training Service and Customer Services Section. All the sub divisions are included for the study purpose.

1.8 Limitation of the Study

Some of the constraints that were faced by the researcher while conducting this study were:-

- ↳ Lack of awareness among our society to fill out questionnaires with due care and return them on time and also some employees were not willing to fill questionnaires.
- ↳ Researcher's lack of prior experience in conducting scientific research may have some effect on the finding of the result. However, considerable care has been taken in the collection and analysis of all the evidential matter in order to minimize the impact of these shortcomings.

1.9 Organization of the paper

This paper is organized in five chapters that is Chapter one includes Background of the study, statement of the problem, research questions, Objectives of the study, definition of terms, significance of the study, and scope of the study. Chapter two includes Review of Literature, Chapter Three Methods of the Study: Research Designs and Methods, Population and sample design, Data Collection Procedures and Methods, Data Analysis Methods and Ethical Issues. Chapter Four contains results and discussion and Chapter five contains Findings/ Summary, Conclusion and Recommendation.

1.10 Definition of terms

Reward systems A reward system consists of the interrelated process and practices that combine to ensure that reward management is carried out effectively to the benefit of the organization and the people who work there. (Armstrong 2010).

Employee Performance: The job related activities expected of a worker and how well those activities were executed

<http://www.businessdictionary.com/definition/employee-performance>.

Intrinsic Rewards Intrinsic is a non-financial rewards related to responsibility, achievement and the work itself may have a longer-term and deeper impact on motivation. (Armstrong 2007)

Extrinsic Rewards Extrinsic rewards 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)

Motivation: “The degree to which a person is moved or aroused to expand effort to a some purpose” (Rainey, 1993)

CHAPTER TWO

2. REVIEW OF RELATED LITERATURES

2.1 Introduction

In this chapter relevant theoretical literature about Reward Management, Reward System and related practices will be covered. This chapter provides information about aspects of previous works that are related with this research proposal. In view of this, a number of presentations culled from various sources are under review here.

2.2 Reward Management

Reward management is concerned with the development of appropriate organizational cultures, underpinning core values and increasing the motivation and commitment of employees. There is no such best practice; there is only good practice which is best for the organization. And also what is best practice for an organization at one stage of its development may no longer be best practice as it moves its life cycle. Practices, which were effective when they were introduced, may degenerate as the organization evolves or it degenerates. Reward management is not only about money, it is also concerned with intrinsic, as well as extrinsic motivation; with non-financial, as well as financial rewards.

The design and operation of reward management process and practices should start from understanding of the implications 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)

When we see the reward history in Ethiopia in 1995 Ethiopia raised salaries for public officials for the first time since 1975. This gave special salary increase for professional group such as doctors and teachers. Nevertheless, like other African countries, it has not

succeeded in paying salaries in the private sectors, international and non-governmental organizations. Likewise, the most serious challenge that confronts many African countries in the area of reward is not only how to develop systems of performance-related pay and incentive, but also lacking the resource to pay for scarce skills these countries have focused their efforts on monetizing benefits, since benefits often constitute a large percentage of total compensation. (Accessed Jan 2, 2017)

Reward is the compensation which an employee receives from an organization for exchanging for the service offered by the employee or as the return for work done (Lin, 2007). It also refers to the collection of brain structures that try to control and regulate behavior by inducing pleasure (Ajila and Abiola, 2004). Human resource can be rewarded and optimally utilized through rewarding it using different techniques of significance importance. There should be an effective reward system for organization performance and reward should be related to employees' productivity. Thus, organizations must make policies and procedures and formulate such reward system under those policies and procedures which increase employee satisfaction.

2.2.1 Aims of Reward Management

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

The aims of reward management according to (Armstrong, 2010) are to:

- a. Reward people according to the value they create;
- b. align reward practices with business goals *and* with employee values and needs;
- c. reward the right things to convey the right message about what is important in terms of behaviors and outcomes;
- d. Help to attract and retain the high-quality people the organization needs;

- e. motivate people and obtain their engagement and commitment;
- f. Develop a high-performance culture.
- g. support the achievement of business goals through high performance;
- h. develop and support the organization's culture;
- i. define what is important in terms of behaviors and outcomes;
- j. reward people according to what the organization values;
- k. Win the engagement of people.

2.2.2 Importance of Reward Management

Reward management supports the achievement of business goals by helping to ensure that the organization has the talented and engaged people it needs. It contributes to the achievement of high performance by ensuring that the reward system recognizes and encourages it. Reward management can define 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 properly and avoiding the creation of unacceptable reward practices that reflect badly on the organization.

2.2.3 Integrated Reward Management

Integrated reward management is an approach to reward management that provides for reward policies and practices to be treated as a coherent whole in which the parts contribute in conjunction with one another to ensure that the contribution people make to achieving organizational, departmental and team goals is recognized and rewarded. It consists of a related set of activities that impinge and impact on all aspects of the business and the HRM practices within it. As White (2005) cited in (Armstrong, 2010) points out, in an integrated approach 'each individual element of reward supports the other to reinforce organizational objectives.' Integration takes three forms:

- i. Strategic integration: the vertical integration of reward strategy with business strategy.
- ii. HRM integration: the horizontal integration of reward strategies with other HR strategies, especially those concerned with high performance, engagement, talent management and learning and development.
- iii. Reward integration: the internal integration of reward to ensure that it's various aspects cohere and that a total reward philosophy is adopted that means a full range of mutually supporting financial and non-financial rewards is used. (Armstrong, 2010)

2.3 Reward Philosophy

Reward management is based on a well-articulated philosophy – a set of beliefs and guiding principles that are consistent with the values of the organization and help to enact them. The philosophy recognizes that if HRM is about investing in human capital from which a reasonable return is required, then it is proper to reward people differentially according to their contribution (i.e. the return on investment they generate). The philosophy of reward management also recognizes that it must be strategic in the sense that it addresses longer-term issues relating to how people should be valued for what they do and what they achieve. Reward strategies and the processes that are required to implement them have to flow from the business strategy. (Armstrong, 2010)

2.4 The Multi-Dimensionality of Reward

Reward is a broad construct that can include 'anything an employee may value and desire that an employer is able or willing to offer in exchange for employee contribution. A conceptual distinction can be made between the three main constituents of reward - type, system, and criterion. (Chiang & Birtch, 2006).

Reward type refers to the nature of the reward itself (e.g., financial and non-financial; extrinsic and intrinsic). Reward system represents the method or mechanism (e.g., seniority-based, performance- based) by which organizations determine employee

reward outcomes (e.g., pay increases). Systems can be either performance or non-performance oriented. Reward criterion then, refers to the basis of allocation (i.e., individual or group) used to determine the reward. (Chiang & Birtch, 2006).

2.5 Intrinsic and Extrinsic Reward Types

Intrinsic rewards are those that are inherent in the job and which the individual enjoys as a result of successfully completing the task or attaining his goals. On the other hand extrinsic reward comes from external and are tangible in order to appreciate the task performed by employee. Extrinsic rewards are external to the task of the job, including pay, work condition, fringe benefits, security, and promotion, contract of service, salary, incentives, bonuses, payments and job security the work environment and conditions of work. (Badrinarayan and Tilekar, 2011). Thus, there is a need for an organization such as commercial banking to determine the reward system to offer at the organizational level rather than the individual managers.

2.5.1 Intrinsic Reward

Intrinsic reward concerns with psychological development of employees (Williamson, Burnett & Bartol, 2009). They are intangible benefits and include the characteristics such as autonomy, responsibility, meaningful work, achievements feedback and decision making participation (Hackman & Oldham, 1976). The intrinsic reward system are created purposely to appreciate employees in form of self-esteem and related to their feeling of achievement and growth with organization. Employees are feel satisfy when they have accomplished something worth in work and orally appreciated by the organization (Nawab, Ahmad and Shafi, (2011).

Below are the definition for some of the diminutions of the intrinsic reward.

↳ Responsibilities

According to Naswa (2009) responsibility means a diversity of things to a vast multitude of people. For some it means accountability, which is responsible for one's action to him or to others. Yet to others it implies dependability and guarding of one's actions.

The word responsibility should be understood as an intention to act caution and respect not only to oneself but with connection to others. If a person is engaged in careful study of establishment of a civilized society, one notices that responsibility was a cardinal founding principle.

Forsyth (2000) says that giving people responsibility prompt their giving greater thought to their work and with it, often produces not only greater productivity but is likely to improve efficiency, quality indeed any steps that may be involved in victorious. And in each of this case can potentially improve motivation and achievement. Responsibilities are an important aspect to achieving greater motivation by workers. When employees are engaged through personal values of their own, it will increase their overall motivation. Responsibilities of the organizations allow employees to grow and develop their overall ability to generate a higher stage of motivation among the workforce (Macoby, 2010)

↳ **Meaningful Work**

Meaningfully work is defined by Rosso et al., (2010) and Stregeret, al., (2012) as the importance of work for people in both interest and positive in valence (meaningfulness). Various work-related benefits, including increased job satisfaction, motivation, and achievement is associated with meaningfulness (Rosso et al, 2010). Meaningful work is disparate rather than just looking for a job where and job will do. Meaningful work is defined by doing what someone love and being reward in ways that are meaningful.

Managers who wish to increase employee motivation must consider the importance of job design, and try to create tasks, and the circumstances in which these tasks are carried out, which will make the work more meaningful. Lips-Wiersma& Morris (2009) noted several theories that have been devoted their attention to the idea that, since individuals have a need for meaning in their work, leaders must seek ways to enhance meaningfulness for the worker or protect workers from meaninglessness in their work. The interest in meaningful work is collaborating with positive individual and

organizational impression with regard to work (Rosso et. al., 2010). Wrzeniewski (2010) , we define meaningful work not simply as whatever works are meaningful to people, but indulge the work that is both significant and positive in valence.

↳ Achievement

Employees develop a need for achievement when they see value in it and when the work environment supports it. Recognizing achievement is a straightforward approach to developing trust and encouraging employees to set and achieve goals, says (McClelland, 2000). Armstrong M. & Muris H. (2008), stated that people will feel rewarded and motivated if they have the scope to achieve and also being recognized to excel. People who are driven by the need to achieve are likely to be proactive, to seek opportunities and to demand on recognition. Forsyth P. (2000) says that achievement is the most powerful motivator and therefore one of the most useful in motivating tool of an employee.

2.5.2 Extrinsic Rewards

An extrinsic reward is outcomes supplied by the organization. One can compare these rewards to the job context items that Herzberg called hygiene factors. Extrinsic rewards are based on the participation and achievement of the organization and further categorized to establish direct and indirect (Westover and Tylor, 2008). The employees took the extrinsic rewards from the firm and extrinsic rewards are usually high value. Examples of extrinsic reward can be salary bonus or other financial benefits. Appelbaum et al., (2011) mention extrinsic rewards also encourage employee morale and the distribution of these rewards always has loomed large in companies, particularly in accordance with the assessment of performance in today's globalized world. Rewards can create organizations that are built to change. Reward such as wage & salary, bonuses, promotion and so on when designed properly, can help organizations to be flexible and efficient. Below are the definition for some of the dimensions of extrinsic reward.

↳ **Salary/Payment**

Salary is a fixed amount of money paid to an employee by an employer in return for work done. Salary is paid, typically, in a bi-weekly/monthly pay check to employees who are exempt or professional. Wages can be defined as the price paid for labour. In other words, wages are the payments made to the employees as compensation for services rendered by them to the company.

Managers need to consider salary structures which should include organization attaching importance to each job, payment according to performance, personal or special allowances, fringe benefits, and pensions and so on in an attempt to use salaries as a motivator effectively Adyinka et al., (2007). Employees would receive a reasonable salary and wages, and desire their employees to feel what they are getting.

↳ **Bonus**

Bonus can be defined as a sum of money added to a person's wages as a reward for their outstanding performance. According to E. Lawler III and G. Worley (2006) organizations must use bonus and change it with cash rewards in order to motivate performance. They also noted that an increasingly popular form of variable pay uses the performance appraisal to determine the amount of bonus paid to an employee. Organizations need reward systems that motivate performance, reward change, and promote the development of capabilities and competencies of individual and organizational.

