

UNIVERSITY OF CAPE COAST

THE EFFECTS OF REWARD SYSTEMS ON EMPLOYEES'
PERFORMANCE: A CASE OF CAPE COAST TECHNICAL UNIVERSITY

BY

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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research 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 the dissertation were supervised in accordance with guidelines on supervision of dissertations laid down by the University of Cape Coast.

Supervisor's Signature: Date:

Name: Dr. David Essaw

ABSTRACT

The concept of reward system in an organisation is important in motivating employees with the view of achieving the best and improved organisational performance. Most organisations often fail to assess how the organisational outputs are directly or indirectly affected by how employees are perceived, treated and how they feel about themselves within the organisational settings. It is in recognition of these facts that this research was undertaken to assess the effects of reward systems on employees' performance in Cape Coast Technical University. The study used a mixed method. The target population for the study consisted of staff in the various categories (senior members, senior staff and junior staff). Stratified random sampling method was used in selecting staff from the three categories. Questionnaires as well as structured interviews were used to gather data from respondents. Statistical tools used to analyse the data included frequencies, percentages, means and T-tests. The study revealed that there is a relationship between rewards and employees' performance in organisations. It was also realised from the findings that Cape Coast Technical University however, does not have a clearly defined and well-documented policy on reward systems. Thus employees generally felt that the rewards in the university were not fairly and equitably given. Thus they expressed their displeasure by not being committed to work. The study therefore concluded that great strides be made to adequately reward employees to enhance performance. It is recommended that management should attach importance to issues of employee rewards.

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DEDICATION

To my family for their prayers, tolerance, encouragement and assistance.

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LIST OF ABBREVIATIONS

CCTU	Cape Coast Technical University
GATUA	Ghana Association of Technical University Administrators
HND	Higher National Diploma
NAB	National Accreditation Board
TEWU	Teachers Education Workers Union
TUAAG	Technical University Administrators Association of Ghana
TUTAG	Technical University Teachers Association of Ghana
TUWAG	Technical University Workers Association of Ghana

CHAPTER ONE

INTRODUCTION

Background to the Study

Many organisations in recent times face a number of challenges in order to gain competitive advantage in business. Challenges such as employees' retention have increased as organisations in recent times now have to manage employees with different backgrounds. The ability to attract and retain employees in organisation as well as to keep them highly motivated in today's competitive, technological and globalised world has become a great challenge to many organisations. There has always been the tendency for employers to require employees to do more with less incentives, while employees are also asking for more incentives from employers. This has necessitated the need for organisations to devise a means or a system that will strike the balance, to continue having increased performance.

Retaining talented and highly qualified employees has been considered as one of the long term sustainable competitive advantage but in modern business environment however, it has become a challenge for many organisations (Armstrong & Taylor, 2014). According to Donald and Gail (2001), organisations can gain competitive advantage if the employees increase their performance which will intend lead to increase in the overall organisational performance. Organisations are increasingly realizing that they need to establish an equitable balance between employees' contribution to the organization and the organization's contribution to the employees (Puwanenthiren, 2011). He further indicated that establishing this balance is one of the main reasons why employers need to reward employees.

Reward systems have been identified as one of the most effective factors to maximise employees' performance in organisations (Armstrong & Taylor, 2014). The reward system in an organisation is a programme that is designed to acknowledge and recognise high performing employees and provide incentives for low performing employees and increase their performance in the organisation. Rewards are used by organisations as a tool to attract and retain highly qualified employees thereby minimising organisation's expenditure in terms of cost, recruitment and training.

The reward system typically is based on the expectations of management of the organisation from its employees and the rewards that management in the organisation is willing to give to its employees who meet or exceed these expectations. Reward system can thus, shape the behaviour of employees towards the organisation and the work that they do. Organisations can however use this approach to shape favourable employee behaviour.

Wilson (2014) describes rewards and their purpose to include systems, programmes and practices that influence the actions of people. The purpose of reward systems is to provide a systematic way to deliver positive consequences. The fundamental purpose is to provide positive consequences for contributions to desired performance. Griffin and Moorhead (2013), also opined that the purpose of reward system is to attract, retain and motivate qualified employees in the organisation.

Reward systems can be extrinsic in the sense that they offer financial incentives or intrinsic in the sense that they offer non-financial incentives or acknowledgment of employees and that recognition is a motivation for employees to the work engagement. They can include awards, recognition,

promotions, reassignments, non-monetary bonuses like vacations or a simple thank-you.

A reward system should have an effective combination of both the extrinsic and intrinsic rewards in order to satisfy the needs and expectations of the individual employee. A good balance of both the extrinsic and intrinsic rewards enables an organisation to maximise employee's commitment, motivation and job satisfaction which in turn maximises the performance of employees particularly in terms of productivity (Khan, Shahid, Nawab, & Wali, 2013). Employees' impact on productivity can only be achieved positively if the organisation's reward system meets the needs and expectations of such employees.

Performance management influences performance by helping people to understand what good performance means and by providing incentives to improve it. The rewards system is an important device not only to monitor performance of employees but can also be used as a tool to motivate employees in the organisation. By having an adequate reward system however, will enable organisations to retain employees and also attract new employees. The tasks and duties of employees could be designed based on the reward systems to achieve the overall organisational goals and objectives.

Several studies however, have shown that rewards have positive effect on employee's performance in organisations. For example, a study conducted by Sarwar and Abugre (2013), analysed the impact of rewards on job satisfaction of a service industry employees. It was found in their study that there is a positive impact of job satisfaction on employee's performance. They

thus, concluded that adequate reward system maximises the job satisfaction leading to increase in efficiency and effectiveness of employee productivity.

Also, another study conducted by Carraher, Gibson, and Buckley (2006) found that in order to retain high performing employees, an organisation must have a good reward system that has the ability to meet the expectations of high performers. Again, similar results were also derived by the study conducted by Guest (2002) which concludes that reward system is a key motivation for employees to meet performance expectations of the management.

All organisations therefore have their reward systems. Without these rewards, employees would not join an organisation, be inclined to come to work every day, or even perform their duties in line with the mission or strategy of the organisation (Huff, 2006). Currently, Cape Coast Technical University (CCTU) has a well-documented conditions of service policy. Within the context of the policy, there are specific reward systems. Some of these rewards include retirement and pension benefits, accommodation benefits, leave (sabbatical, study, casual and annual) benefits, health and medical benefits, transportation and death benefits. Even though these benefits may exist statutorily, it is yet to be ascertained whether these reward systems in place actually influence the employees of the University in the performance of their duties. This research therefore sets out to assess the various reward systems that exist in the University and how these rewards affect performance of employees in the University.

Statement of the Problem

In recent times, Ghana employers especially in government institutions have a big challenge in getting optimal output from employees. There is increasingly a need for organisation to be in a position of understanding appropriate rewarding system that motivates their employees for higher organisation performance (Vance, 2006). In an attempt to maximise employees output, some employers resort to strict adherence to reporting and closing times of employees as well as ensuring that employees are at post during the entire working hours. In some cases, employers applied a sort of brute force to maximise output from employees. This approach is not quite sustainable and will not automatically lead to effective output from employees. This can be liken to the proverbial saying that you can force the donkey to the river but you cannot force it to drink the water.

Some employers on the other hand, try to establish very cordial relationship with their employees in order to get them put in their best in the organisation. This approach is human and falls within the larger strategy of motivation called reward system.

Various organisations adopt different reward systems with the view of encouraging their employees to put up their best for optimal productivity. However, in often cases, the mode of motivation within any particular organisation are not made clear to the employees especially the mode of implementation. Also, the reward systems are not regularly reviewed to meet prevailing employees' need. As various organisations adopt different reward systems hoping to attract and retain employees in order to enhance organisational efficiency and productivity however, due to lack of

communication between management and employees, a number of these reward systems usually become ineffective (Kinicki & Kreitner, 2006).

As Kinicki and Kreitner (2006) opined, managerial decisions and policies such as reward systems are rendered ineffective unless they are understood by all stakeholders. They believe strongly that employers or managers who communicate more are more likely to have employees who communicate openly on issues such as reward policies by putting forward suggestions or ideas and contributing their own opinion.

Cape Coast Technical University is one of the educational institution in Ghana which has reward systems in place so as to ensure staff productivity. However, the extent to which these incentives are effective and are known to staff is yet to be established. This study therefore seeks to assess the effects of reward systems on employees' performance at Cape Coast Technical University.

Objective of the Study

The main objective of the study was to assess the effect of reward systems on employee performance at Cape Coast Technical University. Specifically, the study sought to:

1. identify the most important rewards that motivate employees at Cape Coast Technical University.
2. examine the methods used in implementing reward systems at Cape Coast Technical University.
3. assess the effects of the current reward system on employee performance at Cape Coast Technical University.

Research Questions

1. What are the most important rewards that motivate employees at Cape Coast Technical University?
2. What methods are used in implementing reward systems at Cape Coast Technical University?
3. What are the effects of the current reward system on employee performance at Cape Coast Technical University?

Significance of the Study

The results of the study might be of immense benefits to management of the University and other tertiary institutions to understand the need for managing rewards to enhance employees' performance and maintain efficiency in organisations.

The results of the study regarding the issue of reward packages will also enable management of the polytechnic to identify the various reward systems that best satisfy employees. This would go a long way to ensure employees' commitment and retention in the organisation.

The results of the study regarding the issue of reward packages will also enable management of the University to identify the various reward systems that best satisfy employees. This would go a long way to ensure employees commitment and retention in the organisation. Finally, the findings of the research will add to the body of knowledge in the field of reward systems in organisations especially Cape Coast Technical University and the kind of reward packages to be introduced in the organisation to improve employees' performance.

Scope of the Study (Delimitations)

The research is to be conducted in Cape Coast Technical University and specifically focused on the effect of reward system on employees' performance. The study would be limited to employees who have been working in the University for at least the past twelve months and have thus experience rewards given out in one way or the other to employees in the University

Limitation of the Study

The scope of the study was limited to issues related to the effects of reward systems on employees' performance in Cape Coast Technical University. The researcher could not generalise the findings of the study to all tertiary institutions in Ghana. The reason for the choice of this institution was the fact that the university had put in place some kind of reward systems that are given to employees over the years which makes it possible for a research to be conducted on the effects of reward system on employees' performance in the university. Another major limitation of the study was with the questionnaire administration. Most employees were apprehensive about answering questions relating to the existence of reward systems as currently exist at the university, out of fear that management might use their responses against them even though they were assured of anonymity. This feeling is bound to affect the reliability of some of their responses.

Organisation of the Study

The study is organised into five chapters. Chapter One of the study deals with the background of the study, statement of the problem, objectives of the study, research questions, significance of the study and organisation of the study. Chapter Two reviews some aspects of literature on the topic which

include theories of reward and models for explaining reward systems, reward systems, advantages and disadvantages of reward systems in organisations, performance, organisational performance, performance measurement, factors affecting performance in organisations, designing an effective reward system, ways of motivating employees in organisations, empirical review, conceptual framework and summary of the chapter. Chapter Three is made up of the methodology adopted for the conduct of the study. It includes research design, profile of the study organisation, population, sample and sampling procedure, research instrument, data collection procedures, ethical consideration and data analysis procedures. Chapter Four is presents findings of the study and discussion of the findings. The final chapter which is Chapter Five presents summary of findings, conclusions, recommendations and suggestions for further research.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

Introduction

This chapter reviews literature related to the study. The chapter begins with dominant theories of reward system, definitions of reward systems and types of reward systems, the advantages and disadvantages of reward systems in organisations, performance, organisational performance and performance measurements, factors affecting performance in organisations, methods of motivating employees and the empirical context of the study. The literature review ends with a conceptual frame work and the summary of the work.

