# ST' MARY'S UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS BA DEGREE OF MANAGEMENT

EMPLOYEE REWARD AND MOTIVATION SYSTEM IN B/DAR UNIVERSITY (CASE STUDY ON YIBAB COMPUS)

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#### **Abstract**

It should be important to know the employee reward and motivation in Yibab Campus organization. The Purpose of this studies are to assess the employee reward and motivation practices haw to Come out the recommendation that reward and motivation the existing and to set the sever good aspects. It is important like to develop the efficiency of employees, to use in a consistency ways, and fair and seriult help to prove and hint as show the problems may be over coming. This stud is not a county level to study employee reward and motivation that focus only in Yibab campus which located in Bahir Dar city be cause of time and financial concentrates. The study contains both primary and secondary data and including qualitative and quantities collection methods used Yibab campus 40 people used in sample random sampling from human resource and production departments and the researcher descriptive analysis and percentage and table well be used to analysis and interpreted the collected data.

#### Acknowledgement

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#### **CHAPTER ONE**

#### 1. Introduction

#### 1.1 Back ground of study

Many classical writers, as well as contemporary theory rests, have emphasized the motivational value of composition research on this subject has Shaw fincior rewards are a strong stimulus to production:-

One study show that when the people believe the efforts will read to the desired reward, they will produce more. It also showed that few individual would engaged in extended activities. Unless they believed that there was a connection between what they did and the rewards they resaved.

An other study found that when the basic income of any group of employees did not per met satisfaction the workers turmed to over time, slaw dawns, and other mems of meeting their needs.

There are same general regiments for finical incentive. This uplay every type of finical incentives and to every level of position that may be covered afincial insentius plan. Some of this are as follows:-

- Employee should be not what the goals and rewards are.
- The goals must be understandable and attitudable on individuals reward and performance
- The rewards must be significant and certain
- An employee must be have the tools to accomplish work expectations.
- The intensive system should not be in conflict with the employee's other interests.
- The finical incentive system must be computable with over act job requirements the work environment and management stayle should. This study asses employees reward and motivation system in the Yibab campus. It is the branch of Bahir Dar university. Which is established in

2004 E.C. The primary objective of the campus is to get educated and matured person and etc.

#### 1.2 Statement of the Problem

Lack of employees reward and motivation system in the organization with affect working behavior of the employees which inturn a facts the productivity of workers.

Motivated workers are self initiators. The major problem in money organization, How to satisfy the employees.

Considering these stated facts the research intend to asses employees attitude in the Yibab campus with regard to the reward and motivation system. According the research tries to answer questions like

Are the employee enterprise satisfied with the present reward and motivation policy?

What are objectives giving reward and making employees motivated.

#### 1.3 Objective of the Study

The study has a general and specific objective the general (Main) objective is to assess problems associated with employee reward and motivation system in Yibab campus. The specific objective of the study is to:-

Assess the impact of reward and motivation of the performance of the employees.

To investigate the factor that affect reward and motivation policies and its impact on the organization.

#### 1.4 Significance of the Study

It is obvious that the reward and motivation policy should be designed to graw the productivity of the employees. If this is so it contributes a lot to achive the goal and objective of the organization. Therefore, its hoped that the study would be important for the following reasons:-

It may help the organization in designing a good reward and motivation policy.

It indicate the constraints of present policy an employees reward and motivation?

It will show the impact of the organization. It may provide information for the feature amendment of the organization on the policy of reward and motivation.

#### 1.5 Scope

The study tries to look at problems of Yibab campus employees reward and motivation policy.

The research uses random sampling from all departments, so the study include on all employees of Yibab campus

#### 1.6 Methodology

The main purpose of the research is to find out the problem on employee reward and motivation policy of Yibab campus. For this sack a descriptive type of research, which deals with the present fact and conditions was employed.

#### 1.6.1 Target Population

The target population of the study the employee of Yibab campus.

#### 1.6.2 Sampling Technique

From the total 316 employee of the enterprise for using ful sampling

#### 1.6.3 Data Gathering Instrument

The method used for collecting data for research are both are primary and secondary data. The primary data was collected through quesitienory connected with 40 employees of the enterprises. The questioners was prepared with open and close ended items.

The secondary data is from published and un published documents found in the office library.

#### 1.6.4 Method of Data Analysis

In this part the data collected through gueisionaries and documentary source was organized. The result ware converted in to percentage values and quantitative analysis was made.

#### **CHAPTER TWO**

#### 2. Review of Related Literature

#### 2.1 Difination

No one questions the central role that rewards ply in shaping behavior and specifically in influencing work performance in organizations. Job performance may be viewed as function of the capacity to perform, the opportunity to perform and will ingress to perform.

Any attempt to improve the object performance of individual must utilize motivation theories. Motivation is concerned with behavior or more specifically goal directed behavior. This issue haw ever, is not fully realized in many developing countries of which Ethiopia is the one.

