

THE ROLE OF REWARD SYSTEMS ON EMPLOYEE MOTIVATION: THE CASE OF OFFICE OF HOUSE OF PEOPLE'S REPRESENTATIVE OF FDRE.

A Thesis Submitted to Addis Ababa University School of Commerce in Partial Fulfillment of the Requirements for the Degree of Master of Art in Human Resource Management (HRM)

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Addis Ababa, Ethiopia

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Approval of Board of Examiners

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Internal Examiner	Signature
External Examiner	Signature

DECLARATION

I hereby declare that this thesis is my original work has not been presented for an academic purpose in any other university and that all sources of material used for the thesis have been properly acknowledged.

Declared by

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LIST OF ACRONYMS

ANOVA Analyses of variables

BPR Business process Re-engineering

BSC Balance Score Card

FDRE Federal Democratic Republic of Ethiopia

HPR House of People's Representatives.

HRM Human resource management

HR Human Resource

SPSS Statistical Package for Social Sciences

ABSTRACT

Reward and motivation are one of the ways to heighten the motivation is through effective reward system. The main aim of this study is to investigate the role of reward systems on employee's motivation in the office of HPR of FDRE. The study employed a descriptive survey and inferred statics. The study targeted 385 employees from which stratified random sampling was utilized to select a sample of 105 respondents drawn from the population. The study employed a questionnaire to collect data from the respondents & interview with directorates. The collected data was analyzed and represented by use of frequency charts, bar graphs, and pie charts to tabulate the information gathered appropriately. Statistical Package for Social Sciences (SPSS) was used to analyze the hypothesis listed in the research question of the data. The study reveals the rewards offered by office of HPR of FDRE in terms of intrinsic, extrinsic, career development and learning opportunities were insufficient and cannot motivate employees. Job content satisfaction is the most important component of intrinsic reward; allowance & flexible wage increment are the components of extrinsic rewards. Within organization promotion as career developments and timely seminars to employees are rewards expected by employees in career development and learning opportunities as a reward from organizations. The result concludes that, with the advancement in intrinsic rewards, extrinsic rewards, the career development and learning opportunities, become the vital factor for the employee motivation. Besides this office of HPR of FDRE *should consider for a more structured reward system that considers both organizational goal attainment & employees expectation rewards which in turn prospers high employee's motivations. The study recommended that reward systems guidelines and objectives should be based on realistic and reliable criteria's.*

Key Words: Reward Guidelines, Reward Systems and Employee Motivation

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Reward system is an important tool that management can use to channel employee motivation in desired ways. In other words, reward systems seek to attract people to join the organization to keep them coming to work, and motivate them to perform to high levels. The reward system consists of all organizational components including people processes rules and decision making activities involved in the allocation of compensation and benefits to employees in exchange for their contribution to the organization. According to David &Geoffer (2009) money is not the only incentive and modern employment contracts spell out the details not only of wages but other benefits. While many employees regard wages as an essential, they also regard it as equally important that these wages are secured on a regular basis. In times of economic uncertainty, the protection afforded by job security becomes highly valued. The focus of the employee compensation literature has been on defining these dimensions, understanding why organizations differ on them and assessing whether such differences have consequences for employee attitudes and behaviors, and for organizational effectiveness. An employee may still leave even if another job offers a lower salary as long as he or she enjoys job satisfaction. Although financial incentives will encourage employees to stay over the short term, over the long term they need opportunities for growth (Tyani, 2001). Systems of rewards have much importance for the performance of any organization. A considerable setup for reward and compensation structure can highly enhance the profitability and effectiveness of an organization. Motivation is the main tool to eliminate the negative employee turnover rate inside organizations which is the backbone of human resource management.

The lack of adequate human behavior motivation will lead to a lack of clear goals and problems with fulfillment as well as a lack of organizational efficiency (Armstrong & Sstphen,2010) . Further; it is not possible to expect employees to stay in the organization. Today's competitive environment requires a workforce that is motivated and committed to reaching work related goals. The idea of motivated and committed employee behavior being at the heart of human resource management is widely supported.

The office of the House of People's Representative was established by proclamation No. 13/ 1995 as it can serve commonly the house of people's representative and house of federation of FDRE. After six years, the secretariat office was established independently to serve the house of people's representative by proclamation No. 253/2001 with the objective to provide professional support and administrative service to the house of people's representative in order to enable it effectuate its constitutional responsibilities. Based on the development of the economy, social growth of the country and by incorporating the best practices of different countries, the secretary of house of people's representative was re-established in 2015 by proclamation No 906/2015 by broadening its power and duties by law.

This study tries to examine the role of reward system on employee motivation in House of People's Representative office of FDRE.

1.2 Statement of the Problem

The development of reward management policies, structures and practices is underpinned by the assumptions about how people can best be motivated to deliver high levels of performances, discretionary effort and contribution. These assumptions may not be articulated but the reward philosophies and policies of an organization can be no better than the motivational theories and beliefs upon which they are based (Armstrong and Stephen, 2005).

Markova and Ford (2011) mentioned that the real success of companies originate from employees' willingness to use their creativity, abilities and knowhow in favor of the company and it is organization's task to encourage and nourish these positive employee inputs by putting effective reward practices in place. Motivated employees are more productive, more efficient and more willing to work towards organizational goals than the employees who are experiencing low levels of motivation. Motivation has been studied for decades and the relation between rewards and motivation has been also widely studied (Hunter et al 1990).

A lot of work has been done on evaluating the relationship between rewards and employees motivation and there exist a large number of studies in the literature describing the role of intrinsic and extrinsic rewards on employees motivation. According to Rahman (2013), there is an observable difference between perception of employees on existing motivational factors of reward components on public and private commercial banks, but, the result he obtained that is not conclusive and even inconsistent in various organizations. As a result many scholars

suggested that many research is needed on the impact of intrinsic and extrinsic rewards on employees' motivation.

The unpublished office document that regulates part of the reward system of the office were limited its scope to employee's organizational promotion manuals only. As a result, the office of HPR faces with a high rate of employee turnover each year and this leads to poor employee performance which in turn affects organizational services delivery effectiveness (HRM directorate 2015 report).

The office of House of People's Representatives conducts twice career adjustments to incorporate the fresh level entry university graduates and some fringe benefits for employee retention. However, employees complain that there is no thoroughly planned and consistent reward system, which considers employees aspiration and expectation. Lately formalized reward system implemented is special benefits for higher level managers like telephone card with its apparatus, vehicle with its fuel allowance.

The other reward is the one provided annually for one employee from a directorate in forms of recognition. This reward is provided based on performance appraisal to select the one who is the best performer through performance appraisal of employees. Only one employee from the directorate competes with others and the one up to three best employees gets some monetary reward at the end of the year. The third reward is given to those employees who stay for long years in the organization regardless of whether he/she is the best performer or not. The fourth reward system created by initiation of the directorates of women in collaboration with sponsorship of education institution is female employee development and educational upgrading.

Concerning the topic of the research, there is no study done specific to the office of House of People's Representative of FDRE. The unpublished each year's annual review of the office indicates that the office is challenged with high employee turnover that is up to 15.6 %.(Unpublished Annual 2016,office report). This study thus seeks to present more empirical findings on the reward system of HPR and the extent it motivates the employees. In so doing, the study may help to pinpoint better strategies for improving the reward system of the organization and thereby to improving the employees' motivation and the organization's effectiveness.

1.3 Research Questions

To achieve the intended objective as well as the research problem stated above the study has attempted to give responses to the following basic research questions.

1) Are the reward system guidelines in office of (HPR) of FDRE motivating employees?
2) Are there objectives and criteria set for providing rewards systems in office of people's representative?
3) Are the ongoing rewards of the office of HPR of FDRE motivating employees?

The hypotheses developed based on the research question are the following.

Hypothesis1

H1: There is strong relationship between intrinsic reward system and employee motivation.

Hypothesis 2

H1: There is strong positive relationship between extrinsic reward system and employee motivation.

Hypothesis 3

H1: There is strong positive relationship between organizational **l**earning opportunities and employee motivation.

Hypothesis 4

H1: There is strong relationship between organizational career development and employee motivation.

1.4 Objectives of the Study

1.4.1 General Objectives

The main aim of this study is to investigate the role of reward systems on employee's motivation in the office of HPR of FDRE.

1.4.2 Specific Objectives

In order to meet the above general objectives, this study addresses the following specific objectives:

- To investigate as the reward system guidelines in office of HPR of FDRE motivate employees.
- To explore whether there are clear objectives and criteria set for providing rewards in office of people's representative.
- To assess whether the intrinsic & extrinsic rewards in the office of HPR motivate employees or not.
- To assess the learning opportunities and career development options in the office of HPR motivate employees or not in the office of HPR of FDRE.

1.5 Scope of the Study

This study tries to identify how reward systems are offered in the case of house of people's representative office located in Arat kilo- Arada sub city of Addis Ababa city administration. All employees of technical /professional and administrative working in the office of HPR are included in this study excluding contract employees.

The researcher tries to see the reward systems within the office by considering the working procedures in the office's Human Resource Department and tries to assess the updated reward systems the office applies. The timeframe that the study covers is eight months (from November 2016 up to May of 2017.

1.6 Limitation of the Study

The research conducted focuses only on the employee of office of HPR of FDRE, which means that the sample-size is limited. Furthermore, limitations were set on the theories used to analyze the level of role of reward system on employee motivation. The researcher used to analyze the components of reward system with Maslow's hierarchy of needs, the goal setting theory, Expectation theory and analyze the results. The questionnaire was filled in anonymously and was therefore limited to be analyzed on general and not individual bases.

1.7 Significance of the Study

The findings of this study would be useful in addressing the role of reward systems problems associated with employee turnover in the office of HPR of FDRE. Thus, it has a significant contribution in:

1. Encouraging office of house of people's representative (HPR) management to develop a clear link between its strategic plan and reward system planning.
2. Enabling office of house of people's representative (HPR) of FDRE to identify some of the current problems or challenges in application reward systems processes,
3. Serving as a guideline for making reward manuals in office of people's representative, and
4. Serving a baseline for further research works to be conducted on areas of reward systems.

1.8 Definition of Term

Secretariat - the name given for the office of House of People's Representatives of FDRE.

Extrinsic rewards - Nadi et al (2011) also defined extrinsic rewards as tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/pay, incentives, bonuses, promotions and job security.

Intrinsic rewards -Nadi et al (2011) defined as intangible rewards or psychological like appreciation, meeting the new challenges, positive and caring attitude from employer and job rotation after attaining the goal.

Employee Motivation: Motivation has been defined as: the psychological process that gives behavior purpose and direction (Kreitner, 1995); a predisposition to behave in a purposive manner to achieve specific, unmet needs (Buford, Bedeian, & Lindner, 1995); an internal drive to satisfy an unsatisfied need (Higgins, 1994) and the will to achieve (Bedeian, 1993).

Reward system: Are the benefits that arise from performing a task, rendering a service or discharging responsibility *(Colin Pitts, 1995).It is a* structured method of evaluating and compensating employees based on their performance.

Guideline;-A general rule, principle, or piece of advice may be issued by and used by any organization (governmental or private) to make the actions of its employees or divisions more predictable, and presumably of higher quality.

1.9 Organization of the Study

This thesis is composed of five chapters: The introductory chapter presents the background of the study and explains the research problem. This chapter also addresses the research objective to be achieved, the research questions to be answered and briefly explains about the importance or contribution of the research.

The second chapter was the literature review part that contains the theoretical or general knowledge, the empirical reviews and the conceptual frame work of the topic under study. The third chapter would be the methodology part which describes how the research was carried out in terms of research design, sample and sampling procedures, methods of data collection and the methods of data analysis.

In Chapter four, the data gathered through questionnaire survey and interview were presented in a tabulated form, analyzed to test the research hypotheses, and the findings of data analysis and detailed explanation of the results are presented. Finally, chapter five involves summary of findings, conclusion and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITRATURES

2.1 Reviews of Reward Systems

The main objective of the reward system is not only to attract and retain the desired quality of employees, but also to motivate them to sustain a high level of performance and enable the firm to meet its marketing objectives. (Smyth, 1968), Armstrong, M (2006) states as reward strategy provides a sense of purpose and direction and a framework for developing reward policies, practices and processes. It is based on an understanding of the needs of the organization and its employees and how they can best be satisfied. It is also concerned with developing the values of the organization on how people should be rewarded and formulating guiding principles that will ensure that these values are enacted.

The main objective of the reward system is not only to attract and retain the desired quality of employees, but also to motivate them to sustain a high level of performance and enable the firm to meet its marketing objectives. According to (Smyth, 1968) employees who act in the preferred way will be rewarded. Hence, if not acting in the desired way the employee will be punished or the reward will not be distributed.