Armstrong M. & Murlis H. (2004) according to their book, bonus is a cash reward for past performance. It provides an important recognition of achievement in financial terms and thus can serve as a motivator as long as there is clear relationship between the contribution of each person and his or her reward. Second, the bonus is valued and there is a reasonable chance of getting it if the required level of performance is achieved in the future and if incentive provides direct motivation. When direct motivation is achieved

there is a clear vision between effort and reward and the level of expectation on the prospect of getting a substantial reward.

↳ Promotion

Promotions are also an important aspect in employees' career and life, which affects other aspects of motivation. Firms can use promotions as a reward for employees who are productive, create incentive for employees to exert greater effort. Promotion can be referring to as progress of an employee's rank or position in a hierarchical structure. Promotions will set employees to do a better job as their ability to quickly move up to their talent. The simplest form of salary incentives is the ladder of promotion. This requires recruits to accept lower paid port-of-entry jobs. Initial period of employment is a filtering process. Promotion leads to a good performance. When ladders of promotion are used as delayed compensation, almost all junior employees prove themselves as promoted.

2.6 The Reward System

Having a good, attractive reward system could be argued to have gained importance as the new, globalized society, where companies act on one single market has contributed to enhanced competition about the "right" employees as reward systems are recognized to play a vital role in attracting and retaining employees (Arvidsson 2008). The challenges of creating a suitable reward system are versatile, since there are almost infinite ways of designing a reward system. There are many different aspects to discuss and consider in terms of the design and usage of a reward system, some of them being how individuals should be rewarded, for what and how much, how a reward system can be designed to support long term goals and how goal congruence can be assured the most efficient way. The theory of reward systems emphasized the link between good HR policies and business performance. In terms of finding the most suitable way of motivating the employees to work aligned with the organizational goals, an organization needs to thoroughly evaluate and identify the different motivational factors among their employees, which may differ between organizations and between individuals.

According to (Armstrong, 2010), reward system contains all elements of reward such as policies, practices, processes, procedures and structures. The formal reward systems in organizations must be aligned with the strategic goals for the organization. It is important that the human capital in organizations be rewarded competitively for their capabilities. Currently, many organizations are emphasizing reward based on individual, team, and organizational performance. Stephen B. (2005)

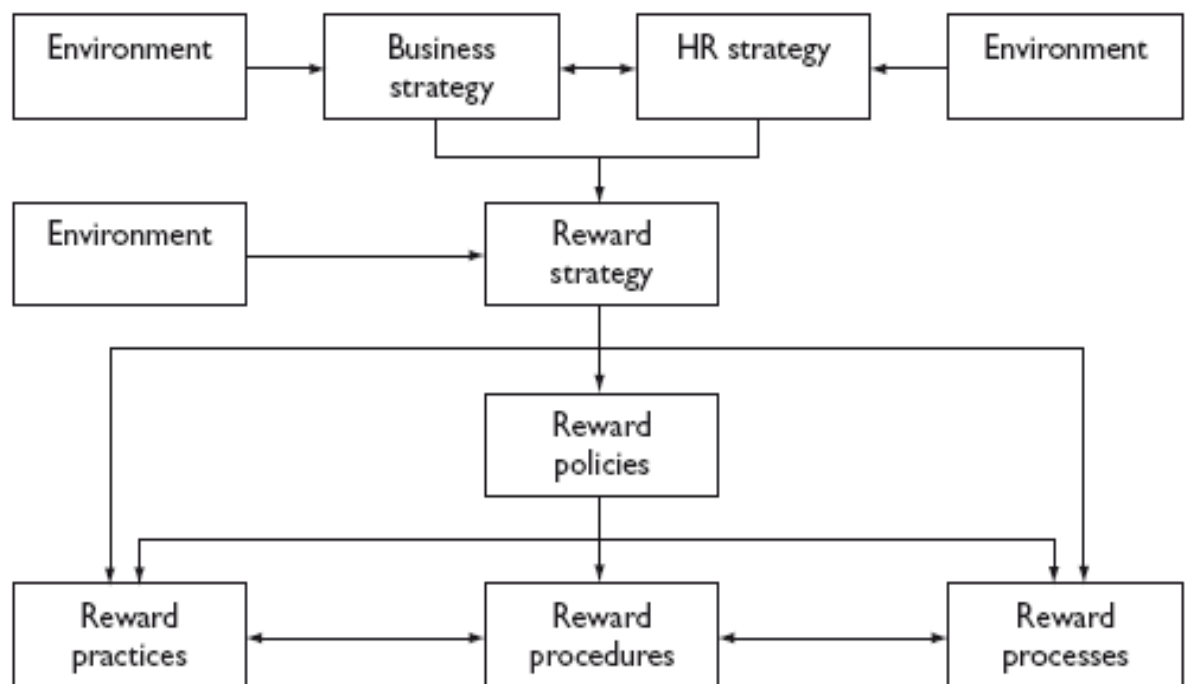


Figure 1: how a reward system operates: source (Armstrong, 2010)

The key to an effective reward system is an understanding of what it is that employees need and expect from the work situation. (Collings & Wood, 2009) According to (Armstrong, 2010), Reward systems are based on the reward strategy, which flows from the business strategy, for example to gain competitive advantage, and the HR strategy, which is influenced by the business strategy but also influences it. The HR strategy may,

for example, focus on resourcing but it should also be concerned with satisfying people as well as business needs. All these aspects of strategy are affected by the environment. 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 procedure. These different aspects of a reward system are defined below.

2.6.1 Reward Strategies

These set out what the organization intends to do in the longer term to develop and implement reward policies, practices, processes and procedures that will further the achievement of its business and HRM goals.

2.6.2 Reward Policies

These set guidelines for decision making and action.

2.6.3 Reward Practices

These comprise the schemes, structures and techniques used to implement reward strategy and policy: for example, the policy on pay levels will lead to the practice of collecting and analyzing market rate data, and making pay adjustments that reflect market rates of increase.

2.6.4 Reward Processes

These consist of the ways in which policies are implemented and practices carried out; for example, how the outcomes of surveys are applied and how managers manage the pay adjustment and review process.

2.6.5 Reward Procedures

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. Reward systems are very crucial for an organization. Rewards include systems, programs and practices that influence the actions of people.

The purpose of reward systems is to provide a systematic way to deliver positive consequences. Fundamental purpose is to provide positive consequences for contributions to desired performance. The only way employees will fulfill the employers dream is to share in their dream.

Reward systems are the mechanisms that make this happen. They can include awards and other forms of recognition, promotions, reassignments, non-monetary bonuses like vacations or a simple thank-you.

2.7 Employee Performance

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 (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 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. (Aktar, Sachu, & Ali, 2012) A good reward system that focuses on rewarding employees and their teams will serve as a driving force for employees to have higher performance hence end up accomplishing 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.

2.8 Reward and Employee Performance

Reward management defined as maximizing the value of organizations' reward budget by aligning performance and reward. (Eigenhuis&Dijk, 2008)

Reward strategies, policies and practices focus on performance and contribute to the achievement of a high-performance culture. This is one in which people are aware of the need to perform well and behave accordingly in order to meet or exceed expectations. (Armstrong, 2010) As markets become more competitive on a global scale it is increasingly crucial to maximize the performance of the workforce to maintain the market position (Winfield, Bishop, & Porter, 2004). Performance improvement can be obtained by identifying a shared vision of where the organizations want to be and clarifying the role of each employee in that process. However, even though there is goal clarity if individuals are not rewarded based on their performance, their performance would not be consistent.

Rewards those are associated with the job itself, such as the opportunity to perform meaningful work, complete cycles of work, see finished products, experience variety, receive professional development training, enjoy good relations with coworkers and supervisors and receive feedback on work results. (Gilley, Gilley, Quatro, & Dixon, 2009) Reward and performance are the two sides of a single coin. Gomez-Mejia, Balkin, & Cardy (2005) outlined that the main objectives of any compensation and performance system is to motivate employees to work harder and help managers to decide who should be paid more based on individual contribution respectively. Employees should be aware of the relationship between how they perform and the rewards they get. Organizations should apply performance management programs which assist in planning employee performance, monitor performance by effecting proper measuring tools. Rewards have been shown to motivate performance when certain conditions exist. Individuals are best motivated when they believe that the behavior will lead to certain outcomes that are attractive and that performance at a desired level is possible. Motivation therefore best explains element of reward and the effect it has on

performance. Rewards can be used to improve performance by setting targets in relation to the work given e.g. surpassing some sales targets. When the employee surpasses their target, he or she can be given an additional amount to their salary; this will make them strive to achieve more.

Organizations should reward employees more often. This greatly improves performance compared to having the rewards maybe only once a year. This is because frequent rewards are easily linked to the performance. (Njanja, Maina, Kibet, &Njagi, 2013)

Another way through which organizations can use reward systems to increase output is by personalizing the reward. When rewards tend to be so general, employees do not value them. Organizations can use rewards to improve employee performance by incorporating appraisal or promotion for employees who have a good record of performance. Managers should be on the lookout for employees who perform well. (Njanja, Maina, Kibet, &Njagi, 2013).

2.9 Reward Systems and Individual/ Organization Performance

The two types of reward system have mixed results in terms of their effect on employee and overall organizational performance. Next is their detailed discussion.

(i) Effect of Intrinsic Rewards on Individual and Organization Performance

The intrinsic rewards have been found to have an effect on both individual and organizational performance. For example, the employees in an organization have reached the esteem stage of development and possibly the self-actualization phase through the impact of intrinsic rewards (Mikander, 2010). The intrinsic rewards encourage and enhance both employees and employer to be able to challenge them and accomplish new tasks and cooperate with others to work in a harmony environment (Ong and The, 2012). Apart from that, intrinsic rewards enable the employees to have greater concentration and keep them in energizing and self-managing (Yasmeen, Farooq & Asghar, 2013). By having the high levels of intrinsic rewards, employees become the

informal recruiters and marketers for their organization in which they recommend their friends to work in the organization and recommend product and services to potential customers.

According to Thomas (2009), intrinsic rewards create a win-win situation for organization and its employees. The employees feel happy and satisfied as they experience feelings of achievement and self-worth, which create job satisfaction and translates into improved work performance. At the same time, the organization increases its sales volume and profit because of the increase in employee job satisfaction has collectively increased aggregate form's performance.

Furthermore, intrinsic rewards facilitate greater levels of satisfaction and competency. As results, employees have more interest, excitement, fun and confidence in performing tasks which leads to enhanced organizational performance. Therefore, organizations should pay employees equitable salaries, not necessarily tied to performance, so as to attract and ensure participation, and to rely more on intrinsic motivational techniques to improve performance.

(ii) Effect of Extrinsic Rewards on Individual and Organization Performance

The extrinsic rewards cover the basic needs of income to survive (to pay bills), a feeling of stability and consistency (the job is secure), and recognition (my workplace values my skills). In addition, an extrinsic reward is outcomes supplied by the organization, and includes salary, status, job security and fringe benefits. One can compare these rewards to the job context items that Herzberg called hygiene (maintenance) factors. Queresh, Zaman& Ali (2010) indicated that (extrinsic) financial rewards and social recognition rewards impacted on employees' performance. Generally as, an effort to stimulate employees' creativity, many managers have used extrinsic rewards (e.g. monetary incentives and recognition) to motivate their employees (Fairbank and Williams, 2001; Van Dijk and Van den Ende, 2002).

While empirical research has shown that extrinsic rewards help enhance individuals' creative performance and which contribute ultimately towards organization performance. However, the impact of extrinsic rewards on group effectiveness or work performance is unclear and the models provide little guidance regarding specific type of rewards that maximize particular outcomes in work group. However, Sajuyigbe, Bosede and Adeyemi (2013), found that reward dimensions have significant effect on employees' performance. In particular, they found that pay, performance bonus, recognition and praise are the tools that management can use to motivate employees in order for them to perform effectively and efficiently. Thus, workers reward package matters a lot and should be a concern of both the employers and employees. In brief, it appears each research comes with slightly results suggesting neither of the rewards can be considered to a more effect of job performance and/or organizational performance.

