

**ROLE OF REWARDS MANAGEMENT ON EMPLOYEE PERFORMANCE IN THE  
BANKING SECTOR.**

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## **DEDICATION**

To my lovely Mother, Brothers and Wife. They surely acted as tools of encouragement all through and in particular Dr. Azairwe Robert and family who sponsored me to come up with this research report.

## **PREFACE**

The study topic was to examine the role of rewards management on employee performance in the banking sector, using a case study of centenary bank. The study was conducted basing on the following objectives; to investigate the impact of fringe benefits on employee performance, to examine the contribution of pay incentives on employee performance, to establish the contribution of job satisfaction on employee performance, to establish the influence of sense of belongingness on employee performance and to establish the effect of organization policy on the performance of employees in the banking sector in Uganda. The research design was a case study design which adopted both qualitative and quantitative approaches. Simple random sampling technique and purposive sampling were used to select a sample size of 129 respondents of which it was composed of management members and employees. Data collection methods used was questionnaire and interviews. Data were later processed, analyzed, interpreted, discussed and presented to come up with conclusions and recommendations of the study. The findings of the study were that; pay incentives improve employee performance, there is high level employee belongingness and recognition which was attributed to improved performance of employees, employees were satisfied with their jobs they held which contributed to the improved performance of employees, and, the organization's policies were friendly which greatly improved on the performance of employees in the banking sector in Uganda. The study concluded that; rewards which included pay incentives, fringe benefits, job satisfaction, employee recognition plus organizational policies influenced employee performance in centenary bank leading to effective utilization of resources, quality service delivery and meeting deadlines. The study recommended that; conducting a national drive and public sensitization about all the new services like internet banking, government intervention, employee training and development, extensive research and development, and, ensuring local community involvement in decision making like on the new services be introduced.

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## **ABBREVIATIONS**

G.M.F :	Global Measure Faces
JDI :	Job Description Index
SPSS :	Statistical Program for Social Scientists
% :	Percentage

## CHAPTER ONE:

### INTRODUCTION

#### 1.1 Background

The most valuable resources in any organization are the people who make it run. You rely on the skills your people possess to execute business objectives. Yet, your competitors are fighting for those very same people, making it increasingly expensive to continually recruit and train replacement personnel. This scenario is evident in the Uganda banking sector that has continued to be competitive for the last couple of years.<sup>1</sup>

Some have described rewards as a means of controlling the behavior of others and still others have preached that rewards reduce peoples' task interest and creativity (Eisenberger and Cameron, 1996). Kohn (1993) wrote about the detrimental effects of rewards in both education and business. Particularly targeted by Kohn and others in the area of business management were financial incentives. Pfeffer (1994) also suggested that financial incentives do not motivate and can even hurt the performance and productivity of employees.

Eisenberger and Cameron (1996) argued that it is essential to understand how classical conditioning actually works in order to understand the effects of rewards. For example, managers who design reward systems in many organizations have never studied psychology and do not understand how rewards actually affect employee work behavior. Many managers reward one behavior while seeking a different type of work behavior, award incentives based on seniority instead of performance<sup>2</sup>, and give reinforcement to the wrong employees. Their findings suggest that when managers understand the theory behind rewards, it is relatively easy to use them to increase performance. In addition, their analysis of the accumulated research suggests that interest in work tasks appears to stay the same after a reward has been given once, even if it isn't

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<sup>1</sup> In determining the overall value of the organization compensation package and putting that information in the context of the overall marketplace, Workforce Rewards helps the organization build a competitive compensation strategy. Through proactive retention planning, Workforce Rewards will then help the organization keep the best and the brightest, making the team as strong as it can be. - Oracle, JD Edwards, and PeopleSoft are registered trademarks of Oracle Corporation and/or its affiliates. Other names may be trademarks of their respective owners.

<sup>2</sup> **Performance:** The alignment of organizational, team and individual efforts toward the achievement of business goals and organizational success. It includes establishing expectations, skill demonstration, assessment, feedback and continuous improvement (Eisenberger and Cameron, 1996).

given again. Finally, rewards given for creativity in one situation can increase creativity in others even when no reward is given in the second. For example, if a work team is rewarded for a cost-cutting innovation, they are more likely to be innovative when working on a new product.

Numerous meta-analyses suggest that financial incentives influence individual productivity (Jediesch, 1994; Stajkovic & Luthans, 1997) and performance (Jenkins, Mitra, Gupta, & Shaw, 1998). Rynes et al. (2004) concluded that pay does little to motivate performance when all employees receive similar pay increases regardless of individual or firm performance. This is consistent with the findings of Eisenberger and Cameron (1996).

In terms of group incentives, like profit sharing and ESOPs, Rynes et al. (2004) found that these pay plans must also be variable in order to motivate, and that there must be differences between employers. If every company provides the same financial incentive, regardless of the quality of the performance (profitability) of the organization, the reward can be detrimental, just the same as if every employee receives the same financial incentive, regardless of the quality of their individual work. One very important finding of the research is that the best (i.e., best in terms of knowledge, skills, abilities, and performance) employees value strong pay-to-performance relationships. In other words, companies that use company-based pay, both individual and group, will attract the top performers. Pfeffer (1994) identified 13 management practices found in the five companies that provided the greatest return to stockholders from 1972-1992. Three of these practices are high wages, incentive pay, and employee ownership.

Other researchers also suggest that employee ownership can play an important role in organizational success (Rosen, Klein, & Young, 1986).

### **1.1.1 Theoretical Background**

This study will be based on three theories which are; Affect theory (Edwin, A. Locke, 1976), Disposition theory (Timothy, A. Judge, 1998), and two factor theory (Fredrick Herzberg, 1968). These theories focus on employee reward managements by pointing out how fringe benefits, pay incentives, and job satisfaction keep employee attracted to their respective Jobs. According to Allen (2003), positive attitudes depend on the employees on how much the organization cares about the well being and the contributions of the employees.

Herzberg's (1968), Two Factor theory also known as Motivator Hygiene theory attempts to explain motivation and satisfaction at the work place. This theory further states that satisfaction and dissatisfaction are driven by motivation and hygiene. The Affect theory (Edwin, 1976), states that job satisfaction is determined by a discrepancy between what one wants in a Job and what one has in a Job. The theory further states that how one values a given facet of work for example the degree of autonomy in a position moderates how satisfied one is.

On the other hand the Disposition theory by Timothy (1998), suggested that people have innate dispositions that cause them to have tendencies toward level of satisfaction regardless of one's Job. A good example that demonstrates all the above mentioned theories is portrayed in figure 1 below;<sup>3</sup>

**Figure 1: Employee rewards and employee performance**



*Source: [www.worldatwork.org](http://www.worldatwork.org)*

<sup>3</sup> The elements represent the “tool kit” from which an organization chooses to offer and align a value proposition that creates value for both the organization and the employee. An effective total rewards strategy results in satisfied, engaged and productive employees, who in turn create desired business performance and results. The elements, as WorldatWork has defined them, are not mutually exclusive and are not intended to represent the ways that companies organize or deploy programs and elements within them. For instance, performance management may be a compensation-function-driven activity or may be decentralized in line organizations; it can be managed formally or informally. Likewise, recognition could be considered an element of compensation, benefits and work-life. source: [www.worldatwork.org](http://www.worldatwork.org)

### **1.1.2 Contextual Background**

According to Rosabelt and Haward, (1987), rewards management is concerned with the design, implementation and maintenance of remuneration systems which help the organization to achieve its goals. Rosabelt and Haward, (1987), further asserts that many of the conventional approaches to the salary administrations operated in the 1970s are no longer valid in these days when enterprise is the key to success and the world of commerce, competition is severe and therefore survival for the fittest. However fringes embrace a broad range of benefits and services that employees receive as part of their total compensation package pay or direct compensation is based on critical job factors and performance

Currently, Uganda's banking sector is growing at one of the fastest rates in East Africa and therefore it means that the sector is employing many people who are anticipated to affect its performance if rewards are not managed in a good way. Nearly every organization in Uganda provides benefits and services to its employees. These fringe benefits continue to grow in their importance. Several reasons account for this trend. They represent increased earnings to employees. In fact, employees prefer indirect remuneration to direct pay. Any increase in direct pay only adds to one's taxable income.

Centenary Bank is a commercial bank that provides deposit, credit and money transfer services indiscriminately to men and women of lower income. By insisting on loan recovery and cost coverage, it has reached more men and women in rural areas than any other institution in Uganda ([www.centenarybank.co.ug](http://www.centenarybank.co.ug), accessed on 29<sup>th</sup> September 2009). With minimum deposits of \$6 and minimum loans of \$30, access barriers are low. 11 of its 16 branches, 73% of its deposits and 82% of its loans are in rural areas. Established by the Catholic Church of Uganda as a trust fund in 1983, it developed strength in savings mobilization but performed poorly as a financial intermediary. In 1990, the political will to reform the fund evolved in the board, resulting in the fund's transformation into a commercial bank in 1993.

Centenary Bank has developed into a strong bank covering most parts of the country in Uganda and thus employing more people. Therefore, the study chose Centenary bank due to its coverage in Uganda, and its capacity in terms of the number of employees it holds. Thus centenary has

been applying reward management on its employees which makes it more appropriate for the study<sup>4</sup>.

### **1.1.3 Conceptual Background**

Job Description Index (JDI) (Smith et al., 1969) is the most frequently quoted scale when measuring job satisfaction. The scale includes areas like type of job, remuneration, promotion, superior management, and job satisfaction which are components of reward management.

In essence reward management will be treated to have intrinsic rewards and extrinsic rewards. Intrinsic rewards are ones that are non monetary for instance giving an employee an assignment on a special project (Rushby, 2004) or appreciation of work done in terms of words feed back (Richardson, 2003). Extrinsic rewards on the other hand are monetary rewards such as bonus payments, salary increase, overtime allowances which are believed to keep employees loyal (Lindahl, 2001)

By referring to documentation complied on performance of an organization, Venkatraman and Ramanujam (1986) classify the variables in measuring that performance into three groups: (I) Financial performance (sales growth, profitability and earnings per share). (2) Operational performance (market share product quality, innovation and introduction and new products, marketing effectiveness, added manufacturing value, and technical efficiency); and (3) Organizational performance (inclusive of those two performance factors described above, consideration of stakeholders, resolution of various conflicting objectives in a mutual mission, and satisfaction of the objectives of stakeholders). All the aforementioned indicators are believed to be at the fore front of all banks currently running in Uganda.