Firms have different concepts how to reward their employees. The three most common notions are straight salary, straight commission or a combination of these two with a salary plus commission. (Smyth, 1968)

Rewards are management tools that hopefully contribute to firms' effectiveness by influencing individual or group behavior. While people exert effort for different reasons, today's competitive economic environment coupled with the consumer society has made rewards arguably the most important motivational factor. Bartol (1999) argues that characteristics of the reward system not only affect the employees' performance, but also have an impact on employee retention and turnover .Reward systems are a fundamental function of human resource management as they deal with the assessment of job values, the design and management of payments, performance management, contingent pay, employees' benefits and pensions and the management of reward procedures.

An intrinsically motivated individual, according to Ajila (1997) will be committed to his work to the extent to which the job inherently contains tasks that are rewarding to him/ her. And an extrinsically motivated person will be committed to the extent that he can gain or receive external rewards for his or her job. He further suggested that for an individual to be motivated in a work situation there must be a need, which the individual would have to perceive a possibility of satisfying through some reward. If the reward is intrinsic to the job, such desire or motivation is intrinsic. But, if the reward is described as external to the job, the motivation is described as extrinsic. Good remuneration has been found over the years to be one of the policies the organization can adopt to increase their workers performance and thereby increase the organizations productivity.

Motivated employees are needed in our rapidly changing workplaces. Employees are the sole strategic assets that make organizations alive. To be effective, managers need to understand what motivates employees within the context of the roles they perform. Managers have to play different functions but motivating employees is arguably the most complex. This is due, in part, to the fact that what motivates employees changes constantly (Bowen &Radhakrishna, 1991).

Bishop (1987) suggested that, pay is directly related with productivity and reward system depends upon the size of an organization. Firm's reward system plays a critical role in motivating employees to perform creatively. Effective reward and recognition system can be a good motivator but inappropriate reward and recognition program increase de-motivation of the employees. Reward is the benefit received for performing a task. It is a positive stimulus or incentive that can be presented in the process of reinforcing behavior. According to Decenzo and Robbins (2002), today's workers expect more than just an hourly wage or salary from their employer; they want additional considerations that will enrich their lives. These considerations in an employment setting are called employee benefits. Benefits are the program an employer uses to supplement cash compensation that employee receives.

2.2 Rewards and Incentives

Rewards may or may not enhance the employee's financial well-being. If they do, they can do this directly through wages, bonuses or profit sharing or indirectly, through employer-subsidized benefits such as retirement plans, paid vacations, paid sick leaves and purchase discounts. Reward is the benefits that arise from performing a task, rendering a service or discharging a

responsibility." *(Colin Pitts, 1995)* Pay is the most significant and motivating benefit that is received in return for performing a task or service. It is pay that motivates individuals to go out and seek work. Pay is also one of the few ways to set a mutually acceptable common value to the individual's work contribution. Pay can also be a powerful demotivate, if employees are not satisfied with the reward package and it will be hard for the company to recruit and retain good individuals. *(Colin Pitts, 1995).*Advocates of the expectancy theory believe that employees will change their behavior by working harder or prioritizing their actions if they know that by doing so they will be rewarded with something of value to them. Hence, incentives are a great way to reward effort and behaviors which the organization wishes to encourage. If the incentive is paid in return for behavior that contributes to the organizations goals, it will in the long run enhance organizational effectiveness and productivity and hence generates a positive outcome for both employer and employee. *(Torrington, Hall, Taylor & Atkinson, 2009).*

The principle reward for performing work is pay, many employees however offer also reward packages of which wages and salaries are only a part of. The packages typically include; bonuses, pension schemes, health insurance, allocated cars, beneficial loans, subsidized meals, profit sharing, share options and much more. *(Pitts, 1995).*According to Werner et al (2006) the reward system combines the effects of the two main reward classifications namely transactional and relational rewards and both tangible and intangible rewards are considered valuable (Werner et al (2011).The transactional rewards are tangible rewards concerned with exchanges that organizations and their work force make with regard to salary. Tangible rewards arise from transactions between the employer and the employee and the rewards include such as base pay, contingent pay, cash bonuses pay.

As defined by Manus and Graham (2003), total reward includes all types of rewards – indirect as well as direct, and intrinsic as well as extrinsic. Each aspect of reward, namely base pay, contingent pay, employee benefits and non-financial rewards, which include intrinsic rewards from the work itself, are linked together and treated as an integrated and coherent,

The total reward describes a reward strategy that brings components such as learning and development together with aspects of the work environment into the benefit package. On the other hand, intangible rewards have to do with learning, development and work experiences (Armstrong and Brown (2006).

All institutions try to use practices of pay, promotion, bonuses or other types of rewards to motivate and encourage high level performances of employees. Managing human resource is the most difficult task that a manager has to do. Human beings are by nature not a homogeneous entity. They have a variety of needs, aspirations, as well as differing perceptions of what constitute appropriate rewards for effective motivation. Thus motivating workers requires an in-depth understanding of the human nature, individual differences and perceptions of appropriate rewards and incentives, with a combination of extrinsic and intrinsic rewards. White &Drucker (2000) asserted that the reward systems are comprised of two main elements, financial (monetary) and non-financial rewards.

2.2.1 Intrinsic Rewards

The intrinsic rewards are more subtle and are related with work assignment and have no financial value. Jensenet.al (2007) stated that the intrinsic rewards are tools to motivate employees to execute as expected. Mike W. (2014) says that an intrinsic reward is an intangible award of recognition , a sense of satisfaction conscious. Intrinsic rewards are intangible rewards or psychological rewards which one receives from the job itself. These are the self-initiated rewards. Such as- pride in one's work, a feeling of accomplishment, appreciation, meeting the new challenges, positive and caring attitude from employer, and participation in decision making, or being part of a team. Intrinsic rewards are the job inherent, intangible, non-financial rewards included in the job itself such as job tasks, challenging and interesting job and training possibilities offered to the employees.

This type of motivation refers to the motivation that comes from inside an individual. The motivation is generated through satisfaction or pleasure that one gets in completing or even working on a task. Nelson (2004) noted that praise and recognition are the most efficient intrinsic rewards an employee wants to hear as employees want to feel that they are making a contribution at their workplaces. Factors that influence on intrinsic motivation include responsibility, freedom to act, scope to use and develop skills and abilities, interesting work and opportunities for advancement. These motivators, which are concerned with the quality of work life, tend to have a long- term effect since they are inherent in individual and not imposed from outside.

2.2.2 Extrinsic Rewards

Extrinsic rewards are the tangible rewards which one gets from the employer. External rewards can be in terms of salary/pay, incentives, bonuses, stock options, promotions, job security, flex-time, etc. Non-financial rewards do not directly increase the employee's financial position but emphasizes on making the life on the job more attractive. Rewards and recognition programs honor both individuals and teams who go the extra mile to service their organizations. Such rewards are the non-job related rewards and mainly focus on work conditions.

Extrinsic rewards arise from factors outside an individual, such as money, grades, criticism or punishments. These rewards provide satisfaction and pleasure that the task itself might not provide an extrinsically motivated person might work on a task even when they have little interest in it. Armstrong et al. (2010) said that the short-term solutions provided to solve the reward management programs might result in long-term problems referring to the use of extrinsic rewards when trying to motivate employees. Temporary compliance refers to the short sighted value it manages to add in individual's motivation. Once a pay increase is received it motivates for a short period of time until motivation is again declined and employees start to wait for another pay increase.

2.2.3 Career development as a reward

The desired outcome of a career development is to match the needs of the employee with those of the organization. Employees must have the opportunity to identify career needs and the organization should assist them in achieving these needs within organizational realities. A Career Development Program does not require elaborate procedures. The essential components are counseling and training. Career counseling provides an avenue for the employee to assess their career needs. The training component assists employees in growth and development by enhancing their knowledge, skills and abilities in their present job assignments or prepares them for future opportunities. Proficient in-service training and career specialty training can accomplish this. Each of these components is vital to the success of the career development initiative. The opportunity to attend specialty courses of instruction offered by other organizations or institutions must be afforded to all employees. This can be easily incorporated into the organization's training policy.(

2.3 Theories of Motivation

Organizations want employees to engage in behaviors that will lead to success and they want them to pursue desirable behaviors with intensity and persistence. Varies motivation theories explain how compensation reward practice can provide motivation. According to Singh, (2005) with a well-motivated workforce, an employee's performance can be manifested on the organizational effectiveness, which allows the individuals to focus on the development of their work, in terms of behavior, skills and knowledge, ethics and effectiveness.

A central aspect for all organizations is to motivate their employees. From an organizational perspective, the motivation is important due to the fact that it can empower high-performing employees to stay within the organization. Additionally, the employees can through a higher degree of motivation develop their overall skills in their specific job task and be more engaged to perform at a higher level (Alvesson & Sveningson, 2008).From so many theories of motivation let us see some of them relevant with research under investigation.

2.3.1 Hertzberg's Two-Factor Theory

According to Hertzberg, the organization should to put a greater extent or effort on personal development and recognition for a well-done work through the use of promotion, which are more intrinsic motivational aspect that to a greater extent should be emphasized on. (Robbins et al, 2010)

This theory argues that employees have two different factors, which are named, satisfiers and dissatisfies. The dis-satisfies can only provide that the employees within the organization are not dissatisfied, and the satisfiers are therefore the factors that could increase employees' motivation. High salary or bonuses that employees are working for are considered as dissatisfies. Dissatisfies are factors that need to be fulfilled so that employees do not feel uncomfortable. However, these factors cannot generate satisfaction for the employee. But according to Alvesson & Sveningson, (2008) the satisfiers such as personal development, greater responsibility and the work task itself can satisfy the employees.

2.3.2 Reinforcement Theories

Baron *et al* (2002) concluded that reinforcement theory, which assume that people's behavior is determined by its perceived positive or negative consequences, are based on 'law of effect 'idea, which was first postulated by Thorndike (1911). Using a reward such as money to encourage

high performance is consistent with reinforcement theory. This theory states as behavior a caused by chains of antecedents and consequences. Antecedents are factors in the environment that cue someone to encourage in a specific behavior and the consequences are results associated with specific behaviors.

The principle tells us that a conquest motivates behavior only when it is contingent. In a similar way pay motivates performance only when it is contingent on specific behavior and outcomes. Spector (2003) analyzed that the consequences of behavior may be tangible, such as money, or intangible such as praise. In this regard, reinforcement theory is highly influential in firmly establishing the ideas relating to incentive and reward system that are applied in most organizations today.

2.3.3 Goal setting Theory

Goal theory formulated by Edwin Locke and Gary Latham .They states that motivation and performance are enhanced when People are assigned to the specific goals, when these set goals are higher goals not easy ones and are commonly agreed upon and finally when feedback on performance is given than when not given (Armstrong B. 2002).

The theory is grounded in cognitive psychology & holds that behavior is motivated by conscious choices. Goal setting in work organization can be combined with compensation in different way and the method is to offer a reward for those employees that achieve the stretched goal. The problem of such stretched goal achievement rewarding is many employees will barely miss the goal and will then become frustrated (Graham, H. 1986). Latham and Locke (1979) argue that setting goals are a fundamental aspect in achieving motivational effectiveness. In addition, the authors emphasize that those goals, which are unrealistic and arbitrary, could become a demotivating aspect for the organization's employees.

Another method of linking goals and compensation is to provide incremental rewards for peoples who achieve progressively higher goals. This incremental method can encourage everyone to try harder. Adequate and timely feedback plays an essential role in the goal setting theory since it increase feelings of achievement, has increase the sense of personal responsibility for the work, it reduce uncertainty and overall refine performance Beardwell&Claydon, (2007).

To reach goals, commitment is essential in the sense that the employees are dedicated to reach the goals. This is especially important when the goals are more complex, since greater

complexity requires higher efforts in comparison with lower level of complex tasks. (Locke & Latham, 2002)

2.3.4 Justice Theory

Judgments about the fairness of outcomes in relation to efforts are at the core of justice theory. The psychology perspective holds that motivation depends on beliefs about fairness. Most people consider a number of issues when judging whether an organization compensation procedure is fair. Reward strategies depend to seen as more fair when they are free of favoritism, encourage employees participation decision making about how rewards will be allocated, and allow for appeal.An understanding of motivation is important within reward management and the development of reward strategies for different reasons. Firstly, it enables organizations to humanize work for employees so that work is inherently more satisfying. Secondly, an appropriate understanding of motivation allows organizations to make the jobs more satisfying for employees within the company.

According to Torrington *et al* (2009) motivation is the desire to achieve beyond expectations, being driven by internal rather than external factors, and to be involved in a continuous striving for improvement. In order to satisfy the needs and wants, goals are created and a behavior selected in order to achieve these goals. Employees can also motivate themselves by seeking work where individual goals, needs and wants will be achieved.

2.3.5 Expectancy Theory

Expectancy theory the theory focuses on the link between rewards and behavior. it emphasizes on expected rewards (effects of incentives). Behavior (job performance) can be described as a function of the ability and motivation. In turn, motivation is hypothesized to be a function of expectation, instrumentalism and valence perception. The achieved results are depending on factors such as roles, ability to perform a certain action and other human resources, which affect the ability to reach the result. Therefore, employees within the organization are often to a great extent motivated to act in a certain way. Hence, not all of the employees have the ability to perform actions that leads to the preferred result.(Jacobsen &Thorsvik, 2002).