This chapter present a brief discussion of the major motivational theories that must be consider with in one deals with employees in the work environment, so managements should be sensitive to variations in employees needs, abilities and goals and they also must consider difference in the performance for rewards so that they enable to maximize the performance potential of the organizations human resources

The term motivation was originally derived from the Latin word Mover, which means to move (Maitaland, 1995, P.107), How ever this is one work is not obviously in inadequate definition.

Motivation has been defined differently by different scholars, there is no single definition that is accepted by all scholars and managers. We can see same on detonations given by different scholars,

Motivation in an organization is the willingness of an employee to respond to organization requirements. The more positive the individuals motivation to words the organization, the more effective is this performance

#### Gohn R. Schermern, Jr 1996 p. 336)

Reward is formally defined as a work out comes of positive value to the individual, A motivational work setting is rich in rewards far people whose performance accomplishments help to meet organizational objectives. (IBID) (Invanceich, 1989, p. 144) an the other hand given a different definition to the term motivation as being. An inner state that energize chanal and sustains human behavior to achieve goals.

(R. Sch ermen Born Jri 1993 p. 440) has defined it, motivation is aterm used in management theory to describe forces with in a person that allount for the level direction, per sistence of effert expended of work.

Thus as it can be inferred from the given definitions motivation means creating a force which can move to wards adesiered action.

#### 2.2 Objective of Reward and Motivation

Un satisfied needs creates tension, which stimulate drives with in the individual. These drives penetrate a search to find particular goals that it atened, will satisfy the need and leved to the reduction of tension.



Exhabit 4.1 Basic motivation Behavior

Motivated employees are in a state of tension in order to relive this tension, they enage in activity. The greater the tension, the more activity will be needed to bring about relied. There fore, when we see employees working hard at some activity, we can conclude they are drive by a desire to a chive some goal they value. (Stephen p. Robbins 1996 p. 47)

The beliefs that employees should be reward on the basis of merit and that there rewards. Should be distributed fairly and widely held among workers.

If employees see that pay is not distributed on the basis of merit, they are more likely to lack commitment to the organization decrese there level of effort and look for emplacement opportunities else where

(Luis R-Gomez-Mejia, David-B Balkin, Robort L. Cardy 1995, p.334).

To begin with in managers and organizational researchers can not audio a concern with the behavioral requirement of an organization. In addition to the necessity to acquire finical and physical researches every organization needs people in order to function more specifically leatz and Halm pointed that organization has three behavioral requirements in this regard:

- People must be attracted not only to Joint the organization but also remain in it
- People must be perform the tasks in depend able manor

#### 2.3 Type of Reward

There are two basic type of rewards available to people at work :-

- Extrinsic
- Intrinsic rewards.

#### 2.3.1 Extrinsic Reward

Extrinsic rewards are externally administrated. They are valued out comes given to some by other person typically, a supervisor or higher level manager. Common example of extrinsic rewards available to people at work or incentive pay, promotion, time off, special assignments office furniture's benefits awards, verbal prese, and the like in all cases, the motivational stimulus of extrinsic rewards orginates out side the individual.

#### 2.3.2 Intrinsic Reward

Intrinsic reward or natural rewards are self-administrated. They occur "natural" as a person performs a task. They are, in this sense built directly in

to the Job it self, the major source of intrinsic rewards are the feelings of Competency. Personal development and self control people experience in their work.

The motivational and does not depend on the action of some other person. Informed managers understand the valve of intrinsic reward and take every effort to encourage "motivation with is"

If used well both extrinsic and intrinsic reward came help managers lead effectively through motivation. (John R. Schermerhan, Jr. 1996) To do so, haw ever managers must

- > Respect diversity and individual difference
- Clearly understand what of people want from work, and.
- Create and distributed rewards to satisfy and need while serving the organizations performance interests.

#### 2.4 Why we study Reward and Motivation

## 2.4.1 Significance, Importance of Studying Reward and Motivation

For an organization to be effective according to this reason it must come to grips with motivational problems of stimulating by the decision to participated and the decision to pro duce at work

A second and related reason behind the attention as a concept represents a multitude factors in the organizational milie. A comprehensive understanding of the way in which organization function requires that at least same attention be directed to ward the question of why people have as they do on the job.

A understanding of the topic of motivation is thus essential in order to comprehend more fully they effect of variations in other factor (Such as leader ship, Job rede sign and salary system as them relate to performance, satisfaction and so that.