2.10 Theories of Motivation

Several theories have been used to explain the link between employee reward systems and organization performance. These include Expectancy theory (Vroom, 1964), Herzberg's Two factor theory (Herzberg (1959), Maslow hierarchy of needs (Maslow, 1943) and Fifty-Fifty (Srivastava, 2005). In this study Vroom Expectancy Theory and Adam's Equity Theory was selected as the guiding theory because the two theories are related directly to the factors of rewards.

2.10.1 Vroom's Expectancy Theory

Victor H. Vroom (1964) looked at the whole paradigm of motivation in a slightly different perspective. He introduced the expectancy theory of motivation as a function of desirability of the outcome of behavior. This is also referred to as the path-goal-theory; which indicates that rewards are attributed to certain behaviors, thus; if an individual believes that behaving in a particular way will generate rewards that the individual values or seek, they will be motivated to behave in line with what is expected of them. Unlike Maslow and Herzberg, Vroom notes the importance of such factors as effort,

motivation and performance in motivation. He stresses that for a person to be motivated; effort, performance and motivation (outcome), must be linked.

2.10.2 Adam's Equity Theory

Equity theory centers on the importance of feelings of fair treatment and the possible behavioral manifestations which may result from perceived inequity. This theory highlights the fact that individuals make comparisons and that feelings of unjust treatment in comparison with fellow employees may result in withholding effort, restricting output, reducing cooperation and even withdrawal. (Collings & Wood, 2009)

Equity theory (Adams, 1965), which states that people will be better motivated if they are treated equitably, and demotivated if they are treated inequitably. There are two forms of equity: distributive equity or distributive justice, which is concerned with the fairness with which people feel they are rewarded in accordance with their contribution and in comparison with others; and procedural equity or procedural justice, which is concerned with the perceptions employees have about the fairness with which company procedures in such areas as performance management, promotion and discipline are being operated. (Armstrong, 2010).

2.11 Motivation Theory and the Reward System

The key practical messages delivered by motivation theory are summarized below.

→ *Extrinsic and intrinsic rewards*

Extrinsic rewards 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. Intrinsic non-financial rewards related to responsibility, achievement and the work itself may have a longer-term and deeper impact on motivation. Reward systems should therefore include a mix of extrinsic and intrinsic rewards. (Armstrong 2007).

↳ *The Significance of Needs*

People will be better motivated if their work satisfies their social and psychological needs as well as their economic needs. Needs theory underpins the concept of total reward, which recognizes the importance of the non-financial rewards as motivators.

For example, recognition as a non-financial motivator is important because it addresses one of the most significant needs. Therefore, a total reward policy makes use both of intrinsic and extrinsic rewards and of financial and non-financial rewards.

2.12 Perception of Employees

According to Babakus et al. (2003) cited in (Khan, Shahid, & Nawab, 2013), the perceptions that employees have with regards to their reward climate influences their attitudes towards their employees. In addition, the commitment of managers towards their organization is also shown by how the manager rewards his/her employees. And Gouldner (1960) cited in (Khan, Shahid, & Nawab, 2013) mentions the norm of reciprocity, which focuses on the ability of organization to accommodate the needs of their employees, and reward them for their efforts. In exchange for the rewards provided to them, employees should reciprocate by increasing their commitment towards their organization and their work, in addition to increasing their 'socio emotional bonds' with their company and their colleagues.

What companies need to realize is that by remixing their rewards in a more cost-effective way, they can strengthen their programs and improve employees' perception of value without necessarily increasing their overall investment (Ruddy, 2007).

2.13 Empirical Evidence

Various studies reached different conclusion with regard to the role of reward system in employee performance.

- ↳ Employees who are effective and efficient are likely to be limited if they are not motivated to Perform. Mendonca, (2002) sees reward and compensation system

that is based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive there is a strong link between their performance and the reward they receive. Guest, (2002) share this opinion that reward is one of the keys that motivate employees to perform as expected.

- ↳ Schaufeliet.al.(2002) stress on the importance of rewards in order to combat burnout, which is typically experienced by most employees on the job. Individuals, who experience burnout in their work, typically do not feel fulfilled. They also tend to have negative outlooks, and they also approach the tasks at hand with less vigor and dedication. Akerele (1991) observes that poor remuneration is related to profits made by organization. Wage differential between high and low income earners was related to the low morale, lack of commitment and low productivity. Ali and Ahmed (2009) confirm that there is a statistically significant relationship between reward and recognition respectively, also motivation and satisfaction.

- ↳ As an effort to stimulate employees' creativity, many managers have used extrinsic rewards (e.g. monetary incentives) to motivate their employees (Fairbank and William 2001; Van Dijk and Van den Ende, (2002) While empirical research has shown that extrinsic rewards help enhance individuals' creative performance. Sometimes management pays more attention to extrinsic rewards but intrinsic rewards are equally important for employee motivation. Andrew (2004) concludes that commitment of employees is based on rewards and recognition Lawler (2003) argued that prosperity and survival of the organizations is determined through how they treat their human resources. It also depends on how they communicate their rewards and recognition programs to their employees and whether these rewarding strategies are clear to the employees motivation can be increased not only by imposing a single factor; rather it can be enhanced by the combination of several factors.

2.14 The Conceptual Frame Work

This study involves intrinsic and extrinsic rewards as independent variables. In independent variable extrinsic reward includes three dimensions such as salary/payment, bonus and promotion. As for the intrinsic reward, it includes three dimensions such as responsibility, meaningful work and achievements.. Also as dependent variable the study involves employee performance. After the careful study of Literature Review, the following conceptual Model is formulated to illustrate the relationship between the two variables.

Source: Developed by the Researcher (2017)

Independent Variable

Dependent Variable

Intrinsic Rewards



Extrinsic Rewards

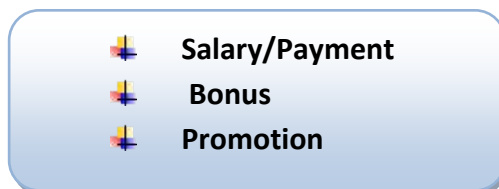


Figure 2 Conceptual Frame Work Self Developed

This model shows that if an organization implement proper reward management system employees will increase their performance for the success of the company by exerting their efforts and the company as well as individuals can attain their specific goal.

CHAPTER THREE

3. Research Methodology

3.1 Description of the Study

This chapter describes the research method and procedures that followed in conducting the research. The study examines the role of reward management system (extrinsic and intrinsic rewards) on employee performance. The study was held in MOENCO Head Quarter, specifically on the Service Division. Employee performance was taken as dependent variable and the Reward Management as related to extrinsic and intrinsic rewards were taken as independent variables. Quantitative Descriptive Type Research Design was applied in the study. Data was collected through questionnaires distributed to MOENCO employees of National Service Division who had more than a year of service with the company

3.2 Research Approach

According to Saunders et al. (2009), there are two approaches to research which can be described as quantitative and qualitative approach. These two approaches are commonly used in business and management research, particularly in terms of analyzing the cause and effect relationship. As the aim of this research is to interpret people's behavior, a quantitative approach has been considered because the outcome is concerned about what people actually do and what they think. Therefore, although both of these approaches can be used in terms of collecting the required data from different sources and analyzing and interpreting the data, the research was followed a quantitative approach in achieving the desired outcomes.

3.3 Research Design

Research design as defined by cooper et al. (2003) is the plan and structure of investigation conceived to obtain answer to research questions. A research design is also typically include how data is to be collected, what instruments (methods and tools) can be employed, how the instruments are systematic and scientific to measure the feelings

and thoughts of people, and actions of the way and why things are done. In this study, quantitative research design was applied using structured questionnaires. Thus, the study was conducted using Quantitative Descriptive type in the form of co relational research design was used as it appeared to be more appropriate in exploring the effect of reward practices on Employee Performance. Descriptive studies try to describe characteristics of subject opinions, attitudes and perceptions of people interest to the researcher. Furthermore, Descriptive studies also aim at obtaining information from a representative selection of the population and from the same: the researcher is able to generalize the findings to a larger population.

The strategy used in this research is a survey study (quantitative method using questionnaires) to collect the required data for investigation. Because the survey strategy allows to collect quantitative data which can be analyzed quantitatively using descriptive and inferential statistics. Survey strategy also provides more control over the research process and when sampling is used, it is possible to generate findings that are representative of the whole population at a lower cost than collecting the data for the whole population. Surveys are popular as they allow the collection of a large amount of data from a sizeable population in a highly economical way (Saunders et al, 2009).

3.4 Sample and Sampling Technique

According to Patterned (2003), target population consists of the general population from which representative samples can be drawn through sampling methods. This study was targeted MOENCO Head Office employees mainly focusing on National Service Division of employee, all who served the organization for more than a year included in the data collection process. According to the Human Resource Data of 2016 the total number of National Service Division employees are 140 and have strata i.e Technical Maintenance, Quality Control, Body and Paint Section, Training Service and Customer Service.

It is to be believed that employees who work in an organization for less than one year may not have a full picture to measure the reward package of that given organization. In order to understand and evaluate a given organization, employee's needs to have more than a year of experience. In addition a minimum of a year is needed to clearly adapt with the environment. Hence, considering this and other related facts, the research didn't encompass staffs who served the organization less than a year and the total number of respondents was 99. Therefore employee's who served the organization for more than a year were taken as a sample for this study.

Table 3.1: Composition of the Population

<i>Service Division</i>	<i>No. of Employee</i>
▪ <i>Technical Maintenance</i>	<i>45</i>
▪ <i>Quality Control</i>	<i>13</i>
▪ <i>Body and Paint Section</i>	<i>34</i>
▪ <i>Training Service</i>	<i>3</i>
▪ <i>Customer Service</i>	<i>45</i>
<i>Total</i>	<i>140</i>

To obtain the minimum population sample for the study, the study used stratified sampling as a technique using Yamane's formula (Yamane, 1967) as follows:

$$n = N / 1 + N (e)^2$$

Where n is the sample size, N is the population size and e is the margin of error.

Where $n = 140 / 1 + 140 (.05)^2 = 99$

Therefore a sample size of 99 was selected from a total population of 140 employees from the Service division under study which is large enough to produce results among

variables that are significantly different and it broadens the range of possible data and forms a better picture for analysis.

Table 3.2: Sample Population Distribution

<i>Service Division</i>	<i>Total population</i>	<i>Sample size</i>	<i>Percentage</i>
▪ <i>Technical Maintenance</i>	45	32	32.3
▪ <i>Quality Control</i>	13	9	9
▪ <i>Body and Paint Section</i>	34	24	24.2
▪ <i>Training Service</i>	3	2	2
▪ <i>Customer Service</i>	45	32	32.3
<i>Total</i>	<i>140</i>	<i>99</i>	<i>100</i>

3.5 Data Collection Procedures

Generally, the study had both primary and secondary sources. The primary data was collected from the responses using structured questionnaire quantitatively measured on a five point Likert scale. Secondary data was collected through document review from existing information available in books, company magazines, organizational reports, brochures, journals, published and unpublished researches, internet and other materials. In preparing the questionnaire, the reward related variables questions has adopted from R.C Schwab, (1993) whereas questions related with employee performance were self-designed with reference of different literatures and reliability of the measurement were tested.

3.5.1 Reliability and Validity of Data

Reliability and validity are the two most important quality control objects in a research. The following explanations are provided on validity and reliability in research undertakings.

- **Reliability**

Reliability is an instrument which is used to describe the overall consistency of a measure. A measure is said to have a high reliability if it produces similar results under consistent conditions, (Neil, 2009). In order to assure reliability the researcher was tried to avoid asking leading questions and tried to make sure that each person is given the exact same question as the person before. The questionnaire was prepared in understandable language in order to avoid language barrier.

Cronbach alphas were calculated to examine the reliability of each variable of the study. The three variables in the study were Extrinsic (16 items), Intrinsic (17 items) and employee performance (6 items).

Usually reliability coefficients should be at least '.70' and the higher the better. As suggested by Churchill (1979), if scale item were to exhibit an item to total correlation of 0.25 or less the item should not be included in further analysis. All items used in this study have greater than 0.25 an item total correlation. Reliability coefficient for items in each variable (Cronbach's alpha) is also greater than .7 which showed higher reliability of the items used in measurement of the variables. Accordingly Cronbach alpha is found to be .831.