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<sup>4</sup> Visit [www.centenarybank.co.ug](http://www.centenarybank.co.ug) for organization profile

## **1.2 Problem Statement**

Employee performance is highly dependant on rewards systems of a given organization. Comparatively comprehensive viewpoints on measuring performance of an organization have been introduced since the 1970's (Ajila and Awonusi, 2004). Indices suggested by Campbell (1977) include general performance, productivity, efficiency, profit, quality, absenteeism, job satisfaction, motivation, morality, organizational growth, and market share. These indices are not too different from what the current banking sector is aiming at.

However, many Banks are giving little attention to the type of reward management they should employ to improve employees' performance which in turn affects the Banks performance. For instance, currently banks in Uganda employee people who are given entitlement to salary, social security benefits, and rarely health insurance benefits. One can hardly find any other form of reward management of employees in these banks and this shows that little attention is given to employee behaviors towards reward management. Therefore, this study seeks to investigate the impact of rewards management on employee performance in Centenary Bank Uganda.

## **1.3 Objectives of the study**

1. To investigate the impact of fringe benefits on the performance of employees in the banking sector in Uganda
2. To examine the contribution of pay incentives on employee performance in the banking sector in Uganda
3. To establish the influence of belongingness and recognition on the performance of employees in the banking sector in Uganda
4. To establish the contribution of job satisfaction on the performance of employees in the banking sector in Uganda
5. To establish the effect of organization policy on the performance of employees in the banking sector in Uganda.

## **1.4 Research Questions**

1. How do fringe benefits affect employee performance in the banking sector?

2. What contributions have pay incentives had on employee performance in the banking sector in Uganda?
3. How has employee belongingness and recognition influenced employee performance in the banking sector in Uganda?
4. How has job satisfaction contributed to employee performance in the banking sector in Uganda?
5. How does organization policy affect employee performance?

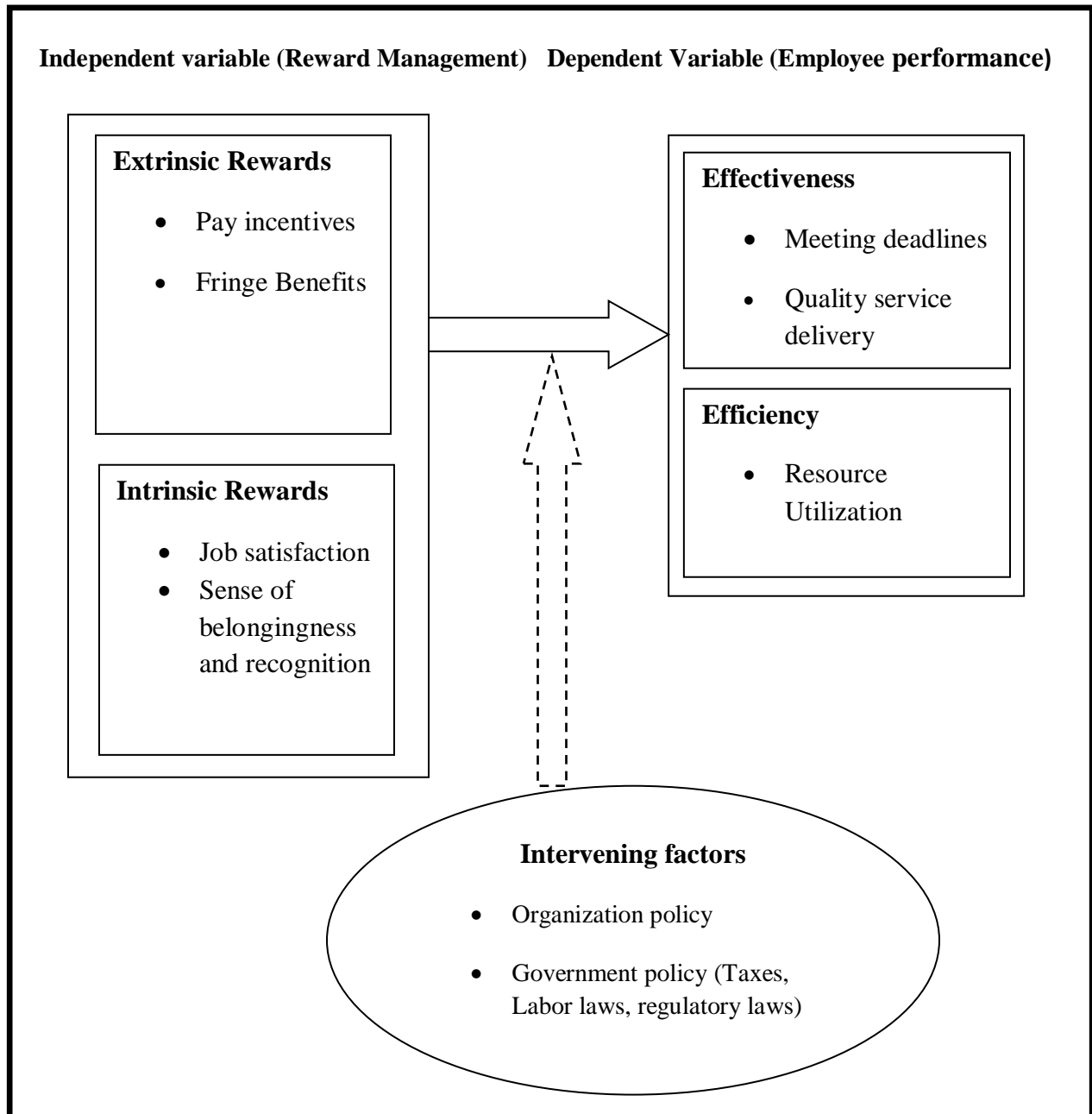
### **1.5 Hypothesis of the study**

1. There is a strong relationship between fringe benefits and employee performance in the Uganda banking sector.
2. There is a strong relationship between pay incentives and employee performance in the banking sector in Uganda.
3. There is a significant relationship between employee sense of belongingness and employee recognition on one hand, and employee performance in the banking sector on the other.
4. Job satisfaction significantly influences the performance of employees in the banking sector in Uganda.
5. Organizational policy significantly influences employee performance



## 1.6 Conceptual Framework: Role of rewards management on employee performance

Figure 2: Conceptual Framework



**Source:** Edwin, A. Locke, 1976; Timothy, A. Judge, 1998; Fredrick Herzberg, 1968 and modified by the researcher

In the figure 2 above, it is perceived that reward management which includes; pay incentives, fringe benefits, job satisfaction, and sense of belongingness and employee recognition are independent components. However, the aforementioned components will have an impact onto employee effectiveness which consists of meeting deadlines, and quality service delivery. Effectiveness of employee would lead to efficient employee performance and this kind of efficiency is observed in the level of resource utilization in an organization. Therefore, this study assumes that employee rewards (fringe benefits, job satisfaction, pay incentives, and employee belongingness) can affect the effectiveness and efficiency of employees.

### **1.7 Significance of the study**

The study will be of great use to the researchers in the field of human resource since it will act as reference of different citations in their respective research studies.

The study will further uncover human behavior in terms of reward management at the work place. Through the study findings different human resource managers will gain a little bit of understanding of the behaviors of employees at the work places in relation to rewarding.

The study will be a source of knowledge to the researcher, in terms of gaining full knowledge in research methods, understanding the effect of rewards on employee performance in the practical sense.

## **CHAPTER TWO:**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter provides detailed explanations of the topic under study in relation to the study objectives. These explanations are drawn from a variety of secondary sources which include; publications, magazines, reports, textbooks, among other sources. The information obtained from the sources is directly related to the study objectives and this gives a clear understanding of the subject under study.

#### **2.1 The Impact of Fringe Benefits on the Performance of Employees**

Fringe benefits have two implications in relation to employee performance: they are effective instruments that provide incentives; at the same time, some fringe benefits, especially the power-related benefits, are often used for exploitation of self-interests. The Asian financial crisis in the late 1990s drew particular attention to corporate governance. It also called the need to design a good compensation structure for employees, as we witnessed problems of managerial slacks and moral hazard, which are typically found in the principal-agent relationship (Eungkyoon Lee, 2009).

In giving fringe benefits to employees, the identification strategy which is based on a comparison within a given firm is most similar to the one used by Kahn and Sherer (1990). Kahn and Sherer (1990) applied panel data describing a firm's 92 managers and found that managers with a high bonus impact of performance work harder. However, since this result does not hold with respect to merit pay, the authors conclude that only bonus differences affect subsequent performance.

In addition, sharing arrangements can take various forms such as profit sharing and ownership plans, super competitive wages, generous fringe benefits, employment security and opportunities for advancement can be the best ways of giving out employment fringe benefits for motivation. These practices affect the employee's motivation and trust in management in two ways: first, when the employer commits credibly to sharing, the employee's fears of exploitation are allayed and a trust relationship is more likely to develop; second, sharing is experienced by employees as

an act of generosity that may initiate a gift exchange where the employee reciprocates with increased effort and commitment (Muhlau, 2000).

The managerial power approach argues that the impacts of fringe benefits are sizable and that optimal contracting alone cannot adequately explain compensation practices (Bebchuk & Fried, 2003). Rather, what is more important is identification of “some type of financial benefits” that both approaches critically handle. Zingales (1995) argues that the level of private benefits has no efficiency consequence, but only distributional ones. Abowd (1990) analyzes the incentive pay-firm performance relationship among 225 companies and finds that compensation is positively related to total shareholder return and gross economic return.