Third given that ever- tightening constraints placed an organization by unions governmental agencies in creased forgin and domestic competition management has had to look for, new mechanism to increase and in some cases Just to mainfain its level of organizations in the fale of these new environmental type of constraints full potential benefit from these resource including human resource that it does have its diposal. Thus, organizational effectiveness its employees to direct at least a reasonable effort to wards the goal of the organization

Finally while organizations have for some time viewed their finical and physical resource from along term perspectives, only recently have they be gun seriously to apply this some perspective to their human resources. Many organizations are know beginning to pay increasing attention to developing their employees as feature resource up on which they can drew as they grow and develop evidence for such concern can be seen in the resent growth of management popularity of "Assessment counter" appraisals in the resent attentions to personal planning and the emergency of "Human resource accounting" systems. More concern is being directed in addition to ward stimulating employees enlarge their Job skills (through training Job design, and Job rotation and so an at both to encourage their ability and skill levels in an effert to ensure a continual resource or well trained and highly motivated people (Richard M. Steers, 1976, p. 1.2)

In summary, then there appear to be several reasons. Why the topic to motivation by both those who study organization and those who manage them.

#### 2.5 Theories of Motivation

Various theories of motivation have been for wards in explaining human behavior at work place in different situations these the theories are grouped in to two types:- These content theories and process theories

(Bennett, 1944, p. 300-391, Ivan T. Rober son Milk Smth 1985, p. 29)

Content theories emphasize explicitly on the attempts to develop on understanding of human needs, it focus with in the person that energize, direct, sustain and stop behavior (John M Ivancevich 1993 p. 124)

Process theories on the other hand provide a description and analysis of haw behavior is energized, directed, sustained and stoped. (Han M. Ivancevich, 1990, p.124) it tries to examine the psychological process that is involved in motivations will be discussed.

#### 2.5.1 Content theory of Motivation

Physiological or psychological deficiencies that an individual feels some compulsion to eliminate are culled need, content theories of motivation use individual needs to explain behavior and attitude of people at work. Although each of the following theories discus a slightly different set of needs all agrees that needs cause tensions that influence attitudes and behavior

(John R. Scherme born 1993, p. 444-445)

This type of motivation theory includes the work of moss law's Hierarch of needs, Alderfer's existence relatedness and growth theory of motivation.

Hertzberg's motivation hygiene factor theory, Mc, Gre gory's theory X and theory Y and Macelell and cellmates needs achievement theory. But there for purpose we focus on the three main types of content theory of motivations:-

#### 2.5.1.1 Maslaw's theory of Motivation

According to gray and strive (1984, p. 76) Maslaw's theory of motivation is one of the most dominant and wildly practiced theories of motivation. This theory assumes that human behavior is influenced when individuals or groups of individuals attempt to gratify their un satisfied needs. Like wise those human needs are organized hierarchically care on the basis of their significant.

Maslaw theory assumes that a person attempts to satisfy the more basic neds (Physiological) be for directing behavior to wards satisfying upper level, then the third and fourth e.t.c

From this assumption, maslaw proposed five classifications of needs that represent the order of importance to the individual.

#### These are:-

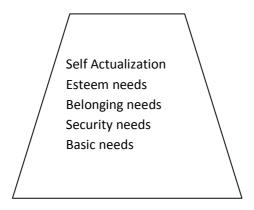
1. Physiology

4. Estem needs and

2. Safety needs

5. Self actualization

3. Secial needs



#### (Fred luthans Mark J. Martnko 1979, p. 398)

- 1. Physiological needs:- Thus needs are basically the needs of the human body that must be satisfied in order to support life. These needs include food, shelter, sleep, water, exercise, clothing e.t.c fulfillment of these need will dominated when they are not satisfied and no other types of need will serve as a bais of motivation only when this need is satisfied that is safety needs.
- 2. Safety needs:- By safety needs we main the need for protection from physical harm, ill health danger of all type, threat of loosing the job, e.t.c safety needs are fulfilled when Job security is given, insurance and pantion plans are made promoting are given e.t.c

- 3. Social needs when the safty needs are satisfied a man looks for social needs which are the needs. For love, attention, acceptance by the society, the need to belong to some group. E.t.c. This needs are satisfied by developing meaning full evidence and by acceptance in to group of individuals. In organization workers farm inform an proups which satisfies their social needs to some extent.
- 4. Estem needs:- Estem needs include both self stem and estem of othersestem means respect, self confidence feeling of personal worth e.t.c estem of others is gained when other people give a person the respect he deserves because of his positions and achievements
- 5. Self- Actualization needs:- This highest order of needs that an individual will relize fully all his potentiality talent and capacity

Maslow suggests that the various levels are independent over lapping and in deferent cases may not show the strict hierarch as shown.

#### 2.5.1.2 Hertz berg's two Factor Theory

Hertz bergi two factor theory was developed from a gather indentified in the responses of almost four shous and people to questions about their work. When questioned about what "turned them on" they tended to identify things relating to the nature of the Job it self. Hertz berg. Catls these satisfier factors. When questioned about What "turned them of" they tended to identified things, relating more to the work setting. Hertz berg calls these hygiene factor. (John R. schermerhern, Jr 1996 p. 148)

The two factors are also called dissatisfies satisfiers the hygiene motivators or the extrinsic-in trinsicfators, depending an the discuant of the theory. The original research which leads to the theory give rise to two specific conditions, the Job contact, which result in dissatisfaction among employees when the conditions necessarily motivates employees. These conditions are the

dissatisfactory or hygiene factors, since they are needed to maintain at list a level of no dissatisfaction: They include:-

- Salary
- Job security
- Working conditions
- Status
- Company procedures
- Technical supervision
- Inter personal relations with sub-ordinates
- Personal life
- Inter personal relations with supervision
- Inter personal relations with peers.