Reliability Statistics

Cronbach's Alpha	N of Items
.831	40

Cronbach alpha for measures of the variables

- **Validity**

Validity refers to the degree to which study accurately reflect or assesses the specific concepts that the researcher will be attempting to measure the data. The types of validity include internal validity which clearly indicates the principles of cause and

effects relationships in a research, external validity which clearly focus on the effects of research that can be generalized. In this study internal validity was in variably applied to test the impact of reward system at MOENCO. Validity has been enhanced through the pilot study that was purposely undertaken to pre-test the research tools and methods before the actual study to be undertaken. Furthermore, these techniques were constructed based on the objectives of the study. In confirming the validity of the instrument, content validities have been ensured. In designing & ensure the content validity of the instrument and also to check on the clarity, length and wording of the question, the researcher considered the input of the advisor as well as HR expert in HRM sub process working in MOENCO. Finally valuable comment was given both from the advisor as well as the expert and based on the feedback some adjustment on the questionnaire was made.

3.6 Data Analysis

The data that were collected from employees through questionnaire is analyzed by the help of SPSS software version 20 Demographic variables description, reliability, descriptive statistics, correlation analysis, multiple regression analysis were conducted to analyze the collected quantitative data. The demographic information about the participants in this study was reported; it included the frequency distribution of all demographic variables such as gender, age, position, service year, etc. Cronbach's alphas were calculated for testing the reliability of the scales used in this study. In addition, correlation analysis and regression analysis were conducted. Correlation analysis was interpreted through checking the direction and magnitude of each two variables in terms of the 'r' value. Doing multiple regressions helped the researcher to further understand the relationship among variables.

3.7 Research Ethics

The ethical consideration was taken into account throughout the data collection processes and procedures. First, each selected respondent has been informed that his/her response is voluntary and only those who provided verbal and written consent was taken as part in the study. Second, clear introduction and elaboration of the objectives of the

study was given to every respondent before engaging him/her in the fieldwork. Thirdly, all research tools had codes so that participants identities was kept anonymous, to avoid any harm to respondents. Furthermore, the study was abided by the ethics of social research ranging from professional ethics to those concerning researcher respondent relationship. In addition, all those assisting the researcher in one way or another has been given due respect.

CHAPTER FOUR RESULTS AND DISCUSSIONS

4. Introduction

This chapter deals with results and discussion of the data collected through questionnaire. Descriptive statistics like frequencies and mean were use to analyze the data. Interpretation was made based on the frequency and percentages of the data. The findings from the questionnaires were analyzed by using SPSS (Version 20). The results from the study are presented in the form of frequency table and graphs.

4.1 Demographic Information of Respondents

The first part of the questionnaire consists of five items about demographic information of the respondents. It covers the personal data of respondents such as: Gender, Age, Educational Background, Current Job Position and Year of Service in MOENCO. The following subsequent tables will indicate the total demographic characteristics of the respondents.

Table 4.1 Biographical information of respondent

Variable	Category	Frequency	Percent
Gender	Male	79	86.8
	Female	12	13.2
	Total	91	100
Age	20-26	16	17.6
	26-30	18	19.8
	31-35	33	36.3
	36-40	17	18.7
	41-45	5	5.5
	46 and above	2	2.2
	Total	91	100

As shown in table 4.1, of the total respondents i.e. n= 79(86.8%) are male and the remaining n= 12(3.1) are female. This indicates that, the number of proportion between male and female employees in MOENCO is not proportional. Regarding to Age Category, one can easily understand that the workforce population is largely dominated by age group of 31-35 that is n=33(36.3%). The next higher age groups are 16(17.6%), 17(18.7%) and 18(19.8%) are under 20-26, 26-30 and 36-40 respectively. On the other hand those under age category of 41-45 are n= 5(5.5).

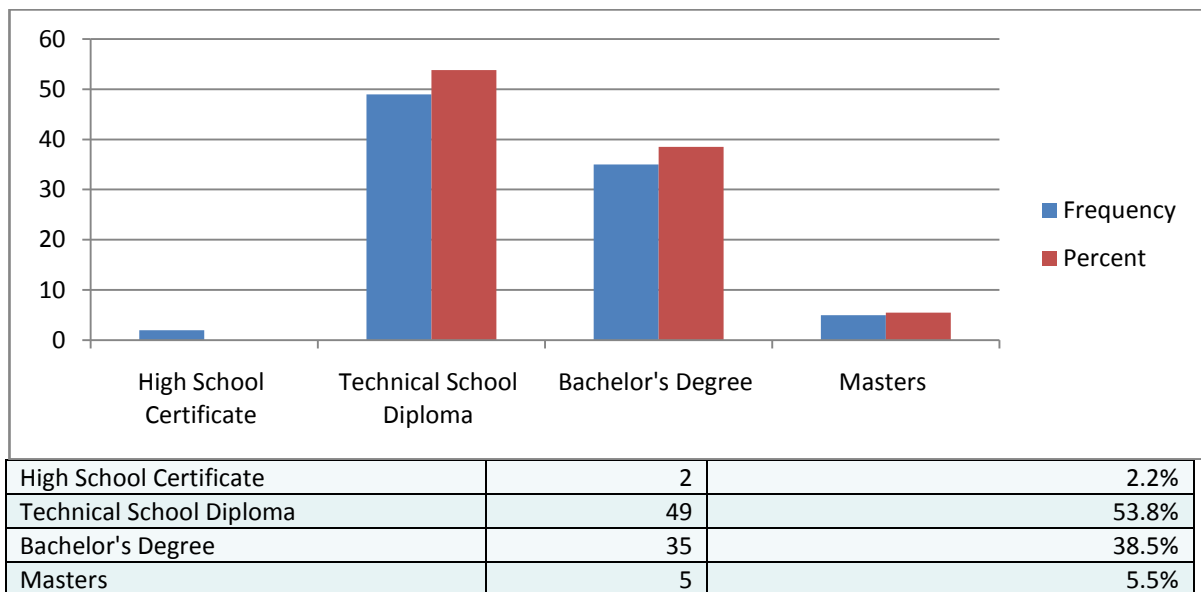


Figure 4.1 Educational Qualification of Respondents

In relation to employee level of qualification, the above chart clearly indicates that majority of the work forces i.e, .n= 49 (53, 8%) acquired technical School Diploma. Degree holders constitute n= 35(38.5%), Masters n= 5(5.5) % and the rest n=2(2.2%) do not have higher level education. We can say that the highest academic qualification of the employees in the selected departments are Technical School Diploma, so the company must work on how to improve academic qualification of its employees.

Variable	Category	Frequency	Percent
Current Position	Junior Technician	10	11
	Technician	23	25.3
	Senior Auto Technician	37	40.7
	Leaders	6	6.6
	Managerial	4	4.4
	Others	11	12.1
	Total	91	100

Table4.2 Current Position of Respondents

Employees Current Position indicates that n=37(40.7%) are at a position of Senior Auto Technician, n= 23(25.3) Technician, 6(6.6%) are at a position of Leader, 4(4.4%) at Managerial position and the rest 11(12.1) are indicated other position. From the table we can conclude that majority of the respondents are at a level of senior technician position.

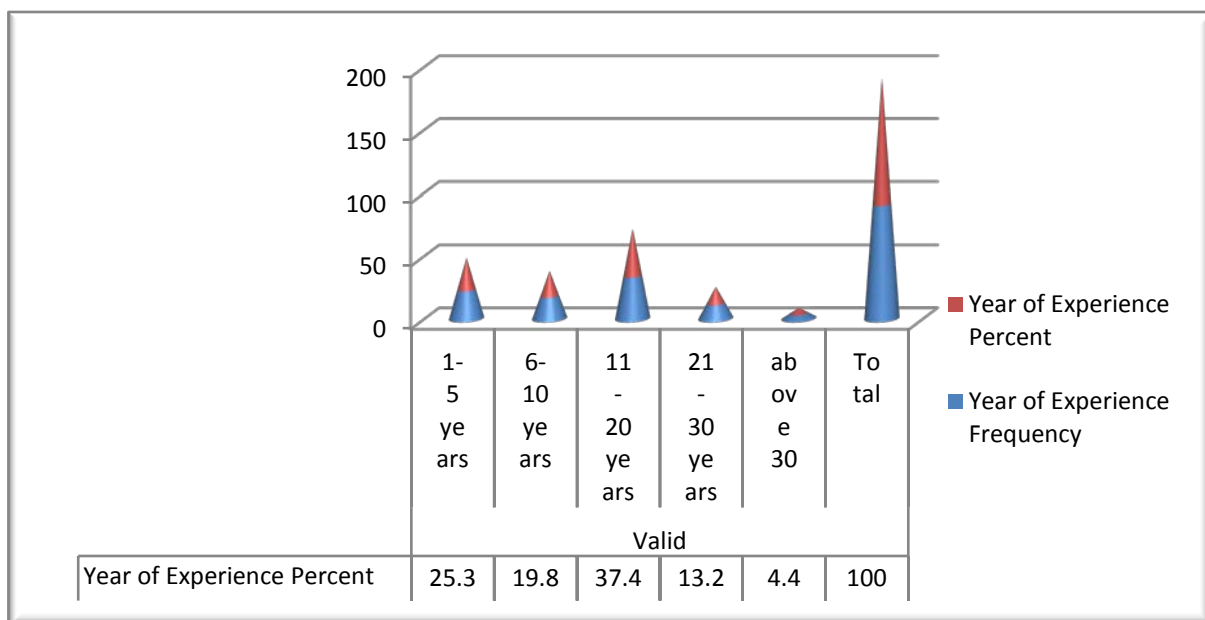


Figure 4.2 Employees Length of Service Year

With regard to service year the highest data $n=33$ (36.3%) reveals between 21-30. This high experience enables the researcher to find out the right information about the reward management being functional within MOENCO. It is also possible to generalize that such a relatively longer of service might have helped respondents to possess rich experience and a better understanding about the various issues and problems of MOENCO.

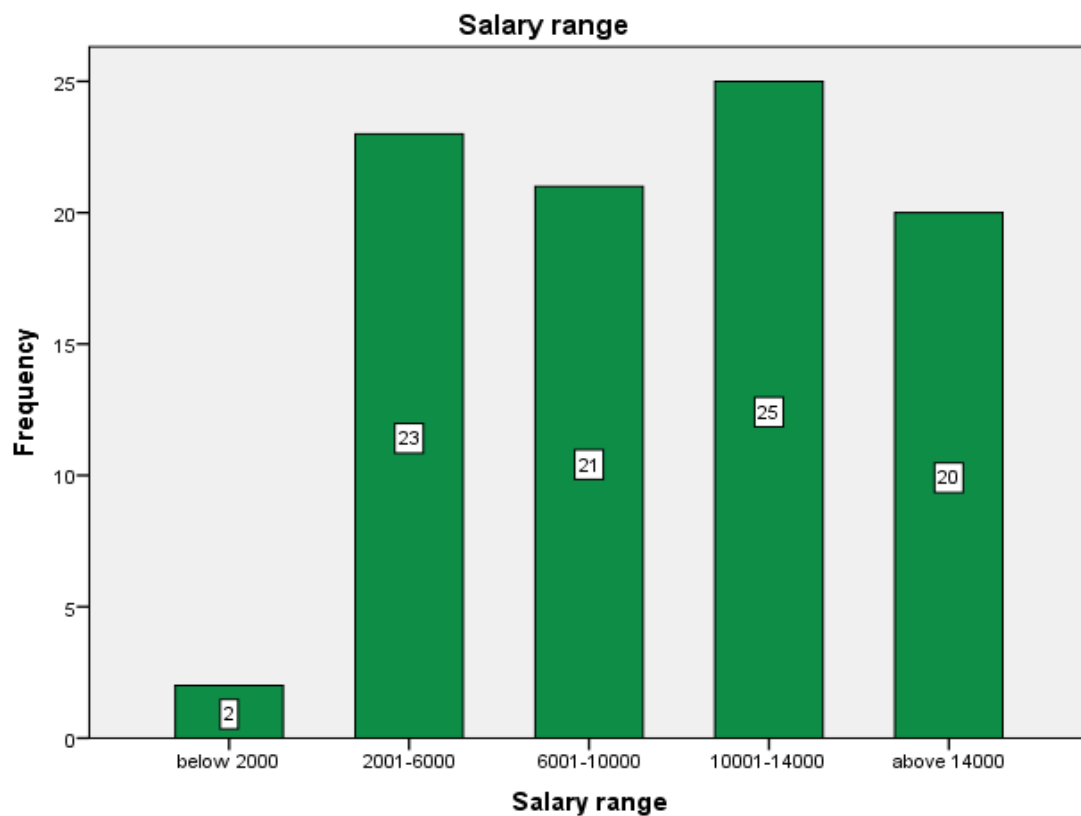


Figure 4.3 Employees Salary

Under salary classification, the participants were classified in to five categories based on the salaries they earned at the time of the study. With regard to respondents` salary range, out of 91 respondents n= 25 (27.5%) earns a salary between the range of 10001-14000 and the other group of respondents` i.e. n= 23(25.3%) fall under the salary range of 6001-10000. The remaining 20 (22%) are earning and above 14,000. Only 2(2.2%) earns below 2000. The highest range is from 10,001 to 14,000). The majority employees n=25(27.5%) earns at the range of 10001-14,000, this implies that the salary scale is good but still there is a need salary adjustment.