However, Bebchuk and Fried (2005) show that the flawed compensation has been widespread, persistent, and systemic. It is argued that in order to bring lasting and better results and to significantly contribute to the success of their organisation, employees must be motivated, committed, and satisfied (Paul & Anantharaman, 2003; Paauwe, 2004). Therefore, giving out fringe benefits to employees can be a key tool to motivate employees which will later improve their performance.

Rewarding with good fringe benefits has been found over the years to be one of the policies the organization can adopt to increase their workers performance and thereby increasing the organizations productivity (Ajila and Awonusi, 2004). To be specific, typical fringe benefits of an employee comprises wages and salaries, incentives, perquisites, and non – monetary benefits (Aswathappa, 2003). Non Financial benefits like job responsibilities, recognition of merit, growth prospects, competent supervision, comfortable working conditions, job sharing and flextime increase employees’ motivation and ultimately organization’s effectiveness.

Fringe benefits such as provident fund, gratuity, medical care, hospitalization, accident relief, health and group insurance, canteen, uniform, recreation, create a favorable working environment that leads to employee satisfaction, retention and consequently increased productivity (Aswathappa, 2003; Armstrong, 2006, 2006). This implies that organizations that offer considerable benefits are likely to attract and retain the best employees who will lead to improved organizational performance.

However, it should be noted that in countries like Uganda where every benefit in form of money is taxable, most companies and organizations find it hard to incorporate different form of innovations in terms of fringe benefits. This make the organizations stick to the traditional forms of fringe benefits provided to the employees and makes little or no difference in terms employee performance.

## **2.2 The Contribution of Pay Incentives on Employee Performance**

Pay incentives are critical in determining employee performance, whereby it can help in determining employee determination. At a minimum, employees expect their organization to provide fair pay, safe working conditions, and fair treatment (Beer, Spector, Lawrence, Mills, & Walton, 1984). In current organizational settings this is no longer the case, as organizations understand the great gains derived by linking rewards and recognition to their business strategy (Flynn, 1998). However, in private institutions, pay incentives still remain crucial to foster performance.

Reward and recognition programmes come within the discussion on extrinsically motivated behavior that occurs when an activity is rewarded by incentives not inherent in the task (Deci, 1971). The common theme is that people need to be respected and treated as precious human capital, more essential to an organization's effectiveness than its financial capital. People are now seen as the primary source of a company's competitive advantage. Therefore, the way people are treated increasingly determines whether an organization will prosper or even survive (Lawler, 2003). According to contract theory, an effective way of motivating employees is to pay them salary based on performance in addition to a fixed salary. Therefore, in order to secure highly motivated employees, companies will find incentives to implement performance-based salary systems (Koichiro, 2006).

It is nonetheless important to know how to influence what others are motivated to do, with the overall aim of having employees identify their own welfare with that of the organization (Bruce and Pepitone, 1999). In general terms reward programmes come within the overall concept of compensation strategies which are defined as the "deliberate utilization of the pay incentives as an essential integrating mechanism through which the efforts of various sub-units or individuals are directed towards the achievement of an organization's strategic objectives" (Gomez-Mejia

and Balkin, 1992). They are management tools that hopefully contribute to a firm's effectiveness by influencing individual or group behavior (Lawler and Cohen, 1992). All businesses use pay, promotion, bonuses or other types of rewards to encourage high levels of performance.

Lisa (2006) pointed out that to develop an effective employee incentive program, three basic methods should be included and these are:

**Open-ended-** this type of program allows any employee who reaches a specific goal to earn a reward. The standard structure for an open-ended program is to give each professional a specific goal, such as to conduct ten business development activities a month. The open-ended approach generally gets better results since it gives you a better chance of motivating the 60% of the people in your firm who generally function at average, but not exceptional levels.

**Close-ended-** this type of program structure allows a predetermined number or a percentage of people to qualify for rewards. For example, in a closed-ended program, a firm might establish that only the top ten participants would qualify for a reward or only the top 10% of achievers would qualify for a reward. Closed-ended programs are not as effective as open-ended programs because they tend to reward only the top performers who, more than likely, would have performed well in the program anyway.

**Plateau Program-** This type of program offers rewards at different performance levels. For example, a staff accountant may have three different goal levels, appropriate for his or her staff level, to work towards in a program year. The benefit of this type of program structure is that it motivates people to push themselves a little harder when they become close to achieving their next reward increment.<sup>5</sup>

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<sup>5</sup> Before developing an incentive program, it is important to understand your firm's culture so that you can tailor your program and the rewards accordingly. Conduct a survey to poll employees for their preferences. Find out what your employees value and what motivates them. Understanding the lifestyles and demographic make-up of your firm's professionals is key to the success of any incentive program. Each generation perceives the value of a gift or reward differently. Keep this in mind when selecting incentive pay, rewards, and how people are recognized for their achievements. The reward choices should provide enough options so that something is appealing to everyone. They should also be quick and easy to administer. Lisa (2006) Effective Employee Incentive Programs. *Bring Out The Best In Your Firm*. Accessed from [http://www.lrmarketinggroup.com/articles/Incentive\\_programs.pdf](http://www.lrmarketinggroup.com/articles/Incentive_programs.pdf) on 5th Oct 2009

Organizations that want to motivate performance and change with cash rewards must use bonuses. An increasingly popular form of variable pay uses the results of a performance appraisal to determine the amount of bonus that is paid to an employee. This approach eliminates the major failing of merit pay: not enough money to motivate individuals. It does this by eliminating the annuity feature of merit pay, thus freeing up dollars to be used for variable pay.<sup>6</sup>

### **2.3 The Influence of Sense of Belongingness and Recognition on the Performance of Employees**

Delery (1998), discusses the different types of relationships that are possible among human resource practices and evaluates these in terms of their contribution to human resource outcomes. First practices may present an additive relationship with one another when producing the desired human resource outcome.

Well-designed incentive systems provide the employee with goals that appeal to her or his self-interest and can be very effective in motivating employees to put forth extra work effort. Given that employees are not expected to cooperate fully when not participating in the economic outcomes of the high performance organization (Levine and Tyson, 1990), incentive systems, by ensuring that the goals and objectives of employee and employer are well aligned, are expected to be a very important area of human resource management.

*One of the greatest thought leaders of the twentieth century, W. Edwards Deming, wrote that immeasurable damage is created by ranking systems, merit raises, and incentive pay. Deming believed that every business is a system and the performance of individuals is largely the result of the way the system operates. In his view, the system causes 80 percent of the problems in a business, and the system is management's responsibility. He wrote that using exhortations and incentives to get individuals to solve management problems simply doesn't work. Deming opposed ranking because it destroys pride in workmanship, and he opposed merit raises because they address the symptoms, rather than the causes, of problems. It's a bit difficult to take Deming at face value on this; after all, companies have been using merit pay systems for decades, and*

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<sup>6</sup> Edward and Christopher (2006). Winning support for organizational change: Designing employee reward systems that keep on working. Ivey Business Journal Online published by Ivey Management Services, a division of the Richard Ivey School of Business. Accessed from [http://www.iveybusinessjournal.com/view\\_article.asp?intArticle\\_ID=619](http://www.iveybusinessjournal.com/view_article.asp?intArticle_ID=619) on 5<sup>th</sup> oct 2009

*their use is increasing. Moreover, Deming was mainly involved in manufacturing, so possibly his thinking does not apply directly to knowledge work like software development. Still, someone as wise as Deming is not to be ignored; so let's take a deeper look into employee evaluation and reward systems and explore what causes them to become dysfunctional.*

All in all, pay incentive systems discourages employee belongingness especially in organizations that are team work based since most of the team members become demoralized after seeing their counterparts being rewarded for a better performance. In such scenarios, teams are more likely to break up and performance is hampered.

## **2.4 The Contribution of Job Satisfaction on the Performance of Employees**

The most-used research definition of job satisfaction is by Locke (1976), who defined it as “. . . a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences” (p. 1304). Implicit in Locke's definition is the importance of both affect, or feeling, and cognition, or thinking. When we think, we have feelings about what we think. Conversely, when we have feelings, we think about what we feel. As indicated indirectly in a study of human resource professionals (Rynes, Colbert, & Brown, 2002), well as based on our experience, the major practitioner knowledge gaps in this area are: (1) the results of positive or negative job satisfaction, and (2) how to measure and influence employee attitudes. Staw & Ross, (1985) demonstrated that a person's job satisfaction scores have stability over time, even when he or she changes jobs or companies.

In a related study, childhood temperament was found to be statistically related to adult job satisfaction up to 40 years later (Staw, Bell, & Clausen, 1986). Evidence even indicates that the job satisfaction of identical twins reared apart is statistically similar (Arvey, Bouchard, Segal, & Abraham, 1989). Although this literature has had its critics (e.g., Davis-Blake & Pfeffer, 1989), an accumulating body of evidence indicates that differences in job satisfaction across employees can be traced, in part, to differences in their disposition or temperament (House, Shane, & Herold, 1996).

Weiss and Cropanzano (1996) suggest that character may influence the experience of emotionally significant events at work, which in turn influences job satisfaction. Similarly, Brief



(1998) and Motowidlo (1996) have developed theoretical models in an attempt to better understand the relationship between character and job satisfaction. Continuing this theoretical development, Judge and his colleagues (Judge & Bono, 2001) found that a key personality trait, core self-evaluation, correlates with (is statistically related to) employee job satisfaction.

A review of the literature in 1985 suggested that the statistical correlation between job satisfaction and performance was about 0.45 (Iaffaldano & Muchinsky, 1985). Thus, these authors concluded that the presumed relationship between job satisfaction and performance was a “management fad” and “illusory. However, further research does not agree with this conclusion. Organ (1988) suggests that the failure to find a strong relationship between job satisfaction and performance is due to the narrow means often used to define job performance. Organ argued that when performance is defined to include important behaviors not generally reflected in performance appraisals, such as organizational citizenship behaviors, its relationship with job satisfaction improves. In addition, in a more recent and comprehensive review of 301 studies, Judge, Thoresen, Bono, and Patton (2001) found that when the correlations are appropriately corrected (for sampling and measurement errors), the average correlation between job satisfaction and job performance is a higher than 0.3. In addition, the relationship between job satisfaction and performance was found to be even higher for complex (e.g., professional) jobs than for less complex jobs. Thus, contrary to earlier reviews, it does appear that job satisfaction is, in fact, predictive of performance, and the relationship is even stronger for professional jobs.

