

UNIVERSITY OF CAPE COAST

EVALUATION OF REWARD MANAGEMENT AT THE TRUST  
HOSPITAL IN ACCRA

BY

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**DECLARATION**

**Candidate's declaration**

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature:..... Date.....

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**Supervisor's declaration**

I hereby declare that the preparation and presentation of this dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature:..... Date.....

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## ABSTRACT

Rewards are mostly used by organizations and institutions to recognize the efforts of hardworking, innovative, and dedicated employees. In most cases, they are meant to urge employees to maintain or increase performance, and also motivate others to improve on their work output. The general objective of the study was to examine the reward system in the Trust Hospital in Accra. The study was guided by the positivist philosophy of research – a quantitative approach. The sample size for the study was 153 respondents and the data collection was done with the use of questionnaires. The Chi-square for goodness fit, frequency tables and bar charts were used in analysing the data.

It was observed from the study that the Trust Hospital had various types of financial and non-financial reward packages used to motivate its workers, but the most frequent of all were bonuses, mortgage loans, educational loans, and fuel allowances. Free health care, training, and recognition packages were also given to the employees. Furthermore, the background characteristics of the respondents in the hospital (except for sex) had no effect on employees' perceptions of fairness in the hospital's reward system.

In conclusion, the general ambivalence shown about distributive justice and some other disagreements expressed, give cause for one to say that there is limited justice in the distribution of rewards at the Trust Hospital. It is, therefore, recommended that the management of the hospital should ensure

transparency and fairness in the reward process, so as to ensure the trustworthiness of the system.

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**DEDICATION**

To my father, Bishop Kow Bosomefi Egyir

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**LIST OF ACRONYMS**

HR	-	Human Resource
HRM	-	Human Resource Management
QWL	-	Quality of Working Life
SPSS	-	Statistical Product and Service Solutions
SSNIT	-	Social Security and National Insurance Trust



## CHAPTER ONE

### INTRODUCTION

#### **Background to the study**

Satisfactory management of employees requires the satisfactory management of remuneration as a necessary, if not a sufficient, precondition as indicated by Grant and Berry (2011). Reward management is one of the central pillars of human resource management. Choi, Ostergren, Canivet, Moghadassi, Lindeberg and Karasek (2011) described reward management as the centre-piece of the employment relationship. Reward management according to Armstrong (2010), is concerned with the strategies, policies, and processes required ensuring that the value of people and the contribution they make to achieving organizational, departmental and team goals is recognized and rewarded. Similarly, Fernet, Gagne and Austin (2010) describe reward management as the design, implementation and maintenance of reward systems which aim to meet the needs of both the organization and its stakeholders.

Reward management is fundamentally about people especially the employees who are rewarded for their efforts, skills and contribution as well as the directors, managers and reward specialists who plan, manage and administrate rewards. This is in accordance with the view expressed by Gagne, Chemolli, Forest and Koestner (2008: 241) that: ‘Organizations are the people in them... people make the place.’ This preceding view implies that: attraction to an organization, selection by it, and attrition from it yields particular kinds of persons in an organization. These people determine organizational

behaviour. Positive job attitudes for workers in an organization can be expected when the natural inclinations of the persons there are allowed to be reflected in their behaviours by the kinds of processes and structures that have evolved there.

The necessity of reward management in Ghanaian organisations cannot be underestimated (Boachie-Mensah, 2009). One noteworthy importance is the psychological satisfaction it gives the employee that he or she and the work done are essential to the life of the organisation. Mensah (2009) observed that reward management especially financial incentives attracts the best of brains to any organisation thereby increasing the quality and quantity of work output as evidenced by the disparity between the private sector and the public sector productivity index. Rewards serve also to minimise worker agitations and the attendant disruption of the work place environment and productivity. For instance, Schechtman (2008) found that there is a significant relationship between rewards received and is the reduction in employee turn-over. According to Samuel and Chipunza (2009), reward management is sometimes used, though sparingly, to limit or avoid the threat of legal suits against organisations in Ghana. This is predominant in Europe but not completely unknown or practiced in Ghana.

Rewarding employees, however, is not a new phenomenon. The pioneering work on reward including that of Maslow (1954) and McGregor (1960) were mainly on motivation. Indeed the earliest attempt to study reward systems dates back to Frederick Winslow Taylor in the early 1900s as cited by Grant and Berry (2011). Another major work on motivation was undertaken by Maslow (1954) who theorized that the human needs operate on a number of

levels. These works were reinforced by motivation theory put forward by McGregor (1960). McGregor theorized that employees are lazy and unwilling to work unless motivated by negative factors such as threats and effective supervision; whereas, the theory Y connotes the idea that employees are willing to work and would perform well in as much as they are motivated by incentive, responsibility and ownership of their work.

Koestner, Otis, Powers, Pelletier and Gagnon (2008) stated that the principal objectives of reward management are to attract and retain suitable employees, maintain or improve levels of employee performance, and to comply with employment legislation and regulations. The reward, they intimated, must be competitive to encourage membership of the organization. In other words, it must attract and retain qualified and competent people in the organization. In addition to these, reward systems need to be designed and managed to improve productivity and control labour costs.

Verhaeghe, Vlerick, De Backer, Van Maele and Gemmel (2008) further attributed that reward systems have been identified to be of importance to the individual and the organization. Some of the importance they highlighted included the fact that reward management supports the achievement of business goals, which enables the organization to attract and engage the talented people it needs. Well-designed reward management systems thus, contribute to the achievement of high performance.

Interestingly, it is underscored by Fernet, Gagne and Austin (2010) that employee's socio-demographic characteristic is a major determinant of their perception about reward systems. This is elucidated by Grant (2008) who observed that female employees in the United Kingdom tend to see reward



systems as highly objective whereas males view it as very subjective. Perez (2008) also notes that education affected employee's reward perception. Lower level education holders like primary and high school graduates tend to view the reward system as unfair while higher education graduates hold the view that the reward system is just and fair. All these suggest that socio-demographic characteristics are major determinant of employees' perception of reward systems.

Consequently, the focus of this study is to evaluate the reward management system at the Trust Hospital.

The Trust Hospital was established in 1992 as a not-for-profit healthcare centre to provide healthcare delivery services to the staff of the SSNIT and their dependants. The facility was later upgraded into a full-fledged hospital to extend its services to the general public. With a bed capacity of 50, The Trust Hospital has its own Board, although, it is not an independent legal entity and operates as medical division of SSNIT. The Vision of The Trust Hospital is to "become a model hospital for the West African sub-region by playing a leading role in the provision of quality patient-focused services at reasonable cost". The Mission of The Trust Hospital is to be "a leading player in healthcare delivery service through the provision of efficient and cost effective quality healthcare services with the state of art technology by very friendly and highly motivated staff within a clean and healthy environment, thus maintaining a good corporate image as well as maximising shareholders net worth at all times (TH Handbook, 2010).

### **Statement of the problem**

According to Ongori (2011), it has become a sort of ritual to hear of workers of various organizations including workers of health facilities and institutions laying down their tools to demand increment in salaries, allowances and other better conditions of service. Workers are most often not persuaded to rescind their decisions to embark on strike actions when their demands are not fully met (Philips & Connell, 2012). Moreover, most hospitals in Ghana are grappling with high labour turn over, brain-drain and industrial action due to poor reward systems. However, workers of the Trust Hospital remain unnoticed in these labour agitations that constantly plague the health sector in country. Therefore, one may interrogate, is it that employees of this organisation receive exactly what they need?

Though, several studies globally and in the Ghanaian context (notably, Frimpong & Henten, 2010; Perez, 2008; Grant, 2008) have being conducted on rewards and employee, but there is a paucity of information of the phenomenon in the health sector in Ghana. Particularly, there is no dedicated study on The Trust Hospital. This is seen in the light of the argument by Dowuona (2011) who maintains that reward management studies have been skewed to mainstream business organisations such as banks and hotels with modest attention paid to the health sector.

The processes involved in accessing rewards by employees as well as how the rewards are distributed are essential in an effective reward management system (Collins, 2010). This is because, they form the biases which employees evaluate the fairness of the rewards received. Yet, there is little information on how employees perceive the fairness of the rewards

received. Rather a lot of the available literatures have largely concentrated on rewards and its influence on job satisfaction, productivity and retention of employees.

Furthermore, there is inadequate information on how health workers perception of fairness of the reward systems varies among their socio-demographic characteristics. As such, Fernet, Gagne and Austin (2010) argue that future researches should move away from assuming that employees are homogeneous in their motivations and review its diverse manifestations in terms of differences in age, sex, marital status, and educational background. It is against this background that this study therefore seeks to investigate the reward systems put in place at The Trust Hospital.

### **Research questions**

The research questions guiding the study include the following:

1. What are the set of rewards that exist in the Trust Hospital?
2. How do employees perceive the fairness of the reward system in the Trust Hospital?
3. How does employees' perception of the reward system differ among their socio-demographic characteristics?

### **Research objectives**

The general objective of this study is to evaluate the reward system in the Trust Hospital.

The specific objectives of the study are to:

1. Identify the types of rewards offered in The Trust Hospital;

2. Examine employees' perception of the reward system in The Trust Hospital; and
3. Explore the differences in employees' perception of the reward system by their socio-demographic characteristics.

### **Significance of the study**

The objectives of any reward system are to attract, motivate, and retain highly performing employees, and to improve organizational success. Most organizations use base pay to attract and retain employees, but the costs associated with base pay are high, accounting for 50 percent to 70 percent of total overhead costs, (Collins, 2010). Therefore, employers are faced with a dilemma of providing rewards that are competitive, but not exceeding the constrained budgets (Perez, 2008).

A study of reward management system in the Trust Hospital is envisaged to help identify the kinds of rewards provided to the employees. Identification of rewards remains a first step towards recognizing gaps in the reward system being implemented - consequently leading to the improvement of the system since there is no system that can be hundred percent perfect.

Since the study is also purposed to unearth the perceptions of the workers about the reward system, the study is expected make management of the hospital aware of the divergent views employees' have concerning the rewards provided. Subsequently, identified lapses can be used as a baseline for improvement and monitoring the performance of the reward system being offered over time. This is relevant given that human needs and desires are known to change over time. Lastly, if management of the hospital is informed

of the perceptions of the employees regarding the fairness of the reward system and how these vary among their socio-demographic characteristics, it could help in the provision of tailor made rewards to meet the specific needs of the employees despite their differences.