The second intrinsic conditions the Job content, when present in the Job, builds strong level of motivations that can result in good Job performance. If the se conditions are not present, they do not prove highly dissatis faying. The factor in this set are culled the satisfiers ar motivations and include:

- Achievement
- Recognition
- Responsibility
- Advancement
- Working it self
- Possibility of growth
- Hertzberg's model basically as some the Job sates faction is not unidirectional concept.

(John M. Ivancevich, Michael T. Malleson 1990 P. 127-128)

#### 2.5.1.3 Theory X and Theory Y of Mc Gregor

Dougals Mc Gregor prosed two distinct views of human beings one breacally negative, level theory Y. After vioursing the way managers deals with employees, Mc. GreGor conclud that a manager view of the nature of human beings is based on a certain groups of assumptions and that he or she tends to mold his or her behavior to wards subordinates according to those assumptions are.

Under theory X four assumptions held by manager

- 1. Employees in heartily dislike work and when aver possible, will attempt to avoid it
- 2. Since employees dislike work, they must be corrected, controlled or the attend with punishment to achieve designed goals.
- 3. Employees will' shirk responsibility and seek formal direction when possible
- 4. Most workers place security above all other factors associated with work and will display little ambitions.

Under theory Y, four contrasting assumptions are held by the manager.

- 1. Employees can view work as being as natural as rest or play
- 2. Person who is committed to the objectives will exercise self direction and self control:-
- 3. The average person can learn to accept even seek, responsibility
- 4. Creativity that is the ability to make good dicistion is widly dispersed throughout the population and not neseserarly the sale province of these in management: (Stephen R. Robbins 1984, p. 48-50)

#### 2.5.2 Process theories of Motivation

Here we discus the second group of motivation theories, the process theories and some way that they have been applied in work settings process theories of motivation focus an haw behavior change occurs, or haw a person up on the specific factors that motivations we have said. The content theories contain hypothesis about behavior such as "Recognition can improve satisfaction and performance. As we come to understand the concept in the those theories we will see the dominant process orientation and the less prominent (But still present) content aspect

There are four process theories. (Henery L. Test, John R. Ri 22 p. Stephan J. Corrall 1986 p. 239)

- 1. V room's expectancy theory
- 2. Equity theory
- 3. Goal setting theory
- 4. Rein for cement theory

Here for our theory purpose we focus on only expectancy theory for the sake of simplicity.

#### 2.5.2.1 Vroom's Expectancy theory

Victor vroom had presented an alternate theory based an the motivation process. Vroom says that, people, will be motivated to under take certain actions to a chive their goals only it they expect that those action will be help them in realizing their goals. The more the expectation there will be the motivation the motivation (from Mer Soor's hand out p. 28)

John K- schermer hern Jr. (1996; p. 52) states that expectancy theory posits that motivation

(M, Expectance (e) Instrumentally (I) and valance (V) are related to one another in a multiplication fashin:- (M=ExI X V). The multiplar effelt has important managerial implications. Mathematically speaking a zero at any location on the right side of equitation (That is for E, I or V) will result in zero motivation. Managers are thus advised to act in ways that maximize all three components of the motivation equation expectancy, instrumentally, and valance not one can belif un attended.

To maximize expectance make the person feel competent and capable of achieving desired performance level

- Select workers
- Train workers
- Support worker efforts
- Clarify performance goal

#### To maximize instrument

- Make the person confident in understanding which rewards and out comes will flaw performance accomplishments.
- Clarify psychological contracts
- Communication performance out come possibility

#### To maximize Balance

Make the person under standing the value of various possible reward and work out come

 Identify individual needs Adjust rewards to match these needs

Fig 10.2 Managerial implication of expectancy theory understanding and responding to the individuals point of view.

#### Source IBID

#### 2.6 Motivation and Compensation

Behaviorists and managers agree the extrinsic and Intrinsic reward can be used to motivate Job performance. It also clear that certain condition must exist it rewards are to motivate good Job performance:- that is to be motivated.

#### 2.6.1 Pay for- performance

The success of any pay for- performance system rests with its ability to ink pay to performance in clear and creditable way. This means that pay is allocated in a performance- cotangent and equitable man or. (ARun Monappa 1996, p. 28)

Afirm may be use a variety of approaches to reward performance. Pay for performance plans can be designed to reward the performance of the individual, team, business unit or plant, entir organization or any combination of those most organization are best serued by using a variety of plants to counter balance the potential draw backs of any single plan.