Second, while most job satisfaction researchers have assumed that overall, single item measures are unreliable and therefore should not be used, this view has not gone unchallenged. Wanous, Reichers, and Hudy (1997) found that the reliability of single item measures of job satisfaction is 0.67. For the Global Measure Faces (G. M. F) scale, another single-item measure of job satisfaction that asks individuals to check one of five faces that best describes their overall satisfaction (Kunin, 1955), the reliability was estimated to be 0.66. Therefore, respectable levels of reliability can be obtained with an overall measure of job satisfaction, although these levels are somewhat lower than most multiple-item measures of job satisfaction.

Based on the research reviewed, there is support for measuring job satisfaction with either a global satisfaction question or by summing scores on various aspects of the job. Therefore, in terms of practice, by measuring facets of job satisfaction, organizations can obtain a complete picture of their specific strengths and weaknesses related to employee job satisfaction and use those facet scores for an overall satisfaction measure, or they can reliably use overall satisfaction questions for that purpose.

## **2.5 The Effect of Organization Policy on the Performance of Employees**

The performance of an organization is related to its capacity to deliver basic goods and services, and to provide a suitable policy and regulatory environment for development to take place. Thus, there is a direct link between organizational capacity and its performance. Staff – its merits, motivation and the ways it is managed in a specific organizational context - is crucial in that linkage (Boesen and Therkildsen, 2004:10; OECD, 2006: 8).

Performance management requires public organizations, managers and employees to work to performance targets and output objectives that define individual tasks (Larbi 2006: 38). Rewards for performance can then be linked to achievements of individual employees. Assessments of administrative staff are conducted using an annual target-performance comparison. The basis for this is the actual job specification and a job-related profile that weighs up technical and social skill criteria in relation to job content. For any organization to perform effectively and efficiently, an appropriate manpower structure in one approach to maintain effective organization performance needs to be in place (Jones, 2007). The structures are observed in form of good human resource management that influences performance according to the human and social capital held by the organization (Barney, 1991). A clearer demo about the effectiveness of human resource policy in an organization is the AMO theory which states that human resource management influences performance in relation to employees' ability, motivation and opportunity to participate in decision making (Appelbaum, Bailey, Berg, & Kalleberg, 2000).

Specifically, while a few investigations have been initiated in emerging markets and in transitional countries (Ahlstron, Foley, Young, & Chan, 2005; Zupan & Kase, 2005), the literature highlights that most of the studies examining the relationship between human resource

policy and organization's performance have been conducted in the United States and the United Kingdom (Huselid, 1995; Guest, Michie, Conway, & Sheehan, 2003).

Organizations with an innovation strategy afford higher rewards due to their ability to attract the qualified flexible, creative and skilled employees necessary for their development. Organizations that follow innovative strategies put emphasis in promotion arrangements, because they have more need of a longer-term orientation of employees (Schuler & Jackson, 1987). It is accepted that unless the organization is able to retain its employees, it will not be able to capitalize on the human assets developed within the organization. Thus, employee retention and employee presence may have a positive impact on organizational effectiveness (Boselie, Paauwe, & Jansen, 2001)

## **CHAPTER THREE:**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter presents the technical methodology that was used in execution of the research. The study seeks to establish the role of reward management on employee performance using Centenary Rural Development Bank as a cases study. The methods in the execution include; research design, study population, sample size and selection, sampling techniques and procedure, data collection methods, data collection instruments, the procedure used to ensure validity and reliability of the questionnaire, procedure of data collection, procedure and techniques used in data analysis and measurement of variables.

#### **3.1 Research design**

The study used the case study research design using a case of Centenary Bank Uganda. The study will employ both qualitative and quantitative research methods in obtaining information in relation to the subject under study. A case study was preferred as suggested by Sekaran (2004) and the survey design was preferred because it helps to measure the relationship among variables within the unit of study, and helps in determining the extent and the likely causes of the problem under study. Employees were the units of analysis since the study was be interested in the employee performance and the researcher's interference was be very minimal as the study was be carried out in a non contrived setting.

#### **3.2 Study Population**

The study was target a total of 150 employees of Centenary Bank Uganda limited. These employees included; casual laborers, tellers, middle level management who involved heads of departments, and top level management who involved branch managers. Middle and top level managers constituted the category of key informants.

### 3.2.1 Sample size and selection

Sampling was done in order for the study to produce more reliable results. In addition, samples have less errors during data collection, are easy to handle and can be easily referred to the whole population (Sekaran, 2004). The sample size was determined using the table as adopted by Krejcie and Morgan (1970) and as cited from (Amin, 2005).

**Table 3.1 showing category of respondents and their numbers, sample size, and sampling techniques used**

Category	Numbers	Sample size	Sampling technique
Key informants	20	19	Purposive
Tellers	85	70	Simple random sampling
Casual laborers	45	40	Simple random sampling
<b>Totals</b>	<b>150</b>	<b>129</b>	

*Source: Field study*

The above table shows the numbers representing the study population with corresponding figures for the sample size and the techniques used to get the sample size. As a result, a total sample size of 129 respondents were be used for both questionnaire and interview method.

### 3.2.2 Sampling techniques

In relation to the sample size considered for all the categories, probability and non-probability sampling techniques were be used to select the required respondents per category. Simple random sampling technique was used to select employee respondents, while purposive sampling was used to select key informants.

### **3.3 Data collection methods and tools**

Primary and secondary data of both qualitative and quantitative in nature was collected by the researcher during the study. Primary data was collected using questionnaires and interviews whereas secondary data was obtained from literature published and unpublished through documentary review.

#### **3.3.1 Questionnaire**

A questionnaire is a set of questions designed to represent the variables under research which are investigated from final respondents. The questionnaire was used in data collection since respondents can take more time to respond at their convenient time thereby giving more genuine responses (Sekaran, 2004).

#### **3.3.2 Interview**

The interview guide contains critical questions which are to be answered by the key informant. The responses give the research a clear in depth understanding of the subject under study where by the key informant is required to answer according to his own understanding.

#### **3.3.3 Documentary Review**

Different documents were used to obtain information to back up the research results. These sources included; online journals, websites, text books, Periodicals, Magazines, and reports. This information extracted was related to the study specific objectives so as to remain relevant to the subject under study.

### **3.4. Validity and Reliability**

Data collection instruments were pre-tested in order to ensure reliability and validity of data. Reliability tests show how consistent a questionnaire can measure accurately the subject under study while validity tests show how well an instrument that is developed measures the particular concept it is intended to measure.

#### **Reliability**

To ensure reliability of the data collection instruments, stability and consistence tests are done. Stability test was done by administering the same set of questionnaires to a group of respondents before it was administered to the selected samples of respondents. Pre-testing the questionnaire was done with the targeted respondents in other banks other than centenary bank. Consistence was tested using the inter item consistence reliability test. This is a test of the consistence of respondents' answers to all the items in a measure which determines the degree of correlation. The researcher used Cronbach's coefficient alpha (1946) which is used for multipoint – scaled items.

### **Validity**

Validity tests help the researcher to establish whether it is the right indicators are being measured. In this study, the researcher conducted face, content, and construct validity of the data collection instruments to determine the goodness of the measure. Construct validity was conducted to determine whether the instrument taps the concept as theorized and this was determined using correlation analysis done in SPSS computer package. This was to confirm whether the instruments will produce discriminate or convergent results. Content validity was tested by pre-testing questionnaires with a knowledgeable group as already indicated above (Amin, 2005).

### **3.5. Procedure of data collection**

Data collection instruments (Questionnaire and interview guide) were adapted after the pretest. The tools together with the cover letter for respondents were submitted to the supervisor for approval. Up on getting the approval, the researcher was given a letter of recommendation from Uganda Management Institute introducing the researcher and explaining the purpose of the research to all those concerned within the study area. The researcher thereafter obtained an authorization letter from the Managing director Centenary bank which eased questionnaire administration among the employees.

### **3.6. Data Analysis**

Data analysis includes editing, coding, computer data entry and verification of the accuracy of the data entered into the computer. In this study, data was collected from the representative

samples of the population study, it will be edited to ensure accuracy and blank responses were handled to maintain consistence.

Qualitative data was reviewed and analyzed using content analysis where by key statements were used to back up numerical data analyzed.

However, quantitative data was analyzed using multivariate and univariate analysis using Statistical Package for Social Scientists (SPSS). These types of analysis included; descriptive (to determine the direction), correlation (to determine the relationship) and regression (to determine the extent) analyses which were used to test the researchers hypotheses stated in this study.

### **3.7. Measurement of Variables**

The researcher used nominal and interval types of scale to measure different variables of interest. For all the variables in the background section, a nominal scale was used. The nominal scale categorizes individuals into mutually exclusive categories. In this study, this type of scale will be of importance because the generated information will be used to determine the particular percentages in the samples of respondents which will be very useful to the researcher in making conclusions. For independent and dependant variables, the researcher used a five point likert scale to measure the variables ranging from strongly agree to strongly disagree and these were represented by figures 1-5 where 1= strongly disagree 2= disagree, 3=undecided or no comment, 4=agree and 5=strongly agree.



## **CHAPTER FOUR:**

### **PRESENTATION, ANALYSIS, AND INTERPRETATION OF FINDINGS**

#### **4.1 Introduction**

This chapter entails presentation, analysis and discussion of findings regarding the role of reward management on employee performance in the banking sector using Centenary bank as a case study. The findings are presented in line with the objectives of the study which included; investigating the impact of fringe benefits on the performance of employees in the banking sector in Uganda, examining the contribution of pay incentives on employee performance in the banking sector in Uganda, establishing the influence of belongingness and recognition on the performance of employees in the banking sector in Uganda, establishing the contribution of job satisfaction on the performance of employees in the banking sector in Uganda and establishing the effect of organization policy on the performance of employees in the banking sector in Uganda.