Jacobsen &Thorsvik (2002) further describes how the theory of expectancy is reflecting the fact that if employees' motivation is zero, the expected performance will as well be zero. Consequently, the reward system need to be tailored to motivate high performance through the

rewards and designed in a manner in which employees clearly see the relationship between these two parameters.

Expectancy perceptions often have more to do with job design and training than pay system. Extrinsic motivation depends on rewards such as pay and benefits controlled by an external source, whereas intrinsic motivation depends on rewards that follow naturally from performing interesting work.

According to the theory motivation comes from three beliefs, namely valence, instrumentality and expectancy. Valence is the belief that certain rewards are valuable. The concept of valence is an important reminder that not everyone is motivated by the same thing. Instrumentality is the belief that desirable rewards will really be given if the appropriate behavior or outcome is produced. If employees don't belief that they will receive the promised reward even if they perform the required action, they will not be motivated by the reward.

Expectancy concerns people's belief that they can actually achieve the desired level of performance. Motivation is higher when people believe they are capable of high performance and vice versa Gresl*et al,* (2009)

To conclude, the expectancy theory suggests that employees will put down greater effort if:

- The rewards are of a nature of which the employee prefers.
- The results easily can be connected with the reward the employees will achieve.
- That there is a clear connection between the reward and the result. (Jacobsen &Thorsvik, 2002)

2.3.6 Agency Theory

Jensen and Meckling (1976) define an agency relationship as a contract under which the principal engages the agent to perform some service on their behalf. The relationship involves delegating some decision-making authority to the agent. This theory focuses on the divergent interests and goal the organization's stakeholders and the way that employee compensation can be used to align this interests and goals. According to Steware (2009) motivation can be defined as a force that causes people to engage in a particular behavior rather than other behaviors and it is represented by three elements.

a) Behavior choice –involves deciding whether or not to perform a particular action.

b) intensity-concerns deciding how much effort to put into the behavior.

c) persistence- involves deciding how long to keep working at the behavior. Employees show how motivation by choosing to perform critical work tasks with high intensity and persistence.

Whereas Herzberg *et al.* (1957) identifies types of motivation by that of, intrinsic motivation (self-generated factors for example interest, responsibility) and extrinsic motivation (for example increased pay, praise, punishment, criticism).The basic trade-offs in agency theory are across effort and wage. Effort that is good for the firm but bad for the employee and pay that is bad for the firm but good for the employee. (Larkin et al, 2012)

2.4 Review of Empirical Studies

In study carried out by Centers and Bugental (1970), they also base their research on Herzberg's two-factor theory of motivation, which separated job variables into two groups: hygiene factors and motivators. They made use of a sample of 692 subjects to test the validity of the two factor theory. And it was discovered that at higher occupational level, "motivators" or intrinsic job factors were more valued, while at lower occupational levels "hygiene factors" or extrinsic job factors were more valued. From this work they concluded that an organization that satisfies both intrinsic and extrinsic factors of workers get the best out of them. This idea is consistent with interview responses of directorates of the office of HRP of FDRE. Due to the employees are at different category what they value is greatly differ in case of reward.

Nwachukwu (1994) found the productivity of Nigerian workers depend on several factors, among them is employer's failure to provide adequate compensation and the indiscipline of the privileged class that arrogantly displays their wealth, which is very demoralizing to working class and consequently reduced their productivity. Judging from all these empirical research and findings, one may generally conclude that a good remuneration package, which ties financial rewards to individual performance, can be expected to result in higher productivity.

Anantha Raj A. Arokiasamy (2013) conducted a study on the effect of pay, promotion and fringe benefits on the level of job satisfaction among Malaysian private university academic staff. The results of this study show that there is a significant association between pay, promotion and fringe benefits on job satisfaction. Accordingly, as the organizations provide different fringe

benefits, the employees are more attached to their organization and this will increase their retention periods.

In the era of globalization searching the most motivational tool to employees is challenges of human resource professionals. The study conducted by Serena Aktar and Muhammad Kamruzzaman (2011) on employees of commercial Bank of Bangladesh shows as there are factors included in the intrinsic rewards such as recognition, learning opportunity, challenging work, career advancement. Based on result of the study, it is showed that only extrinsic or intrinsic rewards are not sufficient to motivate employee to perform work highly. The commercial bank of Bangladesh keeps both types of rewards for the employees and this boosts their morale and it will increase their employees' performance.

In the basic research journals of Jimma university written by Rijalu et al.(2014) with the title of "effect of rewards on employee motivation" indicates as respondents of the university staff ranked reward components according to their priority. The reward factors reflect the current affairs in terms of employee needs and imply that rewards may use to reinforce and to motivate employees.

Motivating people to enable them reach their maximum productivity is the prominent purpose of reward management. An understanding of motivation is important within reward management and the development of reward strategies for a multitude of reasons. Firstly, it enables organizations to humanize work for employees so that work is inherently more satisfying, the assumption being that organizations have a moral obligation to make work as satisfying and enjoyable as possible. Secondly, an appropriate understanding of motivation allows organizations to make the jobs more satisfying for employees within the company.

Research shows that current employees and job applicants often have a very poor idea of what benefit provision are already in place and the coat or market value of those benefit. According to Kenneth B. (2009) two types of strategies are applied in organizations regarding rewarding their employees. A differentiation human resource strategy is associated with variables rewards, which have the overall goal of spreading out compensation so that high performers are paid more than low performers. But in contrary, a cost reduction strategy is associated with uniform reward and is aimed at providing consistent compensation so that employees are treated the same regardless of different in performance. A related study by Nebiat Nigussie on relationship between reward and nurse work motivation in public hospitals of Addis Ababa identifies as there

is a significant and positive relationship between rewards and nurse's (public servant) work motivation. Accordingly the issue of reward system is no more only for business organization and there is also an issue for public sectors also.

2.5 Conceptual Framework

A conceptual framework refers to the extent a researcher conceptualizes to be the relationship between contextual variables in the study and shows the relationship graphically (Mugenda & Mugenda, 2003). The relationship describes the association between the independent variables and the dependent variables. Based on this, the following conceptual framework is developed. Accordingly, in this study, the independent variables are reward system and the dependent variable is employee motivation.

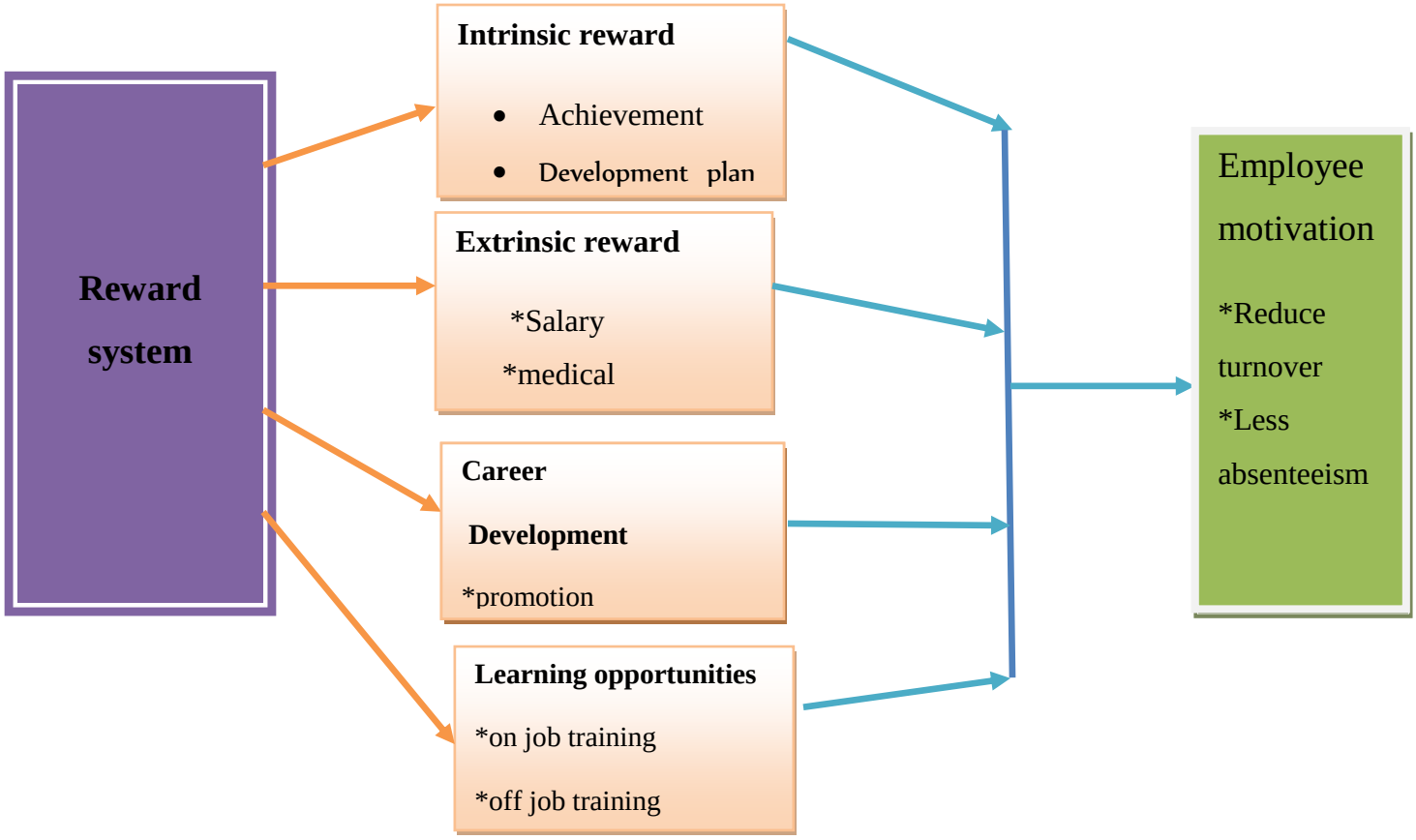


Figure 2.1 Adopted from Mugenda model of the reward system.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter is devoted to research design and methodology of the study which contains population of the study, research approach, the research design, population and sample population, sampling techniques, data sources and types, procedures of data collection, data analysis, Pearson's product moment correlation , reliability analysis and ethical consideration.

3.1 Research Approach

The aim of this research is to examine the role of reward systems on employee motivation and to conclude the results; therefore the researchers would be adopted deductive approach in terms of the relationship between the theory and observed research so as to follow the rationale of progressing from observed research to a theoretical result. This study attempts to test the relationship between the role reward systems and employee's motivation using quantitative data gathered through questionnaire survey from employees and interview conducted with each directorates of the office. Moreover, descriptive statistics (i.e. Pearson correlation model) would be applied to analyze the data and to test the hypothesis. Hence, due to the nature of the subject under investigation, the researcher adopts a mixed method approach predominantly a quantitative approach which makes intensive use of quantitative data gathered using five-point Likert scale.

3.2 Research Design

A descriptive survey involving questionnaire & interview would be the research design adopted for this study. Louis and others (2007) defined descriptive research, is concerned with conditions or relationships that exist; practices that prevail; beliefs, points of views, or attitudes that are held; processes that are going on; effects that are being felt; or trends that are developing. Gay (1992) opined that, descriptive design describes and provides understanding of a phenomenon usually with simple descriptive statistics. At times, descriptive research is concerned with how what is or what exists is related to some preceding event that has influenced or affected a present condition or event. The major instrument used in this investigation was questionnaire and oral interview.

The questionnaire was divided into two sections. Section A and B. Section A dealt on personal data of the respondents while section B dwelt on general questions meant to elicit responses from the respondents on the crux of the matter under investigation.

The interviews would be in an open, lively but focused manner with the intention of acquiring relevant information to enrich the findings of the study. The researcher realized that a lot of information could be derived from interviews that were conducted in an open and focused way. The researcher would try to acquire a wealth of information from all these people which sheds more light on the intricacies of reward practices of office of house of people's representatives of FDRE.

3.3 Population and Samples size of the Study

The total population of employees in office of HPR was 380 employees. The whole list of the total number of employees was obtained from the human resources department (HRD). The target population for this study was all employees of HPR offices. The target respondents are in a good position to give the researcher valuable information on the topic under investigation which is the role of reward systems on employees motivation.

Table 3.1 Population and sample size

No	Directorate	No of employees	Sample employee
1	Human resource development & management directorates.	55	15
2	Research & Capacity building directorates.	3	2
3	Law making initiation, follow-up & supervision directorate	109	29
4	Information communication & public relation directorate	24	6
5	General purpose service provision directorate	118	32
6	Procurement, finance & wealth administration directorate	19	5
7	Information technology & library service directorate	7	2

8	Office of the speakers directorate	6	2
9	Auditing & inspection directorates	6	2
10	Women & youth directorates	3	2
11	Secretariat office	14	4
12	House of speakers office	16	4
	Total	380	105

Source;- Field Survey- 2017.