### **Limitations of the study**

First, epistemologically, the study is grounded in objectivism and employs a quantitative method of data collection. The inherent weakness of this method, which does not allow for probing, may prevent the researcher from having a deeper understanding of the rewards provided at the Trust Hospital. However, the study of the target population, which has to do with analysis of their socio-demographic characteristics, the rewards provided to them, their perceptions of the fairness of the rewards provided and how these perception vary, coupled with the use of a larger sample size, suggest that in-depth interviews or other qualitative methods may not produce the desired results.

In addition, there may be delay on the part of some respondents in returning completed questionnaires since they might need to make time to attend to patients, so to help solve this problem the questionnaires will be given to them to answer them at their expediency, particularly the authorities.

### **Delimitation of the study**

The study is limited to some major areas as far as the study of reward management at The Trust Hospital is concerned. It seeks to identify the set of rewards and recognition that the management of the hospital has put in place

towards employees motivation. The study also seeks to examine how employees perceive the fairness of the reward system in the Trust Hospital. Finally, the study is concerned with how these perceptions of the reward system vary by socio-demographic characteristics of the employees.

### **Organisation of the study**

The study is organized into five chapters. The first chapter comprises the background of the study, statement of the problem, objectives of the study, research questions, significance of the study, limitations of the study, and delimitation of the study. Chapter Two is on literature review comprising of theoretical and empirical literature. It also contains the conceptual definitions of reward management, some forms of reward systems, importance of reward management to organizations, programmes for facilitating employee rewards, productivity, among others. The third chapter is devoted to the description of the study organization and methodology adopted for the study. Chapter Four contains the presentation and discussion of the study's findings and the final chapter gives a summary of the findings as well as conclusions and recommendations.

## CHAPTER TWO

### REVIEW OF RELATED LITERATURE

#### **Introduction**

The purpose of research is to add new knowledge, confirm current knowledge or disprove existing knowledge (Creswell, 2003). Therefore, it is said that research starts from the known to the unknown. This explains the need for literature review that would set precedents for this current study to follow. Subsequently, this chapter reviews relevant literature on reward management systems with emphasis on conceptualisation of reward management, some related concepts and types of rewards. It also looked at the perceptions of fairness of reward systems and how these perceptions vary by the socio-demographic characteristics of employees. Finally, various theories and conceptual models of reward management were reviewed.

#### **Conceptualisation of reward management and related concepts**

Gagne, Chemolli, Forest and Koestner (2008) posit that reward management is the design, implementation and maintenance of reward systems which aim to meet the needs of both the organization and its stakeholders. Similarly, reward management is concerned with making sure those employees who are rewarded for their efforts, skills and contribution are satisfied and its consequent effect on the output of the organisation. However, the effectiveness of reward management is dependent on the totality of the reward system as well as the philosophy surrounding the system.

A reward system consists of the interrelated processes and practices that combine to ensure that reward management is carried out effectively to the benefit of the organization and the people who work there. Cho, Johanson and Guchait (2012) argue that rewards must be given to employees in accordance with their contribution, skills and competence and their market worth. It operates in accordance with the principles of systems theory, which Aydin and Ceyland, (2009) wrote, 'is basically concerned with problems of relationship, of structure and of interdependence'. It has the characteristics of an open system as described by Ali and Ahmad (2009) who stated that organizations should be treated as open systems since they are continually dependent on and influenced by their environments.

Reward management is based on a well-articulated philosophy – a set of beliefs and guiding principles that are consistent with the values of the organization and help to enact them. The philosophy recognizes that if HRM is about investing in human capital from which a reasonable return is required, then it is proper to reward people differentially according to their contribution which denotes the return on investment they generate (Armstrong, 2010). The philosophy of reward management also recognizes that it must be strategic in the sense that it addresses longer-term issues relating to how people should be valued for what they do and what they achieve (Spector, 2009). Reward strategies and the processes that are required to implement them have to flow from the business strategy. Reward management adopts a 'total rewards' approach that emphasizes the importance of considering all aspects of reward as a coherent whole that is linked to other Human Resource (HR) initiatives designed to win the engagement of employees and further their development.



This requires the integration of reward strategies with other HRM strategies, including talent management and human resource development.

### **Types of reward**

Rewards are defined as all forms of financial returns and non-financial benefits and employees receive in recognition of services rendered, achievement and efforts expended. It is also seen as a legal requirement of an employment relationship and the continuous sustenance of such relationship (Fard, Ghatari, & Hasiri, 2010). Synonymously, reward is also seen as motivation. Motivation is one of the terms in the management literature that has been a subject of intense academic debate and inquiry. As regards its genealogy, it is derived from the Latin term 'movere', which means 'to move' (Baron, Henley, McGibbon, & McCarthy, 2012). For this reason, it has been defined and measured from a myriad of changing perspectives over the several decades during which this multi-faceted concept has been researched. For example, Spector (2009) says it is an internal state that induces a person's enthusiasm and persistence to pursue a certain course of action or engage in particular behaviour. Shields (2007) claims that it is the incentives provided by the employer in attracting and retaining employees. These include food, pay and working environment among others. The general consensus, however, is that motivation can either be intrinsically and/or extrinsically inclined.

Basically, organizational rewards are of two types: intrinsic and extrinsic (Kamalian, Yaghoubi, & Moloudi, 2010; Armstrong, 2010). Intrinsic rewards are internal to individuals and are normally derived from involvement in certain activities or tasks (Akuoko & Kanwetuu, 2012). These include

factors such as variety in job content, sense of being a part of the value adding process within an organization, employees believing that they are valuable members of a team, increased responsibility and autonomy, sense of accomplishment, participation in setting of targets and opportunities to achieve them, feedback information, recognition and opportunities to learn and grow (Ali & Ahmad, 2009).

Extrinsic rewards on the other hand, are directly controlled and distributed by the organization and are more tangible than intrinsic rewards (Dowuona, 2011). These include incentives, benefits, pay and promotions among others. Some researchers (Honold, 2008; Kamalian, Yaghoubi, & Moloudi, 2010) argue that it is difficult to draw diametrical lines between the two conceptualised types of rewards. However, the two can be said to be mutually inclusive in terms of the former deriving from the employee, whilst the latter derives from the particular work environment. In a similar vein, Khalid and Irshad (2010) posit that rewards can be classified as financial (monetary) or non-financial (non-monetary).

### **Financial rewards**

For the purposes of this study, the types of rewards will be discussed based on the aforementioned classification by Khalid and Irshad (2010). To them, financial rewards comprise all rewards that have a monetary value and add up to total remuneration such as base pay, pay contingent on performance, contribution, competency or skill, pay related to service, financial recognition schemes and benefits such as pensions, sick pay and health insurance. They are mostly paid by any negotiable instrument such as cash, cheque, money

order or direct deposit (Honold, 2009). It can also be any item that can be readily converted to cash such as savings bond or gift cards/certificates (Williams & Anderson, 2011).

According to Locke and Latham (2010), financial rewards are of a variety, which organizations should take note of. These include salary, benefits and allowances. The existence of salary supplements, benefits and allowances greatly contribute to health employee's motivation and therefore the enthusiasm to remain in the sector. Allowances refer to cash compensation benefit given to an employee to supplement the basic pay and include social security allowances, transport, risk, and overtime allowances and others (Lussier, 2008). Similarly, Ayidan and Ceylan (2009) identified such allowances to include overtime allowance, transportation allowance, accommodation allowance and others.

Provision of loans to employees has also being recognised as one of the financial rewards provided to employees. Frimpong and Henten (2010) argue that organisations lend out money to their employees without interest as a form of motivation. A study by Spector (2009) observed that the loans granted to employees are mortgage loans, car loans and high purchase loans. The less financially healthy organisations tend to use their assets to enhance the loan acceptability of their workers to financial institutions which reduces the fear of losing collateral that prevents prospective borrowers from taking loans (Kulwamt, Ashish, & Anuradha, 2011).

Other financial rewards provided to employees' are "benefits, though they do not take the form of direct cash payments, but range from retirement contributions to health care contributions. This reward is expected because a

healthy employee makes a healthy organisation. This is true in the light that all organisations are increasingly becoming same in terms of facilities the only competitive difference is the human resource (Lussier, 2008). It is a legal requirement for employers to provide benefits such as workers' compensation, family and medical leave and unemployment compensation. Other companies have volunteered to provide numerous other benefits such as stock options, sick pay, retirement plans and life insurance to attract and retain employees.

Nevertheless, benefits are not related to employee productivity. This therefore raises the question that can benefits serve as motivators? (Kellough & Nigro, 2012). But, be that as it may, there is an inherent motivation in benefits as extra rewards provided to employees. Despite the various forms of financial rewards available to employees, financial incentives in the form of money remain, arguably, the most significant strategy of rewards (Akintoye, 2008). Studies in most developing countries have shown that low salaries primarily account for job dissatisfaction leading to high turnover amongst health workers (Ada, 2008).

### **Non-financial rewards**

Non-financial rewards on the other hand refer to rewards that have no pecuniary value. However, non-financial rewards do not mean that they do not carry any value, but the facial value of such rewards is not monetary. Recognition given to an employee such as praises, citations, awards as well as promotions, good working relationships and training opportunities for personal growth are some forms of non-financial rewards underscored in the literature.

According to Boachie-Mensah (2009), non-financial rewards are highly prized by individual employees, especially trainings for personal growth and positive work because they reinforce desired behaviour. Literature presents two main types of non-financial rewards, tangible and intangible rewards. The intangibles are in congruence with the intrinsic type of rewards which originate from doing the job itself, whereas tangible rewards are similar to the extrinsic reward types and are directly controlled and distributed by the organization. Ada (2008) advanced four (4) main non-financial rewards that management of various organisations must implement, so as to cause their employees to contribute tremendously towards the achievement of goals and objectives. These embrace recognition, positive work environment, training and development.

People need to know how well they have achieved their objectives and if the employer appreciates them, this is called recognition (Ayee, 2011). It can take two main forms, cash and non-cash recognition programmes. Non-cash rewards can be in the form of meals, trips, plaques, trophies, desk items, cups and mugs, personal items and clothing such as caps, shirts and sweatshirts and other items such as tools, electronics, radios and sports equipment. The recognition forms of reward are mostly given as acknowledgement and appreciation for attendance, safety, customer service, productivity, public service, outstanding achievements and the like. Bateman and Snell (2011) maintain that there is a positive relationship between recognition programmes and changing' behaviour of employees.