The researcher considered 129 people as sample size. The researcher distributed 110 questionnaires to only the employee respondents, but he received only 100 questionnaires fully filled and complete. The researcher engaged 19 people (key informants, top level managers) in interviews. For the questionnaire findings, the researcher used a five point likert scale to measure the variables ranging from strongly agree to strongly disagree and these were represented by figures 1 to 5 {1= strongly disagree, 2= disagree, 3=undecided or no comment or not sure, 4=agree and 5=strongly agree}.

**Table 4.2: Percentage Response of the Respondents (Questionnaire method)**

Respondent category	Frequency		Percentage response (%)	
	Received fully filled	Not received	Received fully filled	Not received
Primary respondents (employees)	100	10	90.9%	09.1%
<b>Total</b>	<b>110</b>		<b>100</b>	

*Source: Primary data*

From the table 2 above, not all the questionnaires distributed to employees were received back by the researcher. Only 100 questionnaires (90.9%) were received back fully completed and only 10 questionnaires (09.1%) were not received back. The bigger percentage response (90.9%) was registered and therefore guaranteed reliable information/findings to the researchers.

**Table 4.3: Whether All the Respondents and Interviewees Liked To Be Interviewed**

Response	Frequency	Percentage (%)
Yes	119	100
No	0	0
<b>Total</b>	<b>119</b>	<b>100</b>

**Source: Primary data**

According to table 3 above, 100% of the interviewees and employee respondents said that they were okay with being interviewed. The total of 119 responses includes 100 respondents who filled and completed the questionnaires that the researcher received back and 19 responses from the key informants that were actually interviewed. This shows that all the employees were eager to give detailed, relevant and reliable information to the researcher.

## 4.2 Background Information of Respondent

The researcher was interested in knowing the respondents' personal information, but which would lead him achieve his study objectives. Considerations were; gender, age bracket, occupation, level of management, level of education and working period spent with the company.

**Table 4.4: Gender of the Respondents**

<b>Sex</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Male	40	40
Female	60	60
<b>Total</b>	<b>100</b>	<b>100</b>

*Source: Primary data*

Table 4 shows that 40% of the respondents were females and 60% were males. The researcher endeavored to strike a balance in gender for the sample but he found out that most of the employees working Centenary bank are female by sex. This proves that most banks seem to be employing slightly more of women than men.

**Table 4.5: Age Bracket for the Respondents**

<b>Age bracket (years)</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Below 30	30	30
30-39	45	45
40-49	20	20
50 and above	5	5
<b>Total</b>	<b>100</b>	<b>100</b>

**Source: Primary data**

From the table 5 above, it can be observed that 30% of the respondents are within the age bracket of less than 30 years, 45% are within the age bracket of 30-39 years, 20% are within the age bracket of 40-49 years and only 5% are within the age bracket of 50 years and above. Most of the respondent lie within 30-39 years of age. This is because; most of the respondents were the operational employees, employees at the lower level of management including casual labourers. Most managers are exclusive because they were taken into consideration for interview purposes.

**Table 4.6: Occupation of the Respondents**

<b>Occupation</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Banker/Teller	25	25
Accountant	15	15
Manager	20	20
Customer care consultant	5	5
Others (Loan officer & Casual labourers)	35	35
<b>Total</b>	<b>100</b>	<b>100</b>

*Source: Primary data*

From the table 6 above, 25% of the respondents were bankers/tellers, 15% of the respondents were accountants, 20% of the respondents were managers (middle managers), 5% of the respondents were customer care consultants and 35% of the respondents were other employees as loan officers and casual labourers. Most of the respondents were other employees (loan officers) and bank tellers. This is because the bank had more of such employees than others like customer care consultants.

**Table 4.7: Level of Management**

<b>Management level</b>	<b>Frequency</b>	<b>Percentage (%)</b>

Strategic (top level) management	20	20
Middle level	35	35
Operational	45	45
<b>Total</b>	<b>100</b>	<b>100</b>

**Source: Primary data**

According to table 7 above, 20% of the respondents were of strategic level of management, 35% of the respondents were of middle management and 45% of the respondents were of operational level of management. This can be seen that most of the respondents were from the lower (operational) level of management. This clarifies the findings of table of 6 above where the table reports that most of the employee respondents used was mostly composed of casual labourers than managers.

**Table 4.8: Level of Education**

<b>Educational level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
O`level	0	0
A`level	5	5
Tertiary	10	10
University	30	30
Post graduate	35	35
Professional course	20	20
Others (-)	0	0
<b>Total</b>	<b>100</b>	<b>100</b>

**Source: Primary data**

From the table 8 above, none (0%) of the respondents had attained only O`level and any other level not mentioned, 5% of the respondents had attained only A`level, 10% of the respondents had reached only the level of tertiary, 30% had attained only the level of education of university, 35% of the respondents had reached the level of post graduate and 20% of the respondents had gone for professional courses. Most of the respondents were found literate with the high level of education because of the target respondents for the study. The 5% and 10% for the educational levels of A`level and tertiary respectively reflect the percentage composition of casual labourers used in the sample size.

**Table 4.9: Respondents` Working Period with the Company**

<b>Working period</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Less than one year	5	5
One-five years	40	40
Five years & above	50	50
<b>Total</b>	<b>100</b>	<b>100</b>

**Source: Primary data**

From the table 9 above, 5% of the respondents had worked with Centenary bank for less than one year, 40% of the respondents had worked with the bank for the period of one to five years and 50% of the respondents had worked for the bank for the period of five years and above. This means that the respondents engaged in the study were in position to give reliable information because they had a good working experience with the bank and therefore they knew much about Centenary bank and the relevant issues regarding the necessary information required for the study.

**Table 4.10: If They Key Informants Liked To Be Interviewed**

<b>Key informants` response</b>	<b>Frequency</b>	<b>Percentage (%)</b>

Yes	19	100
No	0	0
<b>Total</b>	<b>19</b>	<b>100</b>

**Source: Primary data (Interviews)**

According to table 10 above, 100% of the key informants liked to be interviewed. This means that all the key informants engaged in interviews were eager and willing to give relevant information to the researcher.

### **4.3 The Impact of Fringe Benefits on the Performance of Employees**

The researcher employed the use of questionnaire method and interview guide to find out the findings in relation to the impact of fringe benefits on the performance of employees of Centenary bank.

**Table 4.11: The Impact of Fringe Benefits on the Performance of Employees**

<b>Question</b>	<b>1</b>		<b>2</b>		<b>3</b>		<b>4</b>		<b>5</b>		<b>Total</b>	
	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>
There is a good compensation structure for employees in this bank.	0	0	10	10	0	0	55	55	35	35	100	100
The bank compares fringe benefits of other banks before giving employees	5	5	10	10	50	50	20	20	15	15	100	100

Bonus payment encourages employees to work harder	0	0	0	0	5	5	80	80	15	15	100	100
The bank provides overtime allowances to employees	0	0	0	0	0	0	10	10	90	90	100	100
Payment of fringe benefits depends on employee performance	0	0	0	0	0	0	60	60	40	40	100	100
Allowances motivate employees' performance	0	0	0	0	0	0	20	20	80	80	100	100
Fringe benefits improve employees productivity	0	0	0	0	0	0	72	72	28	28	100	100
Fringe benefits are always changed every year	0	0	0	0	0	0	81	81	19	19	100	100

**Source: Primary data**



From table 11 above, none of the respondents (0%) strongly disagreed and said not sure as to whether there is a good compensation structure for employees in Centenary bank, 10% of the respondents disagreed, 55% of the respondents agreed and 35% of the respondents strongly agreed that there is a good compensation structure for employees in Centenary bank. Most of the respondents agreed that the bank has a good compensation structure for its employees.

From the table 11 above, 5% of the respondents strongly disagreed that the Centenary bank compares fringe benefits of other banks before giving employees, 10% of the respondents disagreed, 50% of the respondents were not sure, 20% of the respondents agreed and 15% of the respondents strongly agreed that the bank compares fringe benefits of other banks before giving employees. Half of the respondents were not sure whether their bank compares with other banks before giving them fringe benefits. Maybe, the employees are not aware of the fringe benefits offered by other banks and since banks always do not disclose their information.

According to table 11 above, none of the respondents (0%) neither strongly disagreed nor just disagreed that bonus payment encourages employees to work harder, only 5% of the respondents were not sure, 80% of the respondents agreed and 15% of the respondents strongly agreed that bonus payment encourages employees to work harder. This means that bonus payments encourage employees to work harder.

According to table 11 above, none of the respondents (0%) neither strongly disagreed, disagreed nor was not sure that Centenary bank provides overtime allowances to employees, 10% of the respondents agreed and 90% of the respondents strongly agreed that the bank provides overtime allowances to employees. This shows that Centenary bank provides overtime premium to all its employees.

According to table 11 above, none of the respondents (0%) neither strongly disagreed, disagreed nor was not sure that payment of fringe benefits in Centenary bank depends on employee performance, 60% of the respondents agreed and 40% of the respondents strongly agreed that payment of fringe benefits in Centenary bank depends on employee performance. Most of the respondents said that the bank provides fringe benefits basing on the performance of employees and therefore the higher the employee performance, the more the fringe benefits.

From the table 11 above, none of the respondents (0%) neither strongly disagreed, disagreed nor was not sure that allowances motivate employees' performance, 20% of the respondents agreed and 80% of the respondents strongly agreed that allowances motivate employees' performance. This might be the reason behind why Centenary bank recognises the payment of allowances and bonuses.

From the table 11 above, none of the respondents (0%) neither strongly disagreed, disagreed nor was not sure that fringe benefits improve employees productivity, 72% of the respondents agreed and 28% of the respondents strongly agreed that actually fringe benefits improve employees' productivity. This might also be the reason behind why Centenary bank recognises the provision of fringe benefits to its employees.