#### 2.6.1.1 Individual Based Plans

At the most micro level; firms attem.pt to identify and reward the contributors of individual employees. Individuals based pay plans are the most widely used pay for performance plans industry

Of the individual- based plans commonly used merit pay is the most popular; its use is almost universal.

Merit pay:- Consists of an increase in base pay, normally gicen once a year. Supervisors ratings of employees performance are typically used to determine the amount of merit pay parented.

Individual bous programs: sometimes colled lump sum payments, are similar to merit pay programs but differ in one important respect. These finical incentives are given on a one-time basis and raise the employee's base pay permantly. Bonuses tends to be larger than merit pay increase because they involve lower risk to the employer (the employer is not making a permant finical commitment)

A wards:- like bonuses, are one time rewards but tend to be given in the farm of tang able prize, such as pay's vacation, a Tu set or dinner for two at a fancy restorant.

#### 2.6.1.2 Team-based Plans

Team based pay plans normally reward all team members equally based on group out comes. These out comes measured objectively (for example completing a given number of team projects on time or meeting all deadlines for a group report) or subjectively (for example, using the collective assement of a penal of managers).

The criteria for defining a desirable out comes may be broad (for example, being able to work effectively with other teams) or narraw (for example, developing a patent with commercial applications). As individual based program, payments to team members may be made in the form of cash bonus or in the form of non cash awards such trips, time off or luxury items. Teambased plans are advantageous for faster group concaveness, that is to the extent that team members have the some goals and objectives, work closely with one other, and depend on one on the other for the group's over all performance, team based incentive can motivate group members to be have and think as a unit rather than as a competing individuals. (Lujs R. Gomez-Mejja, David B.Balkin, Robert L. Cardy 1995, p.401-405).

#### 2.7 Is Money Motivator?

This raises a basic question do people work for money? The answer is negative. Research carried out in India and broad show that money is important be cause it is crucial for survival, but beyond a point money does not always motivate. An organization that pays its employees enough to meet their requirements for food and shelter may have to look for others needs by which to motivate its employees to enrich their out put.

Opsahl and Dumette have identified save role theories to explain the effect of money on Job performance. For example, one theory suggests that money is an anxiety reducer.

(A. Run Maonappa 1996, p. 28)

#### 2.8 Motivation and Productivity

An organization should be a vehicle for fulfilling individual need (both Job contact and Job content ones). How ever, organizations do not exsit merly to satisfy individuals needs but are concerned with survival through productivity. Achievement of productivity of productivity coupled with the satisfaction of employee's needs should be the concern of all organizations, productivity is the ratio of given amount of output to a given amount of input for a specific period of time. The higher the ratio the higher productivity (IB ID).

#### **CHAPTER THREE**

## 3. Data Presentation, Analysis and Interpretation 3.1 Data Presentation

The presentation and analysis of the finding from the study are discussed from the response of respondent employees Job sat is faction at Yibab campus

The researcher used gvestionaries that have been distributed to 40 employees out of 316 employees at Yibab campus The respondent are selected through simple random sampling method from different line department and supportive units.

This section mainy presents the characteristics of employees the concepts, knowledge and know how about reward and motivation on of employees, employees attitude to wards performance evaluation, the relation ship between the exerted effort and performance and the relationship between performance and rewards, employees attitude to wards support for education, the nature of individual and team incentives at Yibab campus employees attitude to wards their salary, employees attitude to wards their Job .

The presentation is as follows.

Table 3.1 Characteristic of employee respondent

S/N	S/N Item 12 <sup>th</sup> complete or below		Diploma		Degree		Master or above		
		N/R %		Nr %		NR %		NR %	
1	Your educational								
	level	3	7.5	19	47.5	15	37.5	3	7.5

In table 3.1 most of the employees 19 (47.5%) of them are diploma graduated, 15 (37.5) of the employee are degree graduated, 3 (7.5) of the

employees are masters and the rest 3(7.5) of the employees are  $12^{th}$  complete and below that

Table 3.2 the concepts, Knowledge and know how about reward and motivation.

	Item	Yes		No	
S/N	Do have clear concepts	NR	%	NR	%
	and knowledge about				
	reward and motivation	40	100	-	-

In this above table 3.2 item 1 indicate the all the respondent 100% have said they have clear concept, knowledge and know how about reward and motivation.

- > S/N serial Number
- > N.R Number of respondent

Table 3.3 The relation ship between the exerted effect and performance and the relation ship between performance and rewards.

S/N	Item	Y	es	No	
1		N.R %		N.R %	)
	Do you think that the given amount of effect				
	that you exert will lead to better performance?	33	82.5	7	17.5
2	Do you think that performing at a particular				
	level will lead to attainment of the reward in	11	27.5	29	72.5
	your organization?				

In the about table 3.2 item 1, s33 (82.5) of the respondents said that the given amount of effort they exert would lead to better performance. The rest

7(17.5) of the respondents have said that the given amount of effort they exert will not lead to better performance.

Because of that hinder them not to use their skills fully.