While determining the sample size, the following formula was taken from Kothari (2004).

$$n = \frac{NZ + se^2 \ X \ (1-p)}{NZ \ + \ Z^2 \ X \ p \ (1-p)}$$

Where; n=sample size

Se=sample error (0.01)

Z=standard value (2.58) for 99% reliability

P=population proportion (0.5 preferred)

N=Total population.

Based on this above formula the sample number was;-

$$n = \frac{380(2.58) + .001^2 \ X \ (1-0.5)}{380(0.01) + 2.58^2 \ X \ 0.5 \ (1-0.5)} = 105$$

3.4 sampling techniques

The sampling techniques employed in this study were stratified and convenience sampling for employees and directorates respectively. According to Orji (2009), sampling is the taking of a portion population so that the sample information/data may be used to estimate the population characteristic or parameters. Stratified sampling permits the researcher to identify sub-groups within a population and create a sample which mirrors these sub-groups by randomly choosing subjects from each stratum. Such sampling is more representative of the population across these sub-groups than a simple random sampling. By taking in to consideration, the numbers of employees in each directorate were stratified into twelve subgroups. Proportional subgroups

were formed by selecting subjects so that the subgroup percentages in the population were reflected in the sample.

Martins and others (1996) stated that sampling involves defining the population, identifying the sample, selecting the sampling method and sample size. As was explained above the applicable target populations in this research study would be 105 in total.

3.5 Data Sources and Type

In the course of carrying out this research, two major source of data collection would be used. They are:

(a**) Primary Data**: These are made up of information that is generated specifically for this research work so as to gain an insight into the research topic. They would be obtained from two sets of questionnaires administered to twelve directorate's employees and interview conducted with twelve directorates that are management bodies of the office.

(b) **Secondary Data**: These were data that are already in existence before the need to conduct this research was conceived, but which were related to the assignments from the researchers, because the knowledge acquired from already existing materials.

According to Hussey and Collis (2007) secondary data, was data collected by the researcher in the field of study which was already available from other sources. Such data were cheaper and more quickly obtainable than the primary data Sekaran (2003). A clear benefit of using secondary data is that much of the background work needed has already been carried out, for example: literature reviews, case studies, published texts, the internet and accredited journals. For the purpose of this research, the researcher uses the strategic plan of the office (2003-2008E.C) the annually offices report and the exit conference suggestion documents of directorates of human resource development.

3.6 Data Collection Procedure

According to Saunders *et al.* (2009), the purpose of a pilot test is to refine the questions on the questionnaire in order to ensure that there is no ambiguity or bias so that the measuring instrument is fine tuned for data collection before administration of the questionnaire to the target respondents. Accordingly, the researcher gave a tentative questionnaire with limited number of questions to 24 respondents (two from each directorate) and studied the authenticity of the data collected to make further changes if required. The pilot study of the questionnaire for this research were determined if the proposed data analysis techniques could expose any potential problems and to authenticate if the research procedure could be realistic, workable for this study, to check the elimination of any ambiguities that may cause statements and instructions that may be confusing in the questionnaire.

With some modification the finalized questionnaire was re-edited carefully. The questioners' distributed to the respondents were two parts namely, Personal data of the respondents and Questions related to role of reward systems on employee motivation by using Likert scale type questions. The researcher delivered questionnaires to the participants using the personal method of data collection. The questionnaires were translated to Amharic language and distributed to employees of the organization. The oral interview questions were also translated to Amharic language and used during the interview conducted with the directorates.

3.7 Analysis of Data

The distributed questionnaires would be collected and counted to ensure that all respondents had answered and completed the questions. The collected data would be analyzed and represented by use of frequency charts, bar graphs, and pie charts to tabulate the information gathered appropriately. The responses to the questionnaires were firstly captured to form a data set and thereafter the responses were analyzed using the latest version of the Statistical Package for Social Science (SPSS) version 20 for Windows.

3.8 Pearson's Product Moment Correlation Coefficient

On this study, Pearson's Product Moment Correlation Coefficient was used to determine the correlation between intrinsic reward and employee motivation, extrinsic reward and employee motivation, career development and employee motivation, learning opportunities. Employee's

motivation had been treated as dependent variable. The interview responses would be analyzed qualitatively.

Tables 3.2 Pearson's correlation coefficient assumption

Based on the Cohen's (1988), the criteria of r value ranging as follows.

No	R values	Strength of correlation	Direction of relationship
1	0	No relation	No relation
2	0.0--0.25	weak	if r value is negative, indirect if not the reverse
3	0.25-0.75	Intermediates	if r value is negative ,indirect if not the reverse
4	0.75- 1.00	Strong	if r value is positive ,direct if
5	1.00	Perfect	Perfect correlation

Source; ***Adopted from Cohen;s mean range,2017***

Reliability analysis was subsequently done using Cronbach's Alpha which measures the internal consistency by establishing if certain item within a scale measures the same construct. Reliability of the questionnaire was evaluated through Cronbach's Alpha which measures the internal consistency. The value of the alpha coefficient ranges from 0 up to 1 and may be used to describe the reliability of factors extracted from dichotomous and or multi-point formatted questionnaires or scales. The reliability of the questionnaires is tested by Cranach's alpha measurement in SPSS of version 20. The result was summarized as below.

Table 3.3 Reliability Statistics

No	**Type of Questionnaires**	**Cranach's Alpha**	**Number of items**
1	Employee motivation	0.83	3
2	Reward manual/ guidelines	0.77	4
3	Criteria for reward system	0.84	5
4	Ongoing reward system	0.7	1
5	Intrinsic reward	0.82	4
6	Extrinsic reward	0.88	4
7	Career & development	0.79	3
8	Learning Opportunities	0.81	3
	Total questionnaire's		27

Source: SPPS results, 2017

As shown in table 3.1 the results of the scales, all appeared to have good internal consistency reliabilities of above 0.70. This indicates that all the constructs had internal consistencies within the recommended range. Moreover, the overall Cronbach's alpha coefficient obtained for the organizational reward system questionnaire was 0.84 for the total 27 items. Owing to the total value being above 0.7, the scale was deemed to be a reliable measure for examining the current sample.

3.10 Ethical Consideration

The researcher complies with ethical procedures to protect the rights of the research participants, involving the principle of voluntary participation which requires that participants did not need to be coerced into participating in this research. According to Sekaran, (2003) all information about participants will be treated with confidentiality and the participants are anonymous (unnamed).

A confidentiality agreement were presented prior to each questioners' were conducted. The researcher has also maintained honesty, integrity, and objectivity throughout the process of this research study. The researcher has acknowledged all previous works that have been include in this research study.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the results of the study based on the empirical analysis of the data collected from the research respondents and discussion of results with respect to previous research findings and literature. In this chapter, both descriptive and inferences on the data analysis and procedures are presented.

One hundred five questionnaires were distributed to the respondents and out of these one hundred two questionnaires of them were collected that accounts for 97.14% response rate. Interview was designed to be conducted with 12 directorates but it was done with 8(67%) of them. Accordingly, the analysis of this study is based on the number of questionnaires collected and interview conducted.

4.2 Background Information of the Respondents

The first part of the questionnaire consists of the general information of the respondents. This part of the questionnaire requested a limited amount of information related to personal and demographic characteristics of respondents.

Table 4.1 Gender composition of respondents

Gender category of respondents					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Male	65	63.7	63.7	63.7
	Female	37	36.3	36.3	100.0
	Total	**103**	**100.0**	**100.0**	

Source: Questionnaire results, 2017

As shown in the table, regarding sex distribution, 65 (63.7%) of total respondents were male and 37(36.3%) were female.

This implies that the proportion of male employees is much larger than that of female employees in the sampled organization office of HPR of FDRE.

Table 4.2 Age Distribution of Respondents

Age category of respondents					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	18-29	20	19.6	19.6	19.6
	30-44	69	67.6	67.6	87.3
	45-54	11	10.8	10.8	98.0
	Above 54	2	2.0	2.0	100.0
	Total	**102**	**100.0**	**100.0**	

Source: Questionnaire results,2017

Analyzing the data obtained from the questionnaire, table 4.2 depicts that, the greater part of the respondent 69 (67%) exist in age category of 30-44 years old, second were 20(19.4 %) within the age category of 18-29 years old. The remaining11 (10.8%) and 2(2%) were found between the age of 44-54 and above 54 years old respectively. This implies the office has young aged employees and if they get proper Human Resource handling approach it could be good asset for the office of HPR of FDRE.

Table 4.3 Educational background of respondents

Educational background of respondents					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Below Diploma	15	14.7	14.7	14.7
	Diploma	45	44.1	44.1	58.8
	First degree	32	31.4	31.4	90.2
	Masters	10	9.8	9.8	100.0
	Total	102	100	100	100

Source: Questionnaire results, 2017

Item number 3 of the table further indicates educational level of the respondents. From the table 15(14.7%) of the respondents were below diploma holders, 45(44.1%) were diploma holders, 32(31.4%) were degree holders and the rest 10 (9.8 %) were above degree. This implies majority

of the employees are diploma holders so it needs the strategy to develop their educational career as a means of a reward system.

This implies that the majority of the employees of office of HPR were professionals that were opportunity to provide efficient service.

4.2.2 Year of service respondents

Table 4.4 service experience of respondents

Service Experience of Respondents					
		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Below three year	41	40.2	40.2	40.2
	4 to 6 years	15	14.7	14.7	54.9
	7 to 10 years	16	15.7	15.7	70.6
	Above 20 years	30	29.4	29.4	100.0
	Total	**102**	**100.0**	**100.0**	

Source: Questionnaire results,2017

Item number 4 of the table indicates years of service of the respondents in the organization. From the table 41(40.2) % of the respondents have served 1-3 years, 15(14.7%) of them have served from 4-6 years. The remaining 16(15.7 %) and 30(29.4%) of respondents have served for 7-9 years and above 10 years respectively.

This implies that majority of the employees were afresh level employees that needs continuous induction and mentoring by employees that have well experience in the office.

4.3 Results of Measures of Central Tendency and Dispersion

This part explains the descriptive statistics calculated on the basis of the variables included in the employee motivation questionnaires. The measures of mean and dispersion for employee motivation (Intrinsic reward, extrinsic reward, Career development and Learning opportunities) and employee motivation obtained from sample respondents. According to Zedatol (2008) mean value is categorized into five ranging from very high level satisfaction to very low level satisfaction.

Table 4.5 Summary of mean range scale

	Range of mean	**Level of strength**
1	1.00-2.50	Very weak
2	2.51 -2.85	Weak
3	2.86 - 3.75	Moderate
4	3.76 - 4.49	High
5	4.50-5.00	Very high

Source; ***Adopted from Zedatol mean range,2017***

Table 4.6 Responses on the employee motivation towards reward systems

No	**Descriptions**	**N**	**S/ Agree**	**Agree**	**Neutral**	**Dis Agree**	**S/ disagree**	**Mean**
1	Thereis low employee turnover in the office.	F		8	30	30	34	2.11
		%		7.8	29.4	29.4	33.3	
2	There is low absenteeism in the office.	F	2	13	32	30	25	2.38
		%	2	12.7	31.4	29.4	24.5	
3	There is willingness of employees to shoulder responsibility.	F	3	16	29	27	27	2.42
		%	2.9	15.7	28.4	26.5	26.5	

Source: Questionnaire results,2017

The above table describes the motivation level of employees towards the reward system of the office manifested in the form of turnover, absentees and willingness. Majority of the respondents that account 34(33.3%) were strongly disagree and 30(29.4%) disagree about turnover reduction. Only 8(7.8%) agree for lower ness of the turnover rate. The mean value also 2.11 indicates as

employee turnover rate is not reduced. Therefore, one can conclude as there were high employee's turnovers in the office of HPR of FDRE.

Item 2, deals with respect to absentee's decreasing rate. Majority of the respondents 25(24.8%) were strongly disagree and 3o (29.4%) disagree about low absenteeism of employees. The data revels that as there is a high absentee in the office of HPR of FDRE.

The willingness of employees to shoulder responsibility is responded strongly disagree by 27(26.5%) and disagreed by 27(26.5%) respondents. The remaining 29(28.4 %) were neutrally responded and the mean is 2.38 that is less than the average value. So, one can generalize or conclude that, there was low willingness of employees to shoulder responsibility in office of HPR of FDRE. Therefore the office of HPR of FDRE creates different strategies of reward in which it would tackle turnover, absentees and unwillingness of employees to shoulder responsibilities.