Theories of reward and models for explaining reward systems

Reward systems around the world have been influenced by a number of dominant reward theories. Rewards have been shown to motivate performance when certain conditions exist (Blinder, 2011). Individual employees in organisations are best motivated when they believe that their behaviour will lead to certain outcomes that are attractive and that performance at a desired level is possible. Motivation in organisation therefore explains the elements of reward and the effect that it has on performance. Several motivational theories however, have been used to explain the link between reward systems and employee performance in organisations. In this research, three of these motivational theories have been selected. These theories were selected as the guiding theories because they relate directly to intrinsic and extrinsic reward factors. These theories include Maslow hierarchy of needs theory, Herzberg's two factor

theory and Vroom's Expectancy theory. These theories are discussed next in details.

Maslow's Hierarchy of needs theory

This theory was propounded by Abraham Maslow and is considered to be one of the earliest works in employees' motivation and job satisfaction. According to the theory, there are some most basic level needs such as physiological needs, safety needs and belongingness needs of which every human must have before developing a strong desire to get motivated for higher level needs which include self-actualisation needs and esteem needs. (Tan & Waheed, 2011). This is shown diagrammatically in Figure1.

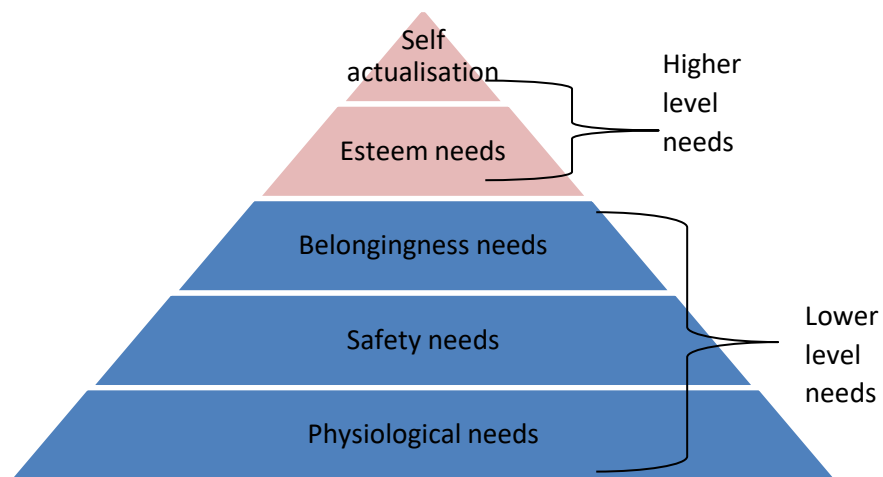


Figure 1: Maslow's hierarchy of needs theory

Source: Adapted from Maslow (1954)

Relating Maslow's hierarchy of needs to the two types of rewards in organisations, the researcher realised that the intrinsic type of reward actually stem from the Maslow's higher-level needs. It proposes that people can give themselves rewards in the form of growth. Individual employees can literally reward themselves by accomplishing something worthy such as excelling academically or physically. The greatest amount of motivation is present when

people perform tasks that are rewarding, both intrinsically and extrinsically (Lawler, 2003).

Maslow thus grouped these needs into higher level needs which include self-actualisation needs and esteem needs and lower level needs which include physiological needs, safety needs and belongingness needs. Maslow's theory is therefore important for this study as it generally highlights the most basic fact that meeting the most basic needs of employees such as salary does not necessarily give them motivation to improve and maximise performance. Instead, motivation of employees occurs when the employee is willing to aim for improvement. There must rather be some higher level needs that management in organisations must target to motivate employees for constant improvement. Relating this to reward system, management in organisations must aim to provide incentives and other benefits for employees to continuous having improvement in terms of their performance.

Herzberg's two factor theory

Herzberg's two-factor theory which is one of the most important theories in establishing the relationship between employees' performance and motivation is based on the theories of Maslow and Porter. According to Frederick Herzberg, Mausner, and Snyderman (1959), there are a number of factors that motivate employees to excel. Herzberg after critical examination of their theories concluded that it is not possible to keep employees satisfied by meeting only their lower level needs. Thus, based on Herzberg's theory, managers should seek to meet the higher needs of employees particularly their psychological needs such as recognition, appreciation or a simple thank you to an employee for an efficient and effective work done. In fact, the basic benefits such as salaries and other facilities like adequate working space, do not

necessarily ensure that employees are happy and satisfied (Lambrou, Kontodimopoulos, & Niakas, 2010).

Herzberg however, argues that managers should seek improvement of jobs by planning employees' personal and professional growth in future in their current employment (Frederick Herzberg, 1966). Frederick Herzberg in his two-factor theory identified motivation and hygiene factors that tend to maximise the performance of employees (Tan & Waheed, 2011).

According to Herzberg, the motivation factors encourages employees to excel at their jobs and tasks and the hygiene factors ensures typically that staff remains happy and satisfied. This can however be inferred that the factors that influence job satisfaction are different from those factors that lead to dissatisfaction among employees. The factors that increase satisfaction are however called the satisfier factors or motivators and those factors that lead to dissatisfaction are called the dissatisfiers or the hygiene factor (Frederick Herzberg, Mausner, & Snyderman, 2011).

Frederick Herzberg believed that people have different requirements that must be fulfilled in order to keep them satisfied. In the first place, employees have physiological requirements that typically are met by financial gains out of the job such as the salary that employees earned. Secondly, there are also some psychological requirements of employees that must be met so that they feel driven to improve and grow.

In the nutshell, the level of satisfaction and dissatisfaction is influenced by the ability of the management to meet the psychological and physiological needs of employees. This study therefore highlights the fact that motivation and hygiene factors should be considered in formulating reward system and ensures that reward system distinguishes satisfiers and dissatisfiers and put both of them

together to maximise job satisfaction among employees in the organisation (Stringer, Didham, & Theivananthampillai, 2011). Fredrick Herzberg's motivation-hygiene theory also identifies that there are two types of motivators. Namely: intrinsic and extrinsic motivators. Intrinsic motivation is based on the employee's achievement, the nature of work, recognition and the level of responsibility of the employee in the organisation. Extrinsic motivation on the other hand is related to the hygiene or dissatisfies such as organisational policies, organisational hierarchy, working condition, supervision, salary, among others (Dieleman, Cuong, & Martineau, 2003).

This theory is therefore relevant to this study because, it mentioned two factors that affect work performance. That is, extrinsic which include salary and promotion and intrinsic which include praise and recognition. Thus, in general terms, Herzberg theory suggests that managers need to identify the factors that satisfy employees in the organisation and those factors that dissatisfy them. They must then improve upon the satisfaction factors that satisfy employees and discourage the dissatisfaction factors in order to maximise employee performance. Also, within the context of the reward system, Herzberg theory suggests that reward system should be supported on the grounds that it must improve the motivation factors and discourages the hygiene factors (Tooksoon, 2011). Also since there are extrinsic and intrinsic motivation factors, rewards system in organisations must be based on rewards and incentives that cater for both the extrinsic and intrinsic needs and motivation of employees in the organisation.

Several studies have shown that reward system is based on extrinsic and intrinsic factors. These factors however, are typically addressed by balancing financial or monetary rewards and non-financial or non-monetary rewards in

the organisation. Hence, in this research, rewarding employees in Cape Coast Technical University in terms of both types of the reward systems would definitely have effect on employees' work performance. But when these systems are collectively administered well they would go a long way to measure the overall organisational performance.

Expectancy theory

This theory was propounded by Victor Vroom, a psychologist in 1964. The expectancy theory is applicable to organisational work setting that is based on employees' expectations. That is, it is based on the thought processes people used when they are faced with a particular choice of making alternatives or in taking courses of action.

Vroom (1964) suggested that individuals will always choose behavior they believe will result in the achievement of specific outcome they value most. According to literature reviewed, the following were revealed to be the underlying principles of the expectancy theory. That is; individuals make conscious effort to behave in a certain manner, individuals value with regard to choosing desired outcomes, individual expectations concerning the amount of effort required to achieve a specific outcome and individual expectation concerning the probability of being rewarded for achieving a desired outcome.

Vroom in looking at the above principles sought to portray that motivation is a function of the relationship of effort expended by an individual employee and the perceived level of performance, and the expectation that reward for desired outcomes will be related to performance. On the other hand, there must also be the expectation by the individual employee that rewards must be made available in determining the strength of motivation in performance.

That is, the strength of the individual employee's preference for an outcome and the belief that, the particular action will achieve the required goal.

In deciding how much effort to put into work behavior, an individual employee is likely to consider three things: valence, instrumentality and expectancy. These three factors are often referred to as "VIE" where 'I' (Instrumentality) = 'V' (Valence) x 'E' (Expectancy). These three factors are considered to influence motivation in a combined manner. Managers in organisations should thus ensure that employees must increase their effort at work that will lead to higher performance which will then lead to value rewards (Ryan & Pointon, 2007).

This theory is relevant to this study because it mentioned two factors that affect work performance. That is, intrinsic which include salary and promotion and extrinsic which include praise and recognition. Therefore, in this research, rewarding Cape Coast Technical University employees in intrinsic and extrinsic terms would be expected to have effected on employee performance.

Reward Systems

According to Malik, Nawab, Naeem, and Danish (2010) a reward is a comprehensive or construct that represents anything or everything that is valuable for an employee and for which the employee is willing to provide the employer in exchange for the employee's contributions to the organisation. When there are no rewards in an organisation, employees believe that their jobs are unsuitable and they tend to look for more suitable jobs with employers who pay reward. Lack of rewards demotivates employees and hence employees' efforts toward excelling in their tasks diminish. Thus, the main objective of reward is to attract and retain employees (Peters, Chakraborty, Mahapatra, & Steinhardt, 2010).

Lin (2007) saw reward as the compensation which an employee receives from an organisation in exchange for a service offered by the employee or for work done by the employee. The Human Resource in organisations can be rewarded in a way and optimally utilised by using different rewarding techniques that are of significant importance. Bratton and Gold (2012) defined rewards as all the cash, non-cash and psychological payments provided by an organisation in return for their contribution. Work rewards refer to the benefits workers receive from their workplace and are considered as the determinants of job commitment and satisfaction (Malhotra, Budhwar, & Prowse, 2007). Gross and Friedman (2004) view rewards to include compensation which include (base pay, short and long term incentives), benefits which include (health issues, work life issues, and other benefits), and employees' careers development which include (training and development, career progression among others).

As advocated by Carraher et al. (2006) there should be effective reward systems for organisational performance and such reward systems must be linked to the overall organisational productivity. Organisations must therefore have policies and procedures in place so that its reward systems could be formulated based on those policies and procedures that satisfy employees in the organisation.

The reward system consists of all organisation components which include people, rules, processes and decision making activities involved in the allocation of compensation and benefits to employees in exchange for their contribution to the organisation (Pratheepkanth, 2011). Employee reward system however refers to programmes by different organisations to reward performance and motivate employees on individual and or group level.