4.2 Perception towards Intrinsic and Extrinsic Reward

The section below shows, employee`s perception towards the existing intrinsic and extrinsic reward management system of MOENCO. Like that of the previous section, in this section employees were requested their opinion with regard to the statements presented under the issue of intrinsic and extrinsic rewards and options were provided in the form of Likert Scale: strongly disagree(1), disagree (2),neutral(3), agree (4)and strongly agree(5).

Table 4.3 Employees` Perception towards Salary/Payment

Item		1	2	3	4	5	Total
My salary is satisfactory in relation to my work intensity	Frequency	8	2	11	53	17	91
	Percent	8.8	2.2	12.1	58.2	18.7	100
	Mean = 3.76						
My Salary is directly related to my performance	Frequency	6	20	22	33	10	91
	Percent	6.5	22.0	24.2	36.3	11.5	100
	Mean	3.23					
My salary is fair in	Frequency	8	5	23	44	11	91

relation to my responsibility	Percent	8.8	5.5	25.3	48.4	12.1	100
	Mean 3.49						
My Salary is fair when compared with that of similar jobs in other companies	Frequency	3	14	43	28	3	91
	Percent	3.3	15.4	47.3	30.8	3.3	100
Mean 3.15							
Salary increment is managed fairly in the company	Frequency		28	20	38	5	91
	Percent	30.8	22.0	41.8	5.5	100	
	Mean 3.22						
Every time I get salary increment I will improve my performance	Frequency	7	24	9	35	6	91
	Percent	7.7	27.4	9.9	38.5	6.6	100
	Mean 2.99						

(Source: Survey Questionnaire)

The above table demonstrates the respondents of MOENCO employees regarding their perception on salary/payment. Item no. one, indicates that n=53(58.2) of the respondents agree and 17(18.7) are strongly agree while the remaining n=11((12.1), 2(2.2%) and 8(8.8%) shows neutral, disagree and strongly disagree. The result implies that employees are satisfied with their current salary at MOENCO. This implies employees perceived positively about this item. The second item requested employees' perception whether or not their salary is related to their performance. The results reveals n= 33(36.3%) agree and n=10(12%) strongly agree while the rest n=22(24.2%) and n=20(22%) shows neutral and disagree respectively. The result implies that the perception of the majority of the employees' of MOENCO is positive toward their salary they earn is the outcome of their performance. The third item is about the fairness of the salary in relation to their responsibility. As can be shown employees are perceived n=44(48.4) agree and n=11(12.1%) strongly agree while

8(8.8%) strongly disagree and 5(5.5%) disagree). The result n=44(48.4) show that the company gives higher emphasis on the responsibility of the employees.

The fourth item indicates about the fairness of MOENCO’s salary compared with other similar company’s salary. The majority respondents shows n=47(47.3%) are neutral and n=28(30.8%) and n=14(15.1) of the responses shows agree and disagree respectively. Since the majority of the result is neutral management of MOENCO needs to consider salary structure which include attaching to each job position and the market assessment for the salary adjustment should be worked out.

For the fifth item respondents were requested to show about how salary increment managed in the company. The respondents for this questions gives n=38(41.8%) agree and n=28(30.8%) disagree whereas n=22(22.0%) are neutral. Item six questions are also requested employees whether or not their performance increase every time they get salary increment. The response shows that n=35(38.5%) agree while 24(27.24%) shows disagree. For item no 5 and no 6 we can conclude that in MOENCO the salary increment is properly managed and as a result one can assure that employees will improve their performance when they get salary increment.

Table 4.4: Perception of Employees’ toward Bonus

Item		1	2	3	4	5	Total
The Company pays Bonus every year based on the HR Manual	Frequency	5	16	8	41	21	91
	Percent	5.5	17.6	8.8	45.1	23.1	100
	Mean = 3.65						
If there is bonus I believe that Bonus paid by the company is the result of my effort	Frequency	5	19	8	39	20	91
	Percent	5.5	20.9	8.8	42.9	22.0	100
	Mean = 3.41						
	Frequency	14	15	4	36	22	91

Bonus is only paid if the required performance is achieved	Percent	15.4	16.5	4.4	39.6	24.2	100
	Mean 3.62						
Bonus motivated me to improve my performance	Frequency	7	11	10	45	18	91
	Percent	7.7	12.1	11	49.5	19.8	91
	Mean 2.87						
Bonus must be paid for those who perform higher	Frequency	15	27	11	31	7	100
	Percent	16.5	29.7	12.1	34.1	7.7	100
	Mean 2.98						
The Bonus that the company pays is sufficient to me	Frequency	9	3	14	56	9	91
	Percent	9.9	3.3	15.4	61.5	9.9	100
	Mean = 3.58						

(Source Survey Questionnaire)

Item No. 1 requested if the company pays bonus every year based on the company HR Manual. The analysis revealed that agree n= 41(45.1%) and n=23(23.1%) shows strongly agree while n=16(17.6) are disagree and n=8(8.8%) are neutral. Under the second item employees are requested about their opinion whether or not Bonus is the result of their effort. Employees responses shows n=39(42.9%) agree and n=20(22%) strongly agree. The remaining results are n=19(20.9%) Disagree and n=8(8.8%) shows agree. The results implies that there is Bonus paid for employee based on MOENCO HR Manual and employees are awarded Bonus for their outstanding efforts. As a result when performance improved there is a clear vision between employee’s effort and rewards. The third question also investigate if Bonus is only paid if the required performance is achieved. The responses indicate that n= 36(39.6) agree and n=22(24.2%) are strongly agree. In the meantime n=15(16.5%) responses are disagree. We can say that there is reasonably chance for getting bonus if the level of performance is achieved. The results implies that in MOENCO Bonus is valued and there is a

reasonable chance of getting bonus if the required level of performance is achieved. In addition, we can assure that MOENCO applies performance appraisal to determine the amount of bonus paid to employee. The fourth item is about whether bonus motivated employee to improve their performance. In this regard the majority replies agree i.e. n=45(49.5) and strongly agree n=18(19.8%). The rest n=11(12.1%) disagree and n= 10(11%) are shows neutral. This is clearly indicate there is an important recognition of achievement in financial terms and thus Bonus can serve as a motivator as long as there is clear relationship between the contribution of employee and their performance. The next question is about employees’ opinion whether or not bonus that the company pay is sufficient to them. Majority of employees reveals agree i.e. n=31(34.1%) while disagree is n=27(29.7%). The rest responses shows n=15 (16.5%) strongly disagree and n=11(.12.1) is neutral. There is a proportional results revealed for agree and disagree. Therefore we cannot be sure that the bonus provided by the company meets the employees’ demands.

Table 4.5: Perception of Employees’ toward Promotion

Item		1	2	3	4	5	Total
I believed that promotion is a reward factor to improve my performance	Frequency	1	10	13	54	13	91
	Percent	1.1	11	14.3	59.	14.3	100
	Mean =3.58						
The opportunity for promotion exists in MOENCO	Frequency	15	14	29	23	10	91
	Percent	16.5	15.4	31.9	25.3	11	100
	Mean=3.00						
My job allows me for rapid promotion	Frequency	3	36	20	29	3	91
	Percent	3.3	39.6	22	31.9	3.3	100
	Mean =2.92						
Staff has promoted in a fair and	Frequency	19	22	10	33	7	91

transparent manner in MOENCO	Percent	20.9	24.2	11.1	36.3	7.7	100
	Mean = 2.90						

(Source: Survey Questionnaire)

Item one regarding to promotion indicates that employee’s perception whether or not the promotion improves employee performance. In this regard majority of the responses shows agree i.e. n=54 (59.3%) and strongly agree n=13(14.3). This indicates that employee perception on promotion towards their performance is positive. On the second item employees shows their responses if the opportunities exist for promotion in MOENCO. In line with this, n=29(31.9%) responses are neutral (neither agree nor disagree) the rest n=15(16.5%) and 14(15.4%) indicates disagree and strongly disagree respectively. Only 23(25.3%) responses are agree. From this we can conclude that even if there is an opportunity for promotion in MOENCO we cannot sure that employee’s attitude is positive or negative towards this point, since the majority responses revealed neutral.

The third item states that “my job allows me for rapid promotion”. The results shows 36(39.6) of the responses are disagree while 29(31.9) indicates agree. The analysis revealed that the proportion of disagree is higher than agree. This implies that the company rank position in hierarchal structure should be revised. The last responses for the statement “Staff has promoted in a fair and transparent manner in MOENCO” reveals that n=33(36.1%) are agree and n=7(7.7) strongly agreed respectively. Whereas n=22(24.2) responses are disagree. From this result we can conclude that promotion process in MOENCO is fairly and transparently handled by the management.

Table 4.6 Perception of employees’ toward Meaningful Work

Item		1	2	3	4	5	Total
I have a job in which I can learn and develop my abilities	Frequency	3	27	8	41	12	91
	Percent	3.3	29.7	8.8	45.1	13.2	100

	Mean= 3.71						
I feel I am part of something meaningful in my position	Frequency	4	21	15	38	13	91
	Percent	4.4	23.1%	16.5	41.8	14.3	100
	Mean = 3.76						
My job has significant importance in the company	Frequency	6	18	13	41	13	91
	Percent	6.6	19.8	14.3	45.1	13	100
	Mean=3.79						
There is no relationship between meaningful work and employee performance	Frequency	26	28	22	10	5	91
	Percent	28.6	30.8	24.2	11	5.5	100
	Mean=2.44						
I believe that the way my job designed will encourage me for better performance	Frequency	3	23	18	41	6	91
	Percent	3.3	25.3	19.8	45.1	6.6	100
	Mean=3.51						
The physical working condition of my work place does not have a relationship with my performance	Frequency	8	23	10	38	12	91
	Percent	8.8	25.3	11	41.8	13.2	100
	Mean= 2.91						

(Source: Survey Questionnaire)

As shown in table 4.6 in Item 1, employees asked to fill the statement “I have a job in which I can learn and develop my abilities”. The responses reveals that n=41(45.1%) agree, and n=12(13.2%) strongly agree. Whereas the rest 27(29.7) disagree and 8(8.8) are neutral. This implies that at MOENCO various improvements and achievements are directly related with meaningful work. The second item states “I feel I am part of something meaningful in my position”. The responses shows that 38(41.8%) Agree and 13(14.3) are strongly agree while 21(23.1) are disagree. From this we can conclude that employees at MOENCO are doing what they love and being rewarded in ways that are

meaningful to them. The third statement shown as “my job has significant importance in the company”. The responses revealed 41(45.1%) Agree 13(14.3%) strongly agree while 18(19.8%) disagree and 13(14.3%) neutral. This indicates that employees at MOENCO has a positive attitude towards their job and meaningful work encourage the work that is both significant and positive in nature. The fourth item states “There is no relationship between meaningful work and employee performance”. Employee responses shows 28(30.8%) disagree and 26(28.6%) are strongly disagree. The rest 10 (11%) agree and 22(24.2%) are indifferent (neutral). We can say that from this result the majority of employees of MOENCO has positive impression that their work is highly related to their performance. The fifth item states “I believe that the way my job designed will encourage me for better performance”. Employees reveals for this question 41(45.1%) agree and 6 (6.6%) strongly agree. In the meantime 23(25.3%) are disagree. This implies that MOENCO has consider the importance of job design that will make the work more meaningful to enhance employee performance. The last question imposed to the respondents was “The physical working condition of my work place does not have a relationship with my performance” The result for this question shows 38(41.8%) Agree, whereas 23(25.3%) disagree. From the result we can analyze that majority of the employee agreed that there is no relationship between physical working condition and employee performance. Again this implies that MOENCO should review the circumstances in which the tasks are carried out.