In addition to recognition is the issue of positive work place. A positive work place is one that encourages employee communication and

participation. Bowman (2010) views positive work life as any programme intended to improve the Quality of Working Life (QWL) of employees. The elements of a QWL scheme include increasing the flow of communication within the organization, involving employees in goal-setting and job design. In both views, involvement and communication remain key considerable issues. Employee involvement ranges from passive where they are merely consulted, to active where they participate in decision making (Mensah, 2009). Employees are positive and motivated to add value to the company when they are allowed to participate in decision-making. Involvement creates an atmosphere of trust and commitment through the use of two-way communication (Manasa & Reddy, 2009).

Communication is the foundation of reward management and organizational success, therefore the reason for failure of pay for performance in most organisations is lack of communication (Lawrence & Jordan, 2009). Bateman and Snell (2011) caution employers to communicate and educate employees on the reasons for implementing pay for performance and to communicate the measures and goals used. According to Akuoku and Kanwetuu (2012), when this takes place it would help employees understand the kinds of rewards they receive and why they are receiving such rewards.

In addition, employee development is one major strategy advocated by most motivational theories as seen by Maslow's, Herzberg among others, yet Kulik (2008) advances that most employees have limited opportunities for career advancement. According to Horsoo (2010), all employees are career conscious and defines career development distinguishing it from growth as providing employees an opportunity to grow in their career ladder, especially

to those employees who deliver performance. Growth means, to an employee, one or more of the following: on-going increase in skills and competencies, occupying higher level job positions and having an opportunity to avail of some exclusive benefits (perks and privileges). Khalid and Irshad (2010) discovered that South African health sector employees were not unwilling to remain and work in the sector since opportunities for career development were far below than in other occupations.

Sarvadi (2010) puts forward that employee training and career development remains an indispensable form of non-financial reward. Mensah (2009) defines employee development, distinguishing it from training, as a formal approach taken by organizations in providing employees the opportunity to grow on their career ladders. The basis for his argument is that the main purpose for career management is to match the employees' needs, abilities, and goals with the current or future needs of the organization (Honold, 2009). Training, however, is the impartation of knowledge, skills and abilities as a result of teaching a skill relating to a specific career for the effective delivery of human customary services (Shields, 2007). This suggests that employee training is a development function. At the individual level, employees who are given the opportunity to learn, grow their careers and are appreciated, are more willing to make long-term commitments towards an organization. At the organisational level, it promotes success and growth (Dessler, 2011).

More importantly, Lawrence and Jordan (2009), argue that arising from rapid changes in technology and changing customer demands, there is a need for continual retraining of experienced employees to perform new and

changed jobs. From these scholarly discussions above, it stands to reason that, training is central to every vocation since Bacham, Johnston and Malley (2011) found a significant relationship in 2004 and a high correlation in 2007 between job training satisfaction and overall job performance among health workers. They further stressed that the results of their studies concurred with prior studies conducted for professional occupations (Kulik, 2008). If the findings of the above appear to be true, the expectation would be that management would give their employees all the career development needs they desire.

The environment in which employees undertake their work activities and provide services is also a non-financial incentive. In many instances, the decision for employees to leave their job for better opportunities relates to poor working environment (Grant & Berry, 2011). Schechtman (2008) defines work environment as the entirety of forces, actions and other influential factors that are currently and, or potentially contending with the employee's activities and performance. Therefore, the work environment can be thought of, simply, as the environment in which people work. These include the values, policies, equipment, technological infrastructure and other physical elements. It also include peers, others with whom employees relates, team and work groups, interactional issues, the leadership and management.

Bowman (2010) has categorized the working environment of employees into three major sub environments; the technical environment, the human environment and the organizational environment. A good working environment creates motivation for employees by providing them with the elements that enable them to perform their respective responsibilities and



activities effectively. Conversely, an environment characterized by lack or inadequate needed resources in terms of tools and equipment, cluttered workplaces and poor changes to meeting modern technological tools plays a major role in the loss of employees' motivation and their subsequent moving to other organizations (Abdulai, 2012).

In concluding on financial and non-financial rewards, Dessler (2011) states that while the later play an important role in motivating and retaining employees, they can only be made effective when combined with financial rewards. This is amplified by Oliver (2007) who intimate that employers ought to remember that individuals differ, and a 'one size fits all' reward system does not work, but maintains that financial rewards come first to none in employee motivation. For instance, financial rewards, especially achievement bonuses awarded immediately after the event, are clearly, symbols of recognition to which are attached tangible benefits and this is an important way in which mutually reinforcing systems of financial and non-financial rewards can operate. In a similar vein, Abdulai (2012) believes that to satisfy all employees' needs, individuals must receive both financial and non-financial rewards.

### **Perception of fairness of reward system**

Perception is a process by which individuals organise and interpret their sensory impressions in order to give meaning to an object, phenomena or environment (Decenzo & Robbins, 2008). Perception also denotes an idea, a belief or an image one has as a result of what one sees or understands. Drawing from both definitions, it means that perceptions are not realities but

may be abstract as well. Perceptions are weak or strong, positive or negative (Derven, 2010).

On the other hand, a fair reward system is where employees rewarded for their efforts, skills and contributions are based on equality. In other words, a fair reward system is one where ones' output commensurate the reward given. It also connotes the presence of a reward management system which functions in line with well-defined guiding principles, which include the absence of favouritism, malice and prejudices, inconsistencies and non-transparency in operating the reward system (Armstrong, 2010). Erdogmus and Beyaz (2012) add that it should include processes for valuing and grading jobs and rewarding people according to their performance or contribution which are properly conceived and function well. Finally, they maintain that a fair reward system should provide rewards that attract and retain people and enlist their engagement through maintaining competitive and equitable rates of pay, incorporating successfully a total rewards approach and communicates to all concerned how the reward system operates and how it affects them.

Erdogmus and Beyaz (2012) put it simply that a fair reward management system is one that conforms to the classical 'felt-fair' principle formulated by Derven (2010). This states that pay systems will be fair if they are felt to be fair. The assumptions underpinning the theory are that pay must match the level of work and the capacity of the individual to do it and people should not receive less pay than they deserve by comparison with their fellow workers (Can, Sinclair, Leo & Wright, 2011). This felt-fair principle has passed into the common language of those involved in reward management. It is sometimes used as the final arbiter of how a job should be graded (the so-

called 'felt-fair' test), possibly overriding the conclusions reached by an analytical job evaluation exercise.

Khan, Farooq and Ullah (2010) posit that fairness of a reward system is judged mainly from the way the rewards are distributed to the employees. This is confirmed by Bacham, Johnston and Malley (2011) that the way and manner in which rewards are presented to employees denotes whether a particular reward management system is fair or not. Distribution of rewards has been discussed in terms of distributive justice and procedural justice. Distributive justice as defined by Brown (2010) refers to how rewards are provided to people.

Latt (2008) contends that when employees receive what was promised to them and that they get what they need, the reward system is touted to be fair. Mani (2010) adds that distributive justice is also weighed based on whether the rewards received address the needs of the employees. A study by Mathew, Grawhich and Barber (2009) found that most of rewards provided to employees are not what they actually want as such it leads to job dissatisfaction. More importantly, workers feel that they have been treated justly if they perceive that the rewards have been distributed in accordance with the value of their contribution. This has to with the kind of pay reward system adopted by organisations (Spector, 2009).

These reward systems include base pay, skills and competency-based pay, performance-based pay and variable performance pay. In the view of Jun, Cai and Shin (2008), organisations should take note of the kind of pay system adopted and implemented as a result of the fact that how best employees will evaluate the fairness of a reward system depends on it. Again, it has

implications on how well they will be motivated and consequently contribute to the success of organisations. This resonates with the views of Folger, Barnow and Burt (2011) that properly managed remuneration systems such as pay for performance and pay for skills and competencies allow employees to be productive, utilize their skills, and improve growth and profitability of the organization.

With respect to base pay, it is seen as a traditional based pay system. Briner, Denyer and Rousseau (2009) described it as job-based because payment is for the job. For this reason, persons assigned to a particular job are rewarded for the position held irrespective of performance. However, their pay progression is based on internal and external assessment of their jobs with a focus on vertical career progression instead of horizontal job skills and opportunities (Khalid & Irshad, 2010). The difficulty is that vertical progression has created employees who compete with each other for control of assets associated with the position (Armstrong & Baron, 2009). Nevertheless, Aydin and Ceylan (2009) argue that there has been a paradigm shift to look at productivity as a pivot for determining pay. It is a growing trend to develop base pay around the productive capacities of employees. The premise here is that employees should be paid according to the skills and competencies that they possess and the correlating output that such skills result in. The argument then shifts the market value to individuals rather than the job (Shields, 2007).

Skill-based pay is a payment method in which pay progression is linked to the number and depth of skills that individuals develop and use (Ali & Ahmad, 2009). It means paying for the horizontal acquisition of skills and the vertical development of skills needed to operate at a higher level, by

undertaking a wide range of tasks. The emphasis on skills development is necessitated by rapid developments in technology and changing manufacturing methods that require flexibility (Fard, Ghatari & Hasiri, 2010). So, the individual's competence is what determines the level of pay he or she receives per period. What then are competencies? Locke and Latham (2010) define competency as personal attributes that people develop over time and that it is a source of sustained competitive advantage, since it is difficult to imitate behaviour or attributes.

Drawing from the views expressed, it is sufficient to conclude that the skills and competence-based pay systems are rewards accrued to capabilities of the individual employee which may inadvertently cause employees to strive for development of more abilities as opposed the traditional pay system. However, Shields (2007) contends that the validity of competency pay as related to behaviour is difficult to measure. Therefore, for the purposes of this chapter, the term competency-based pay and skills-based pay are used synonymously, although the two somewhat differ in terms of definition, derivation, development and use. These two pay types collectively, are termed as the traditional pay systems (Sloman, 2009).

Management scholars (Latt, 2008; Briner, Denyer, & Rousseau, 2009; Khan, Farooq, & Ullah, 2010) regard the skills and competency based pay types as always vital to the changing values of the organization, but they are of the view that they do not fully address the changing needs of people. Employers believe that traditional pay systems hinder growth and success of the organization. This led to the emergence of the performance-based pay type and variable-performance pay as answers to solve this problem by distributing

rewards to those individuals who clearly distinguished themselves from others, as a way of motivating and retaining such employees. This aside, it offers compensation solutions that drive and support the new emphasis on values such as quality, customer service, teamwork and productivity (Abraham, Friedman, & Thomas, 2010).