Table 4.7 Responses on the reward systems guidelines on employee in HPR

No	Descriptions/ components	N	S/ Agree	Agree	Neutral	Dis Agree	S/dis Agree	Mean
1	The criteria for reward systems are prepared &updated.	F	3	23	22	37	17	2.30
		%	3.9	22.5	22.5	36.3	16.7	
2	The management gives due attention for reward management practice.	F	3	15	13	52	19	2.32
		%	2.9	14.7	12.7	51	18.6	
3	Employees are allowed to participate in reward systems guideline making process.	F	10	17	20	23	32	2.51
		%	9.8	16.7	19.6	22.5	31.4	
4	The management and	F	9	17	15	38	23	2.52

	employees hold post-reward meetings on reward results.	%	8.9	16.7	14.7	37.3	22.5	

Source: Questionnaire results, 2017

Table 4.7 deals with the views of the respondents as the reward systems guidelines on employee motivation in HPR. Item 1 deals with preparation & updating the guidelines for reward systems. Regarding this, significant portion of the respondents that was 37 (36.3%) have disagree and 17(16.7%) strongly disagree that the guidelines for reward systems are prepared and updated. 22(21.6%) respondents had neutral opinions to this statement and the rest 26(25.4%) respondents have either agreed or strongly agreed to the guidelines for reward systems preparation and updating respectively. The mean value is 2.30 which show the updating reward guidelines were very weak.

The majority respondent's response indicates as the office lacks updated reward system guidelines. According to Kreitner & Kinicki, (2007 management has to may propose appropriate reward criteria in order to improve organizational performance through its employee. A good rewards system should also be in place in order to foster personal growth and development.

Item 2 elicits as the management gives due attention for reward management practice. 19(18.6%) of the respondents strongly disagree and 52(51%) disagree to management gives due attention for reward management practice. Whereas 13(12.7%) were neutral, 15 (14.7%) of respondents agree and 3 (2.9%) strongly agree as the management gives due attention for reward management practice. The mean value is 2.32. This mean value indicate the level of management attention for reward practice was very weak.

Table 4.7 of item 3 states that about the employee's opportunities to participate in reward systems guideline making process. 56(53.9%) of the respondents have strongly disagreed as their participation in reward systems guideline making process. Only 27(26.5%) of the respondents agreed as to they participate in reward system guideline making process of the office. The mean for employee participation in reward decision making process was 2.51 which show there is weak level of employee participation. From this, one can see that as employees hardly participate in reward guideline making process of the office.

As depicted in Table 4.7, item 4 indicates none of the respondents strongly agreed, and only 26(25.5%) agreed with the statement of holding post-reward meetings of management with employee's reward results. However, the majority of respondents that accounts for 61(59.8%) have either strongly disagreed or disagreed with the statement of holding post-reward meetings with employee's reward results whereas the rest 15(14.70%) respondents were neutral with the statement of holding post-reward meetings. The mean for holding post-reward meeting among management and employee was 2.52 which shows it is at weak level attachment.

This figure reveals that there was a gap of holding meetings of post-rewards in the office of HPR. It would be, therefore, realized that most employees were deprived of feedback about their past weakness and strength. They had no opportunity to discuss with their directorates and comment on how their performance was evaluated for the reward. They had no opportunity to identify the aspects of their performance on which their work was based.

Therefore, it could be concluded that office of HPR of FDRE has been working with the reward system which is not clearly defined, specified and communicated to employees, and this might have ultimately effects on employee motivation. Members of the organization should be involved in the definition of guiding principles, which can then be communicated to everyone to increase understanding of what underpins reward policies and practices. However, employees will suspend their judgment of the principles until they experience how they are applied. What matters to them is not the philosophies themselves but the pay practices emanating from them and the messages about the employment 'deal' that they get as a consequence. It is the reality that is important, not the rhetoric. (Armstrong M.2006).

Table 4.8 Objectives & criteria set for reward system of office of HPR

No	Description/ **components**	N	S/ Agree	Agree	Neutral	Dis Agree	S/ disagree	Mean
1	A reward practice exists in the office.	F	2	23	7	54	16	2.42
		%	2	22.5	6.9	52.9	15.7	
2	The rewards include both financial &non-financial	F	6	20	11	51	14	2.53
		%	5.9	19.6	10.8	50	13.7	
3	Employees are satisfied with criteria of reward systems.	F	8	21	10	35	28	2.47
		%	7.8	20.6	9.8	34.3	27.5	
4	The reward system considers all employees.	F	9	10	10	50	23	2.33
		%	8.8	9.8	9.8	49	22.5	

Source: Questionnaire results, 2017

Table 4.8 of item 1 depicts the opinions of the respondents regarding the existence of reward practice in the office of HPR the majority, 54(52.9%) respondents have disagree & 16 disagree (15.7%) of the respondents strongly disagree for the existence of reward practice. Only respondents that account for 23(22.5%) have agree to the statement. The mean for the existence of reward practice in the office is 2.42. This data shows as employees reward practice in the office were at level of weak strength.

Therefore, one can conclude based on employees‟ response, as employees are not rewarded based on well documents of reward manuals and leads to lack of motivation on their duties. Shortage of written and agreed statements creates inconsistency among directorates and employees and damage organizational relationship that affects employee motivation.

Item 2 reveals about the inclusion of both financial and non-financial rewards in the reward system of the organization. Majority of the respondents that accounts 51(50%) have disagree and 14(13.7%) of the respondents also strongly disagree for the reward system as it includes financial & non- financial rewards. In opposite 20 (19.6%) of the respondents have agree as the rewards include both financial and non-financial rewards. Some of the respondents that account for

11(10.8%) respondents became neutral, and the mean for the item was 2.54. This shows the ongoing reward practice did not incorporate both financial and non-financial rewards that may have impact on employee motivation. There for the office of HPR needs to incorporate more financial and non-finical forms of reward components to enhance the employee's motivation.

Armstrong (2007) states money as a motivator because it satisfies a lot of needs that is indispensable for life such as to satisfy basic needs of survival and security. Higher needs such as self-esteem can also be satisfied by it. In other words, money is a symbol of many intangible goals what makes it a powerful motivating factor. But Rynes, Gerhart and Minette (2004) in their study on the importance of pay in employee motivation found that money is not a motivator for every person and not in every circumstance. From this analysis the office of HPR of FDRE needs to adjust as the reward system to incorporate both finical and non-financial rewards in its reward system to motivate its employee.

Concerning Item 3 which refers to whether the employees are satisfied with criteria listed in employee's reward systems or not. 28(27.5%) the respondents have strongly disagreed and 35(34.3%) were disagree in the criteria listed for employees reward system of the office of HPR of FDRE. 21(20.6%) of the respondents have agreed and 8 (7.8%) strongly agree for the listed criteria. The mean for the satisfaction of criteria is 2.47. According to the respondents the current performance criteria haven't been compatible to significant degree. It would be, therefore, possible to conclude that employee reward systems in office of HPR of FDRE has been evaluated with inappropriate criteria, which respondents perceived to be considerably not adequate to accomplish their tasks.

According to Smit and Cronje (2003:196), employee performance management is a process for establishing a shared workforce understanding about what is to be achieved at an organization level. It is about aligning the organizational objectives with the employees' agreed measures or targets, skills, competency requirements, development plans and the delivery of results (Steers, 2002:132).Such incompatibility reduces employee motivation that finally leads to employee turnover. This implies that the human resource planning process facilitator office would be expected to create awareness and clarification to minimize the gap and to raise interest on human resource planning practices.

Item 4th deals with the case of "The reward system considers all employees and the organization. 23(22.5%) of the respondents have strongly disagree and 50(49%) of the respondents were disagree to the statement. In contrary 10(9.8%) of employees agree and 9(8.8%) of the respondents strongly agree as the reward system considers all employees of the organization. 10(9.8%) of respondents were neutral. The mean for the reward system considers all employees of the organization are 2.53 which indicate the strength is moderate.

According to Crow and Hartman (2007:34), managers improve work performance with goal setting, monitoring and evaluating, providing feedback and coaching and continuously rewarding employees. The principle of management is doing thing though others even in such complex human behavior and global competition. Therefore the management of office of HPR of FDRE needs to create its reward systems as it can include all employees while to achieve its strategic goals.

Table 4.9 The extent of ongoing reward system motivates employee

	Frequencies	Percent	Valid percent	cumulative
Strongly agree	27	26.5	26.5	26.5
Agree	35	34.3	34.3	60.8
Neutral	18	17.6	17.6	78.4
Disagree	16	15.7	15.7	94.1
Strongly disagree	6	5.9	5.9	100
Total	102	100	100	
	Mean	2.40		

Source: Questionnaire results,2017

The above table deals with the extent of ongoing reward system motivation. 22(21.6%) of the respondents agreed whereas 62(60.8%) of the respondents have strongly disagreed or disagree. The remaining 18(17.6%) were neutral. The mean score is 2.40 that shows the respondents are disagree about the organization rewards motivates employee. From the above data of the respondents, it would be, therefore, possible to conclude that employee reward systems in office of HPR of FDRE has been evaluated with inappropriate criteria, which respondents perceived to be considerably not adequate to accomplish the tasks of employees.

Table 4.10 Intrinsic Reward as employee motivation

No	Description/ components	N	S/ Agree	Agree	Neutral	Dis Agree	S/dis agree	Mean
1	Organization work is enjoyable &stimulating.	F	4	21	13	39	25	2.41
		%	3.9	20.6	12.7	38.2	24.5	
2	I feel that my work is valuable to the office.	F	13	25	11	34	19	2.69
		%	12.7	24.5	10.8	33.3	18.6	
3	My present job makes good use of my skills and abilities.	F	8	20	13	40	21	2.54
		%	7.8	19.6	12.7	39.2	20.6	
4	Employees are autonomous in their duties.	F	4	24	15	33	26	2.48
		%	3.9	23.5	14.7	32.4	25.5	

Source data: Questionnaire results,2017

As the data reveals in Table 4.9, for Item 1, which seeks answer to whether their work is enjoyable and stimulating the employees. 25(24.5%) respondents have strongly disagree and 39(38.2%) disagree as the work is enjoyable. 4(3.9%) respondents have strongly agree and 21(20.6%) agree as their work is enjoyable and stimulating them. The remaining, 13(12.7%) respondents were neutral. The mean were 2.41. The data indicate as the motivation level is weak for their works enjoy ability.

Regarding the feeling of the work valuableness to the office 13(12.7%) of the respondents have strongly agree and 25(24.5%) were agree to the statement of their duty or work is valuable to the office of HPR of FDRE. However, the majority of the respondents that account for 34(33.3%) respondents have disagree and 19(18.6%) of the respondents were strongly disagree. The rest 11(10.8%) respondents have a neutral opinion to the statement. The mean was 2.69 that indicate as employees work value ability to their office is at weak level with their motivation. This indicates the employee's lacks satisfaction from their job content that highly affects their motivation.

Concerning Item 3, “My present job makes good use of my skills and abilities” respondents that accounts 21(20.6%) strongly disagree and 40(39.2%) disagree respectively while 8(7.8%) of the respondents strongly agree. The remaining 13(12.7%) of respondents were neutral. The mean and standard deviation was 2.54 that imply the employees are not at the level of satisfaction from their work and feel discomfort.

Therefore the office of HPR of FDRE creates options in which employees get satisfaction from work they perform. According to Ilham, 2009), jobs or some features of the job represents the extent to which expectations are match the real awards. The increasing-concern of most employees in many organizations nowadays is the fairness at work, which is known also as the organizational justice cited by Warokka et al., (2012). The issue of fairness is critical to reward administration and most every phase of labor management. Employees will act to restore equity if they perceive an imbalance.

Item 4 states the employees’ autonomous responsibility regarding their work scope. 24(23.5%) agree and 4(3.9%) strongly agree about their autonomous. In contrary 33(32.4%) and 26(25.5%) of the respondents disagreed and strongly disagreed of their autonomous in their work scope, respectively and some of employees that accounts to 19(18.6%) were neutral. The mean of employees work autonomous and responsibility is 2.48 that shows as respondents are at moderately level satisfaction in their autonomous of work scope. Here the data shows as the office needs to enhance employees autonomous in their work scope to make more motivation.

According to (Coon&Mitterer,2010) employees are intrinsically influenced by job satisfaction, achieving and exceeding targets, cohesive team work, challenging tasks and need to have control and freedom over assigned duties and responsibilities.

Table 4.11 Extrinsic Reward as employee motivation

No	Components	N	S/ agree	Agree	Neutral	Dis Agree	S/Dis agree	Mean
1	The office allowances and fringe benefits are adequately satisfactory.	**F**	7	8	12	42	33	2.15
		%	6.9	7.8	11.8	40.2	32.4	
2	I can earn as similar of other public employees who work in similar position.	**F**	3	7	4	61	27	2.00
		%	2.9	6.9	3.9	59.8	26.5	
3	The work environment conduciveness.	**F**	11	33	7	39	12	2.92
		%	10.8	32.4	6.9	38.2	11.8	
4	The office provides pay increase timely based on market analysis	**F**	2	4	5	40	41	1.98
		%	2	3.9	4.9	39.2	40.2	

Source: Questionnaire results, 2017

Item 1 deals with the allowances & fringe benefits adequacy from organization to employees. 42(40.2%) of the respondents disagree and 33(32.4%) strongly disagree as to the adequacy of allowance. Whereas 15(14.7%) of employees agree to the adequacy of allowance provided compared from other organization. The remaining 12(11.8%) employees response were neutral. The mean and standard deviation of the adequacy of allowance was 2.15. The above data & mean value shows that the allowance & benefit provided by the office is at weak level to motivate employees. Extrinsic rewards on staff retention will provide an outstanding perspective on how management can implement a winning combination of extrinsic and intrinsic factors that will increase job satisfaction, productivity and reduce staff turnover.