In table 3.3 item 2 17(27.5) of the respondents have said that performing at a particular level will lead to the attainment of the rewards where as 29(72.5) of the respondent said that performing at a particular level will not lead to the attainment of the rewards.

Table 3.4 Employees attitude to wards their salary

S/N	Item	High		Medium		Low		Very low	
		NR %		NR. %		NR.%		N.R %	
1	Adequacy of your salary to full								
	fill your basic needs	-		16	40	24	60	_	-
2	Your basic in relation to your			13	32.5	21	52.5	6	15
	ability skill and knowledge	-							
3	Your salary compared to other			5	12.5	32	80	3	7.5
	employees of similar qualification	_							

As shown from table 3.4 item 1 16(40%) of the respondents said that their salary is medium to fulfill their basic needs where as 24 (60%) of the respondents have said that their basic salary is low to fulfill their basic needs.

Table 3.4 item 2 13 (32.5) of the respondents answered that their salary is moderate in relation to their ability, skill and knowledge. Where as 21 (52.5) of the respondents said that their salary is low in relation to their ability, skill and knowledge and 6(15%) of the respondents said that their salary is very low in relation with their ability, skill and knowledge.

Table 3.4 item 3 5(12.5) of the respondents said that their salary is medium compared to other employees of similar qualification, 32 (80%) of the

respondents sais that their salary is law compared to other employees of similar qualification. Where as 3(7.5) of the respondents said that their salary is too low compared to other employees of the some qualification in other organization.

Table 3.5 The nature of individual and team incentive at Yibab campus

S/N	Item	Usually		Seldom		Not at all	
		N.R	%	N.R	%	N.R	%
1	Have you ever been give individual in						
	natives for your better performance	-	-	8	20	32	80
2	Has Yibab campus give team						
	incentive based on the over all better	-	-	-	-	40	100
	performance						

Table 3.5 Item 1 8(20%) of the respondents have said that they have been given individual in contrives for their better performance. These incentives includes sale commission, royalty's, salary increment and the like. How ever 32 (80%) of the respondents have said that they have not been individual incentives for their better performance.

In table 3.5 item 2, 40(100%) of the respondents have not been given team incentives all for their aver all better team performance.

Table 3.6 Employees attitude to words their Job

N/S	Item	Yes			No			
		N.R		%		N.R		%
1	Have you ever though about gaiting your Job	33		82.5		7		17.5
		There	e is no otion	Salar enou	9	Not atmosp	good here	Atom
		N.R	%	N.R	%	N.R		%
2	If your response yes for the above question what is your reason	14	35%	20	50%	6		15%

Table 3.6 item 1, 33 (82.5) of the respondents said that they though about quitting their Job, the remaining 7(17.5) of the respondents does not thought about quitting their Job.

Table 3.6 Item 2, 14(35%) of the respondents said that it is because of no promotion that they wants to level their Job, 20(50%) of the respondents said that salary they get is not enough, which discovering them to continue in their organization, where as 6(15%) of the respondents said that because of no good Job atmosphere in their organization they wants to leave their organization.

Table 3.7 employ attitude to wards support for education

S/N	Item	Finical	and	Reducin	g Job	Morall	y and	No s	support
		materi	aterial suspection		consolation		at all		
		N.R	%	N.R	%	N.R	%	N.R	%
1	What type of								
	support given by	9	22.5	18	45%	8	20	5	12.5
	your organization								
	to in prove your								
	education								

As shown in the above table, 9(22.5) of the respondents have said that to improve their education level the organization help them through finical and material, 18(45%) of the respondent that reduce to Job suspection, 8(20%) of employees answered their organization gives more all the consultations to improve their education where as 5(12.5) of the respondents have said that their organization have not been given any support for their educational improvement.

Table 3.8 The motivation of nature of the Job it self the initiation of employees, and the participation of the subordinate in setting goals

S/N	Item	Very		High	ıly	То	same	Low		V. Lov	V
		highl	y			Exte	nts				
		R.R	%	NR	%	NR	%	NR	%	NR	%
1	To what extent are										
	you imitated to better	10	25	26	65	40	10	-	-	-	-
	performance										
2	To what extent the										
	nature of the Job it	2	5%	8	20	10	25%	22	55%	-	-
	self motivating to you										
	better performance										
3	To what extent do										
	you participate in										
	setting goals with										
	supervisions in your										
	organization	-	_	4	10%	10	25%	23	57.5	3	7.5

The above table 3.8 item 1, 10 (25%) 26 (65%), 4(10%) of respondents are very highly, highly to some extent initiated to better performance respectively

In table 3.8 item 2, 2(5%), 6(15%), to (25%) and 22(55%) of the respondents have said that the nature of the Job it self motivates them to better performance very highly some extent and low respectively.

In the table 3.8 item 3, 10(25%), 23(57.5), 3(7.5) of the respondents of the respondents of the respondents do participate in setting goals with superiors at highly to some extent, low, very low extent respectively

Table 3.9 employees attitude to wards performance evaluation.