Table 4.7 Perception of Employees’ toward Achievement

Item		1	2	3	4	5	Total
Achievement is one of the most powerful motivator of employee	Frequency	5	11	11	47	17	91
	Percent	5.5	12.1	12.1	51.6	18.7	100
	Mean = 3.76						
The Company supported me in a way to my achievement	Frequency	6	20	22	33	10	91
	Percent	6.6	22	24.2	36.3	11	100

	Mean = 3.23						
The Company feel proud about my achievement	Frequency	8	21	23	28	11	91
	Percent	8.8	23	25.3	30.8	12.1	100
	Mean = 3.49						
I don't believe that I am rewarded by my achievements in MOENCO	Frequency	3	35	25	25	3	91
	Percent	3.3	38.5	27.5	27.5	3.3	100
	Mean = 3.15						
Pay decisions are linked to performance achievement	Frequency	4	29	10	43	5	91
	Percent	4.4	31.9	11	47.3	5.5	100
	Mean 3.22						

(Source: Survey Questionnaire)

The first item aimed to find out whether achievement is one of the most powerful motivator. N=47(51.6%) responses shows agree and 17(18.7%) responses shows strongly agree. N=11 (12.1%) responses are disagree. As we see from the respondents result majority of the employees has a positive response on achievement that is employees will feel rewarded and motivated if they have the scope to achieve and also being recognized by their achievement. The second item requested employees their opinion about the company's support on their achievement path. The responses on this ideas shows 28(30.8%) and 11(12.1%) agree and strongly respectively, while 21(22%) responses shows disagree. This implies that employees are perceived positively MOENCOS support at their achievement. On the third item employees are requested whether the company feel proud about employee achievements. In this regard 33(36.3%) and 10(11%) are revealed agree and strongly agree respectively. 21(23%) responses reveals disagree. The majority has a positive responses. Recognizing achievement is a straightforward approach to developing trust and encouraging employees to set and achieve goals. The forth item requested employees perception

about the company reward whether or not the reward related with their achievement. 35(38.5%) respondents pointed out disagree which implies that they believe the reward on the company related with their achievement. The rest 25(27.5%) reveals agree and the same points are given for neither agree nor disagree. On the fifth question employees requested about pay decisions whether or not linked to performance achievement. The majority result shows 43(47.3%) agree and 29(31.9%) shows disagree. Based on this result we can assure that there is a strong link between pay decision and employee performance.

Table 4.8 Perception of Employees’ toward Responsibility

Item		1	2	3	4	5	100
I have a certain responsibility in my job	Frequency	5	3	5	48	35	91
	Percent	5.5	3.3	5.5	52.7	38.5	100
	Mean = 4.22						
I am motivated when my boss gives me responsibility to do my work	Frequency	5	5	7	39	35	91
	Percent	5.5	5.5	7.7	42.9	38.5	100
	Mean = 4.1						
I am completely independent of others	Frequency	17	8	10	30	26	91
	Percent	18.7	8.8	11.0	33	26.6	100
	Mean 3.41						
I believe that responsibility prompts my greater thought in my work	Frequency	5	10		43	33	91
	Percent	5.5	11		47.3	36.3	100
	Mean 4.05						
Full responsibility in my work encourages me for better	Frequency	5	2	37	44		91
	Percent	3.3	5.5	2.2	40.7	48.4	100

performance	Mean=4.24						
I feel accountable whenever the company gives full responsibility in my job	Frequency	3	3	8	40	37	91
	Percent	3.3	3.3	8.8	44	40.7	100
	Mean 4.10						
I am afraid giving full responsibility from my boss can affect my work	Frequency	42	19	9	15	6	91
	Percent	46.2	20.9	9.9	16.5	6.6	100
	Mean =2.33						

(Source: Survey Questionnaire)

Item one present’s respondent’s perception on the level of their job responsibility is revealed. Majority of the respondents revealed that n=48(52.7%) agree and n=35(38.5%) strongly agree. This implies that majority of MOENCO employees had certain responsibility in their jobs. The second item request whether or not employees are motivated when their boss gives them full responsibility. Majority of employees have positive opinion. n= 39(42.9%) agree and n=35(38.5%) reveals strongly agree. Insignificant points are given for disagree. This implies that responsibilities are an important aspect to achieving greater motivation by workers. The third item requested whether or not employees do their job independently. The responses shows n=30(33%) and 26(28.6%) Agree and strongly agree. This results also shows employees at MOENCO has freedom on their work. The forth item indicates employees thought if responsibility prompt their greater thought in their work. The majority responses are positively reveled. The next question is whether or not full responsibility encourage employees to perform better. 37(40.7%) and 44(48.4) responses were agree and strongly agree respectively. In the meantime, n= 3(3.3%) and n=5(5.5%) revealed strongly disagree and disagree respectively for this questions. This implies that responsibilities are a greater aspects to encourage and achieve greater performance. The respondents for item six were requested their feeling about accountability when they acquired greater responsibility. In this regard n= 40(44.%) Of the responses shows agree and n=37(40.7) shows strongly agree. The results shows that employees have positive feeling whenever

they are accountable in their jobs. The last question requested employee’s perception whether they are affected or not whenever their boss gives them full responsibility. In line with this majority of the respondents n=42(46.2) revealed strongly disagree that is they are not affected by full responsibility given by their boss. We can conclude that giving people responsibility prompt their greater thought towards their work as a result this will often produce not only greater productivity but also improve efficiency and quality.

Table 4.9 Perception of Employees’ Towards Employee Performance

Item		1	2	3	4	5	100
Employees are rewarded based on his/her performance	Frequency	3	19	12	52	5	91
	Percent	3.3	20.9	13.2	57.1	5.5	100
	Mean = 3.41						
The existing benefit package in the company (salary, bonus, etc... are helping employee for higher level of performance	Frequency	4	12	15	55	5	91
	Percent	4.4	13.2	16.5	60.4	5.5	100
	Mean = 3.49						
MOENCO’s Working environment is good for young employees in enabling them to utilize their skills, knowledge and potentials	Frequency	3	32	14	33	9	91
	Percent	3.3	35.2	15.4	36.3	9.9	100
	Mean 3.14						
The organization has a good culture of recognizing employees for successful completing of tasks	Frequency		20	11	49	11	91
	Percent		22.0	12.1	53.8	12.1	100
	Mean 3.56						
Performance standards in my organization are clear and easily understandable	Frequency		5	16	46	24	91
	Percent		5.5	17.6	50.5	26.4	100
	Mean=3.98						

The reward practices have positive impact on employees job performance	Frequency	3	8	12	60	8	91
	Percent	3.3	8.8	13.2	65.9	8.8	100
	Mean 3.68						

As clearly shown on the above table, the majority employees agree on the points that they are rewarded based on their performance, the existing benefit packages are helpful for their performance, the organization has a good culture of recognizing them for successful completing of tasks, the reward practices have positive impact on their job performance and they have clear and easily understandable performance standards. This implies that almost all employees do have a good attitude towards the positive effect the reward practices have on their job performance. Except for the third item, the majority of the respondents i.e. n=32(35.2) showed their disagreement, on MOENCO's Working environment is good for young employees in enabling them to utilize their skills, knowledge and potentials. This implies that the company shall think about future training programs and needs to create conducive environment to enhance young employee's performance.

4.2 Summary of Descriptive Statistics for Reward and Employee Performance

	N	Minimum	Maximum	Mean	Std. Deviation
Salary/payment	91	2	5	3.39	.733
Bonus	91	1	5	3.46	1.077
Promotion	91	1	5	3.15	.773
Meaningful work	91	2	5	3.65	.776
Achievement	91	1	5	3.38	.840
Responsibility	91	1	5	4.11	.795
Employee Performance	91	2	5	3.65	.604
Valid N (listwise)	91				

Table 4. 10 Descriptive Statistics

Table nine shows the mean and standard deviation of reward variables such as; Salary/Payment, Bonus, Promotion, Meaningful Work, Achievement and Responsibility rated by respondents. The result indicates that the level of Employee Performance in MOENCO are 3.65 mean with 0.604 SD. Based on the fact that a mean of 3.65 shows most of the respondents agreed with the fairness of reward management system of the company.

Intrinsic reward questions on this research has a mean value ranging from 3.38 to 4.11 shows that most of the respondents are agreed with fairness of the current rewards management system of the company. However, there are few respondents who are not agreed with fairness of reward management system of the company.

Extrinsic reward questions on this research have a mean value ranging from 3.15 to 3.39. The lowest mean result was perceived by promotion (M=3.15, SD.777). This result implies that promotion is not be properly managed or there is an average opportunity for promotion in MOENCO. The highest mean scoring variable of Extrinsic reward is Bonus (M=3.46, 1.077) which implies that among the three extrinsic reward Bonus is a major contributing factor to improve employee performance. The whole results seems to be mostly positive, with the majority of the respondents agreeing or strongly agreeing. There were also a significant amount of respondents who were choosing undecided. The magnitude of disagreeing and strongly disagreeing were quite low.

4.3 Correlation Analysis between Reward and Employee Performance

Correlation analysis is useful way of exploiting relation (association) among variables. The value of the coefficient (r) ranges from -1 up to +1. The value of coefficient of correlation (r) indicates both the strength and direction of the relationship. If $r = -1$ there is perfectly negative correlation between the variable. If $r = 0$ there is no relationship between the variable and if $r = +1$ there is perfectly positive relationship between the variables. For values of r between + and 0 or between 0 and -1, different scholars have proposed different

interpretation with slight difference. For this study diction rule given by Bartz (1999) was used Bartz (1999) described the strength of association among the variables as follows.

Table 4.11 Interpretation of 'r' Value

Value of r.	Description
0.80 or higher	Very high
0.6 to 0.8	Strong
0.4 to 0.6	Moderate
0.2 to 0.4	Low
0.2 or Lower	Very low

Source Bartz(1999)

Correlations

Table 4.12 Correlation Regression		Employee performance	Salary/Payment	Bonus	Promotion	Meaningful Work	Achievement	Responsibility	Extrinsic Reward	Intrinsic Reward
Employee performance	Pearson Correlation	1								
	Sig. (2-tailed)									
salary /Payment	N	91								
	Pearson Correlation	.402**	1							
Bonus	Sig. (2-tailed)	.000								
	N	91	91							
Promotion	Pearson Correlation	.309**	.374**	1						
	Sig. (2-tailed)	.003	.000							
Meaningful work	N	91	91	91						
	Pearson Correlation	.246*	.123	.342**	1					
Achievement	Sig. (2-tailed)	.019	.245	.001						
	N	91	91	91	91					
Responsibility	Pearson Correlation	.354**	.556**	.081	.100	1				
	Sig. (2-tailed)	.001	.000	.445	.344					
Extrinsic Reward	N	91	91	91	91	91				
	Pearson Correlation	.397**	.899**	.203	.105	.593**	1			
Intrinsic Reward	Sig. (2-tailed)	.000	.000	.053	.324	.000				
	N	91	91	91	91	91	91			
Employee performance	Pearson Correlation	.346**	.335**	.142	.090	.495**	.485**	1		
	Sig. (2-tailed)	.001	.001	.179	.398	.000	.000			
salary /Payment	N	91	91	91	91	91	91	91		
	Pearson Correlation	.385**	.690**	.769**	.492**	.420**	.576**	.269*	1	
Bonus	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.010		
	N	91	91	91	91	91	91	91	91	
Promotion	Pearson Correlation	.437**	.622**	.084	.052	.905**	.714**	.677**	.423**	1
	Sig. (2-tailed)	.000	.000	.431	.625	.000	.000	.000	.000	
Meaningful Work	N	91	91	91	91	91	91	91	91	91
	Achievement									

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

* . Correlation is significant at the 0.05 level (2-tailed).