Many writers agree that the system of rewards can be classified into two broad types. That is extrinsic rewards and intrinsic rewards (Mahaney & Lederer, 2006; McCormick & Tiffin, 1975; Motaz, 1985; Özutku, 2012). Extrinsic rewards consist of fringe benefits promotion, payment and job security, incentives bonuses, the work environment and conditions of work (Badrinarayan & Tilekar, 2011). Extrinsic reward which is also known as monetary or financial reward is related to tangible rewards such as salary, bonuses, overtime payment, fringe benefits, promotion, contract of service, condition of service and the work environment in general. These types of rewards cover the basic needs of income for employees to survive. Extrinsic rewards are often determined at the organisational level and may be outside the control of an individual manager. (Nduro (2012)) proposes salary, wages and conditions of service as incentives for employees. Using salary as an effective rewarding system, managers in organisations must consider four key components of the salary structure. Such components include the payment system which refers to rewarding employees according to their performance, job rate which relates to the importance that is attached to each job by an organisation, special allowances such as medical reimbursement, and fringe benefits such as pension fund.

Intrinsic rewards on the other hand are inherent in the job of the employee and which the employee enjoys as a result of successfully completing the task or attaining his goals and could include such factors as interesting and challenging work, self-direction and responsibility, creativity, opportunity to use one's skill and abilities and sufficient feedback regarding the effectiveness of one's efforts. The Intrinsic reward which is also known as non-monetary or non-financial reward is related to psychological development of employees

(Williamson, Burnett, & Bartol, 2009). They are intangible rewards such as receiving appreciation, positive recognition, the opportunity to use one's ability and being treated in a caring and considerate manner in the organisation. Psychological rewards are those that usually can be determined by the actions and behaviour of the individual manager (Mullins, 2007). The intrinsic reward system is created purposely to appreciate employees in the form of self-esteem and is related to their feelings of achievement and growth in the organisation. This type of reward is concerned with the quality of work life and has long term effect because it is inherent in the individual employee and is not imposed from outside the organisation (Armstrong & Taylor, 2014). Employees are satisfied when they accomplish something worthy and are orally appreciated by the organisation (Nawab, Ahmad, & Shafi, 2011).

Advantages and disadvantages of reward systems in organisations

Mason and Watts (2010) provides that rewards matters very much in organisations. Canós-Darós (2013) also opined that rewards take many forms such as base salary increases, cash prizes, performance bonuses, retirement benefits, promotions, allowances, among others. A performance related reward is defined by Lazear (2000) as a form of reward whereby employees are compensated according to their performance and competence as basis to decide the level of increments as well as the rate of progress through a salary band. There are a number of advantages in instituting rewards in organisations. Some of these advantages are discussed below.

According to Irs and Türk (2012), when rewards are put in place in an organisation, it helps the organisation recruit and retain qualified and competent personnel. Very qualified personnel will be motivated to apply for employment

and if good selection criterion is used, high performing employees will be employed. Due to high job satisfaction, employees in the organisation develop loyalty towards the organisation. In addition, they feel motivated to improve professionally to perform better at work. Thus rewards are useful instrument to manipulate job satisfaction, employee loyalty and motivation hence helping management in the organisation to retain high performing employees. When an organisation is able to retain high performing employees, the overall organisational performance is maximized in the long run.

The organisation will be able to save money if it operates an effective and efficient reward system. This is because monies that could have been used in advertisement to get people recruited into the organisation are saved. Thus the people who are already employed will not leave the organisation to allow for a new search for employees. The organisation can also save money by instituting reward system as an incentive for low performing employees to motivate them strive towards high performance.

Having a fair and equitable reward system according to Shields et al. (2015) opined that employees are always comparing the rewards they receive with colleagues that they perform the same duties with or have similar competency level with. Where for instance employees who receive an award have the feeling that they have not been fairly or sufficiently rewarded, then the feeling of distrust and isolation emerges within them. But in a situation where there is equity and employees are rewarded fairly based on the work they do, will definitely compelled them to give back to the organisation in order to justify the rewards that were given to them. This in a way would increase their morale and they would be encouraged to work harder to increase their performance standards.

A fair and transparent reward system in an organisation will motivate employees to work as a team. An organisation's overall performance depends basically upon the individual employees' performance and to a larger extent the team work. If for instance the individual employee performance is high, then it will definitely contribute to the team's performance thus leading to positive impact on organisational performance. Managers in organisations must try to maximize the performance of all employees in order to maximize the overall organisational performance by rewarding employees accordingly.

Irs and Türk (2012) again outlined that having rewards in organisation raises willingness to take up challenging jobs. Motivated employees will not only maximise their productivity but also take up other challenging jobs and produce new and innovative ideas for the organisation.

An organisation can easily attain its goals and objectives through work commitment. The performance of employees is critical to the performance of the organisation accomplishing its overall organisational goals and objectives. When adequate rewards, recognition and appreciation are given to employees in the organisation, they feel that they are valued by the management of the organisation and hence become more committed to their job.

Despite these laudable advantages associated with reward systems in organisations, there may be a number of setbacks in the organisation if there are no rewards or the existing ones are not properly instituted.

According to Irs and Türk (2012) they again opined that in cases where rewards within an organisation are not fairly distributed to cover all tasks, unrewarded tasks may be neglected. When an organisation has no rewards put in place for its employees, the employees tend to believe that their jobs are

unsuitable and tend to look for jobs with organisations that pay rewards. This is often the case with lower level tasks. The work of a cleaner may not be associated with any reward but only those of middle and top level management. Lack of rewards however, demotivates employees in organisations. Employees knowing that their efforts will not be rewarded in performing certain task may feel reluctant carrying out such tasks.

A non-transparent and unfairly instituted reward system creates competition between employees instead of corporation. With reward systems put in place by an organisation may bring about competition among employees. Employees instead of working to achieve the overall organisational goal would rather be competing among themselves for the rewards.

Again, reward system creates bias and lack of openness in organisations. For instance, if the policies that go into designing a reward system is not well explained to employees in the organisation, it may create bias among employees.

Finally, reward systems in organisations bring about high cost to the organisation. Depending on the kind of reward system put in place by an organisation may for instance cost the organisation a lot of money. Rewards such as extrinsic (financial) rewards may cost an organisation a lot of money rewarding its employees.

With the above advantages and disadvantages of reward systems, it can be concluded that an employee need to be rewarded adequately for him or her to perform effectively and efficiently in the organisation. As rightly outlined by Irs and Türk (2012) it is worth noting that high quality workers are attracted to

an organisation where they feel that their competencies, ability and efforts are rewarded accordingly.

Performance

Performance according to the business dictionary is defined as the accomplishment of a given task measured against preset known standards of accuracy, completeness, cost and speed. In a contract, performance is deemed to be the fulfillment of an obligation, in a manner that releases the performer from liabilities under the contract (www.businessdictionary.com/definition/performance.html). Carter (2009) also defined performance as a function of ability and motivation. He thus represented this definition in an equation form as:

$$\frac{\text{Job performance} = f(a)(m)}{\text{Where } f = \text{function, } a = \text{ability and } m = \text{motivation}}$$

Analysing the equation, one can deduce that work performance is highly dependent on employee's abilities to actually do the work. If for instance if an employee lacks the learned skills and knowledge or the innate talents to do a particular job, then performance of that employee will definitely be poor. But in a situation where the employee has the requisite skills and the innate talent with good motivation from management, then such an employee's job performance will definitely be high.

Organisational performance

Organisational performance comprises the actual output or results of an organisation as measured against its intended output, goals and objectives (Jon & Randy, 2009). Matlay, Khandekar, and Sharma (2006) also defined organisational performance as the outcome that reflect or indicate the organisation's efficiencies in terms of corporate image, competencies and

financial performance. According to Devinney, Yip, and Johnson (2008) organisational performance encompasses three specific areas of firm outcomes, namely: (a) financial performance (e.g. profits, return on assets, return on investment); (b) product market performance (e.g. sales, market share); and (c) shareholder returns (e.g. total shareholder return, economic value added).

Organisational performance is the ultimate dependent variable of interest for researchers concerned with just about any area of management (Devinney et al., 2008). This broad construct is essential in allowing researchers and managers to evaluate firms over time and compare them to rivals. In short, organisational performance is the most important criterion in evaluating organisations, their actions and environments. This importance is reflected in the pervasive use of organisational performance as a dependent variable as indicated in the conceptual framework of this research.

Performance measurement

In every discipline of human resource management, measuring employees' performance is of great importance to an incentive plan. As Bohlander, Snell, and Sherman (2001) rightly put that, what gets measured and rewarded gets attention.

According to Dyer and Reeves (1995) there are four types of organisational performance measures. These are: (a) human resource outcomes, (b) organisational outcomes, (c) financial accounting outcome, and (d) capital market outcomes. The human resource outcomes are related to change in employee behaviour which included employee satisfaction, turn over and absenteeism. Organisational outcomes contain labour productivity, customer satisfaction, and quality of product services. Financial accounting outcomes

included three measures such as returns on assets, return on equity and profitability. Capital market outcomes reflect how market evaluates an organisation which consists of the three indicators which are stock price, growth rate of stock price and market returns (Dyer & Reeves, 1995).

Many of these performance measures stated above for example, the financial accounting outcome were based on the assumption that organisation performance is only measured in quantifiable units. These financial measures include income or sales from operations, rate of return on investment and residual income (Warren, Reeve, & Duchac, 2008). Without disregarding the merits of these performance measures in assessing performance in organisations, the fact that these measures especially the financial accounting outcomes were cost based and backward looking provide little motivation (Manzoni & Islam, 2006).

Balance scorecard is the new enhanced metrics used in recent times to measure performance in organisations. The balance scorecard according to Manzoni and Islam (2006) is a set of various performance measures of an organisation. This was introduced by financial specialists and it included measures such as activity based costing and economic value added. In addition to financial performance, the balance scorecard normally includes performance measures for customer services, innovation and learning, and internal processes. For instance, performance measures for customer service consist of the number of customer complaints handled, the number of repeat customers, efficiency of service delivery and quality of customer services as well as change or improvement in job skill level. Customer surveys can also be used to get together measures of customer satisfaction with the company as compared to competitors although this is not commonly used. The performance measures of

internal processes take account of the length of time it takes to manufacture a product or process a service as in service-based organisation and these need more time to track down and assess performance.

Also, Taljaard (2003) indicated that, performance can be measured by using the performance appraisals forms. Performance can also be measured in terms of some output produce such as the quality or quantity of job, job design among others (Jalaini et al., 2013). Taljaard (2003) again claimed that some researchers have cited that job performance should be designed in order to achieve the organisational objective. Nevertheless, it has been demonstrated that when certain specifiable conditions exist, reward systems can motivate workers to increase their performance (Bretz Jr, Milkovich, & Read, 1992).

The performance of employees can be maximised by creating a perception among them that their hard work and effort is valuable for the organisation and management recognise that and reward accordingly. In this study, organisational performance of Cape Coast Technical University would be measured at three levels: (a) how appraisals forms affect job performance of employees (b) employees job performance in terms of speed and accuracy completed for a given task within a given period and (c) the overall organisation performance in terms of sales volume and productivity.