Performance - based payment is the type of pay reward system that was traditionally meant to inspire all deserving employees, since pay for performance in the form of bonuses and sales commission was only intended for managers and sales staff (Ogden & Watson, 2008). Today, it has shifted from recognizing minority groups to addressing everyone in the organization because success of the organization is dependent on everyone and not just sectional individuals and/or groups (Perkins & White, 2008).

Boxall and Macky (2009), define variable pay as any form of direct pay that is not included in base pay and varies with performance. They further maintain that the potential of variable pay as a business opportunity is significant as organisations are able to reduce unemployment during recessionary periods by cutting down on variable pay without workforce reduction. Despite the disadvantages attached to variable pay, Brown (2010) underscored the continuous pursuance of variable pay by organisations. He attached it to increased domestic and international competitive pressures that have forced companies to be cost conscious.

However, the process of achieving distribution justice is procedural justice (Bender, 2010). Bachman, Johnston and Malley (2011) conceptualised procedural justice as the ways in which managerial decisions are made and reward policies put into practice. They further identified five factors that affect

perceptions of employees of procedural justice: the viewpoint of employees is given proper consideration, personal bias towards employees is suppressed, the criteria for decisions are applied consistently to all employees, employees are provided with early feedback about the outcome of decisions and employees are provided with adequate explanations of why decisions have been made. This view point suggests that management behaviour that denotes reasonableness and right is the hallmark of the procedural justice reward system.

### **Socio-demographic characteristics and rewards**

All over the world, population dynamics are changing and so are the reward requirements of employees in the health sector. Various writers, such as Sloman (2009), Bender (2010) and Mani (2010) have advanced various arguments that employees' perception of the fairness of a reward system is influenced by their socio-demographic characteristics. These include age, marital status, level of education and income levels, grade or level in the organisation.

According to Omotayo (2013) and Bender (2007), age is one of the background attributes that causes variation in workers perception of justice in a reward system. Within the work environment can be found various age cohorts ranging from the younger to the older generations of people. The older generation are those who joined the service team years ago with standards of education that are lower than those of today (Kevin & Haiyin, 2010). The younger generation is essentially products of the high, sophisticated education environment of the twenty-first century. According to (Briner, Denyer, &

Rousseau, 2009), most reward systems are perceived by the old as very unfair due to the shift away and emphasizes on qualification and experiences rather the later only in the process of determining reward.

On the contrary, the young are comfortable with the reward process and gains because it takes cognizance of their educational achievement. The older generation looks with disdain at the nature of promotional rewards which puts them at the same pegging with young people just out of school who even have to depend on them for requisite training and polishing necessary for market (Bender, 2010). Closely is the issue of level of employee education. Artz (2008) has found, in relation to this rubric, that the levels of education of workers present divergent views on the reward. The highly educated employee looks with glee at emphasizes of the reward system on qualification or educational attainment rather than other criteria whereas the less educationally inclined view as unjust, the reward system.

Sex is one issue that influences the thoughts about the nature of the reward system. Baeten (2008) found that the United Kingdom policy on Leave, for instance, is that females who have not taken annual leave of absence can add them to the mandatory maternity leave upon delivery whereas males who miss the opportunity to take an annual leave of absence do not have the chance to do same again. In our twenty-first century economic environment, these males prefer to have lost leaves of absence converted into cash as a way of achieving parity in reward system. That wish however, is not the policy of most organisations.

Williams and Anderson (2011) have observed that marital status imparts perceptions about the reward system. For most organisations, certain



incentives are structured to take care of the needs of employees with matrimonial obligations. Health care insurance, accommodation, and personal utility allowances take due care of some matrimonial needs and obligations and this tends to make the reward process and gains unjust and unfair in the eyes of the unmarried. Drawing from the above issues, it implies that even though socio-demographic characteristics of employee influence their perceptions of fairness of a reward system, the conclusion however is that the views expressed by the various writes are divergent.

### **Theories of reward system**

Early philosophical thoughts implied that people were motivated by a simple pleasure-pain principle. People did things that they felt good about and avoided those that they felt bad about (Werner & Bolino, 2012). However, an examination of the literature on reward management highlights that several theories have been advanced to explain reward management. Some of these theories include Abraham Maslow's theory of needs, the equity theory, Herzberg's two factor theory, McGregor theory X and Y among others. For the purposes of this study, Maslow's theory of needs and the Equity theory will be reviewed.

Maslow's hierarchy of needs is probably the best-known theory on motivation widely used by people (Khalid & Irshad, 2010). The basic tenet of the theory is that people are motivated by their quest to satisfy their needs or deficiencies. Maslow (1954) suggests that a person will be motivated to fulfill a higher level need, only if lower level needs have been achieved. He suggests that in order of priority, individuals will seek physiological needs (such as

food, water, air, shelter, and reproduction), safety needs (stability and security), love needs (affiliation, affection, sense of belonging), esteem needs (success, self-worth, achievement) and self-actualization needs (self-fulfillment, personal growth) (Vey & Campbell, 2011). The physiological, safety, and affiliation needs together are lower order needs or survival needs, while esteem and self-actualization needs together are higher order needs, or growth needs. The survival needs are powerful motivators for people to report for work to earn money. People, whose survival is threatened, will work in any job so that they can earn money to meet their lower order needs. Safety needs can be covered by indirect financial rewards such as benefit schemes that may include medical cover, pension plans and disability insurance, while higher order needs such as the esteem needs, can be attained through use of merit-based pay (Schechtman, 2008). However, his position is critiqued for assuming that employees will sequentially follow this process in satisfying their needs (Jamil & Raja, 2011). It is also argued further that there is doubt per the time lapse between satisfaction of a lower-level need and emergence of a higher-level need (Omotayo, 2013).

Another theory is the equity theory. The theory suggests that employees compare their pay with what other employees get as their pay. Satisfaction with pay is connected with the pay employees receive from their job compared with the amount obtained by others. The theory also indicates that pay satisfaction depends on the difference between the actual pay received by employees and what they feel they should have received (Finkle, 2011). According to Hakala (2008), employees who perceive that they have been under-rewarded or over-rewarded, restore equity by changing their own

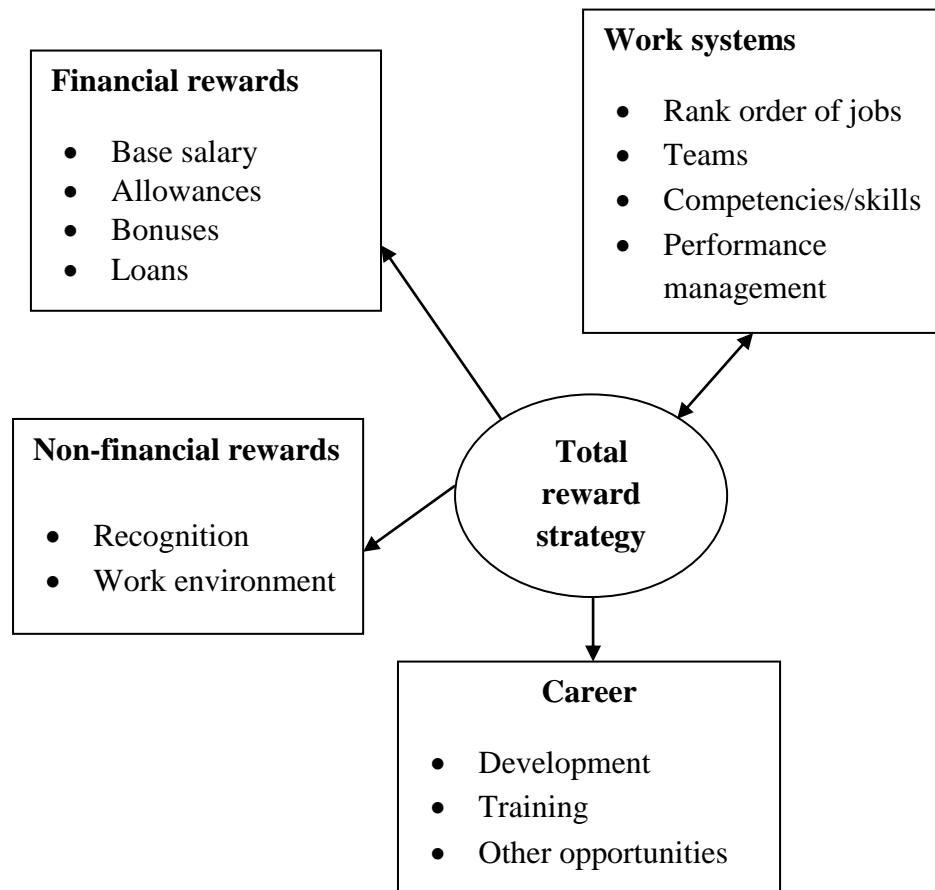
inputs, or choosing a different person for comparison, or ultimately quitting the job. This theory is therefore important in employee reward studies because it highlights the fact that employees are not only concerned with the absolute amount of rewards they receive, but with the rewards they receive relative to the rewards of others. This suggests that managers should not underpay or overpay some of their employees, but ensure that every employee is treated fairly (Hakala, 2008)

### **Model of total reward strategy**

This section discusses the model of total reward strategy and the total reward strategy aligned with organizational by Oliver (2007), which guided the study as depicted by Figure 1. It was adopted because the model made use of a number of variables that explain employee reward management to fit and capture basic dimensions that will lead to the realization of the research objectives. The reason for this is to help employers to gain understanding on the role of pay, rewards, motivation and retention and business success (Duberg & Mollen, 2010).

Figure 1 relates to total reward strategy which encompasses financial and non-financial rewards, work systems and career development. Nzuve (2007) suggests that there are two primary types of reward programs, which together form a secure and a stable pay system. Prasetya and Kato (2009) argue that salaries which form the base pay are given to individuals on condition that employees show up for work. However, allowances, bonuses and other benefits are part of variable pay received as an addition to base pay, hence; it varies depending on the performance of individual, company and

teamwork. As part of a total reward management, non-financial rewards in the form of recognitions and the right working environment is also provided and this triggers appropriate consequences for a person's actions (Oliver, 2007).