Item 2 of table 4.10 reveals about eared wages comparison with other public organization. The respondents that account 27(26.5%) were strongly disagree and 61(59.8%) were disagree of

better earning of wages when compared with other public organization. Only 7(6.9%) of employees agree as they earn better wage when compared with other public organization. The mean of degree of comparison of wage earning was 2.00. The overall data shows as the level satisfaction for the better-ness of wage provision of the organization.

Item 3 of table 4.10 reveals about the work environment conduciveness for employees. From the total respondents, 39(38.2%) disagree and strongly disagree about their work environment conduciveness. The employee's that accounts 33(32.4%) and 11(10.8%) strongly agree and agree about the work environment conduciveness respectively. The mean for the work area conducive was 2.92. The above data and the mean shows that the level of employee motivation with respect to work area conduciveness is moderate. This implies making the work area of the organization conducive will increase the employee's motivation.

Item 4 deals with timely pay increase based on market analysis of the office. The respondents that accounts 41(40.2%) strongly disagree and 40(39.2%) disagree about timely pay increase based on market analysis. Only 16(15.7%) of respondents agreed as the office conducts timely pay increase based on market analysis. The mean of timely pay increase based on market analysis was 1.98.This data and the mean value indicates there is weak level of strength with employee motivation. So, office of HPR of FDRE expected to fix its employee's wage on market analysis to motivate them.

According to Maccoby (2010) be on the mere fact that the managers should coach their employees and listen to their ideas. In doing so, the overall motivation among these employees will increase. Empirical reviews of Meudell and Rodham(1988) have revealed that extrinsic factors like competitive salary, job security, interpersonal relations and conducive environment were cited by employees as key motivational variables that influenced their retention in the organizations. The desire for money, fame, and attention or the wish to avoid punishment is every individual wish and behavior is skewed towards this direction.

Table 4.12 Career Development on Employee Motivation

No	Description	N	S/ agree	Agree	Neutral	Dis Agree	S/dis agree	Mean
1	Chance of promotion within the organization.	F	15	13	23	42	19	2.44
		%	4.9	12.7	22.5	41.2	18.6	
2	Opportunities for Succession planning of the office.	F	6	10	24	30	32	2.29
		%	5.9	9.8	23.5	29.4	31.4	
3	Having Opportunities for career growth.	F	7	5	20	34	36	2.15
		%	6.9	4.9	19.6	33.3	35.3	

Source: Questionnaire results, 2017

Table 4.11 describes about the career development's role on employee motivation. Concerning the existence of promotion within the organization, the majority of employees, 42(41.2%) of employees disagree and 19(18.6%) of respondents strongly disagree for the existence of employees promotion within the organization. But 13(12.7%) of the respondents agree and 5(4.9%) of the respondents strongly agree to the existence of promotion within the organization. 23(22.5%) of the respondents were neutral about the promotions within the organization. The mean was 2.44 that show the level of its strength being moderate as a motivation for the existence of promotion within the office of HPR of FDRE. This implies in the office of HPR of FDRE the opportunity of employees to promote in their organization is below of the employee's expectation &hammers employees work motivation and leads to search for other options that lead to turnover.

In Item 2, opportunities for succession planning of the office of HPR of FDRE was revealed. Accordingly, 32(31.4%) and 30(29.4%) of respondents strongly disagree and disagree of having opportunities for succession planning of the office, respectively. But insignificant number of employees that accounts 16(15.7%) of the respondents agree of having opportunities for succession planning of the office, and the remaining 24(23.5%) of the respondents were neutral to having opportunities for succession planning of the office. Finally, the mean & standard deviation for having opportunities for succession planning of the office of HPR of FDRE was

2.29. The mean value shows the level of the strength is weak to motivate the employees. Therefore, most employees of the organization feel that the organization is not create opportunities of succession for its employees that could directly affect employee's motivation.

Concerning having opportunities for career growth in HPR office (Item 3), respondents responded it differently. Minority of the respondents that accounts 7(6.9%) and 5(4.9%) agree and strongly agree of having opportunities for career growth in the office, respectively. In contrary, significant number of employees that accounts to 34(33.3%) and 36(35.3%) of the respondents disagree and strongly disagree of having opportunities for career growth in HPR office of FDRE respectively. The mean of having career opportunities was 2.15. This mean value shows as the level of low strength for the employee's motivation. The overall data from respondent's shows, as most employees of the organization lacks career opportunities in office of HPR of FDRE that affects employee motivation.

Psychologist Deci, (1975) demonstrated how external consequences influences intrinsic motivation, the theory focused on how competence and autonomy is influenced by external behavior. Management can positively enhance events like issuing an award for a job well done, certificates of performance so that intrinsic factors are improved. Similarly actions perceived to diminish intrinsic motivation should be shunned in an organization Deci & Ryan (1985).

Career development is a dynamic concept that covers the formal development of an employee within an organization by providing long term strategy. It's a growing concern for undertaking need analysis in terms of (career growth and awareness) coaching, training and mentorship for leadership (Kelly, 2012).

Table 4.13 Learning opportunities on Employee Motivation

No	Descriptions	N	S/ Agree	Agree	Neutral	Dis Agree	S/Dis agree	Mean
1	The office provide Scholarships for employees	F	2	17	24	36	23	2.40
		%	2	16.7	23.5	35.3	22.5	
2	Existence of in house training &development.	F	23	37	10	18	14	3.36
		%	22.5	36.3	9.8	17.6	13.7	
3	Timely seminars/ conferences to update employee	F	13	25	8	22	34	2.61
		%	12.7	24.5	7.8	21.6	33.3	

Source: Questionnaire results,2017

Table 4.12 reveals learning opportunities offered to motivate employees. Item 1 of the table refers to the provision of scholarships for employees. Accordingly, 23(22.5%) of employees strongly disagree and 36(35.3%) disagree to the scholarship provision for employees and in contrary 17(16.7%) of respondents strongly agree for the provision of scholarships for employees. 24(23.5%) of the respondents were neutral to provision of scholarships for employees. The mean was 2.40. The above data and mean value prevail that the level of strength of learning opportunities offered as a reward is weak for employees. Therefore, the office of HPR of FDRE is expected to provide scholarship chances in office of HPR of FDRE to motivate its employee's.

Concerning item 2, for the existence of in-house training and development, majority of the employees that account 23(22.6%) and 37(36.3%) strongly agree and agree for the existence of in-house training and development, respectively. In contrary 14(13.7%) and 18(17.6%) of the respondents strongly disagree and disagree for the existence of in-house training and development, respectively. The mean for the existence of in-house training and development was 3.36. The mean value indicates as there is strong level of strength between in house training and employee motivation. Therefore, it can be generalized as in- house training and development

practice of office of HPR of FDRE is better than other learning opportunities in the organizations.

Concerning the offering of timely seminars/ conferences to update employee knowledge (Item 3), 13(12.7%) of the respondents strongly agree and 25(24.5%) agree for offering of timely seminars/ conferences to update employee knowledge. In contrary, 34(33.3%) and 22(21.6%) of the respondents strongly disagree and disagree to offering of timely seminars/ conferences to update employee knowledge. Insignificant numbers of employees that account 8(7.8%) were neutral. The mean of the data is 2.61. This mean value shows the level of strength between offering of timely seminars and employee motivation being at moderate level. This implies the office of HPR of FDRE needs to update its employee in short training, through mentors and on job trainings' to tackle skill and knowledge obsolesces.

4.4 Inferential stat ices analysis

4.4.1Correlation analysis of reward systems with employee motivation

Table 4.14 Correlation analysis of reward systems with employee motivation

		employee motivation
Intrinsic reward	Pearson Correlation	.936**
	Sig. (2-tailed)	.000
	N	102
Extrinsic reward	Pearson Correlation	.826
	Sig. (2-tailed)	.00o
	N	102
Learning opportunities	Pearson Correlation	.976
	Sig. (2-tailed)	.000
	N	102
Car. development	Pearson Correlation	.909
	Sig. (2-tailed)	0.000
	N	102

Source: SPSS results,2017

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

From the above correlation table one can observe the correlation between intrinsic reward systems with employee motivation is r =0.936 that is at the range of r=greater than o.75 in magnitude. The data revels that as there is positive and strong relationship between intrinsic rewards of and employee motivation which is 93.6%. The proper implementation and application of those dimensions of intrinsic rewards can have a significant and strongest role on employee's motivation in office of HPR of FDRE. When intrinsic rewards are accessed the motivation of employees increased and vice versa.

As shown above table 4.13 the results which are drawn from correlation matrix show that the independent variable i.e. intrinsic reward system is positively related with dependent variable i.e. employee motivation.

From the above correlation table one can observe the correlation between extrinsic reward systems with employee motivation is r =0.826 that is at the range of r=greater than o.75 in magnitude. The data revels that as there is positive and strong relationship between intrinsic rewards of and employee motivation which is 82.6%. The proper implementation and application of those dimensions of extrinsic rewards can have a significant and strongest role on employee's motivation in office of HPR of FDRE. When extrinsic rewards are accessed the motivation of employees increased and vice versa.

As shown above table 4.13 the results which are drawn from correlation matrix show that the independent variable i.e. extrinsic reward system is positively related with dependent variable i.e. employee motivation.

This indicates as the extrinsic rewards became insufficient the employee's motivation declines and in contrary as reward offered by office of HPR of FDRE improved the employees motivation could enhance. Empirical studies (Kinnear & Sutherland, 2001 have revealed that components of extrinsic factors such as competitive salary, were reported by employees as key motivational variables.

As shown above table 4.13the results which are drawn from correlation matrix show that the independent variable i.e. organizational learning opportunities is positively related with dependent variable i.e. employee motivation.

From the above correlation table one can observe the correlation between organizational **l**earning opportunities systems with employee motivation is r =0.976 that is at the range of r=greater than 0.75 in magnitude. The data revels that as there is positive and strong relationship between organizational learning opportunities of and employee motivation which is 97.6%. The proper implementation and application of those dimensions of organizational learning opportunities can have a significant and strongest role on employee's motivation in office of HPR of FDRE. When organizational learning opportunities are accessed the motivation of employees increased and vice versa.

As shown above table 4.13the results which are drawn from correlation matrix show that the independent variable i.e. organizational career development is positively related with dependent variable i.e. employee motivation.

From the above correlation table one can observe the correlation between organizational career development with employee motivation is r =0.909 that is at the range of r=greater than o.75 in magnitude. The data revels that as there is positive and strong relationship between intrinsic rewards of and employee motivation which is 90.9%. The proper implementation and application of those dimensions of organizational career development can have a significant and strongest role on employee's motivation in office of HPR of FDRE. When organizational career developments are accessed the motivation of employees increased and vice versa. Here the data prevails that as the career development reward system are convenient the employee's motivation also increased in the office of HPR of FDRE and when the career development rewards are igred by the management the employee decline as a consequence.

4.4.2 Hypothesis testing of the reward systems

The stated hypothesis are four;-

H1: There is strong relationship between intrinsic reward system and employee motivation.

Here this hypothesis is accepted, because there is a strong positive relationship found between the intrinsic reward system and the employee's motivation according to Pearson correlation value of r=0.826.That is when the employee's intrinsic reward system decrease through the work enjoy ability, lack of feeling of work valuable to the office, lack in autonomous for responsibility, motivation of employees also decrease.

H2: There is strong relationship between extrinsic reward system and employee motivation.

Here this hypothesis is accepted, because there is a positive relationship found between the extrinsic reward and the employee's motivation. As the extrinsic reward system decrease, employee motivation also decreases. That is when employees are dissatisfied with organization allowance & benefit, dissatisfy with their wage, discomfort with work environment and lack pay increase their motivation also decrease. This indicates as the extrinsic rewards became insufficient the employee's motivation declines and in contrary as reward offered by office of HPR of FDRE improved the employees motivation could enhance. Empirical studies (Kinnear &

Sutherland, 2001 have revealed that components of extrinsic factors such as competitive salary, were reported by employees as key motivational variables.

H3: There is strong relationship between organizational learning opportunities and employee motivation.

Here this hypothesis is accepted, because there is a positive relationship found between the organizational learning opportunities and the employee's motivation. As the organizational learning opportunities increases, the employee motivation also increases. The correlation between organizational learning opportunities and employee motivation is 0.960 which shows the positive & strong relationship between the two variables. Learning opportunities rewards such as scholarship, on job training and timely seminar or conferences rewards an employee at 95% confidence interval.

H4: There is strong relationship between career development rewards and employee motivation.

Here this hypothesis is accepted, because there is a positive relationship found between the career development rewards and the employee's motivation. As the career development rewards opportunities increases, the employee motivation also increases. That is when employees get chances of promotion within the organization, having opportunities for succession planning of the office, having opportunities for career growth their motivation increases and in opposite when they lack this career development their motivation would declines.