Factors affecting performance in organisations

Nickols (2016) outlined the following seven most important factors that make performance possible in organisations. The factors are: (a) having a clear picture of the ends to be attained, (b) having a suitable repertoire, (c) a knowledge of the structure of the situation, (d) a functioning feedback loops, (e) a suitable mental models, (f) an adequate motivation and (g) a supportive or

manageable task environment. These factors are further explained in detailed below.

a. Goal clarity

People in organisations must have in mind a clear picture of the organisation's goals and objectives that they must achieved. Without having this clear picture in mind, it will be difficult to know whether a progress in performance is being made in achieving the organisational goals and objectives. Managers in organisations must thus spend time in developing, communicating and clarifying the goals and objectives to be achieved at the end.

b. Repertoire

To achieve a goal in an organisation, the people working toward it must have a suitable and flexible repertoire. The people must engage themselves in whatever behaviours necessary to obtain such a goal despite any changing circumstances and environmental disturbances. This however may in some cases involve either carrying out routine work specified in advance by someone else in figuring out on-the-spot an appropriate cause of action.

c. Knowledge of structures

Figuring out what to do in a particular situation requires knowledge of the structure of that situation. People in organisations must understand the elements making up the situation, how connected those elements are and the relationship that exist between those elements. Knowledge of the structure of the situation allows people to know what kind of action will lead to results. In situations where knowledge is absent, action is little in achieving desired results.

d. Feedback

Feedback is information about actual conditions that can be compared to intended goals or results. Feedback is necessary in work performance as it informs progress, enables corrections and eventually signals attainments of the objectives in the organisation.

e. Mental model

Where feedback is absent, people will have no choice than to act in ways that are consistent to their internally-held views or mental models of what is appropriate or what should work instead of externally based information about what is and is not working. For this reason, it is worth for an organisation to spend time working with people in order to identify the mental models they currently use in situations where feedback is not readily available.

f. Motivation

Self-satisfaction and incentives are the two main motivators of employees in organisations. People in organisations would want to perform their given task efficiently and effectively when they know that something in return will be given them for doing whatever task given.

g. Environment

Working environment can be defined as the manner and extent to which roles, power and responsibilities are delegated, controlled, and coordinated, communication and instruction between employee and management (Robbins, 2008). Working in a conducive environment according to Nickols (2016) increases people performance in the work place. Managers in organisations must thus ensure a conducive working environment to support the desire performance.

Also, according to Danish and Usman (2010) the most effective factors that motivate employees in organisations is to reward them for their high performance and provide adequate incentives to improve their performance. If employees are satisfied with their expectations from management their performance at work will increase accordingly. If management however fails to put in place adequate reward systems, dissatisfaction of employees will increase, leading to high level of demotivation in the job and consequently high labour turnover. The rewarding process itself also has to affect the performance of employees in the manner expected by managers. In this regard, performance appraisals or other measurement could be used to assess employees training needs, promotion, job rotation, dismissals and other management problems (Bretz Jr et al., 1992).

Methods of motivating employees in organisations

The reward system must be linked to motivate the performance of employees in the organisation. Employees in organisation must recognise that rewards depend on performance. Worman (2008) enumerated the following as ways of motivating employees in organisations.

a. Recognition and attention

According to Worman (2008) when employees accomplish a mission, they believe that they have achieved something and have the mind that management will recognise their effort. For instance, a manager giving just a pat on the shoulder of an employee after successfully completing a task is a way of motivating the employee to give out his or her best in performing a task.

b. Good work environment

Working in a conducive environment is very important to the way employees feel about where they work. Most employees feel happy working in an organisation which is well designed with lots of plants, nice flowers, furniture and enough space among other features. This generally makes employees feel good about the environment that they work with and give their best for maximum performance.

c. *Applause*

Applause according to Worman (2008) maintained that management should physically applaud employees by given them a round of applause during meetings or any other social gathering for specific but extraordinary work done or achievement. Thus management in organisations should identify when, where, and how applause could be employed as a form of motivating employees effectively to increase performance.

d. *On-the-spot praise*

On-the-spot praise is necessary in motivating employees. When there is a reason for praising such employees, Hitt (2004) indicated that management should not put off on-the-spot praise for any reason, for promptness equals effectiveness. It is indeed appropriate to praise employees for their achievement when that is still very fresh in the minds of everyone. This serves as motivation and employees will always want to give their best in performing a task.

e. *Social gathering*

Management scheduling offsite events such as keep fit exercises, inter-departmental games, Christmas and Easter parties or bonuses enhance bonding which in turn helps in building team spirit among employees.

This ultimately impacts the positive work environment of the organisation and could also serve as an effective way of motivating employees.

f. Additional responsibility

There are always some employees in every organisation who are willing to handle extra responsibility. Such employees do not do it out of pride but for the love that they have for that particular job. It is therefore the responsibility of management to identify such employees and if possible match responsibilities to their strengths and desires. This however, could be a way of motivating employees to increase performance. Giving employees such an additional responsibility makes them feel responsible and will go the extra mile to execute whatever task given them with due diligence.

Empirical review

Several studies have been done on the effects of reward systems on employees' performance in different parts of the world. Some of these studies include the following:

Wiley (2009) in his work on empirical examination of generational effects on work attitude suggested that work performance and an engaged workforce are complementary for maximising organisation success. Motivated employees tend to recommend their organisation as a good place, given a high level of satisfaction.

Tsai, Chou, and Chen (2008) drew an attention on the hiring of better employees to work harder, efficiently and smarter to enhance work performance excellence. Levine as cited in (Tsai et al., 2008) points out that an organisation

that pay high wages attract not only qualified but competent and productive candidates that recognise the firm's ability to achieve its objectives, and thus contribute to the overall performance of the organisation, as spotted by Milkovich and Newman as cited in Tsai et al. (2008) be it profitability, increasing efficiency, lower costs by attracting competent applicants, decrease turnover, increase work efforts and reduce shirking.

Moreover, the Human Resource Management Digest (2010) also provides that organisations should recognise and reward their best talented employees as they matter most. Organisations must focus on retaining those talented employees in order to preserve institutional memory. The Human Resource Management International Digest further suggested that unrewarded employees may seek greener pastures elsewhere when opportunity arises.

Kim (2010) on the basis of individual performance in organisations opine that individual employee performance is the unit of overall organisational performance. This is because the sum of performances of all individuals adds up to make the overall organisational performance. Articulating further upon the performance of an employee Zhang (2012) in his works on the impact of performance management system, employee performance denoted that individual performance contributes to team performance and team performance contributes to departmental performance and performances of all departments show the overall organisational performance. The reward system of an organisation is used as a tool to monitor performance of employees as well as a method to motivate employees.

Ali and Ahmed (2009) carried out a research on the "impact of reward and recognition programs on employee motivation and satisfaction". The research design used was exploratory. Sample chosen for the study was 80

employees of Unilever companies and data collection instrument used was a questionnaire. Pearson's correlation was used to analyse data to determine the degree of relationship between reward, satisfaction and motivation. Major findings indicated a positive relationship between rewards and work satisfaction as well as motivation. Factors affecting satisfaction were identified as; payment - 86 percent, promotion - 74 percent, work conditions - 61 percent, personal - 37 percent. Analysis showed support for a positive relationship between reward and employee satisfaction.

Qureshi, Zaman, and Shah (2010) also carried out a research in Pakistan in a cement industry and found that there is a direct relationship between extrinsic rewards, intrinsic rewards and the employees' performance in the industry. They also found out that recognition techniques used in the industry were good for the maximum performance of employee's. Their study is therefore relevant but different from the current study because with the current study, the researcher is dealing with a target population of white collar jobs, while the former study examined workers in a cement industry. These cited cases establish a strong relationship between rewards and employees' performance in organisations.

Conceptual framework

Conceptual framework is a set of coherent concepts or ideas that are organised in a manner that makes them easy to communicate to others (Schwartz, 2006). The framework in Figure 2 shows the interrelationships between variables of the study. It sees rewards as being made up of extrinsic rewards which include salary, bonuses, overtime, promotion, contract of service, fringe benefit, etc. and intrinsic rewards which also include appreciation, recognition, empowerment, etc. Both the extrinsic and intrinsic

rewards will thus serve as the independent variables which will include the motivational rewards the organisation uses to increase performance of the workers. The dependent variable which is employee performance means that if an employee is motivated to perform better through any of the two reward types, he or she will find ways to improve performance thus leading to achieving the overall organisational goal.

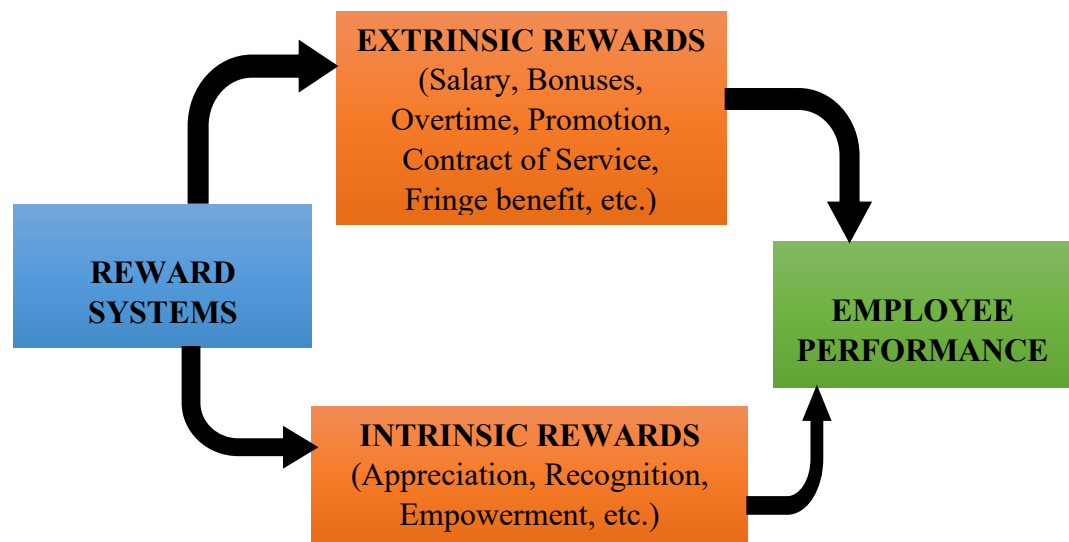


Figure 2: Conceptual Framework

Source: Researcher's conceptualisation

Chapter Summary

This chapter has outlined three theories for the study, that is, Maslow hierarchy of needs theory, Herzberg's two factor theory and Vroom's Expectancy theory and their relevance to the current study. It is evident from the review that these theories highlighted on the definitions of reward systems, methods used in implementing rewards in organisations, performance and the various reward systems as well as the types of reward systems adopted by various organisations to enhance employees' performance. From the literature it is abundantly clear that reward system (whether intrinsic or extrinsic in nature

or the combination of the two systems) has a profound effect on employees' performance in any organisation. Some empirical studies were also reviewed to support the current study and a conceptual framework was presented based on the theoretical and empirical review.

CHAPTER THREE

RESEARCH METHODOLOGY

Introduction

This chapter outlines the methods and procedures used to examine the effects of reward systems on employee performance in Cape Coast Technical University. The chapter discusses the study area, research design, and study population. It also discusses the research instrument that was used to collect and process the data and the method for data analysis. The chapter is arranged under the following sections: study area, research design, study population, data collection procedure and data analysis procedure.