N/S	Item	Yes		No		
		N.R	%	N.R	%	
1	Are evaluation criteria reliable?	16	40%	24	60%	
2	Are administer fair in evaluating employees?	19	47.5	21	52.5	
3	Do you believe that your supervisor gives direct and clear feed back about your performance?	18	45%	22	55%	

Table 3.9 Item 1, 16(40%) of the respondent have said that evaluation criteria are reliable while the remaining 24(60%) of the respondent said that evaluation criteria's are not reliable

In the above table 3.9 item 2, 19(47.5) of the respondents said that administers are fair in evaluating employees while the remaining 21(52.5) of the respondents answered that administers are not fair in evaluating employees Table 3.9 item 3 18 (45%) of the respondents said that their supervisors gives direct and clear feed back about their performance where as 22(55%) of the respondents believes that their supervisors do not given direct and clear feed back about their performance.

#### 3.2 Data Analysis and Interpretation

In this section the data gathered and presented in the previous section will be thoroughly analyzed and interpreted. The analysis interpretation is as fallow as

#### 3.2.1 Characteristic of Employees

As indicated in the table 3.1 most of the employees are diploma holders. This indicates that some of the employees in the organization need farther training and education in order to create further qualified person.

## 3.2.2 The concepts, knowledge and know-how of employees about reward and motivation

From table 3.2 the researcher observed that most employees of Yibab campus are will informed and have clear concepts and know-how about reward and motivation.

## 3.2.3 The Relationship Between the Exerted effort and Performance and the relation ship between Performance and rewards

From table 3.3 item 1, the researcher observed that most (82.5) employees of Yibab campus exerted effort will lead to better performance. In this table, 3.3 item 2, the researcher can de duce that most (72.5) of Yibab campus employees think that performing at a particular level will not lead to the attainment of the rewards in their organization

#### 3.2.4 Employees Attitude to wards their Salary.

As the adequacy of the payment to meet workers basic needs and its level compared to ability skills and knowledge and other employees of similar qualification presented in table 3.4 60% of the respondents answered that their salary is too low to fulfill their basic needs. This has an adverse effect an employee's motivation.

According to maslaw's hierarchy of needs we can see that money is important. Lower level needs are satisfied with money. Form table 3.4, item 2, the researchers observed that employees of Yibab campus obtain too low salary. When compared to their ability, skill and knowledge.

On the other hand from table 3.4 item 3, the researcher observed that employees of Yibab campus get very low salary compared to employees of other organization with similar qualification. As stated in equity theory worker usually compare their own rewards with others they expend similar amount of efforts. According 10 this theory employees feel highly motivated only when the returns are comparable to those of others.

If workers find that their effort is not balance to the rewards they feel un happy as we see from the data employees salary is not adequate to fulfill their basic needs which have an advise effect on employees motivation. So that organization should adjust salary payment in order to satisfy their employees.

#### 3.2.5 The Nature of Individual and Team Incentives

As indicated in review of related literature affirm may use a variety of approaches to reward performance. Pay for performance can be designed to reward the performance of the individual or group of individuals.

Most organizations are best served by using a Varity of plans to initiate employees for better performance.

Taking this in to consideration workers ware asked whether they were given team incentives based on the over all better team performance. As it was indicated on table 3.5 item 1, most (80%) of the employees of Yibab campus have not been give individual incentives for their better performance. As stated or review of related literature individuals incentive plans are the most widly used pay-for-performance plan. Individual incentives includes merit pay, an increase in base pay normally given once year, individual bonus programs and awards.

On the other hand from table 3.5 item 2, the researcher observed at all of the employees of Yibab campus have not been given team incentives plans at all. As we second been given team incentives plans at all. As we see on related review literature, team based incentives plans are advantages for factor group Cohesiveness, that is to the extent that team members have that some goals and objectives, work closely with one on other, and depend one on other for the groups over all performance, team based incentives con motivate group numbers to be have and think as unit rather than as computing individuals.

#### 3.2.6 Employees Attitude about their Job

If an employees is not interested in what be or she is doing it is difficult to say the employee. Does his or Job wing his or her maximum potential. They will have a negative effect an the efficiency of the organization.

Accordingly when we see the data which is presented on table 3.6 item 1 about "staying" in the organization in the future 33(82.5) of the respondents said that. I will leave for an other, while 7(17.5) respondent that I will remains working in the organization. As we see from table 3.6 item 2, most of the respondents said that it is because of the salary they get is not enough that they went to leave their Job.

#### 3.2.7 Employees Attitude towards Support for Education

Maslaw's theory of need (as indicated in related literature review) self-Actualization include the need for realization one's potential by using abilities, skill and potential continued self- development, the opportunity to be creative. An individual in this regard wants accomplish every thing he is capable of achieving like to continue in improving their skills through further training and development. Taking this in to consideration workers were asked the support given by their organization to improve their education see table 3.7 the majority 18(45%) of non administrative workers respondent asserted that their organization help them by red using Job suspension, 9(22.5%) of them responded.