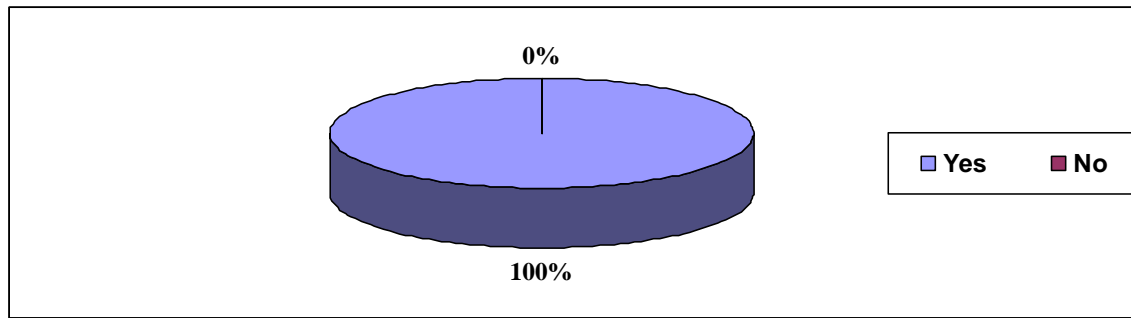
According to table 11 above, none of the respondents (0%) neither strongly disagreed, disagreed nor was not sure that fringe benefits are always changed every year, 81% of the respondents agreed and 19% of the respondents strongly agreed that fringe benefits are always changed every year in Centenary bank. The respondents acknowledged the annual changes in fringe benefits offered by the bank.

**Table 4.12: Whether Centenary Bank Offer Fringe Benefits**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	19	100
No	0	0
<b>Total</b>	<b>19</b>	<b>100</b>

**Source: Primary data (Interviews)**

**Figure 3: Whether Centenary Bank Offer Fringe Benefits**



According to table 12 and figure 3 above, 100% of the top managers of Centenary bank (key informants - interviewees) said that Centenary bank actually offers fringe benefits. None (0%) of the interviewees opposed it. This shows that Centenary bank recognises the impact of giving fringe benefits to its employees. These interview findings are in line with the questionnaire findings (table 11), where all the questionnaire respondents acknowledged the payment of and annual changes in fringe benefits offered by Centenary bank.

According to the interview findings, a number of fringe benefits were said to be offered by Centenary bank and these include:

- Performance related payment schemes,
- Employee uniforms,
- Recognition of merit,
- Comfortable working conditions and
- Loan incentives, a free interest loan.

Also, according to the interview findings, the key informants reliably informed the researcher that the most considered terms and conditions associated with the banks fringe benefits is “meeting the target stated by the bank”. Other interviewees said that terms and conditions differ according to specific fringe benefits and also working conditions like individual or group workings.

#### 4.4 The Contribution of Pay Incentives on Employee Performance

The researcher intended to find out the contribution of pay incentives on employee performance. Both questionnaire and interview methods were employed to collect data in order to achieve this objective.

**Table 4.13: The Contribution of Pay Incentives on Employee Performance**

Question	1		2		3		4		5		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
This bank provides a fair pay to employees	0	0	0	0	0	0	25	25	75	75	100	100
This bank provides safe working conditions	0	0	5	5	0	0	65	65	30	30	100	100
There is performance based salary systems in this organization	0	0	15	15	0	0	45	45	40	40	100	100
Pay incentives provided here encourage me to work towards achievement of organization goals	0	0	0	0	0	0	63	63	37	37	100	100

An employee, group of employees, or department who/which reaches a specific organizational goal earns a reward.	0	0	5	5	13	13	45	45	37	37	100	100
The way employees are treated determines the prosperity of the bank	0	0	0	0	0	0	5	5	95	95	100	100

**Source: Primary data**

According to table 13 above, none of the respondents neither strongly disagreed, disagreed nor was not sure that Centenary bank provides a fair pay to employees, 25% of the respondents agreed and 75% of the respondents strongly agreed that centenary bank provides a fair pay to the employees. This means that centenary bank pays its employees amounts which are equally to those of other employees within the same industry.

According to table 13 above, none of the respondents strongly disagreed that centenary bank provides safe working conditions and fair treatment to employees, 5% of the respondents disagreed, none (0%) of the respondents were not sure, 65% of the respondents agreed and 30% strongly agreed that centenary bank provides safe working conditions and fair treatment to employees. A minority of the respondents (5%) disagreed that centenary bank provides safe working conditions as compared to the majority (65% & 30%) of the respondents who agreed and strongly disagreed respectively that the bank provides safe working conditions.

Also from the table 13 above, none (0%) of the respondents neither strongly disagreed nor was sure that in centenary bank there is performance based salary systems, 15% of the respondents disagreed, 65% of the respondents agreed and 35% of the respondents strongly agreed that there is performance based salary systems in centenary bank. A minority of the respondents disagreed that there is performance based salary systems as compared to the majority who agreed.

According to the table above, none (0%) of the respondents neither strongly disagreed, disagreed nor were not sure that pay incentives provided in centenary bank encourage employees to work towards achievement of organisational goals, 65% of the respondents agreed and 35% of the respondents strongly agreed that pay incentives provided in centenary bank encourage employees to work towards achievement of organisational goals. This means that payment of incentives encourages all employees to work hard and towards the achievement of organisational goals.

From the table 13 above also, none (0%) of the respondents strongly disagreed that an employee, group of employees or department who reaches a specific organisational goal earns a reward, 5% of the respondents disagreed, 13% of the respondents were not sure, 45% of the respondents agreed and 37% of the respondents strongly agreed that an employee, group of employees or department who reaches a specific organisational goal earns a reward. A few of the respondents disagreed and were not sure that an employee, group of employees or department who reaches a specific organisational goal earns a reward as compared to those who agreed and strongly agreed. This means that the response here is in line with the response given under table 11 that fringe benefits are paid depending on employee performance.

Still from the table 13 above, none (0%) of the respondents neither strongly disagreed, agreed nor were not sure that the way employees are treated determines the prosperity of centenary bank, 5% of the respondents agreed and 95% of the respondents strongly agreed that the way employees are treated determines the prosperity of centenary bank. These findings show that employees should be given better and enough consideration because the way they are treated determines the prosperity of the organisation.

Through the interviews, the researcher was reliably informed that the primary pay incentive offered to the employees are the loan incentives based on the number of cases booked or number

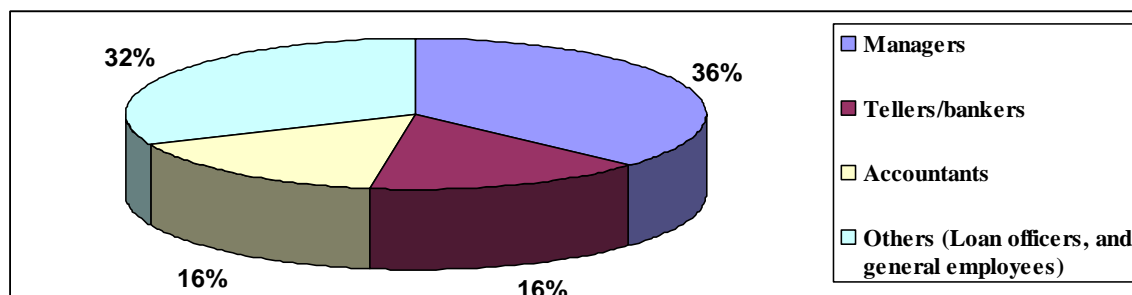
of people brought into for loan advancement. Other pay incentives that centenary bank provides to its employees were said to include the following bonus payments, allowances and salary increments.

**Table 4.14: Types of Employees entitled to Pay Incentives**

Employee category	Frequency	Percentage (%)
Managers	7	36.8
Tellers/bankers	3	15.8
Accountants	3	15.8
Others (Loan officers, and general employees)	6	31.6
<b>Total</b>	<b>19</b>	<b>100</b>

Source: Primary data (Interviews)

**Figure 4: Types of Employees Entitled To Pay Incentives**



According to table 14 and figure 4 above, 36.8% of the interviewees (key informants) said that managers are the most category of the bank's employees that entitled to pay incentives, 15.8% of the key informants were in for tellers/bankers, also 15.8% of the key informants were in for Accountants and 31.6% of the key informants supported the category of others who included the loan officers and the general employees like drivers, guards and cleaners. This means that all the employees in centenary bank are entitled to pay incentives but more of managers.

Also through the interviews, the researcher was reliably informed that most considered modes of pay incentives provided to the employees of centenary bank are “incentives based on performance” and “incentives based on meeting targets set”. This is in line with what the respondents said through the questionnaire method (table 13), where most of the respondents agreed and strongly agreed that an employee, group of employees or department who reaches a specific organisational goal earns a reward.

On a similar note, the most expressed views by the interviewees about the current incentives in relation to employee motivation to work were summarised in two statements as follows “pay incentives encourages the employees to work hard so as to get recognition and more bonuses” and “there is an improvement in employee motivation due to pay incentives provided by centenary bank”.

#### **4.5 Influence of Belongingness & Recognition on the Performance of Employees**

This objective was achieved through the use of both questionnaire and interview methods of data collection. Different questions regarding the objective were asked as seen from the tables below:

**Table 4.15: Influence of Belongingness & Recognition on the Performance of Employees**

Question	1		2		3		4		5		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Relationship with my fellow employees helps improve my work performance.	11	1	7	7	3	3	49	49	40	40	100	100
When I get challenges in a given task, I contact my work	3	3	14	14	0	0	57	57	26	26	100	100



mates												
Pay systems in the bank discourages employee belongingness	70	70	20	20	10	10	0	0	0	0	100	100
Retreats, end of year parties, celebrations of organizations' anniversaries encourage employee belongingness	1	1	3	3	10	10	52	52	34	34	100	100
Employees work as a team even when one is absent	0	0	0	0	8	8	30	30	62	62	100	100
Employee belongingness encourages team work at the work place	2	2	7	7	6	6	51	51	34	34	100	100

**Source: Primary data**

According to table 15 above, 1% of the respondents strongly disagreed that having relationship with their fellow employees helps them improve their work performance, 7% of the respondents disagreed, 3% of the respondents were not sure, 49% of the respondents agreed and 40% of the respondents strongly agreed that having relationship with their fellow employees helps them

improve their work performance. It can be observed that most of the respondents contended that having relationships with their fellow employees help them a lot to improve their work performance. This calls for strengthening of relationship among the employees themselves.