Table 4.15 Summary of hypothesis results

Hypothesis		Result
H1	There is strong relationship between intrinsic rewards and employee motivation.	Strongly accepted
H2	There is strong relationship between extrinsic rewards and employee motivation.	Strongly accepted
H3	There is strong relationship between learning opportunities and employee motivation.	Strongly accepted
H4	There is strong relationship between organizational career development and employee motivation.	Strongly accepted

Source: Spss Data analysis,2017

The above table 4:14 shows as stated hypothesis are supported. This shows all type of reward system are strong relationship with employee motivation.

4.4.3 Regression analysis of reward systems on employee motivation

Table 4.16 Regression analysis of reward systems on employee motivation

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982[a]	.965	.963	.24967

a. Predictors: (Constant), learn, extrinsic, intrinsic, career

Source;Spss Data analysis,2017

In regression analysis if significance level is less than 0.05 than the independent variable has significant relationship with dependent variable. According to the study results there exists highly significant relationship between the above two variables. R square value is .965 that indicate our dependent variable is 96.5 % determined by independent variable that are the based on the role of reward systems other office, while 4.5 % effect is because of other variable that are not included in our study.

The variation of R square (.965) and Adjusted R square (.963) is (0.2%) implies that there is insignificant change which in turn tell us that the results can be generalized beyond the sample, i.e., to the population. The most widely accepted rule of thumb, proposed by Cohen (1988): Effect sizes of d < 0.20 are interpreted as insignificant; values of d between 0.20 and 0.50 are interpreted as small effects; values of d between 0.50 and 0.80 are interpreted as medium effects; and values of d larger than 0.80 are interpreted as large effects. In other words, the model summary reveals that at 96.5% of the study's population level, in general the role of reward systems towards the employee motivation can be taken as true.

Table 4.17 Regression coefficient matrix

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	164.777	4	41.194	660.836	.000[b]
	Residual	6.047	97	.062		
	Total	170.824	101			

a. Dependent Variable: employee motivation

b. Predictors: (Constant), learn opportunities, extrinsic reward, intrinsic reward, career development

Source: S p s s Data analysis,2017

In Table 4.20 the value of F is 660.836 which indicate that our model is accepted and highly significant. So the above results shows that reward system expressed in the form of intrinsic, extrinsic, learning opportunities and career development have a positive relationship to employee motivation. Our finding also tells us the roles of rewards are more useful to increase the employee's motivation.

The above table revealed the Sig (ANOVA) and it is the significance of the model. .000 means we reached significance and can accept hypothesis that states there is strong relationship between reward system such as intrinsic reward, extrinsic reward, learning opportunities and career development and employee motivation.

Table 4.18 summary of regression analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.212	.057		3.693	.000
	intrinsic	.378	.065	.367	5.797	.000
	extrinsic	.066	.060	.060	1.111	.269
	career	.238	.092	.226	2.593	.011
	Learn	.819	.056	.898	14.509	.000

a. Dependent Variable: employee motivation

Source: Spss Data analysis, 2017

As shown in the multiple regression table, the coefficients of the regression for intrinsic reward (0.378,p<0.01), extrinsic rewards (0.066, p<0.05), career development (0.238, p < 0.01), and learning opportunities(p<0.896. P<0.05) are significant and do in fact influence employee motivation. It can be inferred from the regression analysis that the most influential factors of employee motivate are learning opportunities and intrinsic rewards which pertains to dimensions such as autonomous in their responsibility and use of own skills.

The data prevail that from the above regression equation it was found intrinsic rewards, extrinsic rewards, learning and career opportunities holding to be a constant zero, employee motivation will be 0. 212.

According to Were, Susan (2014) stated formula;-

Y=0.212 + 0.378 x1+0.066 x2 +0.238 x3+0.819 x4.

Where ,

X1=intrinsic reward, X2= Extrinsic reward,

X3=Learning and development, X4=Career opportunities, are variables of reward systems and

Y = employee motivation

This is interpreted as a one unit increase in intrinsic reward in HPR of FDRE increases employees motivation by o. 378 unit, a one unit increase in extrinsic reward provision in office of HPR of FDRE will increases employees motivation by 0.066 unit and a unit increase in opportunities for organizational learning will increase employee motivation by 0.238 and increase in career advancement by one unit will increase employee motivation by 0.819 units.

Overall the role of reward systems in the office of HPR of FDRE had a great role on employee motivation to tackle the current office problems that is manifested by high employee turnover, absentees and employees unwilling -ness to take responsibility.

4.6 Analysis of the interviews

In addition to the questionnaire, each directorate's director opinions were gathered through ten open ended interviews questions. The questions for the interviews were mostly adapted from the topics covered in the theory part of this thesis. The aim of this interview was to gather data about the role of reward systems on employee motivations with their specific directorate might confront when handling questions about rewards to motivate the employees.

The main points of the interviewee's opinions are presented below;

Does your Organization/HPR have Reward Management System?

The interview result of majority of the directorate 6(75%) shows as the office did not have clearly defined (blue print) manuals of a reward system. In special occurrence based on top management decision there were two times recognition ceremony of the employees of long years' service recognition and few best performers in the budget year.

According to the ongoing case of the reward system of the office of HPR of FDRE the provided types and number of rewards are not sufficient. Due to the incompatibility of what the office provides and what employee's expectations the office was suffers with employee turnover and absentees. Its management system is not strategically linked with organization plans according to their response. According to some studies organizations have to found their reward systems on mutual based facts. Armstrong et al. (2010) blamed organizations base their reward and human resource practices on weak data, on beliefs of general truths instead of hard facts and they raised series of questions what organizations should ask them regarding their current reward practices.

Are the ongoing rewards motivates the employees? Why or why not?

As the response of 5 (62.5%) of directorate's the ongoing reward system is insignificant when compared to the organizational mandates and duties. It is a system lacks analysis of the human power needs of the office. 3(37.5%) interviewees stated it is a system of e reward that lacks to attract new energetic employees and fails to retain the existing professional experts.

The inappropriate application of reward systems demotivate other employees and may distort the whole employee organizational relationship. The other side if there is appropriate rewards systems in the organization it creates good reputation for the office and creates stability for the workforce, decreases absentees and employee turnover.

Pilbeam and Corbridge (2006) reckons that a diverse workforce has diverse benefit needs. Flexible benefits provide an opportunity to respond to this diversity in the workforce and to increase the potency of the benefits offer within the total reward value proposition while checking on cost.

Do the employees perceive intangible (non-financial) and tangible (financial) rewards equally important?

The degree of their preference is directly related to their economic and status level. According to the response of 5 (62.5%) directorates non- professionals and economically law salary employees prefer in priority financial rewards or material rewards more than non-financial ones such as recognition. The middle level salary employees that are mostly professionals' gives priority for non- financials with addition of the second reward systems. 2(25%) of directorates before reward system implementation on employees behavioral change is necessary to make an employee as they value what the office offer in the form reward. Non- financial rewards are long lasting effect and they perceive as employees prefer such rewards. The third category of directorates that account to 3(37.5%) view the two types of the rewards are necessary for the employees as they are resources of the office to achieve the over organizational achievement.

Should the employees have an opportunity to influence on the decision making process of the reward system?

All the directorates 8(100%) states that as there is no participation of employees in reward decision making process. All the directorates evoked that in no way the employees have got the

chance of influencing the decision making process from the experiences of the office. The employees were passive for reward cases in the office of HPR of FDRE.

What are the challenges of a manager when developing a reward system?

According to majority of the directorates 6(75%) response in the existing situation they are not empowered to develop their own directorates reward system. What is expected to them is to manage that are offered by the office. But the challenge occurred at the time of what the office offer and what the employees expect mismatch a lot.

Additionally, rewards are multidimensional in their nature. Therefore based on analysis of internal and external condition an appropriate type of rewarding is necessary to motivate employees. The other challenging case for directorates according to this interview was the diversity of human interest. There is no simple way to motivate all employees at the same time. Identifying what motivates an employee and balancing the mismatch of organizational goal and individual goal was great challenge in which directorate's are examined. Especially when rewards are not linked to individual's performance and designed & decided by top management it is difficult for managers to lead it.

The challenges indicated by 3(37.5%) of the directorates regarding the reward system of the office were lack of clearly demarcated guideline of the reward manuals, poor record keeping of the process owners and performance rating inflation are some of the challenges that rude the credibility of reward systems. The others that account to 4(50%) states the challenge is out of the scope of the office since economic development of a country is decisive for budget generation.

What is the significance of rewarding employees?

According to majority of the directorate's interview 7(87.5%) there are mainly two significances –from employee side and organizational side. When employees are rewarded based on their performance they fill confident, psychological moral satisfaction, economically comfortable to continue with their face and energized for future commitment. According to the concepts of conventional view when a manager's plan for strategy implementation he/her should incorporate more positive than negative motivational elements because when co-operation is positively enlisted and rewarded, people tend to respond with more enthusiasm and effort (Sampson, 1973). To get employees retained, management must rely on motivation incentives as a tool for

implementing strategy, the greater will be the employees‟ commitment, performance and higher retention.

From organizational side reward also creates to have stable workforce to meet its customer's deadlines, creates good organizational reputation, conducive work atmosphere and keep the organization at better position firm its competitive firms. Updating and revising anything is emanated from the push and pull factors of the environment. The interview result of majority of the directorate shows the office did not have clearly defined (blue print) manuals of a reward system.

The absence of reward systems in organization buried the potential or creativity of employees. In such cases what the office loses was the advantages of productivity. According to majority of the directorates interview the inappropriate application of reward systems demotivate other employees and may distort the whole employee organizational relationship. The other side if there is appropriate rewards systems in the organization it creates good reputation for the office and creates stability for the workforce, decreases absentees and employee turnover.

Could the reward systems be improved or developed further? How?

According to 5(62.5%) of the interviewer's response there are certain facts that shows as it is on the way to improve the reward systems. The past for year's trend shows in the office of HPR of FDRE the reward system shows improvement of directorate's suggestions, increment in scope and other reward dimension also. The remaining three (37.5%) directorates' response indicates due to scarcity budgets and urgent priority issues the case of reward system being overlooked by management.

All the directorates 8(100%) argue that as it is necessary to update the reward system of the office to cope with the existing environment. Providing unwisely reward or overrunning the agenda of reward costs organization. According to Armstrong M.(2005) resignations and turnover can increase if people are not given adequate opportunities for learning and development, or feel that demands are being made upon them that they cannot reasonably be expected to fulfill without proper training. Effectively organized reward system enhances team work and individual effectives in its productivity.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATION

Based on finding of the research the following summary, conclusions and recommendations are presented.

5.1 Summary

The general objective of the study is to investigate the role of reward systems on employee's motivation in office of HPR of FDRE. The purpose of reward system is to provide a systematic way to deliver positive consequences. In order to enhance employee motivation and to reduce the rate of turnover & absentees of employees in organizations, the present study sought to identify motivational variables. Frequent employees turnover is costly to organizations and destructive to the attainment of organizational goals. Most managers believe that increasing financial benefits of employees would motivate them to remain while others provide attractive working environment as a motivation strategy.

The study was guided by three research questions and four hypotheses that approve or disapprove the research questions. A structured questionnaire was used to collect data from the respondents. The data was analyzed using the Statistical Package for Social Sciences (SPSS). It was interpreted in frequencies, percentages and correlations. The findings were presented using tables and figures.

5.1.1 Reward system guidelines on employee motivation in HPR

From the findings, majority of the respondents(36.3%) and the 66.7% of the directorates shows as the reward system guidelines were not motivate the office employee due to the reward system were not updated timely and lacks management attention. The employee's participation is only 9.8% in pre and post reward programs. This indicates the majority of employees did not get opportunity to discuss with their directorates and comment on how their performance was evaluated for the reward. In addition, they have no opportunity to identify the aspects of their performance on which their work was based on.

Therefore, it could be concluded that office of HPR of FDRE has been working with the reward system which is not clearly defined, specified and communicated to employees, and this might

have ultimately affected employee motivation. In addition, members of the organization have high interest if the office prepares clear reward system principles which can then be communicated to everyone to increase employee motivation. 70% of the interviewees also states as there is no clearly written manuals and guidelines for reward systems in which employees are treated is a challenge for office of HPR of FDRE currently.

5.1.2 Objectives & criteria set for reward system of office of HPR of FDRE.

Majority of the respondents that account 48(46.6%) disagree about the criteria and objectives of the reward system of the office related to organizational goal achievement. 6(87.5%) directorates also responded as there is no formalized criteria and objectives set of the reward system of the office of HPR of FDRE. 54(52.9%) respondents disagree for the existence of reward practices of the office. The response of 51(50%) of respondents shows as the ongoing reward practice did not incorporate both financial and non-financial rewards and also 5(62.5%) of the interviews respondent indicate as there is lack of properly incorporating both financial & non-financial rewards to enhance employee motivation. The inclusiveness of all employees where disagree by 50(49%) of the respondents and but in interviewees the directorates 8(100%) where in opposite to the employees respondent.