That though financial and material 8(20%) of team respondents that their organization help them morally and consultation. The remaining 5(12%) of the respondents said that they do not get any support from their organization to improve their education.

There fore, regarding support for education the organization in general support its employees this also should encouraged.

#### 3.2.8 The Motivation nature of the Job, the Initiation of Employees and the Participation of the Subordinates in seething goals at Yibab Campus

Good nature of the Job and working conditions are one of non-financial means of motivational tool. The work environment can either make people feel good or demotivated them it is not satisfactory.

Accordingly in table 3.8 item 1, the researcher observed that for more than half of the employees, the nature of the Job it self motivates to better performance at Low extent. This is due to consistent repetitive nature of the Job and they be come bored. On the other hand from table 3.8 item 3, the researcher observed that more than half (57.5) employees of Yibab campus do not participate in seething goals with superiors and managers are not allowing the subordinates to participate in seething goals and they are not opening their earn and hear the ides that come from Lower levels.

Allowing workers to participate in some decision-making of fairs will facilitate workers motivation. Lack of involvement in decision making affairs results in development of negative attitude of these work, un willingness to assume responsibility and finally the out put of the goal of the organization will be hampered. There fore as we see from the data workers involvement in decision making is very Low. So in order to motivate employees the organization should have participative leadership style.

#### 3.2.9 Employee Attitude towards Performance Evaluation

Good performance appraisal system has a motivating impact in workers future performance. If performance appraisals are not filled as to the expectations of individual, their anticipation of satisfaction will be Low that result from the out come of the performance appraisal. And their future expectation will below to make them to best performer; hence their motivation to work diminishes.

Accordingly as depicted on table 3.9 item 1, 16(40%) of the respondents said that evaluation criteria is reliable in there organization where as 24(60%) of the respondents said that evaluation criteria is not reliable.

On the other hand from this table item 2, the researcher observed that most (52.5) of the employees of Yibab campus

- 1. All (100%) of the employees of Yibab campus are will informed and have clear concepts, knowledge and know- how about reward and motivation.
- 2. More than half of the employees of Yibab campus have not been given rewards how ever some of the employees of Yibab campus have given rewards although the given rewards are not proportional to their better performance to satisfy their needs. And team incentives have not been given at all.
- 3. From the point of finding employees salary was revealed to be in adequate to fulfill their basic needs.
- 4. More than half of the employees.
  - Nature of the Job us self motivating them to better performance a low level, this is because of the consistent and repetitive nature of the Job and employees become bored.
- 5. More than 2/3 of the employees of Yibab campus do not participate in seething goals with supervisors, this be louse of the non participative nature of supervisors and managers, and the clouding of their ears to hear ideas that com from lower level.
- 6. Finally employees are featly dis satisfied with the present performance evaluation criteria of their organization. They believed that evaluation criteria are note reliable and accurate.

Believed that administrators are not fair in evaluating employees; item 3, on the some table shows most (55%f) of the employees of Yibab campus believes that supervisors have not been giving direct and transparent feed back about their performance.

#### CHAPTER FOUR

### 4 Summary, Conclusion and Recommendation

#### 4.1 Summary

The main concern of this study is to assess problem of rewarding policies on motivating employee incase of Yibab campus in order to do this the researcher raised the following questions.

- > Are employees satisfied with their salary?
- > Are employees satisfied with their Job?
- > Are evaluation criteria's reliable and accurate?

#### 4.2 Conclusion

This section includes what has been studied about the policies and practices of rewarding system in the process of motivating employees Yibab campus

The major conclusion of this paper are as follow as

#### 4.3 Recommendation

Based on the facts that have been gather from sample information of Yibab campus employees, the researcher would like to recommend the following points

1. The reason for most of the employees of Yibab campus to want to leave their Job is because of their adequate salary. There fore, the organization, Yibab campus should adjust the salary of the employees to attract qualified persons in to the organization and to ration and motivate existing employees Yibab campus. Should adjust the salary of the employees. It should also administer the salary difference among employees with the some qualification so that its can avoid employee frustration and dissatisfaction.

- 2. The nature of the Job, that is its routin and repetitiveness makes employees to be come bored. There fore, Yibab campus should have to use Job rotation, Job-enlargement and Job enrichment methods to avoid this problem.
- 3. Yibab campus should have to give individuals as well as team incentives to encouragement and motivate employees to be more productivity and get a competitive advantage, and finally to a chive its ultimate goals.
- 4. It has to let the employees know the reason for not being promoted. If this is done employees will know clearly for what reasons they were not promoted. Thus for the future the employees would tray to improve their weakness and per pare them selves to be good candidates for promotion.
- 5. The proportionality of basic salary with employees skill and knowledge should be improved in the organization to reduce employee dissatisfaction.

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