**Figure 1: Total reward strategy aligned with organisational strategy**

Source: Oliver (2007)

However, the total reward strategy depends on work systems of the organisation (Figure 1). Nevertheless, the motivations of employees are wide and diverse, hence the weaknesses of this model is that it is not comprehensive enough in capturing the various motivations of employees Therefore the theories were added to help address those aspects of reward management.

## Summary

This chapter reviewed relevant literature on reward management system with emphasis on some definitions and concepts, elements of reward management, objectives of reward management, types of rewards, alternatives to reward management, criteria for reward management, job satisfaction and rewards. It also looked at the elements of rewards management, the various forms of rewards, traditional and modern forms of rewards, conceptual framework of organizational rewards, rewards and Human Resource Management (HRM) cycle and reward strategy.

## CHAPTER THREE

### METHODOLOGY

#### **Introduction**

This chapter describes the approach, techniques and methods that were used to select respondents and analyze the data. It covers the study organisation, research design, sources of data/information, target population, sample size determination and sampling techniques. The chapter also discusses the instrument used in the data collection as well as data analysis and presentation.

#### **Study organisation**

The Trust Hospital (TH) is located in the cosmopolitan city of Accra, Osu Oxford Street to be precise. The Trust Hospital (TH) is a fifty (50) bed capacity hospital established in 1992 as a non-profit healthcare centre to provide healthcare delivery services for the staff of the Social Security and National Insurance Trust (SSNIT) and their dependants. The facility was later upgraded into a full-fledged hospital to extend its services to the general public. The Trust Hospital is not a legal entity and currently operates as the medical division of SSNIT. As a result, the conditions of service of personnel of The Trust Hospital are based on the conditions of service of SSNIT.

The Trust Hospital provides 24-hour health delivery services covering two broad areas. These are general and specialist care. The Trust Hospital's clientele base includes SSNIT employees and their dependants, corporate clients (about 145), insurance clients, and private individuals. The general

healthcare services of The Trust Hospital include Outpatients Services, Laboratory Services, Clinical Imaging, Electrocardiogram (ECG), Pharmacy Services, among other services.

The specialist services include Obsteric and Gynaecology, General Surgery and Endoscopy, Paediatrics and Dermatological services, Eye Clinic, Well-women Clinic and a Fast Track and Physician Clinic, Orthopaedic Clinic and Neurosurgery Clinic. The hospital has established three (3) satellite clinics at Tema, Sakumono and Adenta, all in the Greater Accra Region where people can access healthcare on National Health Insurance basis.

The Human Resources Management Department of The Trust Hospital is commissioned to ensuring that employees are rewarded fairly and equitably, in line with corporate and industry standards and that the rewards and benefits are structured to elicit desirable behaviours from the employees to help achieve its strategic goals (TH Handbook, 2010).

### **Research paradigm**

This study employed the positivist paradigm of research. Positivists believe that reality is stable and can be observed and described from an objective point without interfering with the phenomenon being studied (Levin, 1988). Drawing on this, the study employed a quantitative approach for the following reasons. First, was that it enabled the researcher to detach her personal feeling from the study (Neuman, 2007). Secondly, previous studies have effectively applied the same approach and yielded reliable and valid results (Jun, Cai & Shin, 2008). Their findings will therefore served as precedents and a lending hand for comparison of results made

### **Study design**

The study employed the descriptive research design. This type of research design is commonly used in the social sciences to find out the present picture of a situation or a population (Osuala, 2001). The design enables researchers to gain full understanding of a complex phenomenon while results are useful for purposes of making decisions and policies. Descriptive research is basic for assessing situations as a prerequisite to inferences and generalizations. Therefore, the current study, which looked at issues of reward management, including the types of rewards, employees' perceptions of reward management as well the variation of these perceptions justifies why it adopted this type of research design.

### **Target population**

The target population for the study consisted of staff of The Trust Hospital in 2013. The total staff strength of the hospital is 277 (Table 1). This consisted of four groups namely administrative and support staff representing 40.4%, which includes accounts officers, secretaries, security guards, storekeepers, hospital orderlies (porters), laundry, transport and maintenance staff. The nursing staffs include general nurses, midwives and ward assistants rank next with 34.3% of the staff population. The paramedical staff, who include pharmacists, dispensing technicians, laboratory technicians, x-ray technicians, physiotherapists form. 16.6% of the population. The medical doctors and medical assistants are the least in number with 8.7% of the study population.



**Table 1: Staff strength by professional category**

Category	Number	Percentage
Medical staff		
Specialist Doctors	8	2.9
Medical Officers (General)	14	5.0
Optometrist Doctor	1	0.4
Radiologist	1	0.4
Nursing staff		
Nurses/Midwives	62	22.4
Healthcare Assistants	18	6.5
Health Assistants ( Clinical)	15	5.4
Paramedical staff		
Dietician	1	0.4
Anesthetist	2	0.7
Biostatistics Officer	1	0.4
Biostatistics Assistants/Clerks	11	4.0
X-ray Technicians	3	1.1
Radiographers	2	0.7
Laboratory Assistants	3	1.1
Laboratory Technicians	5	1.8
Biomedical Scientists	5	1.8
Pharmacists	4	1.4
Pharmacy Technicians	7	2.5
Biomedical Engineer	1	0.4

**Table 1 continued.**

Administrative Staff	11	4.0
Accounts	19	6.9
Technical Officer ( Health Information)	3	1.1
Maintenance Technicians	3	1.1
MIS Officers	4	1.4
MIS Data Entry Clerks	6	2.2
Procurement Officers	3	1.1
Stores & Supplies	4	1.4
Catering Officer/Cooks	9	3.2
Laundry Assistants	14	5.0
Drivers	14	5.0
Morgue Assistants	2	0.7
Utility Assistants	21	7.6
<b>Total</b>	<b>227</b>	<b>100.0</b>

Source: TH Handbook (2010)

### **Sampling procedure**

Hair, Anderson, Tatham and Black (1998) opined that the issue of how large a sample size should be is unanswered. They are, however, of the belief that based on a large sample distribution theory, reliable estimates can be obtained from samples between 100 to 150 respondents. Against this backdrop, in bid to select the sample size, 182 workers were selected. The sample for the study was chosen based on the percentage each of the

categories of staff, which contributes to the total number of staff in the hospital.

**Table 2: Sample size determination**

Category	Number	Sample size of 20%	Number of workers
Medical Staff	24	1.7	21
Nursing Staff	95	6.9	60
Paramedical Staff	46	3.3	37
Administrative / supporting staff	112	8.1	64
Total	277	20.0	182

Source: TH Handbook (2010)

A twenty percent (20%) sample from each group were selected to constitute the sample for the study (Table 2). The sample was disproportionately allocated in order to avoid the inherent bias of proportionate allocation. Subsequently, the simple random sampling technique specifically the lottery method was employed to select respondents for this study. A simple random sampling technique/procedure was adopted due to the availability of a sampling frame and its fairness in representation (Creswell, 2003).

### **Data sources**

The study made use of both primary and secondary sources of data/information. Primarily, data was sourced from employees in the Trust Hospital using self-designed and self-administered questionnaires. Secondary data included the list of staff categories obtained for the study while secondary information on the literature was sourced from the internet, books, newsletters, magazines among others.

### **Data collection instrument**

The questionnaire method of data collection was the instrument used to gather the data for the study from the employees. This method was used because of the following reasons. First, due to the quantitative nature of the study - questionnaires are very efficient for collecting statistically quantifiable information. Secondly, questionnaires were used because almost every staff within the formal employment sector in Ghana, including the Trust Hospital can read, write and comprehend the English language. The use of questionnaire also guaranteed the independence and anonymity of respondents in the study. Nonetheless, unlike in-depth interviews, questionnaires made it next to impossible for the researcher to query into intriguing issues in the research since its usage stresses the independence of respondents.

The questionnaire for the study was divided into three (3) main sections, with each section examining different issues in the study. Section I: socio-demographic characteristics; Section II; looked at the types of rewards offered and Section III examined employees' perception of the fairness of the rewards offered. For each of the sections, there was a mix of open and close-

ended questions and a categorical scale involving “yes” or no” and a six point Likert scale (1 = Average; 2= Excellent; 3 = Very good; 4 = Good ; 5 = Poor and 6= Very poor) scheme was employed to measure respondents’ extent of agreement on various issues.

### **Pre-testing of research instrument**

Pre-testing of the instrument was conducted on twenty (20) employees of The La General Hospital between 1<sup>st</sup> and 7th January, 2013. This hospital was chosen because of two main reasons. First, because of proximity of the facility to the researcher and secondly, it is averred that piloting a study in the study institution(s) with which the intended study is to take place is unethical( Fisher, Laing, Stoeckel & Townsend, 1998 ). The pretesting exercise was also carried out to ensure that the questions asked were understood by respondents and to ascertain logical sequence of questions asked. Moreover it afforded the researcher the opportunity to do away with irrelevant and improperly worded questions, which would have otherwise affected the content validity of the research. Besides, it threw light on some of the probable problems that were to be encountered during the actual study.

### **Ethical issues**

This study, took into account several ethical issues including right of entry, informed consent, anonymity and confidentiality. In Ghana, organisations have rules and regulations governing the conduct of research into their operations. These corporate rules determine what information should be released to researchers. For these reasons, it was ethically binding on the

researcher to seek approval from top management before the study could be conducted in organisation. Thus, letters of introduction from the Institute of Development Studies -University of Cape Coast were sent to Ministry of Health, Accra and management of The Trust Hospital for approval before commencement of the study. The researchers also made telephone calls prior to visits so that data gathering periods were scheduled at convenient hours in order not to unduly interrupt their work schedules.

Neuman (2007) opine that researchers must not compel anyone into participating in research. Participation must be voluntary at all times, as a result, the rationale of the study was unequivocally made known to the respondents, nevertheless, respondents who felt reluctant in participating were not forced or influenced to do so. Moreover, the issue of anonymity was also ensured. Anonymity protects privacy by not disclosing a respondent's identity after information is gathered. Respondents were assured of their anonymity since names and other personal details were not associated with specific responses given. Twumasi (2001) asserts that even if a researcher cannot guarantee anonymity, he or she should always protect the participant's confidentiality. For this study, respondents were assured of their confidentiality; the information they provided was not to be disclosed to any third party other than its intended purpose, which was for academic discourse.