Profile of the study Organisation - Cape Coast Technical University

Cape Coast Technical University formerly Cape Coast Polytechnic situated in the regional capital of the Central Region of Ghana was one of the ten Polytechnics in Ghana established in 1984 and started operation in 1986 to provide middle manpower needs for the country. For six years, it operated as a second-cycle institution under the Ghana Education Service offering non-tertiary programmes in business and engineering disciplines. Subsequently, the enactment of the PNDC Law 321 in 1992 saw the then Cape Coast Polytechnic upgraded to a tertiary institution running Higher National Diploma (HND) and other certificate programmes accredited by the National Accreditation Board (NAB) in the fields of business, engineering, applied sciences and arts with the objective of providing middle-level manpower needs to the Ghanaian economy.

In pursuance of the policy of government for polytechnics to offer tertiary education to train middle level manpower for the country, the polytechnic was recently converted to a technical university together with seven

other polytechnics in the country under the Technical Universities Act of 2016 (Act 922). The aims of a Technical University are to provide higher education in engineering, science and technology based disciplines, technical and vocational education and training, applied arts and related disciplines as the Council of the Technical University may, in consultation with the National Council for Tertiary Education determines (Government of Ghana, 2016). The decision to convert these polytechnics to technical universities was tantamount to repositioning them within the tertiary education system which requires an expansion of their mission (Ministry of Education, 2014). The establishment of these technical universities was expected to lead to a more diversified higher education landscape with clear mission differentiations.

The Cape Coast Technical University currently has three schools and twelve academic departments. The three schools include School of Engineering which has Mechanical Engineering Department, Electrical/Electronic Engineering Department, Civil Engineering Department and Building Technology Department. School of Applied Sciences and Arts has Tourism Department, Liberal Studies Department, Hotel, Catering and Institutional Management Department and Fashion Design and Textile Technology Department. The School of Business and Management Studies has Departments of Accountancy Studies, Marketing Studies, Purchasing and Supply, and Secretaryship and Management Studies. These schools run various HND programmes including Bachelor of Technology (B-Tech), Diploma, Access course and other certificate programmes with a student population as at February 9, 2017 of 2,543 students for the 2016/2017 academic year Admissions and Records Office of Cape Coast Technical University.

The Technical University staff consists of both academic and non-academic. The academic staff consists of senior members and senior staff while the non-academic staff consists of senior members, senior staff and junior staff. By 1985, the institution operated with staff strength of eight in its academic and non-academic divisions. By 2016, the institution had in its employment 127 academic staff and 273 non-academic staff. These gave a total of 400 employees with 146 senior members, 86 senior staff and 168 junior staff, Human Resource Section. There are various reward systems put in place by the institution. The institution was however chosen as a case study to assess how the current reward systems affect the performance of the employees in training students to fill the middle level manpower needs of the country.

Research Design

Every research requires a study design that is carefully tailored towards the exact needs of the researcher as well as the problem (Bless, Higson-Smith, & Kagee, 2006). Kothari (2004) defines research design as an arrangement of conditions for collection of and analysis of data in a way that aim to combine relevance with the research purpose. It is the conceptual framework with which research is conducted. Different research design approaches exist, but this study is based on a descriptive research design. Descriptive research is a type of research whereby the objective of the study is geared towards the state of affairs or issues as they currently exist. It provides a broad overview of a representative sample of a large population and analysing data in order to answer a hypothesis or describe set characteristics (Chidlow, Ghauri, Yenyurt, & Cavusgil, 2015).

As a descriptive study, it sought to assess the effects of reward systems on employee performance in Cape Coast Technical University, through

questionnaire and structured interview. Anderson and Anderson (1998) explain that descriptive design affords the researcher the opportunity of getting the opinion of the population concerning some issues of relevance to the study. Thus the study involved taking a sample and then making statements about the population on the basis of the sample analysis due to the difficulty in studying the whole population. As a result, the study used the mixed research design and collected both qualitative and quantitative data (questionnaire and interview) to gain an in-depth and multi-perspective understanding of how reward systems affect employees' performance in organisations. The mixed research approach also ensures that reliability and validity of the research is optimised through triangulation of qualitative and quantitative data. This view was thus, supported by Tashakkori and Teddlie (1998) in their submission that the mixed approach of research method has the advantages of one compensating for the weakness of the other. Specifically, data were collected from staff of Cape Coast Technical University in order to describe the relevant variables characteristics and inferences drawn from the analysed data.

Population

Population according to Babbie (2013) is the group that the researcher is interested in for the purpose of generalisation. In a different perspective, Ahmed, Opoku, and Aziz (2016) also explain that population is the total number of members of the target of the research as defined by the aims and objectives of the study.

In the context of this study, the target population consisted of all staff of the Cape Coast Technical University comprising senior members (both academic and non-academic), senior staff and junior staff. Available figures

from the Human Resource Section of the technical university put the staff strength at 400. This consisted of 146 senior members, 86 senior staff and 168 junior staff (May, 2017).

Sample and Sampling Procedure

Staffs in the target population were put into three categories, (i.e. senior Members, Senior Staff and Junior Staff) using stratified sampling technique. Stratified sampling is a probability sampling procedure in which simple random sub-samples that are more or less equal on some characteristics are drawn within each stratum of the population (Zikmund, 2003). The stratified random sampling was used because it allows all sub-groups within the population to be represented in the sample. A sample size of 196 was chosen from the target population of 400 using the sample size determination table by Krejcie and Morgan (1970) which indicated that for a population size of 400 a sample size of 196 was appropriate (Appendix A).

After using Krejcie and Morgan (1970) table to determine the sample size, the proportionality principle was also used to select the sample from each of the categories. Given a sample size of 196 staff, Senior Members with a population of 146 will proportionately get 72, Senior Staff 42 and Junior Staff 82. This is shown in Table 1.

Table 1: Sample size according to staff categories

Staff categories	Population	Sample Size
Senior Members	146	72
Senior Staff	86	42
Junior Staff	168	82
Total	400	196

Source: Human Resource Section (Cape Coast Technical University, 2017).

The total sample size of 196 shown above was drawn using the simple random sampling technique. This afforded each staff in the population an equal chance of being selected. The researcher had access to the names of staff from the Human Resource Section of the Cape Coast Technical University. A simple random sampling procedure was adopted in selecting the respondents from the various staff categories. This procedure was done at each staff category using the lottery method, whereby the names of staff in the various categories were written on manila card cut into thin strips. The strips were then put in a bowl and shaken thoroughly and any piece of card that was picked has the name on it recorded. This was done for each of the staff category until the sample number was reached.

In addition, three senior members who were also part of management of the technical university were purposely chosen to be interviewed because they were at the helm of affairs when it comes to implementing policies of this nature (reward systems) in the Technical University.

Research Instrument

The researcher adopted and modified certain portions of the questionnaire and structured interview guide of similar studies conducted by Murphy (2015) in United Kingdom, and Kikoito (2014) in Tanzania on the impact of reward systems on employee performance. The researcher made modifications to the questionnaire to reflect the new environment in which the research was done

The questionnaire was made up of closed and open ended questions. The researcher used few open-ended questions to allow respondents provide answers without forcing them to select from alternatives. Respondents have to tick in appropriate boxes or select among suggested alternative answers. Open-ended questions were also to seek respondents' views on the subject matter.

The questionnaire was divided into 5 main sections. Sections A to Section E. Section A consisted of five (5) items which sought respondents' demographic data in terms of age, marital status, level of education, category of staff and working experience of respondents. Section B consisted of five (5) items which identifies the most important rewards that motivates employees in the university. Section C consisted of nine (9) items which measures the methods used in implementing the reward systems in the university. Section D consisted of ten (10) items which covers issues on the effects of the current reward systems on employees' performance in the university. Finally, Section E consisted of six (6) items which sought employees' views about the reward system in the university. A 5-point likert scale was utilised to measure issues relating to rewards and employee performance at the various staff categories. On the scale 5 represented "Strongly Agree", 4 represented "Agree", 3

represented “neither Agree nor Disagree”, 2 represented “Disagree” and scale 1 represented “Strongly Disagree”. Also, three senior members who formed part of the management of Cape Coast Technical University were purposively chosen to be interviewed.

Pre-Testing

Since the researcher made some modifications to the research instruments (questionnaire and interview guide), a pre-testing of the instrument was done to ascertain the validity and reliability of the research instruments in their new context. The instrument was pre-tested at Accra Technical University. The choice was based on the fact that Takoradi Technical University shared similar characteristics with the target population of Cape Coast Technical University. The pilot questionnaire was administered to thirty (30) workers. The results of the pre-test are shown in Table 2.

Table 2: Cronbach’s alpha coefficient of scale

Sources	Cronbach's Alpha	No. of Items
Section B: Rewards Motivation	0.69	5
Section C: Methods used in implementing reward systems	0.70	9
Section D: Effects of reward systems	0.72	10
Section E: Employees view on reward system	0.71	6

Source: Field survey, Lanidune (2017)

Based upon the results of the pre-test, the researcher made further modifications to the instrument upon consultation with the supervisor.

Data Collection Procedures and Ethical Consideration

The questionnaires were administered personally by the researcher to the respondents to ensure that copies get to the right respondents. In all, 196 questionnaires were administered to a sample of the various categories of staff targeted. This was done to obtain comprehensive information from all the respondents that were involved in the study to enable the researcher generalise findings of the entire population. The contents of the questionnaires were discussed with the respondents to avoid any doubts that they might have had. Respondents were also assured of confidentiality and anonymity. With regards to the interview schedule, the researcher personally conducted the interviews with each of the management officers. The researcher wrote down their answers to the questions asked. The researcher occasionally asked them to repeat what they said in order to write down their responses fully.

Data Analysis Procedures

The data collected was analysed and discussed. The researcher employed the Statistical Product and Service Solution (SPSS) version 21 and the Microsoft Excel software for the processing of the data collected. Microsoft Excel is a spread sheet package equivalent to accounting worksheet. SPSS is also a statistical tool used in conducting any type of data analysis in social sciences. These soft wares were used because of their ability to perform mathematical and statistical calculations quickly and accurately. In interpreting the results, tables, graphs and pie charts were used to support the analysis which made the issues clearer without having to read long sentences.

The researcher also interviewed three senior members who formed part of management in the university. The interview method of data collection was

adopted because of its special appeal in this context. All the respondents were in key management positions responsible for the drawing up and implementation of reward systems. The interview centred around a list of topics on an interview guide, which reflected the two key objectives of the study for the respondents to express themselves.

The study adopted the thematic approach in its data analysis. Starting with the transcription of the interviews, as advocated by Creswell (1994) the study noted the statement which related to the effects of reward systems. The statements were then grouped into “meaning units” (Creswell, 1994). The segments were grouped into categories which reflected the research objectives and questions. Third, the researcher sought divergent viewpoint(s) by looking at the various ways in which the three key personalities expressed their opinions. The final process was the construction of a composite: whereby the researcher used the identified meanings to develop an overall description of the subject. The final result was a general description of the subject of the research as described by the respondents.

Chapter Summary

The chapter described the research methods used for the study. The study area was Cape Coast Technical University and the research approach used for the study was the mixed method, that is, a mix of quantitative and qualitative methods were used. Data analysis, including quantitative, qualitative and integration of data has been described with details given to the validity and choice of method.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter deals with the analyses and discussions of data obtained from respondents of the study. It begins with the response rate of the staff, an analysis of the bio-data of respondents and then followed with the analysis of responses to the research questions. In all, a total of 185 respondents were captured for the study out of 196.