From the table 15 above, 3% of the respondents strongly disagreed that when they get challenges in any given task they contact their fellow workmates, 14% of the respondents disagreed, none (0%) of the respondents was not sure, 57% of the respondents agreed and 26% of the respondents strongly agreed that when they get challenges in any given task they contact their fellow workmates. Most of the respondents were found to be recognizing the importance of teamwork, contacting one another in case of any work-related challenge.

From the table 15 above, 70% of the respondents strongly disagreed that pay systems in the bank discourages employee belongingness, 20% of the respondents disagreed, 10% of the respondents were not sure and none of the respondents (0%) neither agreed nor strongly agreed that pay systems in the bank discourages employee belongingness. All the respondents admitted that pay systems of centenary bank discourages employee belongingness but rather encourage their belongingness to the bank. This means that centenary bank offers attractive and reasonable pay incentives to its employees which results into employee belongingness.

From the table 15 above, only 1% of the respondents strongly disagreed that retreats, end of year parties, celebrations of organizations' anniversaries encourage employee belongingness, 3% of the respondents disagreed, 10% of the respondents were not sure, 52% of the respondents agreed and 34% of the respondents strongly agreed that retreats, end of year parties, celebrations of organizations' anniversaries encourage employee belongingness. It can be seen that retreats, end of year parties, celebrations of organizations' anniversaries and other activities aimed at making employees happy encourage employee belongingness.

From the table 15 above, none (0%) of the respondents neither strongly disagreed nor disagreed that employees work as a team even when one is absent, 8% of the respondents were not sure, 30% of the respondents agreed and 62% of the respondents strongly agreed that employees work as a team even when one is absent. Most of the respondents agreed that they can work equally as a team even one employee is absent. This proves the love for team work by employees of centenary bank due to employee belongingness.

From the table 15 above, only 2% of the respondents strongly disagreed that employee belongingness encourages team work at the work place, only 7% of the respondents disagreed, 6% of the respondents were not sure, 51% of the respondents agreed and 34% of the respondents strongly agreed that employee belongingness encourages team work at the work place. Most of the respondents agreed that employee belongingness encourages team work at the work place. This is like wise with what has just been found out in the previous paragraph above, the presence of team work due to employee belongingness.

Through the interviews, the level of relationship between employees among themselves was defined to be generally at a high level. One key informant was quoted, “with every target to be achieved, team work and belongingness are paramount and therefore the bank’s targets have been met due to a strong relationship among the employees themselves which results into a high level of employee belongingness”.

For the functions/events that centenary bank puts in place to bring the employees together, the following common and general events were pointed out by the interviewees:

- End of year parties,
- Monthly meetings,
- Quarterly reviews and
- Seminars / workshops.

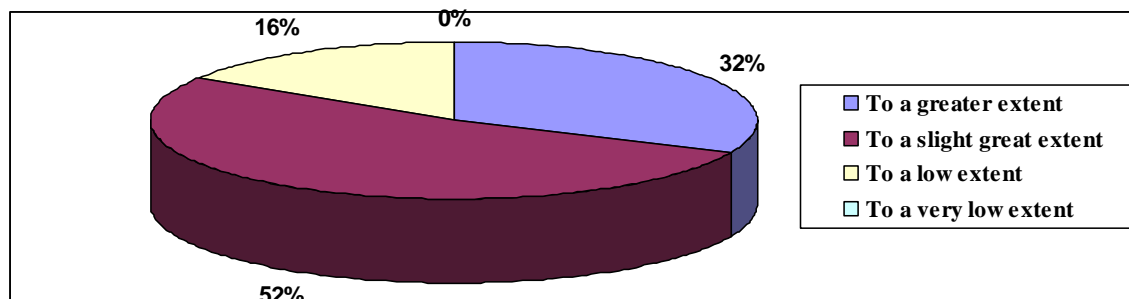
**Table 4.16: The Extent to Which Employee Belongingness Improves Employee Performance**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
To a greater extent	6	31.6
To a slight great extent	10	52.6
To a low extent	3	15.8
To a very low extent	0	0

<b>Total</b>	<b>19</b>	<b>100</b>
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**Source: Primary data (Interviews)**

**Figure 5: The Extent to Which Employee Belongingness Improves Employee Performance**



From the table 16 and figure 5 above, 31.6 of the interviewees said that employee belongingness improves employee performance to a greater extent, 52.6% of the interviewees said that employee belongingness improves employee performance to a slight great extent, 15.8% of the interviewees said that employee belongingness improves employee performance to a low extent and none (0%) of the interviewees said that employee belongingness improves employee performance to a very low extent. It can be observed that more than half of the key informants said that employee belongingness improves employee performance to a great extent.

#### **4.6. The Contribution of Job Satisfaction on the Performance of Employees**

The researcher used different questions through the questionnaire method to obtain related and relevant information about the objective. Similar questions were included in the interview guide to prove what had been said through questionnaire method.

**Table 4.17: Contribution of Job Satisfaction on the Performance of Employees**

<b>Question</b>	<b>1</b>		<b>2</b>		<b>3</b>		<b>4</b>		<b>5</b>		<b>Total</b>	
	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>
Am satisfied with the current job am doing	0	0	8	8	0	0	58	58	34	34	100	100

Our bank is the best compared to others in the Uganda	0	0	0	0	12	12	27	27	61	61	100	100
My job motivates me to work harder	0	0	0	0	0	0	55	55	45	45	100	100
I feel OK even when I work more than 10 hours a day	14	14	42	42	0	0	32	32	12	12	100	100
Even when the bank opens on Sundays I would still come to work	66	66	5	5	26	26	3	3	0	0	100	100
I feel happy after making sure all clients are served very well in the banking hall.	0	0	0	0	0	0	2	2	98	98	100	100
I am willing to leave the banking sector for other Jobs in other sectors	0	0	0	0	14	14	53	53	33	33	100	100

**Source: Primary data**

According to table 17 above, none (0%) of the respondents neither strongly disagreed nor were not sure that they are satisfied with the current job they are doing, 8% of the respondents disagreed, 58% of the respondents agreed and 34% of the respondents strongly agreed that they are satisfied with the current job they are doing. Most of the respondents said that they were satisfied with their current jobs. This may be due to the fringe benefits and pay incentives that the bank offers to its employees.

From the table 17 above, none (0%) of the respondents neither strongly disagreed nor disagreed that centenary bank is the best compared to others in Ugandan market, 12% of the respondents were not sure, 27% of the respondents agreed and 61% of the respondents strongly agreed that centenary bank is the best compared to others in Ugandan market. Most of the respondents could hide their love for the bank and that is why they reported that centenary bank is the best bank as compared to others in the Ugandan market.

According to the table 17 above, none (0%) of the respondents neither strongly disagreed, disagreed nor were not sure that the job motivates them to work harder, 55% of the respondents agreed and 45% of the respondents strongly agreed that their job motivates them to work harder. It can be observed that all the respondents contended with their work and how motivate their jobs are. Centenary bank seems to be satisfying its employees in respect to their jobs and that is why all the respondents said that their work motivates them to work harder

Also from the above table 17 above, 14% of the respondents strongly disagreed that they feel ok even when they work more than 10 hours a day, 42% of the respondents disagreed, none (0%) of the respondents were not sure, 32% of the respondents agreed, and 12% of the respondents strongly agreed that they feel ok even when they work more than 10 hours a day. Even though most of the respondents disagreed and strongly, it can be seen that there was a small gap between the respondents who agreed and disagreed that they feel ok even when they work more than 10 hours a day. This also shows that some employees are satisfied to an extent that they can work for the bank beyond the normal working hours.

According to table 17 above, 66% of the respondents strongly disagreed that even when centenary bank opens on Sundays they would still come to work, 5% of the respondents disagreed, 26% of the respondents were not sure, 3% of the respondents agreed and none (0%) of

the respondents strongly agreed that even when centenary bank opens on Sundays they would still come to work. This shows that the employees are also human beings and therefore need a resting day and above all to go and praise and worship the Almighty God.

Still from the table 17 above, none (0%) of the respondents strongly disagreed, disagreed nor were not sure that they feel happy after making sure all clients are served very well in the banking hall, 2% of the respondents agreed and 98% of the respondents strongly agreed that they feel happy after making sure that all clients are served very well in the banking hall. To greater extent, employees feel happy when clients are served very well. The respondents showed that they also customer-focused.

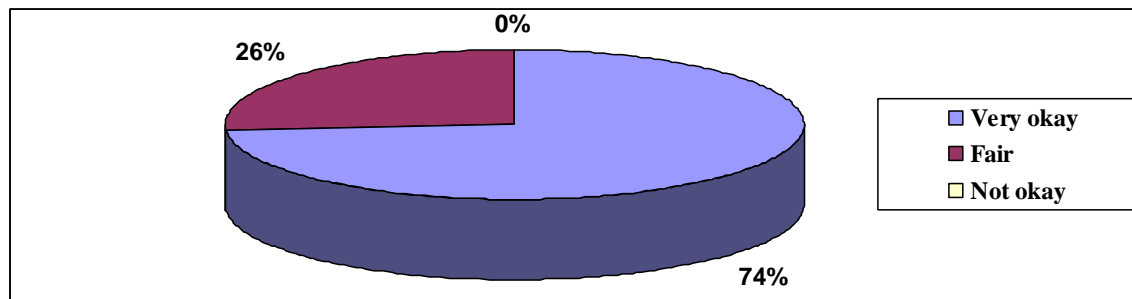
From the table 17 above, none (0%) of the respondents neither strongly disagreed nor disagreed that they would be willing to leave the banking sector for other jobs in other sectors, 14% of the respondents were not sure, 53% of the respondents agreed and 33% of the respondents strongly agreed that they would be willing to leave the banking sector for other jobs in other sectors. a few of the respondents were not sure and most of them agreed that they would be willing to leave the banking sector for other jobs in other sectors. This shows that even though some showed satisfaction with the job, somehow they would leave their jobs not because of job dissatisfaction but due to other reasons like personal reasons.