Extrinsic Reward and Employee Performance

The result on the above table shows that Extrinsic Reward ($r=0.385^{**}$, $p<0.01$). We can conclude that there is positive and low correlation between Extrinsic Reward and Employee Performance. Therefore, Extrinsic Reward is significantly related with employee performance. It means that if there is an increase in Extrinsic Reward then employee performance will also increase.

Intrinsic Reward and Employee performance

The result on the above table shows that Bonus($r=0.437$, $p<0.01$). We can conclude that there is positive and moderate correlation among variables. Therefore, Intrinsic Reward is significantly related with employee performance. It means that if there is an increase in Intrinsic Reward then employee performance will also increase.

Based on the casual relationship given in this study, the following hypotheses are developed for testing.

H1 Extrinsic Reward is positively related to Employee Performance

Table 4.12 shows that the correlation between Extrinsic rewards and Employee Performance are positively and significantly related ($r=.385^{**}$, $P<0.01$). This implies that when there is an increase in extrinsic reward, there is also a corresponding increase on employee performance. Therefore, the hypothesis is accepted by testing correlation regression analysis.

H2 Intrinsic Reward is positively related to Employee Performance

Table 4.12 shows that the correlation between Intrinsic rewards and Employee Performance are positively and significantly related ($r=.437^{**}$, $P<0.01$). This implies that when there is an

increase in Intrinsic Reward, there is also a corresponding increase on employee performance. Therefore, the hypothesis is accepted by testing correlation regression analysis.

4.3.1 Effect of Reward on Employee Performance

Regression is a technique that can be used to investigate the effect of one or more predictor variables on an outcome variable. That is, it allows us to make statements about how well one or more independent variables will predict the value of a dependent variable. The variables under extrinsic and intrinsic types of rewards were entered into regression analysis to determine their relative importance in contributing to the overall performance level of workers. Regression Analysis is used to ascertain the extent of reward practices (Intrinsic and Extrinsic) explains the dependent variable (employee performance).

Table 4.13 Multiple Regression Table

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.489 ^a	.240	.222	.53278
a. Predictors: (Constant), Intrinsic, Extrinsic				

As illustrated in the above table the value of **R square is .222** which indicated **22.2%** of changes in employee performance can be accounted for reward (Intrinsic, Extrinsic) but the remaining of change in employees' performance may be account for variables other than the variable includes in this study.

Table 4.14 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	1.957	.330		5.922	.000
1 Extrinsic	.217	.092	.243	2.371	.020
Intrinsic	.258	.079	.334	3.255	.002

a. Dependent Variable: Employee performance

The Beta value is a measure of how strongly each predictor variable influences the criterion (dependent) variable. The beta is measured in units of standard deviation. A beta value of .334 indicates that a change of one standard deviation in the Intrinsic Reward will result in a change of .334 standard deviation employee performance. Regarding to Extrinsic reward a beta value of .243 indicates that a change of one standard deviation in the Extrinsic Reward will result in a change of .243 standard deviation of employee performance. Thus, the higher the beta value the greater the impact of the Extrinsic Reward variable on the criterion variable. The result obtained from the regression analysis showed that Intrinsic Reward is more significant and statistically meaningful when compared with Extrinsic Reward in terms of enhancing employee performance. This can be understood as a certain improvement on the Intrinsic Reward and Extrinsic Reward will increase employee's performance which is significant.

H3: Extrinsic Reward has a Significant Impact to Employees Performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.385 ^a	.148	.138	.56076

a. Predictors: (Constant), Extrinsic

Regarding the third Hypothesis, the p-value is less than 0.05 and the value of R² is .148 which shows that 14.8 % variance in employee performance is due to Extrinsic Reward. The t-value as shown in the table 4.14 (2.371) should be greater than +2 thus making it a useful predictor and thus concludes that Extrinsic Reward in the company have significant impact on employee's performance. Therefore, this hypothesis is accepted.

H4: Intrinsic Reward has a significant impact to Employees Performance

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.437 ^a	.191	.182	.54644
a. Predictors: (Constant), Intrinsic				

Regarding the Fourth Hypothesis, the p-value is less than 0.05 and the value of R² is .191 which shows that 19.1 % variance in employee performance is due to Intrinsic Reward. The t-value as shown in the table 4.14 (3.255) should be greater than +2 thus making it a useful predictor and thus concludes that Extrinsic Reward in the company have significant impact on employee’s performance. Therefore, this hypothesis is accepted.

Chapter 5

Findings, conclusion and Recommendation

5. Introduction

This chapter includes summary of findings, conclusions and recommendations in respect of the objectives of the study. As indicated in chapter one, the aims and objectives of the study included to:

- To identify the current reward management system of the company
- To evaluate the level of employee performance of MOENCO
- To evaluate the relationship between reward system (Intrinsic and Extrinsic) and employee performance
- To identify the most influential factors of Rewards that affect employee's performance.

5.1 Summary of Findings

The study adopted a quantitative research design. The population of interest consists of 140 Service Division employees of MOENCO. A sample size of 99 was selected using stratified sampling method. Data collection was done using structured questionnaires. The data was analyzed using the Statistical Package for Social Sciences (SPSS version 20) into frequency distribution, percentages and Pearson correlations. The data was presented using tables and charts. Employee's perception on reward practices (Extrinsic and Intrinsic) was assessed in this study.

- ↳ Based on Extrinsic results about 58.2% of the respondents shows that they are satisfied with the current reward package of the company. But some results revealed that the salary package is not considered their work intensity. In addition 42.9% respondents revealed that bonus is managed properly in the company and the bonus that the company provide is sufficient to them. It was also found that employees have positive perception on promotion contribution to their performance. On the other hand, respondents pointed out there is a weak promotion opportunity in the company.
- ↳ In terms of intrinsic rewards about 51.6% respondents believed that achievement is one of the most powerful motivator to increase employee performance. Besides, about

47.3% respondents showed that they have a positive attitude on responsibility that it helps them to prompt their greater thought in their work. On the other hand, some respondents showed that their job activity is meaningful to them and the job they do has significant importance to the MOENCO,

Extrinsic and Intrinsic

- There is statistically direct significant and positive relationship between Extrinsic reward and employee performance ($r = .385, p < 0.01$). Hence if rewards being offered to employees were to be altered, then there would be a corresponding change in employee performance. The results also indicates that there is a statistically positive significant and direct existing relationship between Intrinsic Reward and employees performance ($r = .437, p < 0.01$). The relationship of extrinsic reward is less as compared to the intrinsic rewards. However, if the change in Extrinsic and Intrinsic rewards accorded to employees is experienced, then there would be a corresponding change in employee's Performance.
- Generally, the Regression Analysis for this study confirmed that Extrinsic and Intrinsic rewards have influential factor on employee performance at MOENCO. The result of the study indicate adjusted r-squared was .243. This means that independents variables are investigated in the study (Extrinsic Reward and Intrinsic Rewards) could account for or explain 24.3% of dependent variable employee performance. The remaining can be explained by other variables which are not under study.

5.2 Conclusion

MOENCO uses performance management process to reward employees fairly and objectively. The company's all round effort in employee performance through and rewarding human capital has helped to place MOENCO where it is today. Based on the findings the following main conclusions are drawn.

The analysis has shown significantly positive relationship between all dimensions of reward variables and employee performance and it is also supported by the results of regression analysis. The results of this study are quite according to the hypothesis. Furthermore, the result of this study suggests that both Extrinsic and Intrinsic rewards are important factors that MOENCO needs to focus to improve employee performance. Neglecting these factors causes to build demotivated employees which are subjected to lower performance or even worse to leave MOENCO

5.3 Recommendation

The main reason behind the existence of organizations is to attain the objective behind their establishment through their employees. However, this can be attained when organizations able to improve their performance and make them to focus towards the goals of their respective organizations. On the other hand, employees have their own demands that are supposed to be fulfilled by their employers. This is the logic behind the establishment of reward programs in many organizations. The major concern of this section is to give recommendation for MOENCO and it is made based on the findings of the whole research work.

If rewards offered are not competitive, it will be difficult to recruit staff since potential employees can obtain better rewards from competitors. Existing staff may also be tempted to leave the organization if they are aware that their reward system is uncompetitive. High staff turnover can lead to higher costs of recruitment and training of new staff. Losing existing employees may also mean that some of the organizations accumulated knowledge is lost forever. To this end the following points are recommended.

- ➔ Performance needs to be able accurately measured to determine if the investment in creating and maintaining complex reward systems is economically viable. This needs to be considered in terms of cost associated with motivating employees and return on investment from that in terms of staff movement to other companies.

- ↳ MOENCO should specifically work to improve reward strategies by considering welfare of employees, goals and values, allowing employees to learn with an acceptable degree of learning errors and allow, flexibility in the recognition process and involving employees in the process.
- ↳ Employee capacity survey which has been made in MOENCO should be continuous since it helps the company for future action based on the results. Besides, career management plan to exploit the potential of employees and provide opportunities to develop their abilities and careers is also another important factor to sustain the human capital.
- ↳ Participation of employees while setting performance goals at organization level has to be improved the organization production and profit. In addition, this helps MOENCOS' to take into account views and ideas from employees.
- ↳ The relationship between learning and reward in employee performance is one area where little information exists, both in general and within the company chosen for this study. I would recommend that more research is needed to determine what aspects of reward systems are most important for specific desired outcomes.

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APPENDIX

Dear respective respondents

I am a post graduate student in MA in Human Resource Management and I am conducting a survey on the title “The role of established reward system to improve employee performance in MOENCO” and the objective of this questionnaire is to collect data from MOENCO employees which help to evaluate the Assessment of Reward Practice in MOENCO. The information collected shall be used for research purpose only.

There are three sections: Demographic Information and Reward System Opinion Survey for employee service division and Management.

I assure you that your responses will not disclosed in any way and utmost confidentiality will be maintained. Hence, I request your sincere corporation for the successful undertaking of the study and your valuable response is highly appreciated. Thank you!

Notice

- ✓ No need to write your name.
- ✓ Please put a “√” mark in the boxes for your answers

Part I: -Demographic Information

1. Age Category

<input type="checkbox"/> 20-26	<input type="checkbox"/> 36 – 40	<input type="checkbox"/> 46 and Above
<input type="checkbox"/> 26 – 30	<input type="checkbox"/> 41 - 45	
<input type="checkbox"/> 31 – 35		
2. Gender

<input type="checkbox"/> Male	<input type="checkbox"/> Female
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3. Educational Attainment

<input type="checkbox"/> High school Certificate	<input type="checkbox"/> Master’s Degree
<input type="checkbox"/> Technical School Diploma	<input type="checkbox"/> Other (Please Specify).....
<input type="checkbox"/> Bachelor’s Degree	
4. Job level

<input type="checkbox"/> Junior Technician	<input type="checkbox"/> Technician
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- Junior Technician
 - Professionals
 - Other -----
 - Managerial
5. Your experience in MOENCO
- 1-5Years
 - 6 – 10 Years
 - 11 -20 Years
 - 21 – 30 Years
 - >= 31 Years
6. In which salary range does your salary level
- Under 2000
 - 2001 - 6000
 - 6001 –10,000
 - 10,001 – 14,000
 - Above 14,001

Part II: - General questions about reward System

In the following tables you find some dimensions of reward management practices. Please give your responses for your causes by putting a tick mark (✓) in the corresponding spaces under each number in front of each situation based on your agreement level. The numbers are decoded in the following manner.