Table 3: Response rate of Staff Categories

Staff Categories	Sample size	Total Response	Response Rate
Senior Members	72	71	98.61%
Senior Staff	42	42	100%
Junior Staff	82	72	87.80%
Total	196	185	94.38%

Source: Field survey, Lanidune (2017)

Demographic Information of Respondents

The first section of the questionnaire sought to obtain demographic information about the respondents. This was to enable the researcher to make comparison among the respondents. Information obtained included gender, age group, level of educational qualification, marital status, category and length of service. Figure 3 shows the category of staff studied.

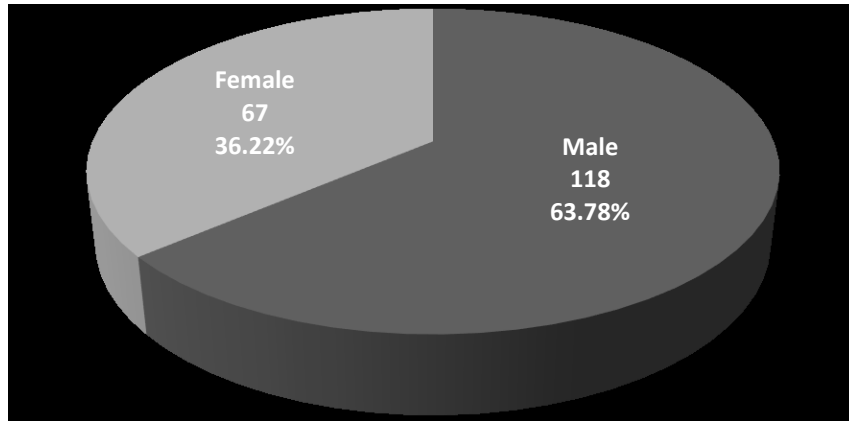


Figure 3: Distribution of Respondents by Gender

Source: Field survey, Lanidune (2017)

Figure 3 shows the gender distribution of the respondents. Out of the total sample of 185 respondents, 118 representing 63.8 percent were made up of male respondents and 67 representing 36.2 percent were females. This indicate that the respondents were male dominated. This might be explained by the fact that the gender gap widens at both secondary and post-secondary levels of education with females constituting only 33 percent at the secondary and post-secondary institutions (Ghana Statistical Service, 2012). It could therefore be inferred that fewer females get to the tertiary education level hence few qualify for appointment for the various staff categories positions in the university.

Table 4: Distribution of Respondents by Age (and Category of Staff)

Age Group (Years)	Senior Member		Senior Staff		Junior Staff		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
25-29	9	12.7	3	7.1	15	20.8	27	14.6
30-34	9	12.7	16	38.1	15	20.8	40	21.6
35-39	20	28.2	10	23.8	13	18.1	43	23.2
40 and above	33	46.5	13	31.0	29	40.3	75	40.5
Total	71	100.0	42	100.0	72	100.0	185	100.0

Source: Field survey, Lanidune (2017)

The study also examined the age of respondents. From Table 4, there was an indication that out of the 185 respondents, 75 representing 40.5 percent were 40 years and above. Whiles 43 respondents representing 23.2 percent were within the age range of 35 to 39 years. Also, 40 respondents representing 21.6 percent were between the ages of 30 and 34 years. None of the respondents were found in the age category of 24 years and below. Among the senior members' category, 33 representing 46.5 percent were 40 years and above, and among the senior staff category, 16 representing 38.1 percent were between 30 and 34 years. Also, among the junior staff category, 29 representing 40.3 percent were 40 years and above. None of the respondents was found in the age category of 50 years and above since the university appoints staff with at least 15 years before the national compulsory retirement age of 60.

Table 5: Distribution of Respondents by Marital Status (and Category of Staff)

Marital Status	Senior Member		Senior Staff		Junior Staff		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Married	54	76.1	31	73.8	42	58.3	127	68.6
Unmarried	13	18.3	9	21.4	23	31.9	45	24.3
Divorced	4	5.6	0	0.0	1	1.4	5	2.7
Widowed	0	0.0	1	2.4	2	2.8	3	1.6
Separated	0	0.0	1	2.4	4	5.6	5	2.7
Total	71	100.0	42	100.0	72	100.0	185	100.0

Source: Field survey, Lanidune (2017)

From the Table 5, it shows that out of 185 respondents, 127 representing 68.6 percent were married followed by 45 respondents representing 24.3 percent being unmarried. Also, 5 representing 2.7 percent of the respondents were separated and divorced respectively, while those who belonged to the categories of widowed represented 1.6 percent. The result implies that married employees tended to dominate the staff workforce of the university.

Table 6: Distribution of Respondents by Educational Level

Level of Education	Senior Member		Senior Staff		Junior Staff		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Basic	0	0.0	0	0.0	17	23.6	17	9.2
Secondary	0	0.0	0	0.0	22	30.6	22	11.9
Diploma	0	0.0	13	31.0	26	36.1	39	21.1
Undergraduate	0	0.0	17	40.5	6	8.3	23	12.4
Post Graduate	68	95.8	10	23.8	0	0.0	78	42.2
Others	3	4.2	2	4.8	1	1.4	6	3.2
Total	71	100.0	42	100.0	72	100.0	185	100.0

Source: Field survey, Lanidune (2017)

Table 6 examined the level of education of respondents. The Table shows that 78 respondents representing 42.2 percent were having post graduate certificate. This represent majority of the respondents studied and it was followed by those with diploma (21.1%) and undergraduate (12.4%). On the other hand, 22 respondents representing 11.9 percent were having secondary certificate whiles 17 respondents representing 9.2 percent were having basic certificate. This implies that, to work in a learning institution and for that matter a university, one requires a great deal of knowledge and skills to be able to fit in there, and make the needed impact.

Table 7: Distribution of Respondents by Years of Service (and Category of Staff)

Years of Service	Senior Member		Senior Staff		Junior Staff		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
1-5	13	18.3	6	14.3	11	15.3	30	16.2
6-10	21	29.6	15	35.7	23	31.9	59	31.9
11-15	17	23.9	11	26.2	15	20.8	43	23.2
16-20	19	26.8	9	21.4	17	23.6	45	24.3
21 and above	1	1.4	1	2.4	6	8.3	8	4.3
Total	71	100.0	42	100.0	72	100.0	185	100.0

Source: Field survey, Lanidune (2017)

The study further examined the years of working experience of the respondents as staff of Cape Coast Technical University. The Table 7 shows that out of the 135 respondents, 59 representing 31.9 percent had worked with Cape Coast Technical University between 6 and 10 years, whereas 45 respondents representing 24.3 percent had worked with Cape Coast Technical University between 16 and 20 years. Also, 8 respondents representing 4.3% had work for more than 20 years. This analysis was important because the number of years the staff had worked is likely to influence their perception of reward systems of Cape Coast Technical University.

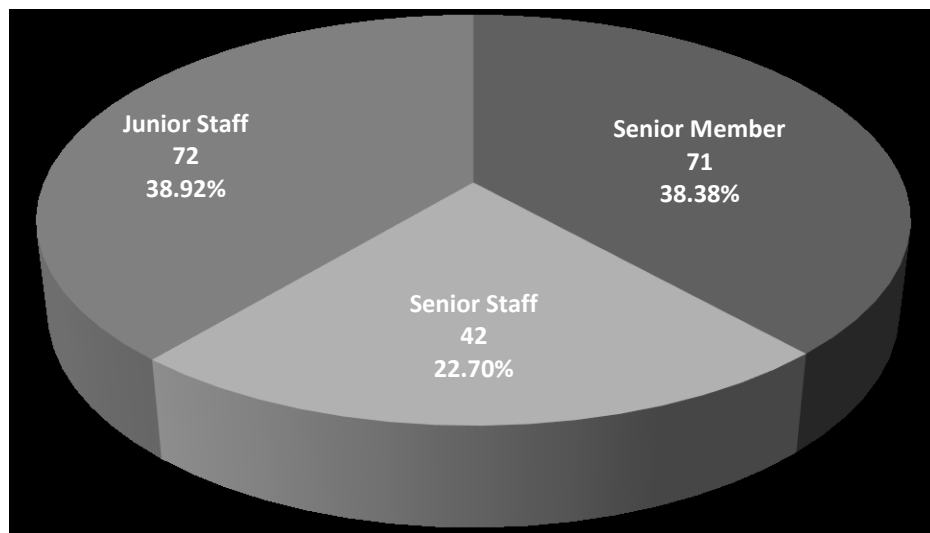


Figure 4: Category of staff of the respondents

Source: Field survey, Lanidune (2017)

From Figure 4, out of the total sample of 185 respondents, 72 representing 38.9 percent were made up of junior staff, 71 representing 38.4 percent were made up of senior members and 42 representing 22.7 percent were senior staff. This indicates that the respondents were junior staff dominated. These categories of respondents were selected to reflect the number of the various staff categories needed to complete the questionnaire.

Clear Definition of Reward Systems at Cape Coast Technical University

This part sought to examine the views of the respondents on issues concerning reward systems in the university especially with regards to whether the university has clearly defined reward systems put in place for its employees. Table 8 present the views of respondents on the reward systems of Cape Coast Technical University.

Table 8: Clear definition of reward systems at Cape Coast Technical University

Category of Staff	No. Agreement	% Agreement	Mean	Standard Deviation
Senior Member	31	43.7..	3.15	1.69
Senior Staff	9	21.4	2.52	1.42
Junior Staff	31	43.1	3.13	1.67
Total	71	38.4	3.00	1.64

Source: Field survey, Lanidune (2017)

From Table 8, it can be seen that 38.4 percent of the respondents agreed that Cape Coast Technical University has clearly defined reward systems put in place for its employees. This also recorded a mean level of agreement of 3.00 with a standard deviation of 1.64. Specifically, the senior member category recorded a mean of 3.15 with a standard deviation of 1.69, whereas the senior staff category recorded a mean of 2.52 with a standard deviation of 1.42. Also, the junior staff category recorded a mean of 3.13 with a standard deviation of 1.67. This shows that the level of agreement of the senior members concerning clearly defined reward systems put in place for staff in the university was slightly above that of the remaining staff categories.

Further interview with the three (3) senior members of management in the Cape Coast Technical University also sought their opinion as to how they decide on which reward system to use when it comes to rewarding employees in the university revealed that most of the decisions were usually taken when a staff is to be promoted or get an award during congregation. The interviewee further indicated that during that time appraisal forms are normally given out to all heads of department and sectional heads to assess staff working under them and give their recommendation for the promotion or the award. It is then based on the recommendation from the various heads that management takes a decision on who should be promoted or gets an award.

The second interviewee also indicated that management normally look at what the scheme of service document entails. Then a committee is set up to decide if a staff is to be rewarded or not. On the other hand, the third interviewee could not tell which of the reward types the university uses to reward its staff as was only one type (extrinsic) the interviewee was familiar with.

From the varying views, the interviewer gathered that management of Cape Coast Technical University does not actually have a clearly defined reward system that they used in rewarding staff.

This finding thus contradicts what Carraher et al. (2006) opined. Their research revealed that, there should be an effective reward system for every organisation performance and the reward should be related to the organisation's effectiveness and efficiency.

Level of agreement on the existence of both financial (extrinsic) and non-financial (intrinsic) rewards at Cape Coast Technical University

This section sought to assess the respondents' views about the existence of the various types of reward systems given to staff in the university. Table 9 presents the level of agreement of respondents on the existence of both the financial and non-financial rewards in the university.