### **Fieldwork and challenges**

The main fieldwork lasted for three months, February 11th to May 13th, 2013. The researcher visited the study organisation on February 11, 2013 to be introduced to management. The actual data collection started on

February 14, 2013. The purpose of the study was always explicitly explained to respondents before questionnaires were handed over to them. Finally, the data collection ended up on May 13, 2013 when the researcher thanked management for giving her the opportunity for the data to be collected.

However, the fieldwork was challenged by a number of issues and some attempts were made to address them. First and foremost, some respondents felt reluctant to participate in the study because they could not perceive any immediate benefits to them. Some also complained of being fed up with answering questionnaires all the time. The researcher took time to explain to them the purpose of the study which was an academic pursuit although findings could inform policy making decision through publication.

Some respondents also complained of time constraints in answering the questionnaires. This was due to the need to attend to duties for the day. To help solve this problem the questionnaires were given to them to answer them at their convenience. Some subordinates also feared that their participation would lead to victimisation if they gave unfavourable answers about their management. But they were assured of anonymity and confidentiality of all the information they would provide.

Lastly, a few questionnaires were misplaced by the some of the respondents but they were easily replaced. This, however, delayed the process since more time was needed to complete the questionnaires. Some respondents refused to answer any questionnaire because it was waste of time. Others who finally collected them complained that the number of questions to be answered were too many.

### **Data processing and analysis**

The Statistical Product and Service Solutions (SPSS) software, version 16 was used to analyse the data. The SPSS was used because it is a very fast, reliable and capable of translating data into numerical form for analysis. It facilitated the computation of frequencies, percentages and ratios of the quantitative data obtained from closed and open-ended questions. The study involved both descriptive and inferential statistical analysis in discussion of the data. For descriptive statistical presentations, frequency tables, bar charts, and averages were presented. On the other hand, the inferential statistical tool used was the Chi-square for goodness fit - used to assess employees' perceptions of fairness in the reward system among the background characteristics of the respondents.

### **Summary**

This chapter described the approach, techniques and methods that were used to select respondents and analyze the data. It covered the study area, research design, sources of data/information, target population, sample size determination and sampling techniques. The chapter also discussed the instrument used in the data collection.



## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### **Introduction**

The chapter presents the results of the data in line with the objectives of the study. The chapter covers issues, such as the background characteristics of respondents, types of rewards given to employees, respondents' views about fairness in the Trust Hospital's reward system. The chapter also examines the extent to which respondents' views about fairness in the reward system vary by their background characteristics. Lastly, it looks at some suggestions given by respondents to improve the reward system in the Trust Hospital.

#### **Socio-demographics characteristics of respondents**

The socio-demographic characteristics of the respondents included sex, age, marital status, level of education, and monthly salaries. Table 3 indicates that there were more females (54.9%) than males (45.1%) in the study. This was so because in general, there are more female than male workers in the Trust Hospital.

Respondents ages at the Trust Hospital ranged from  $\leq 30$  to  $> 50$  years. Table 3 shows that about a third of respondents were within the age cohorts of 31-40 and 41-50 representing 34.0% and 32.7% respectively while only 9.8% of them were less than or equal to 30 years. This suggests that majority of the employees are young olds. As to their marital status, respondents who were married were 75.2% whereas those who were unmarried were 24.8%. Those

**Table 3: Socio-demographic characteristics of respondents (N =153)**

Background characteristics	Frequency	Percentage (%)
<b>Sex</b>		
Male	69	45.1
Female	84	54.9
<b>Age</b>		
≤30	15	9.8
31-40	52	34.0
41-50	50	32.7
>51	36	23.5
<b>Marital status</b>		
Married	115	75.2
Unmarried	38	24.8
<b>Highest level of education</b>		
Junior high	7	4.7
Senior high	59	38.6
Tertiary/degree	66	43.1
Post graduate	21	13.6
<b>Monthly income salary range</b>		
100-499	5	3.3
500-999	28	18.3
1000-1499	47	30.7
1500-1999	22	14.4

**Table 3 continued.**

2000-2499	28	18.3
2500-2999	12	7.8
3000-3499	11	7.2

Source: Fieldwork, 2013

married were 75.2% whereas those who were unmarried were 24.8%. This distribution was expected as were above 30 years. Globally, healthcare delivery methods are fast changing due to technological advancement in the health sector. As a result it is demanding that human resource specialists in healthcare facilities continuously upgrade the skills level or the education of their employees. For their part, Baeten (2008) and Kevin and Haiyin (2010) noted that for an organization to survive and grow in times of technological pressures, there is the need to implement training and development programmes in order to upgrade the qualifications of their employees.

As evident in Table 3, the educational levels of employees in the Trust Hospital ranged from those with junior high level education to those with postgraduate education. Whereas 43.1% had attained tertiary education, 38.6% had senior high qualifications. The rest were found to be respondents with postgraduate (13.6%) and junior high (4.7%). The fact that almost half of the respondents had tertiary education may suggest that there are some career development opportunities in The Trust Hospital, since people's level of education on a particular job could have a positive correlation with the performance.

The monthly salaries of respondents ranged from Gh¢100 to Gh¢ 3499. Table 3 shows that 30.7% of the respondents earned between Gh¢1000

and Gh¢ 1499 and 18.3% received between Gh¢2000 - Gh¢2499. This is quite remarkable as the salary ranges appear greater than the average minimum wage rate in Ghana (Akuoko & Kanwetuu, 2012).

### Work related characteristics of respondents

This section looks at employees' job related characteristics in the Trust Hospitals. These characteristics include employee's grade or level, number of years worked and monthly emolument (Table 4).

**Table 4: Respondents' work related characteristics (N = 153)**

Characteristic	Frequency	Percentage
Grade or level in the hospital		
Junior level	33	21.6
Middle level	62	40.5
Senior level	58	37.9
Total	153	100.0
Number of years worked		
≤5	27	17.6
6-10	47	30.7
11-15	42	27.5
16-20	29	19.0
>21	8	5.2
Total	153	100.0

Source: Fieldwork, 2013

It was evident from the study that employees in the Trust Hospital belonged to junior, middle and senior staff categories. Table 4 shows that, 40.5% of the respondents belonged to the middle staff category while more than a third (37.9%) were in the senior staff category.

The least found were those in the junior staff category (21.6%). Interestingly, about three quarters of the staff were middle staff and above, which appears quite outstanding. This finding contradicts the observation by Ayee (2011) that junior staff categories are the most dominant proportion of employees in the health sector in Ghana. Nevertheless, since most of the workers are professionals with technical skills, it is not surprising regarding the outcome.

As to the duration employees had served in the Trust Hospital, 30.7% of the workers had served between 6-10 years while almost another third (27.5%) had worked for 11-15 years (Table 4). However, very few (5.2%) of the respondents had worked for more 21 years in the facility. Moreover, the average number of years employees had served in the Trust Hospital was 11 years; an indication of loyalty to the facility. In addition, the relative long period of stay of the loyalty to the facility. In addition, the relative long period of stay of the employees in the organisation gives credence to the argument that when employees are satisfied with their rewards, the tendency to stay is high (Baeten, 2008).

### **Rewards that exist in the Trust Hospital**

According to Kamalian, Yaghoubi and Moloudi (2010) and Armstrong (2010), rewards given to employees come in different forms. Therefore, this

part section answers the question what are the set of rewards that exist in the Trust Hospital? Therefore, it looks at the types of rewards given to employees at the Trust Hospital.

**Table 5: General rewards given to hospital staff (N = 573)**

Motivation	Frequency	Percentage (%)
Mortgage loans	125	21.8
Educational loans	95	16.6
Fuel allowance	91	15.9
Personal vehicle loans	70	12.2
Free healthcare for staff/dependants	51	8.9
Vehicle maintenance allowance	36	6.3
Funeral grants	22	3.8
Accommodation allowances	21	3.7
Career training	18	3.1
Promotion	15	2.6
Canteen subsidy	13	2.3
Retirement rewards	9	1.6
Staff awards	5	0.9
Employee stock ownership plan	2	0.3
Total	573*	100.0

\*Multiple responses

Source: Fieldwork, 2013

Rewards are strategies used by most organizations and institutions to recognize the efforts of hardworking, innovative, and dedicated employees. In most cases, they are meant to edge employees to maintain or increase performance, and also motivate unproductive ones to improve on their work output (Ali & Ahmad, 2009). As shown in Table 5, employees at the Trust Hospital receive various types of rewards, including mortgage loans, fuel (Table 5) allowances, personal car loans, free healthcare, educational loans, funeral, grants, career training promotions etc.

In Table 5, mortgage loans (21.8%) dominated all the rewards available to employees in the hospital followed by educational loans (16.6%), and fuel allowances (15.9%). The dominance of mortgage loans can be traced to the intrinsic desire of employees to satisfy their need of shelter as stipulated by Maslow (1954). Educational loans were pronounced giving credence to a study by Spector (2009) who observed that the loans granted to employees are mortgage loans, car loans and high purchase loans attributing it to the intrinsic desire to add value to oneself and attain higher responsibilities and task.

Other rewards offered to employees, funeral grants (3.8%), and retirement rewards (3.7%) among others (Table 5). It is significant that funeral and retirement rewards are at the base of the table. It can be explained as the result of employees' lack of interest and attachment to such rewards and also because few employees go on retirement with only 5.2% (Table 4) of employees having worked for twenty-one years and above. It is a legal requirement for employers to provide benefits such as workers' compensation, family and medical leave and unemployment compensation. The premise here is that employees should be paid according to the skills and competencies.

### Financial rewards

As part of answering the first objective, the study also identified the types of financial rewards given to employees at The Trust Hospital following Khalid and Irshad (2010) assertion that rewards are categorised into financial and non-financial rewards (Table 6).

**Table 6: Financial rewards offered by Trust Hospital (N =506)**

Cash reward	Frequency	Percentage (%)
Annual bonus	98	19.4
Overtime allowances	87	17.2
Fuel allowances	65	12.8
Educational loan	56	11.1
Mortgage/Rent Loan	52	10.3
Clothing allowance	50	9.9
Car maintenance allowance	42	8.3
Funeral grants	41	8.1
Out-of-station allowance	15	2.9
Total	506*	100.0

\*Multiple responses

Source: Fieldwork, 2013

Respondents were rewarded with annual bonuses representing 19.4% followed by overtime allowance (17.2%), clothing allowances and bonuses to the employees as financial rewards avows the observation by Akintoye (2008) that financial incentives such as extra duty allowances and additional benefits



in the form of money remain, arguably, the most significant strategy of reward management. About 11.1% of the respondents also acknowledged that educational loans were offered to them as rewards. The provision of educational loans is due to the intrinsic desire to add competence, value and skill to themselves and if any reward strategy fulfils that dream then satisfaction will be high (Ali & Ahmad, 2009).