Some of the directorate's 3(37.5%) states as employees prefer both tangible and non-tangible rewards but what the office provides is insignificant and lacks sustainability among directorates even. According to the interview with directorates there is no formally adjusted reward system that is based on the objectives of the plan achievement of the organization and the inefficiency of the record keeping among directorate also lower the reliability of the system also. From the categorized responses of 35(34.3%) of the respondents response indicates as employees are not satisfied with reward criteria in office of HPR of FDRE.6(66.7%) of interviews mentioned as employees are evaluated with inappropriate criteria, which respondents perceived to be considerably not adequate to accomplish the tasks of employees and lacks objective setting.

5.1.3 Ongoing reward system motivational level

Majority of the respondents 35(34.3%) response indicates as respondents were disagree about the ongoing reward system motivational level in the office of HPR of FDRE. The intervened directorates also shows as employees are not satisfied at the level rewards that the office offer to its employees. According to 5(55.6%) of the directorates interviewees the inappropriate application of reward systems demotivate other employees and may distort the whole employee organizational relationship.

5.1.4 Intrinsic Reward as employee motivation

Many of the respondent's that accounts to 39(38.2%) response indicate as the employees are not getting satisfaction while they conduct their jobs and 34(33.3%) of the respondents have not feeling of their work as it is valuable for their organization. Most of employees 33(32.3%) disagree about their autonomous in their responsibilities; they are not using their skills and abilities for the organization shows dissatisfaction to their motivation. Pearson's correlation test on intrinsic rewards and employee's motivation (r=0.936) shows as a relationship is direct and strong on all areas tested. This indicates as the intrinsic reward provisions are lower than employees' expectation then employee motivation will also lower and vice versa. The regression part also further approves and shows the degree of intrinsic reward on employee's motivation and addresses as a unit of intrinsic reward will add 0.38 employee's motivation role.

5.1.5 Extrinsic Reward as employee motivation

Majority of the employees that account to 33(32.3%) were disagree with respect of allowance and fringe benefits offered to employees and 61(59.8%) of the respondents responds as they earn salaries below of other similar organization and make them dissatisfied in their work area. Decenzo et al. (2007) too defines employees benefits as non-financial rewards offered to attract and keep employees, he adds that they have grown in importance and variety as employers have realized that such benefits affects the discretion of applicants when accepting or declining employment offers.

Majority of the respondents 40(39.2%) responds as the office not offer them timely pay increase based on market analysis, allowance and benefit provision. work area conduciveness being agreed by 33(32.4%) of the respondents that needs to keep & further improve as employee motivation in the office of HPR of FDRE. The correlation between extrinsic reward systems with

employee motivation (r=0.826) indicates as there is direct & strong relationship. This data is consistent with empirical studies Kinnear & Sutherland, (2001) have revealed that components of extrinsic factors such as competitive salary were reported by employees as key motivational variables. The regression matrix also indicates further strength of the correlation value and the provision or absence of extrinsic reward by one unit creates 0.067units increase on employee's motivation.

5.1.6 Career Development on Employee Motivation

Many employees that account 42(41.2%) respond as lack of opportunities of employees to promote in their organization is highly dissatisfactory for employees of office of HPR of FDRE. The mean value also indicate as level of strength between opportunities for promotion and employee motivation is weak. 30 (29.4%) of the respondent's questionnaire indicates as opportunities for succession planning of the office are dissatisfied. The person's correlation between career development and employee motivation also reveals the relationship as it is strong correlation(r=0.86).This data shows clearly as career opportunities are not satisfactory the employee motivation would decline and vice versa. The regression coefficient also reveals that a unit increase/ decrease in career development in office of HPR of FDRE will create 0.238 unit of increase/decrease of employee motivation.

5.1.7 Learning opportunities and employee motivation

Among the reward systems of this study relatively existence of in house training were responded by more than 50% of respondents in opposite to the provision of scholarship for employees that were disagreed by 57.8% of respondents. The overall mean of learning opportunities' provided by the office is less than 3.00which shows as it is unsatisfactory to motivate employees. The person's correlation r=0.976 also shows clearly as there is strong relationship between learning opportunities and employee's motivation. The absence or below expectation of the learning opportunities' affect the employees motivation. The regression coefficient analysis indicates as there is significant correlation and the data reveals that a unit increase/ decrease in learning opportunities in office of HPR of FDRE will create 0.819 unit of increase/decrease of employee motivation.

5.2 Conclusions

The reward system guideline was unclear for employees and the directorates also. Lack of such formalized and written document or manuals would open doors for subjective decision that favor minority and demotivate the others. As organization rely to achieve their common goals together it is also necessary to prepare the reward guidelines of the office with participation of employees to achieve the organizational success and reward the employees according to their organizational contribution. The guideline for the reward system of the office needs management attention, employee participation being flexible and updated timely.

The objective and criteria set for the reward system must consider both the goal of the organization and the employee. Unless it is job oriented criteria and stretch the employee towards that end of the organization goal it becomes a source of complain rather than motivating the employees. The objective have to be enhance the motivation of the employee to achieve the organizational goal by creating clear criteria's that includes the expectation of employees for their best performance in tangible and non-tangible rewards.

The office on going reward system does not motivate the employees were responded by majority of the employees. The employees responds is also confirmed by organizations directorates also. Identifying what motivates an employee and balancing the mismatch of organizational goal and individual goal was great challenge in which directorate's are examined. The interview indicates as there is gap of including employee's aspiration and expectation in the reward system application.

The intrinsic rewards such as work enjoy ability, valuable of the job content, skill compatibility and autonomous in duties are strong motivators for employees. The association with this rewards and employee motivation is direct and strong relationship. The result of the study also reveals that as intrinsic rewards are responded disagree by majority the correlation also shows the employee motivation is lowed since the relationship is direct. Here intrinsic rewards have strong role in determining employee's motivation.

Extrinsic rewards that are manifested in the form of allowance adequacy, pay earned, work environment, and pay increased offered have a great role to employee's motivation in office of

HPR of FDRE. The absence or insufficiency of those rewards highly influence employees motivation according to the study. Extrinsic rewards and employee motivation have positive relationship indicating that lack of precise and affordable practice of those rewards prompts employees to start to look for other opportunities such as turnover.

Organizational learning as a reward system considered has a significant role on employee motivation in office of HPR. The correlation and regression analysis shows there is positive and strong association between organizational learning and employee motivation.

Career development opportunities' such as chance of promotion, opportunities' for succession and career growth are what the employees expect from their office. As those variables are afforded by the office the employee's motivation is high and the vice versa.

5.3 Recommendations

Based on findings of the research and the above conclusion the following recommendations are forwarded to improve the role of reward systems on employee motivation in office of FDRE.

There is growing need to public sector organizations in FDRE to improve on service delivery. To be able to do this managers in public organizations most devices a practical means of retaining key employees whose expertise is critical to service delivery. One of achieving this is to motivate these employees through comprehensive and proactive reward systems. The recommended ideas for office of HPR of FDRE are:

Guidelines frame works are necessary for reward system. The office of HPR of FDRE is advisable to prepare its own guidelines of reward systems by participation of employees and give it attention to implement its organizational goals through it as a means.

The office of HPR of FDRE incorporates its reward system with respect to job relatedness criteria, makes it that attainable, worth full rewards and includes all types of reward mechanisms that treat its employee in fairness.

The reward system needs to be developed as it can motivate employees to stay in the organization and convince employees to get in the future better benefits than the current benefit. The management of the office needs to align reform instruments such as BPR, BSc and kaizen with reward strategies to motivate the employees of the organization.

It is better if the management and directorates of the office develop reward system that motivate their employees by incorporating employees expectations and organizational goals to retain and get employees commitment by introducing flexible extrinsic reward components that can enhance employees motivation such as allowances and fringe benefits.

The competitiveness of organization is dependent on their human power development. It is important if the office of HPR of FDRE see this dimension of promoting its employee by providing learning opportunities that are necessary for organizational goal attainment and employee development.

Based on civil service law and other own office circulars, it is better if the management of HPR of FDRE consider its employees when vacant position created in the office to handle within organization promotion as a means of rewarding mechanisms and needs to develop its own succession plan to retain professional employees as a means of reward system.

The office of HPR of FDRE should develop its own reward system schemes as it can accommodate the common goal of the organization and its employees based on directives created for public employees by Federal Human Resource Development & Good governance Minster.

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Appendix 1: Questionnaire

Addis Ababa University

School of Graduates Studies

Department of Human Resource Management

Questionnaires prepared for employees of office of HPR office of FDRE

Dear Respondents,

This questionnaire is designed to collect information on role of effective compensation & reward systems on employee motivation. Since the questionnaire is for research purpose, your genuine responses have great importance for the successful completion of the study. Hence your short, precise and honest response is highly appreciated.

Confidentiality;-As it has been mentioned above this questionnaire is for academic purpose that the response generated from this research will be kept confidential. Thus, your valuable response is highly helpful.

To contact with the researcher, please use the following Address:

WasihunTadesse: Mobile - 0917830947, email:tadessewasyihun@yahoo.com

Thank you in advance for your cooperation.

General Direction:

- It is not necessary to write your name in the questionnaire.
- Please select your best choice for questions requiring optional response by putting make on each box provided and indicate your opinion by making a 'X'' for questions with rating scale (choice).

A. PERSONAL INFORMATION

1. Sex: Male ☐ Female ☐

2. Age 18 - 29 ☐ 30- 44 ☐ 30- 44 ☐

45- 54 ☐ above 54 ☐

3. Years of service in House of People's Representative.

a.1 – 3 ☐ b. 4 – 6 ☐

C.7 -9 ☐ d.10 and above ☐

4. Educational level:

a. Below Diploma ☐ b. Diploma ☐

c. Degree (BA/BSc) ☐ d.(MA/MSc) ☐

e. PhD ☐

B . QUESTIONNARIES OF THE RESEARCH

I.	**Employee motivation level description**						
	Description	Strongly agree	Agree	Neutral	disagree	Strongly disagree	
1.1	There is low turnover in the office						
1.2	There is lowAbsentee's in the office						
1.3	There is willingness of employees to shoulder responsibility.						
II.	**Reward systemguidelines on employee motivation**						
2.1	The criteria for reward systems are prepared &updated.						
2.2	The management gives due attention for reward management practice.						
2.3	Employees are allowed to participate in reward systems guideline making process.						
2.4	The management and employees hold post-reward meetings to discuss employee's reward results.						

III.	**Objectives & criteria set for reward system.**						
3.1	A reward practice exists in our organization.						
3.2	There wards include both financial &non-financial rewards.						
3.3	Employees are rewarded on the reward manuals.						
3.4	There ward system considers all employees of the organization.						
IV	**The extent of ongoing reward system motivates employee**						
V	**Intrinsic Reward as employee motivation.**						
5.1	My work is enjoyable and stimulating.						
5.2	I feel that my work is valuable to the office.						
5.3	My present job makes good use of my skills and abilities.						
5.4	The employees are autonomous in their responsibility.						

VI	**Extrinsic reward as employee motivation**						
6.1	My allowances and fringe benefits are adequately satisfactory.						
6.2	I can earn as similar as or more than other public employees who work in similar position.						
6.3	The work environment is conducive.						
6.4	The office provides pay increase timely based on market analysis.						
VII	**Career Development on Employee Motivation**						
7.1	Employee's chances of promotion within the organization.						
7.2	Having opportunities for Succession planning of the office						
7.3	I have Opportunities for career growth.						
VIII	**Learning opportunities on Employee Motivation**						
8.1	The office provide Scholarships for employees						
8.2	Existence of in house training and development.						
8.3	There exist timely seminars/ conferences to update employee knowledge.						

Appendix II: INTERVIEW

Addis Ababa University

School of Graduates Studies

Department of Human Resource Management

The purpose of this interview is to assess the role of reward systems on employees' motivation in office of House of People's Representative. Therefore, your sincere frank and timely response is greater value for the final conclusion and recommendation of the study.

The researcher wants to assure you that in neither part of this study the name won't be mentioned that it couldn't affect any body in any way. Besides through the research is conducted for the partial fulfillment of MA degree; your careful and honest response to the interview determines the success of the study and there searcher as well. Your answer will be kept confidential.

Failure not to answer the interview properly will heavily affect the study. So, it is great help to describe interview question related to your responsibility and work position &instruction. Indicate your response by giving short answers on the space provided.

WasihunTadesse: Mobile - 0917830947

email:tadessewasyihun@yahoo.com'.

Thank you in advance for your cooperation.

INTERVIEW QUESTIONS

1) Does your Organization/HPR have Reward Management System?
2) Are the ongoing rewards motivates the employees? Why or why not?
3) Do the employees perceive intangible (non-financial) and tangible (financial) rewards equally important?
4) Should the employees have an opportunity to influence on the decision making process of the reward system?
5) What are the challenges of a manager when developing a reward system?
6) What is the significance of rewarding employees?
7) Could the reward systems be improved or developed further? How?