Table 9: Level of agreement on the existence of both financial (extrinsic) and non-financial (intrinsic) rewards at Cape Coast Technical University

Category of Staff	No. Agreement	% Agreement	Mean	Standard Deviation
Senior Member	46	64.8	3.93	1.52
Senior Staff	10	23.8	2.67	1.39
Junior Staff	27	37.5	3.11	1.57
Total	83	44.9	3.32	1.59

Source: Field survey, Lanidune (2017)

From Table 9, it can be seen that 44.9 percent of the respondents agreed that the university offers both financial (extrinsic) and non-financial (intrinsic) rewards to employees. This represents a mean level of agreement of 3.32 with a standard deviation of 1.59. Specifically, the senior member category recorded a mean of 3.93 with a standard deviation of 1.52, whereas the senior staff category recorded a mean of 2.67 with a standard deviation of 1.39. Also, the junior staff category recorded a mean of 3.11 with a standard deviation of 1.57. This shows that the level of agreement of the senior members concerning the university offering both financial (extrinsic) and non-financial (intrinsic) rewards was slightly above that of the remaining staff categories.

Further interview with the three senior members of management about the forms or types of the reward packages that existed in the Cape Coast Technical University indicated that the University has no separate document on reward systems. It was noted that issues concerning rewards are embedded in the scheme of service document for staff in the university. Two of the interviewees indicated that the university has both the financial (extrinsic) and non-financial (intrinsic) reward systems. However, the third interviewee was aware of the financial (extrinsic) reward system in the university and was not aware of any form of non-financial (intrinsic) rewards in the university.

This finding seems to agree with Fredrick Herzberg's motivation-hygiene theory which identifies that, there are two types of motivators; namely extrinsic and intrinsic motivators. Khan et al. (2013) also opined that a good balance of both the extrinsic (financial) and intrinsic (non-financial) rewards enables an organisation to maximise employee's commitment, motivation and job satisfaction which in turn maximises the performance of employees particularly in terms of productivity.

Views of respondents on the most important rewards that motivate employees at Cape Coast Technical University.

This part sought to assess the respondents' views on the kind of rewards that really motivate employees at Cape Coast Technical University. Table 10 present the views of respondents on the various types of rewards that motivate employees in the university.

Table 10: Views of Respondents on the types of Rewards of Cape Coast Technical University

	Senior Member		Senior Staff		Junior Staff		Total	
	Freq.	%	Freq.	%	Freq.	%	Freq.	%
Salary	42	59.2	22	52.4	18	25.0	82	44.3
Health And Medical Benefits	33	46.5	15	35.7	18	25.0	66	35.7
Promotion	33	46.5	13	31.0	14	19.4	60	32.4
Overtime	33	46.5	10	23.8	13	18.1	56	30.3
Leave (Sabbatical, Study Casual And Annual) Benefits	32	45.1	18	42.9	5	6.9	55	29.7
Transportation and Death Benefits	26	36.6	10	23.8	18	25.0	54	29.2
Accommodation Benefits	23	32.4	9	21.4	18	25.0	50	27.0
Retirement and Pension Benefits	23	32.4	10	23.8	16	22.2	49	26.5
Bonuses	21	29.6	10	23.8	9	12.5	40	21.6
Contract of Service	21	29.6	5	11.9	12	16.7	38	20.5
Fringe Benefit	17	23.9	5	11.9	13	18.1	35	18.9
Others	4	5.6	1	2.4	23	31.9	28	15.1
Formal Recognition	36	50.7	21	50.0	42	58.3	99	53.5
End Of Year Get-Together /Hampers	28	39.4	18	42.9	38	52.8	84	45.4
Informal Recognition	37	52.1	16	38.1	29	40.3	82	44.3
Praises From Management/ Boss For Excellent Work Done	14	19.7	6	14.3	20	27.8	40	21.6
Opportunity To Attend	29	40.8	3	7.1	8	11.1	40	21.6
Others	2	2.8	0	0.0	3	4.2	5	2.7
Total	71	100.0	42	100.0	72	100.0	185	100.0

Source: Field survey, Lanidune (2017)

From Table 10, it was realised that 82 out of 185 respondents representing 96.4 percent went salaries. This represents the majority of respondents. This is followed by 66 out of 185 respondents representing 35.7 percent indicate health and medical benefits. Again, 60 out of 185 respondents representing 32.4 percent indicate promotion, while 56 respondents representing 30.3 percent indicate overtime, 55 out of 185 respondents representing 29.7 percent indicate leave benefits, 54 out of 185 respondents representing 29.2 percent indicate transportation and death benefits, 50 out of 185 respondents representing 27.0 percent indicate accommodation benefits and 49 out of 185 respondents representing 26.5 percent went retirement and pension benefits. It can be revealed that salary dominated overall the most important rewards that motivate employees at Cape Coast Technical University and this also form part of the financial (extrinsic) type of reward systems in organisations.

A further interview with the senior members of management relating to the issue of which of the reward systems were more useful to the performance of employees, revealed that the financial aspect of the reward system was more useful to staff in the university than the non-financial rewards. This is a quote from one of the interviewee *“taking study-leave and promotion for instance, staff here appreciates that the most as it really makes them put up their best at work”*. Another quote from the other interviewee *“things are difficult these days so just saying a simple thank you to an employee for an excellent work done without given money does not really motivate the employee very much”*. One of the interviewee however was of the view that both types were useful as the benefits reciprocate the other. This view is in confirmation with what Frederick.

Herzberg et al. (1959) observed, that people have different requirements that must be fulfilled in order to keep them satisfied. He indicated that employees in organisations have physiological requirements that typically are met by financial gains out of the job such as the salary that they earned and also some psychological requirements that must be met so that they feel driven to improve their performance.

Also, those respondents who believed that only the financial aspect of the reward system is more useful reflects the view of Nduro (2012) who proposed salary, wages and conditions of service as incentives for employees in organisations. They explained that using salary as an effective rewarding system, managers in organisations must consider four key components of the salary structure which include the payment system which refers to rewarding employees according to their performance, job rate which relates to the importance that is attached to each job by an organisation, special allowances such as medical reimbursement, and fringe benefits such as pension fund.

Methods Used to Implement Reward Systems

This section examines the views of respondents on the methods used in implementing reward systems in the university. Table 11 present the views of respondents on the methods employed by Cape Coast Technical University to implement its reward system.

Table 11: Methods Used to Implement Reward Systems

	No. Agreement	% Agreement	Mean	Standard Deviation
Rewards system should be fair and equitable.	164	88.6	4.36	.95
The reward system include career plan based on performance.	130	70.3	3.84	1.17
Employee(s) of the week or month award should be issued.	126	68.1	3.53	1.26
The recipients of the employee awards are adequately publicised.	46	24.9	2.41	1.29

Source: Field survey, Lanidune (2017)

From Table 11, it can be seen that 88.6 percent of the respondents agreed that rewards system should be fair and equitable. This also recorded a mean level of agreement of 4.36 with a standard deviation of 0.95. Also, 70.3 percent of the respondents agreed that the reward system include career plan based on performance. Again, 68.1 percent of the respondents agreed that employees of the week or month award should be issued.

This finding reflects what Shields et al. (2015) narrated, that employees are always comparing the rewards they receive with colleagues that they perform the same duties with or have similar competency level with. Where for instance employees who receive an award have the feeling that they have not been fairly or sufficiently rewarded, then the feeling of distrust and isolation emerges within them. But in a situation where there is equity and employees are rewarded fairly based on the work they do, will definitely compelled them to give back to the organisation in order to justify the rewards that were given to them. This in a way would increase their morale and they would be encouraged to work harder to increase their performance standards.

A further interview with the three senior members of management in the university on how they decide which reward system to use when it comes to rewarding employees in the university revealed that a committee is normally set up to decide which employee should be rewarded and on what basis and the kind of rewards that needed to be given out to such employees. Another interviewee also indicated that management decides which employee gets what reward.

It was gathered from the interview conducted that there was no permanent committee, that handles issues concerning rewards in the university. A committee is set to handle issues on rewards when the need arises.

The effects of the current reward system on employees' performance at Cape Coast Technical University

This part presents the views of respondents on the effects of the current reward system on the employees' performance in the university. Table 12 present the views of respondents on the effects of the current reward system on employee performance at Cape Coast Technical University.

Table 12: The effects of the current reward system on employees' performance at Cape Coast Technical University

	No. Agreement	% Agreement	Mean	SD
Rewards are important to retain high performing employees in an organisation.	162	87.6	4.30	.96
Praise for job well done from my supervisor or boss encourage me to perform my job better.	151	81.6	3.97	.87
When I'm promoted by my employer, it really motivates me to work harder during the year.	144	77.8	3.99	.98
Informal recognition such as a simple thank you for job well done motivates me to increase my performance.	141	76.2	3.79	1.11
Formal recognition such as salary increment and other bonuses motivates me to increase my performance.	140	75.7	3.88	1.12
I feel motivated to increase my performance when I receive reward.	131	70.8	3.73	1.18
When I get an increment in other allowances or bonuses, my job performance increases.	111	60.0	3.51	1.06
The current reward systems offered by the cape coast technical university motivate me to perform my work diligently.	38	20.5	2.36	1.18
I am satisfied with the current level of non-financial (intrinsic) rewards being given by the university to its employees.	27	14.6	2.16	1.06
I am satisfied with the current level of financial (extrinsic) rewards being given by the university to its employees.	19	10.3	2.15	1.07

Source: Field survey, Lanidune (2017)

From Table 12, it can be seen that 87.6% of the respondents agreed that rewards are important to retain high performing employees in an organisation. This also recorded a mean level of agreement of 4.3 with a standard deviation of 0.96. Also, 81.6 percent of the respondents said that praise for job well done from his or her supervisor or boss encourages him or her to perform his or her job better. Again, 77.8 percent of the respondents added that when he or she is promoted by his or her employer, it really motivates him or her to work harder during the year.

A further interview with the three senior members of management in the university on the issue of what they perceived to be the effect of motivation on employees' performance and why it was important to motivate employees, also revealed that motivation boost the morale of employees to work harder thus enhancing their work output. They also indicated that motivation helps in retaining high performing employees in the organisation.

These findings thus confirmed what Griffin and Moorhead (2013) opined, that the purpose of reward system is to retain, attract and motivate high performing and qualified employees in the organisation. Again, Irs and Türk (2012) also acknowledged that when rewards are put in place in an organisation, it helps the organisation recruit and retain qualified and competent personnel.

Chapter Summary

This chapter described the characteristics of the study participants which comprised one hundred and eighteen (118) males and sixty-seven (67) females making a total of 185 respondents for the study. The demographic profile of the study participants was provided. Descriptive statistics such as frequencies, percentages, means and standard deviations were used to analyse the data.

Conclusions were also drawn on the research objectives which brought about some developmental outcomes of the effects of reward systems on employees' performance in the technical university. Three (3) of the respondents (senior members of management) were also interviewed.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter provides a summary of the findings of the study, conclusions and recommendations. The study analysed the effects of reward systems on employees' performance in Cape Coast Technical University. Areas for further research are also suggested in this chapter.