### **Non-financial rewards**

Non-financial rewards are those rewards that have no pecuniary value (Oliver, 2007). The findings showed that almost a third (28.6%) of the respondents was given free healthcare. Plausibly, the health status of employees and indirectly their dependents may have some level of impact on productivity, as maintained by the safety and security needs by Maslow (Akuoku & Kanwetuu, 2012).

Therefore, it stands to reason that the overall healthiness of employees somewhat bring about continuity in the production line and also reduces cost for the organization that has health insurance covers for its workers. Collins (2010) puts forward that employee training and remain an indispensable form of non- financial reward. Accordingly, in this study, about a fourth (25.8%) of the respondents agreed that they were given staff training opportunities. This observation is in line with Mensah (2009) assertion that training remains one of the most predominant rewards given to employees. The necessity of health care to working families explains the satisfaction workers got for sharing their family burdens with the employer. The other non-cash rewards given to

workers include promotions (5.4%), subsidized accommodation (4.6%), career development (4.6%), and free office uniforms

**Table 7: Non-financial rewards offered by Trust Hospital (N= 461)**

Non-cash rewards	Frequency	Percentage (%)
Free healthcare for staff/dependants	132	28.6
Training	119	25.8
Maternity/paternity leave	60	13.0
Canteen subsidy	36	7.8
Promotions	25	5.4
Awarding of citations	21	4.6
Subsidized accommodation	21	4.6
Free office uniforms	17	3.7
Staff awards	11	2.4
Retirement award	10	2.2
Official vehicle	5	1.1
Employee share ownership plans	4	0.8
<b>Total</b>	<b>461*</b>	<b>100.0</b>

\*Multiple responses

Source: Fieldwork, 2013

(3.7%). However, a few (2.4%) accepted receiving staff award as a form of non-financial reward.

### **Perception of fairness in the reward system**

Erdogmus and Beyaz (2012) maintain that reward systems must be fair given that discriminations and other unfair actions in organizations could lead to employee discontent and other negative ramifications. Consequently, the second objective of the study sought to assess employees' views on the extent of fairness in the reward system at the Trust Hospital (Table 8). Khan, Farooq and Ullah (2010) advocate that measurement of respondents' perceptions of fairness of a reward system should be focused on two main areas comprising distributive and procedural justice. On respondents' impressions about distributive justice in the reward system, it emerged that more than two thirds (67.1%) of the respondents regarded the pay system as justly distributed, whereas about 32.9% admitted that it is not. The relatively pronounced confirmation shows that workers are satisfied with the reward system. A similar finding by Dewuona (2011) indicated that employees see a just pay system as fair.

Also, about half (50.7%) of the employees acknowledged that they receive awards that they were promised whereas one third (49.3%) of the respondent disagreed that they do not receive whereas one third (49.3%) of the respondent disagreed that they do not receive rewards as assured (Table 8). These figures are quite close and disagreements denote a sharp over consistent integrity of the reward system. All the same a study by Mathew, Grawhich and Barber (2009) found that most of rewards provided to employees are not what they actually want. With regards to procedural justice in the reward system at The Trust Hospital, Table 9 reveals that while 45.0% of the

respondents were of the view that their views are considered. Nevertheless, more than half (55.0%) of the respondents had a dissimilar view.

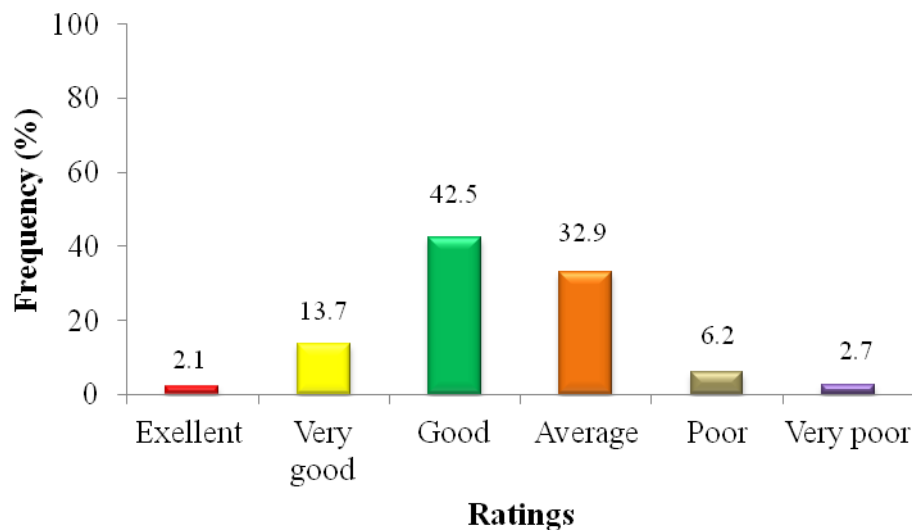
**Table 8: Respondents' perception of fairness of rewards in Trust Hospital**

Statement	N	Yes (%)	No (%)
<b>Distributive justice</b>			
Rewards are justly distributed	149	67.1	32.9
Rewards are distributed based on employee's contribution	146	61.1	38.9
Employees receive rewards that they were promised	150	50.7	49.3
Rewards address their needs	144	30.6	69.4
<b>Procedural justice</b>			
Views of employees are considered in the reward system in the Trust hospital	150	45.0	55.0
Reward systems for employees in the Trust hospital are not biased	152	44.7	55.3
Criteria for decisions on rewards for employees are consistent	151	55.3	44.7
Employees are provided with adequate explanation of why decisions have been made	148	29.8	70.2
Employees understand how the reward process functions in the Trust hospital	150	47.7	52.3

Source: Fieldwork, 2013

In addition, an encouraging proportion (70.2%) of the employees attested that they are not provided with adequate explanation regarding why decisions were taken, on the contrary, about 29.8% of them differed.

More importantly, about 62.2% of the respondents admitted that they are given feedbacks about outcome of decisions, whereas more than one third (37.8%) of them did not concur. With more than a third disagreeing it is clear that adequate communication is lacking between employees and the employer and this is buttressed by the fact that (37.8%) expressed the opinion that they do not receive adequate feedback from employers about decision outcomes. Honold (2009) argue that ccommunication is the foundation of a fair reward management and organizational success, therefore the reason for failure of pay for performance in most organisations is lack of communication.



**Figure 2: Rating of reward system at the hospital**

Source: Fieldwork, 2013

Figure 2 shows that majority of employees were happy with the reward system in The Trust Hospital as about 58% of them rated from good to

excellent. Another 33% described the reward system in the facility as average while about 9% rated it as poor.

### **Respondents' perception of fairness of reward system by socio-demographic characteristics**

Various writers, such as Bender (2010) and Mani (2010) have advanced various arguments that employees' perception of the fairness of a reward system is influenced by their socio-demographic characteristics. Accordingly, the last objective sought to examine the extent to which employees perceptions of fairness in the reward system vary across their socio-demographic characteristics. The Socio-demographic characteristics included sex, age, marital status, and level of education. Subsequently, the Chi-square for goodness fit was used to analyse the data since the independent variables (socio-demographic characteristics) and the dependent variables (Procedural and Distributive justice) were categorical.

The summary of the results are shown on Table 9. With respect to distributive justice in the reward system of The Trust Hospital, there was a significant difference in the perception of males and females at a significance level of 0.04. Specifically, less than a third (27.2%) of the males agreed that there was distributive justice, whereas majority (72.8%) of the females attested too. On the contrary, a littleless than two thirds (65.0%) of the male employees admitted that there was no distributive justice and about 35.0% of the females did too. The position then is that sex has a tremendous effect on reward perception. The access to some rewards and the consideration given to women in instances like maternity leave and other advantages as against men

**Table 9: Respondents' perception of fairness by socio-demographic characteristics**

Characteristic	N	Distributive justice			Procedural justice		
		Yes (%)	No (%)	$X^2$ (p-value)	Yes (%)	No (%)	$X^2$ (p-value)
<b>Sex</b>							
Male	69	27.2	65.0	80.34 (0.04*)	32.4	66.0	75.62 (0.46)
Female	84	72.8	35.0		41.6	34.0	
<b>Age</b>							
≤30	15	45.3	11.6	74.23(0.64)	42.0	10.2	56.31 (0.91)
31-40	52	30.0	11.2		32.0	18.2	
41-50	50	15.1	34.2		15.1	30.6	
>51	36	9.6	43.0		7.6	41.0	
<b>Marital status</b>							
Married	115	68.1	55.0	64.32 (0.01*)	45.3	44.0	68.23 (1.92)
Unmarried		38	31.9		45.0	54.7	
<b>Education</b>							
Junior high	7	12.3	46.0		7.8	41.9	

**Table 9 Continued .**

Senior high	59	15.2	26.4	74.56(0.68)	14.3	26.7	74.13 (0.43)
Degree	66	37.0	18.3		22.9	13.2	
Post graduate	21	35.5	9.3		55.0	18.2	

\*significant at the  $p < 0.05$  significance level

Source: Fieldwork, 2013

influences how they both view the reward system. Plausibly, it could be that the women relatively receive friendly reward packages which might have accounted for their positive faith in procedural justice as opposed to males. Baeten (2008) observed that in United Kingdom policy on Leave, for instance, is that females who have not taken annual leave of absence can add them to the mandatory maternity leave upon delivery whereas males who miss the opportunity to take an annual leave of absence do not have the chance to do same again.

On procedural justice, the results indicated that more than half (58.4%) of the male respondents acknowledged that there is procedural justice in the reward system likewise more than a third (41.6%) of the females also agreed. However, about two thirds (66.0%) of the male respondents said there is partiality in the process of the reward system and about 34.0% of the females acknowledged too. Though, there were variations in the views of the respondents based on their sex, nevertheless, the differences was statistically significant ( $p = 0.46$ ).