1= strongly disagree 2= disagree
 3= neither agree nor disagree 4= agree 5= strongly agree

General Reward Questions						
		Strongly disagree (1)	Disagree (2)	Neither agree nor disagree (3)	Agree (4)	Strongly agree (5)
Salary/Wage						
1	My salary is satisfactory in relation to my work intensity					
2	My salary is directly related to my performance					
3	My salary is fair in relation to my responsibilities					
4	My salary is fair when compared with that of similar jobs in other companies					
5	Salary increment is managed fairly in the company					
6	Every time I get salary increment I will improve my performance					
Bonus						
7	The Company pays Bonus every year based on the HR Manual					
8	If there is bonus I believe that Bonus paid by the company is the result of my effort					
9	Bonus is only paid if the required performance is achieved					

		Strongly disagree (1)	Disagree (2)	Neither agree nor disagree (3)	Agree (4)	Strongly agree (5)
10	Bonus motivated me to improve my performance					
11	Bonus must be paid for those who perform higher					
12	The Bonus that the company pay is sufficient to me					
Promotion						
13	I believe that promotion is a reward factor to improve my performance					
14	The opportunity for promotion exists in MOENCO					
15	My job allows me for rapid promotion					
16	Staffs has promoted in a fair and transparent manner in MOENCO					
Meaningful work						
17	I have a job in which I can learn and develop my abilities.					
18	I Feel I am part of something meaningful in my position					
19	The job that I do has a significant importance in the company					
20	There is no relationship between meaningful work and employee performance					
21	I believed that the way my job designed will encourage me for better performance					

		Strongly disagree (1)	Disagree (2)	Neither agree nor disagree (3)	Agree (4)	Strongly agree (5)
22	The physical working condition of my work place does not have a relationship with my performance					
Achievement						
23	Achievement is one of the most powerful motivator of employee					
24	The Company supported me in a way to my achievements					
25	The company fills proud about my achievements					
26	I don't believe that I am rewarded by my achievements in MOENCO					
27	Pay decisions are linked to performance achievements					
Responsibility						
28	I have a certain responsibility in my job					
29	I am motivated when my boss gives me responsibility to do my work alone					
30	I am completely independent of others					
31	I believe that responsibility prompts my greater thought in my work					
32	Full responsibility in my work encourages me to perform better					
33	I feel accountable whenever the company gives full responsibility in my job					

34	I am afraid giving full responsibility from my boss can affect my work					
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Employee Perceived Performance

		Strongly disagree (1)	Disagree (2)	Neither agree nor disagree (3)	Agree (4)	Strongly agree (5)
1	I am rewarded based on my performance					
2	The existing benefit package in the Company (Bones, salary etc...) are helping employees for higher levels of					
3	MOENC's working environment is good for young employees in enabling them to utilize their skills, knowledge and strong potential					
4	The organization has a good culture of recognizing employees for successful completion of tasks					
5	Performance standards in my organization are clear and easily understandable					
6	The Companies reward practices are strongly consider the level of my performance					

አዲስአበባዩንቨርሲቲ

የንግድስራት/ቤት

የአርትማስተርስዲግሪበሰውሀብትስራአመራር

በሞዴንኮ ስራተኞች የሚሞላ

ውድመላሾች:

ይህ መጠይቅ የተዘጋጀው ለሰው ኃይል አስተዳደር የማስተርስ ዲግሪ ላይ ከፊል ማሟያ ሲሆን “የወሮታውጤትበተቀጣሪስራተኞች የስራ ውጤት ላይ የሚያመጣው ለውጥ በሞዴንኮ ስራተኞች” በሚል አርዕስት ጥናት ላይ የተመሰረተ ነው። ጥናቱ ለትምህርት ዓላማ የታሰበብቻ ነው። የጥናቱ ውጤት ለሞዴንኮ የሰው ኃይል አስተዳደር እንደግብዓት ይረዳል ብዬ እገምታለሁ።

መጠይቁን ለመሙላት ማመላከቻ

ካሉት አማራጮች ውስጥ ምንም ትክክለኛ እና የተሳሳተ መልስ የለም። ስለዚህም እያንዳንዱን ጥያቄዎች ትክክለኛ አስተያየትን እንዲሞሉ በትኩረት እጠይቃለሁ። ምላሽ በዚህ የዲግሪ ጥናት ጥቅም ላይ ነው ብቻ የሚውል ነው።

▶ እባኩን በቀረበው ምርጫ ቦታ ላይ “✓” ምልክት ያድርጉ

▶ የአርዕስት ስም መጻፍ አስፈላጊ ነት አይደለም

ይህንን መጠይቅ ለመሙላት ፍቃድ ኛስለሆኑ በቅድሚያ ለመሰጠት እፈልጋለሁ።

ክፍል አንድ፡ ጠቅላላ መረጃ

የታ	ወንድ		ሴት		
	h20-26	h26-30	h31-35	h36-40	h41 በላይ
የዕድሜ ሁኔታ					

የከፍተኛ የት/ደረጃ	12ኛ ያጠናቀቀ/ች	የቴክኒክና ሙያ ዲፕሎማ	ዲግሪ	ማስተርስ	ሌላ
በሞዴንኮ ያገልግሎት ጊዜ	ከአመት በላይ	2-5 አመታት	6-10 አመታት	ከ11-	ከዛ በላይ

3. የስራ መደብዎ? _____

4. ደመወዝዎ ውስጥ ይካተታል?

ከ2000 በታች 10,001-14,000

2001-6,000 14,001-25,000

6,001 -10,000 ከ25,001 በላይ

ከፍልሀሉት ምርምር ተዛማጅ ጥያቄዎች:

የሚከተሉት ጥያቄዎች በአምስት ነጥብ ለከርት ልኬት ላይ ይቀርባሉ። ምላሽዎ በጣም ጠንካራ የሚል ከሆነ ቁጥር 5 (በጣም እስማማለሁ) የሚለውን ይምረጡ፤ መጠነኛ መስማማት ከሆነ 4 (እስማማለሁ) ይምረጡ፤ 3 ምረጥሁ ሳብላይ ምርጫዎን መወሰን ካታችዎ (ገለልተኛ) ይምረጡ፤ በሀሳብ ካልተስማሙ 2 (አልስማማም) ይምረጡ እና ሌላ ሌላ ነጥብ ጋር የማይስማሙ ከሆነ (አጥብቄ እቃ ወላለሁ) 1 ይምረጡ።

የዚህ መጠይቅ ዓላማ እርስዎ አሁን ባሉበት ስራ ላይ የሚሰማዎትን ስሜት እንዲያንጸባርቁ፤ የትኛው የችሮታ አይነት የስራ አፈፃፀሞችን ሊጨምር ይችላል ብለው የሚያስቡትን በትክክል እንዲመልሱ በማክበር እጠይቃለሁ።

ይህንን መጠይቅ ሲሞሉ የጥናቱን ሃሳብ በግምት ውስጥ ያስገቡ። ግልጽ

እና እውነተኛ ይሁኑ። አሁን ስላለው የስራ ሁኔታ ትክክለኛ ስሜት ያሳዩ።

		አጥብቄ እቃወማለሁ (1)	አልስማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
ክፍያ/ደመወዝ						
1	የእኔደመወዝከምሰራው ስራ አንጻር አጥጋቢ ነው					
2	የሚከፈለኝ ክፍያ በቀጥታ ከስራ አፈፃፀሜ ጋር የተገናኘ ነው ብዬ አምናለሁ					
3	ካለኝ የስራ ኃላፊነት አንጻር ሲታይ የሚከፈለኝ ክፍያ ፍትሃዊ ነው					
4	ከሌሎች ኩባንያዎች ውስጥ ተመሳሳይ ስራዎችን ጋር ሲነጻጸር የእኔ ደምዘፍት ሐዊ ነው					
5	የደመወዝ ጭማሪ በአግባቡ የሚተዳደር ነው					
6	ደመወዝ ማስተካከያ የአሁኑን ገቢ ያመራረት ያደረገ ነው					
ቦነስ						
7	ሞዴንኮ በየዓመቱ ለሰራተኞች እንደየስራ አፈፃፀማቸው ይከፍላል					
8	ለእኔ የሚከፈለው ቦነስ የስራ አፈፃፀሜ ውጤት ነው ብዬ አምናለሁ::					
9	ቦነስ የሚከፈለው ሰራተኛው የሚጠበቅበትን የሥራ አፈፃፀም ሲያሞላ ብቻ ነው ብዬ አምናለሁ					
10	በካምፓኒው የሚከፈለኝ ቦነስ የስራ አፈፃፀሜን ለመጨማር እንደማይቃወም ነው ብዬ አምናለሁ					
11	ቦነስ በድርጅቱ ውስጥ ከፍተኛ የሥራ የአፈፃፀም ውጤት ላላቸው ብቻ መከፈል አለበት በቂ ነው					
12	ከካምፓኒው የሚከፈለኝ ቦነስ ለእኔ በቂ ነው					

		አጥብቄ እቃወማለሁ (1)	አልሰማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
እድገት						
13	የሥራ እድገት የሥራ አፈፃፀምን ለመጨመር ይረዳል ብዬ አምናለሁ					
14	በሞዴንኮ ውስጥ የሥራ እድገት እድሉ አለ					
15	ሥራዎቼን ለማድገም ስራዎቼን ለማድገም ያነሳሳኛል					
16	ሠራተኞችና ፍትሃዊ እና ግልጽ ገንዘብ ለሰጠው መንገድ አድገዋል					
የሥራ ሁኔታ						
17	ያለሁበት የሥራ ቦታ አዲስ ትምህርት የምቀስምበትና ችሎታዬን የማሳድግበት ነው					
18	አሁን ባለሁበት የሥራ መደብ መሥራቱ ትርጉም አለው የሚል አመለካከት አለኝ					
19	አሁን ባለሁበት የሥራ መደብ መስራቱ ለሥራው ትልቅ አስተዋጽኦ አለው ብዬ አምናለሁ					
20	ትርጉም ባለው የሥራ ሁኔታና የሥራ አፈፃፀም መካከል ምንም ግንኙነት የለም					
21	የሥራ ድርሻዬ አወቃቀር የሥራ አፈፃፀሜን ለመጨመር ከፍተኛ አስተዋጽኦ አድርጓል ብዬ አምናለሁ					
22	በሥራዬ ቦታ ያለውን ማህበራዊ ሁኔታ እወደዋለሁ					
እውቅና/ግኝት						
23	እውቅና/ግኝት የሥራ አፈፃፀምን ለማሳደግ ከፍተኛ ማነቃቂያ ነው ብዬ አምናለሁ::					
24	ሞዴንኮ በማገኘው እውቅና/ግኝት ሁሉ እርዳታ በመስጠት የበረታታኛል					
25	ካፓኒው በእኔ እውቅና ማግኘት ከፍተኛ ኩራት ይሰማዋል					
26	በመ/ቤቱ ችሮታ /ሰጦታ/ ከእውቅና/ግኝት ጋር ተያይዞ ይከፈላል ብዬ አላምንም					

27	የከፍተኛ ውሳኔ በቀጥታ ከሠራተኛ የሥራ አፈፃፀም እውቅና/ግኝት ጋር የተሳሰረ ነው					
		አጥብቄ እቃወማለሁ (1)	አልሰማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
ኃላፊነት						
28	በስራዬ ላይ የተወሰነ ኃላፊነት አለብኝ					
29	አለቃዬ ስራዬን በራሴ እንድሰራ ሙሉ ኃላፊነት ሲሰጠኝ በበለጠ እንቃቃለሁ					
30	ስራዬን ሙሉ በሙሉ በራሴ ኃላፊነት ብቻ ነው የማከናወነው					
31	የስራ ኃላፊነት በስራዬ ላይ ያለኝን አመለካከት እንደሚያሳድግ አምናለሁ					
32	በሥራዬ ላይ ሙሉ ኃላፊነት ሲሰጠኝ የሥራ አፈፃፀሜ እንዲጨምር ይረዳኛል					
33	ሙሉ የስራ ኃላፊነት ሲሰጠኝ በስራዬ ላይ ያለኝ ተአማኒነት በከፍተኛ ሁኔታ ይጨምራል					
34	ከአለቃዬ የሚሰጠኝ ሙሉ የሥራ ኃላፊነት ስራዬን ሊጎዳ ይችላል ብዬ እፈራለሁ።					

ጥያቄዎቹን ሞልተው ስለጨረሱ አመሰግናለሁ!!!