Summary of findings

The study was conducted to assess the effects of reward systems on employees' performance in Cape Coast Technical University. The study was based on a descriptive research design and the population for the study was staff from the various categories (senior members, senior staff and junior staff) of Cape Coast Technical University. Simple random sampling was used for the study. Questionnaires and structured interviews were used to solicit for data for the study. The questionnaire consisted of 36 items to elicit information from the three categories of staff whereas 13 structured interview questions were used to elicit information from three senior members who formed part of management and were at the helm of affairs when it comes to implementing policies of this nature (reward systems) in the University. The study used study:

- The research indicated that the university offers financial rewards in the form of salary, and other allowances. Majority of the respondents were unsatisfied with the level of the non- financial rewards (praise from their bosses, formal and informal recognition) given by the university. Financial (extrinsic) and non-financial (intrinsic) rewards have some kind of influence on both the employee and the overall organisational

performance. Management of the university needs to work on both types of the reward system in the university.

- The current reward system in the Cape Coast Technical University was not clearly defined and was also not sufficient enough to consistently motivate the employees. Thus, the University does not have a clearly defined reward system put in place for its employees. There was no structured or well-documented reward system that the University uses to reward employees. Also, the criteria in which the employees' performance were being evaluated in the university was not explained to them. Management in the University does not take time to let the staff know what is expected of them in the performance of their duties. Management in the university needs to improve upon the existing reward system.
- There was no transparency when it comes to the procedure in selecting a staff in the university for an award. Also, there was no permanent committee to handle issues concerning rewards in the university. A committee is set up when a staff is to be awarded during congregation. Staff in the university places a greater value when it comes to issues concerning rewards such as promotions and best worker awards during congregations.
- Employees generally feel that the rewards in the university are not fairly and equitably given. Thus they expressed their displeasure by not being committed to work and have the feeling that some staff are being favoured when it comes to given out rewards in the university.

Conclusions

In this research, the methods adapted by the Cape Coast Technical university to motivate employees were examined. This is with the view of assessing how effective these methods are in making employees put up their best for optimal productivity. It was found that the methods used in implementing reward systems in the university were not clearly defined and there was no document on issues concerning reward systems in the university. Also, both the financial and non-financial mode of motivating employees were used by the university with the financial reward being more prevalent. However, as regards to how effective these were, most employees expressed dissatisfaction with the mode of selection and implementation. As a consequence, they indicated that their displeasure is expressed by not being committed to work since there is the feeling that some staff are being favoured when it comes to given out rewards in the university.

In general therefore, the technical university needs to re-examine their reward systems as suggested in the following recommendations.

Recommendations

From the findings and conclusions drawn, the following recommendations are made:

- There should be Management-Staff consultative meetings where issues pertaining to the reward system in the university are addressed. This will enable the university have a clearly defined, comprehensive and well-documented policy on reward systems which is acceptable to both parties.

- There should be periodic review of the reward systems and the staff at each point should be educated on the criteria use in evaluating their performance.
- To ensure effective reward system put in place, it is recommended that management of the university should ensure that effective appraisals are given annually or on regular basis to evaluate staff performance. With constant appraisals feedback, staff performance would be increasing regularly leading to the overall organisational performance.
- Finally, it is recommended that non-financial rewards such as appreciation letters in recognition of a good job done should always be written to deserving staff and copies of such letters be posted on the various notice boards on campus as this will boost the morale of such employees thus leading to increase performance and also retaining such employees in the university.

Suggestions for further research

The research study has not inculcated all the rewarding methods that are available in all organisations. Therefore, further research could thereby examine the use of additional rewarding structures and analyse their effects on the overall performance of employees. Furthermore, an employee performance is not just enhanced through rewards; there are other key variables that could have a potential effect on the employee performance level. By adding more variables and conducting additional analyses of the respective variables in contention with employee performance, the scope of organisational management could be further enhanced. Therefore, further research could examine the use of additional rewarding structures and analyse their effects on the overall performance of employees. Also, the research was carried out solely

with respect to the effects of the reward systems on employees' performance in Cape Coast Technical University in Ghana. The recommendations would therefore be difficult to generalise in the context of other organisations and industries in Ghana and globally. However, the research could be used as the foundation of future similar research that aim to evaluate the factors affecting the performance of employees on a broader scale by including more organisations and industries. Finally, in future the methodology could also be altered in order to inculcate a higher number of respondents. The study was restricted due to time constraint of the researcher. However, future studies could double the number of respondents used within the research study and thereby incubate a more diverse feedback from the respondents increasing the overall validity of the research study.

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APPENDICES

APPENDIX A

TABLE FOR DETERMINING SAMPLE SIZE FROM A GIVEN
POPULATION
BY
KREJCIE AND MORGAN (1970).

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note:

N – Population size

S – Sample size

APPENDIX B

**QUESTIONNAIRE FOR JUNIOR STAFF, SENIOR STAFF AND
SENIOR MEMBERS OF CAPE COAST TECHNICAL UNIVERSITY**

INTRODUCTION

This questionnaire is meant to solicit your responses to the questions asked. Please be as objective as possible. Any information given would be used for research purpose(s) only and information given would be treated with confidentiality.

Section A – Demographic Data [Please tick (√) where appropriate

1. Sex: a) Male b) Female
2. Age: a) Less than 20 [] b) 20 – 24 [] c) 25 – 29 []
d) 30 – 34 [] e) 35 – 39 [] f) 40 & above []
3. Marital Status: a) Married [] b) Unmarried [] c) Divorced []
d) Widowed [] e) Separated []
4. Level of Education: a) Basic [] b) Secondary [] c) Diploma []
d) Undergraduate [] e) Post graduate [] f) Others, specify
.....
5. What category of staff do you belong?
a) Senior Member (Academic/Non-academic) [] b) Senior Staff []
d) Junior Staff []
- 6) How long have you been working in this institution?
a) 1 – 5 [] b) 6 – 10 [] c) 11 – 15 [] d) 16 – 20 []
e) 21 and above []

Section B: To identify the most important rewards that motivates employees. Please tick (√) in the appropriate box.

On a scale of 1 to 5, with SD representing *strongly disagree*; D representing *disagree*; NAOD representing *neither agree or disagree*; A representing *agree* and SA representing *strongly agree*, please indicate your level of agreement with the following statements. Please tick only once for each question.

- 7) Cape Coast Technical University has clearly defined reward systems put in place for its employees.

Strongly disagree [] Disagree [] Neither agree nor disagree []
Strongly agree [] Agree []

- 8) The University offers both financial (extrinsic) and non-financial (intrinsic) rewards to employees.

Strongly disagree [] Disagree [] Neither agree nor disagree []
Strongly agree [] Agree []

Please tick (√) as appropriate. (You may provide multiple answers).

- 9) Which of the following financial (extrinsic) rewards does the technical university give to its staff?

Salary [] Bonuses [] Overtime [] Promotion [] Contract
of service [] Fringe benefit [] Retirement and pension benefits []
Accommodation benefits []
Health and medical benefits [] Transportation and death benefits []
Leave (sabbatical, study, casual and annual) benefits [] Others (please
specify)

- 10) Which of the following non-financial rewards are used by the technical university?

Formal recognition (e.g award of merit certificates, employee of the year award) []

Informal recognition (e.g a simple thank you from a boss for perfect work done) []

Praises from management/bosses for excellent work done []

Opportunity to attend (e.g seminars/workshops/conferences) []

End of year get-together/Hampers [] Others, (please specify)

11) Which of the two types of rewards should be given more by the Cape Coast Technical University?

Financial (extrinsic) rewards [] Non-financial (intrinsic) rewards []

Both types of rewards [] Others, please specify.....

Section C: An assessment of the methods used in implementing reward systems.

On a scale of 1 to 5, with SD representing *strongly disagree*; D representing *disagree*; NAOD representing *neither agree or disagree*; A representing *agree* and SA representing *strongly agree*, please indicate your level of agreement with the following statements. Please tick only once for each question.

NO	STATEMENT	SD	D	N	A	SA
		1	2	3	4	5
12	How my performance is evaluated by Management is well explained to me.					
13	The criteria for the reward systems have been clearly explained to me.					
14	I'm aware of the procedures for nominating an employee for an award.					
15	It doesn't take much time and effort to nominate employees for an award.					
16	The recipients of the employee awards are adequately publicised.					
17	Employee(s) of the week or month award should be issued					
18	I agree that reward system should be fair and equitable					
19	I think that reward systems include career plan based on performance					
20	The reward structure in Cape Coast Technical University is currently sufficient to meet the needs of employees					

Section D: An assessment of the effects of the current reward system on employee performance at the Cape Coast Technical University.

On a scale of 1 to 5, with SD representing *strongly disagree*; D representing *disagree*; NAOD representing *neither agree or disagree*; A representing *agree* and SA representing *strongly agree*, please indicate your level of agreement with the following statements. Please tick only once for each question.

NO	STATEMENT	SD	D	N	A	SA
		1	2	3	4	5
21	The current reward systems offered by the Cape Coast Technical University motivate me to perform my work diligently					
22	I feel motivated to increase my performance when I receive reward					
23	Rewards are important to retain high performing employees in an organisation.					
24	Informal recognition such as a simple thank you for job well done motivates me to improve my performance.					
25	Formal recognition such as salary increment and other bonuses motivates me to increase my performance.					
26	I am satisfied with the current level of financial (extrinsic) rewards being given by the university to its employees.					
27	I am satisfied with the current level of non-financial (intrinsic) rewards being given by the university to its employees					
28	When I get an increment in other allowances or bonuses, my job performance increases.					
29	When I'm promoted by my employer, it really motivates me to work harder during the year.					
30	Praise for a job well done from my supervisor or boss encourages me to perform my job better.					

Section E: An assessment of employees views about the reward system

31) Mention three things that is working well with the reward system in the University

.....

32) What policies will you suggest to Management to improve the current reward system?

.....

33) State three important measures that should be adopted to improve the current reward system in the university.

.....
.....
.....

34) What would you rather do (please tick)

Increase performance to enhance reward []

Receive a higher reward to enable you perform better []

Others, (please specify)

35) What would you rather wish you had as part of your reward package or
in addition to what is currently in place by the university?

.....

36) What other suggestions can you make about the use of the current
reward system?

.....

Thank you very much for your time and assistance.

APPENDIX C

**STRUCTURED INTERVIEW GUIDE FOR MANAGEMENT
OF CAPE COAST TECHNICAL UNIVERSITY**

INTRODUCTION

This interview guide is designed to solicit your responses on the effects of reward systems on employee performance at Cape Coast Technical University. Please respond as objectively as possible. The information supplied would be used for research purpose and would be treated with utmost confidentiality.

Thank you.

INTERVIEW GUIDE

1) What are the forms or types of your reward packages that exist in the technical university?

.....

2) Which of these rewards do you think influences personal and organisational performance most and why?

.....

3) As managers how do you decide which rewards systems to use?

.....

4) What is the effect of motivation on employee performance, and why is it important to motivate employees?

.....

5) How do you ensure that the employees are aware of the criteria on which their performance is being evaluated?

.....

6) How do you consult the employees when designing the reward systems?

.....
7) What would you rather wish you have as part of your reward systems or in addition to the one you are currently enjoying?
.....

8) How important is it to evaluate the performance of your employees?
.....

9) Which of the reward systems are more useful to the performance of employees?
.....

10) As managers how do you decide which reward systems to use?
.....

11) What other comments can you make about the use of the current reward system?
.....

12) Mention three things that is working well with the current reward system in the university
.....
.....
.....

13) What could be improved to make the current system more successful?
.....

Thank you very much for your time and assistance.