According to Omotayo (2013), age is one of the socio-demographic attributes that causes variation in workers perception of justice in a reward



system. But, in this study, with respect to age and distributive justice, there was no significant differences ( $p = 0.64$ ) in respondents views, despite the fact that the figures give the impression that the two age groups below forty-one years are diametrically opposed to the two upper age groups who are above forty-one years. Specifically, about 45.3% of those who were less than 30 years said there is distributive justice and 15.1% of those within the age cohorts of 41-50 agreed too. Nevertheless, those more than 51 years, more than a third (43.0%) of them admitted that there is no distributive justice in the reward system and 11.2% of those within age category of 31-40 alluded too.

On procedural justice, there was no significant variation ( $p= 0.91$ ) in the views of the respondents across the various age categories. Therefore, about 42.0% of those less than age 30 agreed that the processes in the reward system is fair, likewise only 9.6% of those who were 50 years and above. However, about 18.2% of the respondents within the age cohorts of 31-40 admitted there is no procedural justice in the reward system, more than a third (41.0%) of those who were 50 years and above acknowledged that there is no fairness in the processes of the reward system.

Education equally did not influence perception of employees regarding the fairness of the reward system on distributive justice. Those with junior high school education who disagreed with fairness of the reward system constituted 46.0% while only (9.3%) of post-graduates thought same giving credence to the notion that the highly educated who benefit tremendously from the reward see it as very fair.

## **Summary**

The chapter examined the socio-demographic characteristics of respondents, types of rewards given to employees, respondents' views about fairness in the Trust Hospital's reward system. The chapter also examined the extent to which respondents' views about fairness in the reward system varied by their background characteristics.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### **Introduction**

The chapter presents the summary, conclusions and recommendations of the study. It summarises the major findings of the study and draws conclusions based on the results. Recommendations are then made towards improving the reward system at the Trust Hospital.

#### **Summary**

The general objective of the study was to examine the reward system in the Trust Hospital, Accra. The sample size for the study was 153 respondents and the data collection was done with the use of questionnaires. The instrument was administered through simple random sampling technique. The data was analysed using SPSS, and presented in frequency tables and bar graphs. The chi-square for goodness of fit was used to examine the effect of employees' background characteristics on their perception of fairness in the reward system at the Trust Hospital.

The first objective was to identify the types of rewards offered in the Trust Hospital. The study indicated that employees in the hospital were motivated by several reward packages, but the most dominant of all were some financial rewards including mortgage loans (21.8%), annual bonuses (19.4%), overtime allowance (17.2%), educational loans (16.6%), and fuel allowances (15.9%). Others included non-financial rewards namely, free

health care (28.6%), training (25.8%) for workers and maternity/paternal leave (13.0%).

The second objective was to examine employees' perception of fairness of the reward system in The Trust Hospital. The employees remained ambivalent on the issues of distributive and procedural justice of the reward system since 67.1% said rewards are justly distributed and employees are given feedbacks about outcome of decisions (62.2%). 69.4% of them said the rewards given do not address their needs. However, on the overall, It was evident that a more than half (58.0%) of the employees were happy with the reward system thus rated it from good to excellent.

The last objective was to explore the differences in respondents' perception of fairness by socio-demographic characteristics. It was established from the study that except for respondents' sex which had some effect ( $p = 0.04$ ) on employees' perceptions of fairness in the rewards system (ie. distributive justice), all other socio-demographic variables had no effect on workers perceptions of fairness in the reward system at the hospital.

## **Conclusions**

Based on the objectives of the study and the main findings of the study, the following conclusions are drawn. First, the reward packages used to motivate workers of the Trust Hospital are both financial and non-financial rewards. Secondly, the disparities in the respondents' views on the fairness of the reward system based on distributive and procedural justice give course for one to say that there is limited justice in the distribution of rewards at the Trust Hospital. Finally, the socio-demographic characteristics of the respondents in

the hospital (except for sex) have no effect on employees' perceptions of fairness in the hospital's reward system.

### **Recommendations**

The hospital's administrator should ensure continuous improvement in the reward packages such as annual increment in staff salaries, more non-taxable allowances and medical related rewards. Further, the administrators should rollout training programmes for all categories staff and/or provide more educational loans to all staff to enable them continue to work diligently and be much more loyal to the facility.

Secondly, since there was an iota of unfairness in the hospital's rewards system, it is advocated that the management of the hospital should provide adequate information to the employees to ensure that they understand how the reward process functions in the hospital as well why certain decisions are made.

In addition, since the study revealed that the rewards provided to the employees do not meet their needs, management should study the employees to exactly know what they want, so that appropriate rewards packages can be given to them. This can be done through soliciting suggestions through boxes, forums and staff meetings. Furthermore, the management of the hospital should do well to undertake annual review of the reward packages for employees so as to ensure consistency and upward improvement in the level of satisfaction and work output thereof.

Lastly, since it was revealed from the study that sex has an effect on the employees' perceptions of fairness (distributive justice) in the rewards

system, it is recommended that management should take into consideration the reward needs of both sexes so as to be able to provide tailored rewards which will consequently lead to the satisfaction of both parties.

### **Suggestion for further research**

The study has evaluated the reward management system at the Trust Hospital concentrating on the types of rewards offered in the hospital, employees' perception of the reward system and the differences in employees' perception of the reward system by their socio-demographic characteristics. A further study could focus on a comprehensive comparison of the reward system in the Trust Hospital and other hospitals.

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**APPENDIX**  
**UNIVERSITY OF CAPE COAST**  
**INSTITUTE FOR DEVELOPMENT STUDIES**  
**M. A. HUMAN RESOURCE MANAGEMENT**

**Questionnaire for staff**

I am undertaking a research project on evaluation of reward management in The Trust Hospital, Accra. The project will be used mainly for academic purposes in partial fulfillment of the requirements for the award of Masters Degree in Human Resource Management at the Institute for Development Studies, University of Cape Coast. I am kindly soliciting your assistance in completing this questionnaire. All information you give will be treated with utmost confidentiality. You may, however, opt out if you do not wish to participate in this study.

*Please answer each question with a tick (✓) or short written answer*

**Section I: Socio-demographic characteristics**

1. How long have you been working in The Trust Hospital? .....years
2. Sex : 1. Male [ ]  
          2. Female [ ]
3. Age: .....
4. Marital status:
  1. Married [ ]
  2. Single [ ]
  3. Divorced [ ]
5. What is your religion?
  1. Muslim [ ]
  2. Christianity [ ]

3. Traditional [ ]

4. Others, please specify.....

6. What is your highest educational qualification?

1. Non formal Education [ ]

2. Basic level [ ]

3. Junior Secondary level [ ]

4. Senior secondary level [ ]

5. Tertiary / Graduate level [ ]

6. Post tertiary / post graduate level [ ]

7. Which of these come close to your monthly salary range?

1. GH¢100 – 499 [ ]

2. GH¢500 – 999 [ ]

3. GH¢1,000 – 1,499 [ ]

4. GH¢1,500 – 1,999 [ ]

5. GH¢2,000 – 2,499 [ ]

6. GH¢2,500 – GH¢2,999 [ ]

7. GH¢3,000 - GH¢3,499 [ ]

8. What is your grade or level in the hospital?

1. Junior level [ ]

2. Middle level [ ]

3. Senior level [ ]

9. What is your professional category at the hospital (e.g. Nurse, Accountant, etc.) .....

**Section II: Types of rewards**

10. Apart from annual leave what types of special leaves are you entitled to as an employee? (*Tick all that apply*)

- 1. Maternity/Paternity leave [ ]
- 2. Casual leave [ ]
- 3. Compassionate leave [ ]
- 4. Examination leave [ ]
- 5. Leave without pay [ ]
- 6. Others,.....

11. Which of the following cash rewards are you given? (*Tick all that apply*)

- 1. Annual bonus [ ]
- 2. Funeral Grants [ ]
- 3. Fuel Allowances [ ]
- 4. Overtime allowances [ ]
- 3. Out-of-station allowance [ ]
- 6. Car maintenance allowance [ ]
- 7. Clothing allowance [ ]
- 8. Mortgage /Rent loans [ ]
- 9. Educational loan [ ]
- 10. Others,.....

12. Which of the following non-cash reward are you provided with? (*Tick all that apply*)

- 1. Free Healthcare for staff/ dependants [ ]
- 2. Health Insurance for staff/dependants [ ]

- 3. Canteen subsidy [ ]
- 4. Promotions [ ]
- 5. Career development [ ]
- 6. Official vehicle [ ]
- 7. Subsidized accommodation [ ]
- 8. Employee Share Ownership Plans [ ]
- 9. Staff awards [ ]
- 10. Retirement award [ ]
- 11. Staff Provident Fund [ ]
- 12 Free office uniforms [ ]
- 13 Others,.....

13. In what ways are you motivated in The Trust Hospital? (*Tick all that apply*)

- 1. Mortgage loans [ ]
- 2. Fuel allowance [ ]
- 3. Personal vehicle loans [ ]
- 4. Free healthcare for staff/dependants [ ]
- 5. Vehicle maintenance allowance [ ]
- 6. Educational loans [ ]
- 7. Funeral grants [ ]
- 8. Accommodation [ ]
- 9. Retirement rewards [ ]
- 10. Promotion [ ]
- 11. Career training [ ]
- 12. Staff awards [ ]

13. Employee Stock Ownership Plan [ ]
14. Canteen subsidy [ ]
15. Others (*please specify*).....
14. Are you satisfied with the fairness of the reward system of The Trust Hospital? (*Please, indicate the extent of agreement or disagreement to these statements*).

Statement	Yes	No
<b>Distributive justice</b>		
Rewards are justly distributed		
Rewards are distributed based on employee's contribution		
Employees receive rewards that they were promised		
Rewards address their needs		
<b>Procedural justice</b>		
Views of employees are considered in the reward system in the Trust hospital		
Reward systems for employees in the Trust hospital are not biased		
Criteria for decisions on rewards for employees are consistent		
Employees are provided with adequate explanation of why decisions have been made		
Employees are given feedbacks about outcome of decisions		
Employees understand how the reward process functions in the Trust hospital		

15. Overall, are you satisfied with the following?

a. Procedural justice    Yes    [   ]        No [   ]

b. Distributive justice    Yes    [   ]        No [   ]

16. How would you rate the reward system of the hospital?

1. Average    [   ]

2. Excellent    [   ]

3. Very good    [   ]

4. Good        [   ]

5. Poor         [   ]

6. Very poor    [   ]

Thank You