**Table 4.18: How Employees Feel About Their Current Jobs**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Very okay	14	73.7
Fair	5	26.3
Not okay	0	0
<b>Total</b>	<b>19</b>	<b>100</b>

**Source: Primary data (Interviews)**

**Figure 6: How Employees Feel About Their Current Jobs**



From the table 18 and figure 6 above, 73.7% of the interviewees said that they feel okay with their current jobs, 26.3% of the interviewees said that they feel fair with their current jobs and none of the interviewees said that he/she feels not okay with his/her current job. This shows that most of the key informants interviewed are very much satisfied with their current jobs and that is why they said that they feel very okay with their current jobs. These interview findings are in line with questionnaire findings (table 17) where most of the respondents said that they are satisfied with the current jobs they are doing. Others reached to an extent that they would work for 10 ten hours which are beyond the normal working hours, due to job satisfaction and love for the bank.

From the interview side, the ideal role played by the managers in terms of fringe benefits, pay incentives and other forms of remuneration was mainly towards encouraging and enabling employees to meet the set targets. This emerged the general role because it encompasses both the employees` and organisation`s interests. “As employees strive to get the highest pay, employees performance improves, organisational objectives are achieved and thus prospering of the organisation” one of the key informants quoted.

It was through the interviews with the key informants that the researcher found out that the tools and the ways used by managers to find out the employees` feelings about their current jobs and to show the level of employee satisfaction include the following:

- Personal evaluation forms filled by employees,
- Personal interviews with employees,
- Personal employee commitments and
- Employees` silence (non-verbal communication).



#### 4.7. The Effect of Organization Policy on the Performance of Employees

This objective was also achieved through the use of both questionnaire method and interview method. The findings as per the method were presented, analysed and interpreted as follows:

**Table 4.19: The Effect of Organization Policy on the Performance of Employees**

Question	1		2		3		4		5		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
The bank sets performance targets and output objectives that define each individual task	0	0	0	0	0	0	28	28	72	72	100	100
The Human resource policy for this bank encourages me to work harder	0	0	6	6	2	2	68	68	24	24	100	100
The organization policy encourages innovation at work place	0	0	6	6	6	6	73	73	15	15	100	100
The organization equip employees with training skills for long-	0	0	0	0	5	5	10	10	85	85	100	100

term objectives												
The policy of loss compensation for the tellers encourages carefulness	4	4	14	14	1	1	67	67	14	14	100	100
The bank aims at employee retention in all aspects	0	0	6	6	22	22	63	63	9	9	100	100

**Source: Primary data**

From the table 19 above, none (0%) of the respondents strongly disagreed, disagreed nor were not sure that the organisation sets performance targets and output objectives that define each individual task, 28% of the respondents agreed and 72% of the respondents strongly agreed that the organisation sets performance targets and output objectives that define each individual task. A bigger percentage of the respondents supported the bank that it sets performance targets and output objectives that define each individual task. This means that every employee has a clear set objective.

According to table 19 above, none (0%) of the respondents strongly disagreed that the human resource policy for that bank encourage them to work hard, 6% of the respondents disagreed, 2% of the respondents were not sure, 68% of the respondents agreed and 24% of the respondents strongly agreed that the human resource policy for centenary bank encourage them to work hard. It can be seen that centenary bank has a good and favourable human resource policy that encourages most of the employees to work harder.

According to table 19 above, none (0%) of the respondents strongly disagreed that the organisation`s policy encourages innovation at work place, 6% of the respondents disagreed, 6% of the respondents were not sure, 73% of the respondents agreed and 15% of the respondents

strongly agreed that the organisation`s policy encourages innovation at work place. Also, it can be seen that besides the human resource policy of the bank encouraging the employees to work harder, it also encourages innovation among employees at work.

From the table 19 above, none (0%) of the respondents neither strongly disagreed nor disagreed that the organisation equips employees with training skills for long-term objectives, 5% of the respondents were not sure, 10% of the respondents agreed and 85% of the respondents strongly agreed that the organisation equips employees with training skills for long-term objectives. Most of the employees strongly admitted that centenary bank equips them with training skills for long-term objectives and thus bank ensures not only short term objectives but also long term objectives.

According to table 19 above, 4% of the respondents strongly disagreed that the policy of loss of compensation for the tellers encourages carefulness, 14% of the respondents disagreed, 1% of the respondents were not sure, 67% of the respondents agreed and 14% of the respondents strongly agreed that the policy of loss compensation for the tellers encourages carefulness. A few of the respondents as compared to a majority of the respondents do not agree that the policy of loss of compensation for the tellers encourages carefulness. This means that the policy promotes carefulness among the tellers.

According to table 19 above, none (0%) of the respondents strongly disagreed that centenary bank aims at employee retention in all aspects, 6% of the respondents disagreed, 22% of the respondents were not sure, 63% of respondents agreed and 9% of the respondents strongly agreed that the bank aims at employee retention in all aspects. Most of the respondents supported the bank that it aims at employee retention in all aspects. This means that centenary bank treasures future or long-term benefits as it has also been seen in one of the previous paragraphs that it ensures not only short term objectives but also long term objectives.

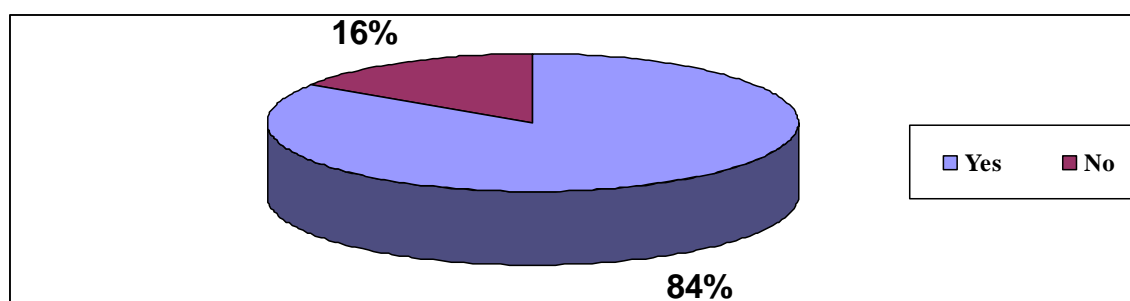
**Table 4.20: Whether All Employees Know the Bank's Mission and Values**

<b>Response</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Yes	16	84.2

No	3	15.8
<b>Total</b>	<b>19</b>	<b>100</b>

**Source: Primary data**

**Figure 7: Whether All Employees Know the Bank's Mission and Values**



From the table 20 and figure 7 above, 84.2% of the interviewees said that they know the bank's mission and vision and only 15.8% of the respondents were found not knowing the bank's mission and vision. Most of the managers of centenary bank (key informants) were found knowing the mission and vision of the bank. This shows that they know and they are ready to achieve short-term and long-term objectives of the bank. The set targets that the employees talked of in table 19 above seemed to be in the right hands of the right persons who would be in position to catalyze the successful achievement of them, since such targets are set in line with the mission and the vision of the bank.

#### **4.8. Organization Performance**

The researcher intended to examine the dependent variable of performance through the use of both questionnaire and interview methods. The findings related to employee and organisational performance in centenary bank. The findings were presented, analysed and presented as follows:

**Table 4.21: Organization Performance**

Question	1		2		3		4		5		Total	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
The bank sets performance	0	0	0	0	0	0	15	15	85	85	100	100

targets every year												
The human resource manager evaluates employee performance at the end of every year	0	0	18	18	5	5	61	61	16	16	100	100
The bank competes favourably in the banking sector	0	0	0	0	16	16	36	36	48	48	100	100
The bank considers employee complaints at the end of every months	0	0	0	0	4	4	20	20	76	76	100	100
All departments are involved in making annual plans for the bank	8	8	10	10	2	2	55	55	25	25	100	100
The bank's resources are well utilized	0	0	0	0	10	10	65	65	25	25		

The bank is well known for its services	0	0	0	0	0	0	3	3	97	97	100	100
All work is done in accordance with deadline given	0	0	18	18	5	5	61	61	16	16	100	100
All work is done as per the work plan	0	0	0	0	16	16	55	55	29	29	100	100
The bank experiences high staff turn over	25	25	45	45	15	15	13	13	2	2	100	100
The bank has a good strategic plan	0	0	0	0	4	4	72	72	24	24	100	100

**Source: Primary data**

According to table 21 above, none of the respondents neither strongly disagreed, disagreed nor were not sure that the bank sets performance targets every year, 15% of the respondents agreed and 85% of the respondents strongly agreed that the bank sets performance targets every year. Most of the respondents strongly agreed that centenary bank sets performance targets every year. This is in line with what still most of the respondents had said in table 19, that, it sets performance targets and output objectives that define each individual task

From the table 21 above, none of the respondents strongly disagreed that the human resource manager evaluates employee performance at end of every year, 18% of the respondents disagreed, 5% of the respondents were not sure, 61% of the respondents agreed and 16% of the respondents strongly agreed that that the human resource manager evaluates employee performance at end of every year. Also, most of the respondents strongly agreed that the human

resource manager evaluates employee performance at end of every year. Of course the human resource manager has to evaluate his employees to assess the performance of employees and to find out whether the set targets have been achieved (to what extent) or not.

According to table 21 above, none (0%) of the respondents neither strongly disagreed nor disagreed that the bank competes favourably in the banking sector, 16% of the respondents were not sure, 36% of the respondents agreed and 48% of the respondents strongly agreed that the bank competes favourably in the banking sector. None of the respondents disagreed and therefore this shows that the bank is not greatly threatened of competition since it can and it has been competing favourably in Uganda's fast growing banking industry.

From the table 21 above, none (0%) of the respondents neither strongly disagreed nor disagreed that the bank considers employee complaints at the end of every month, 4% of the respondents were not sure, 20% of the respondents agreed and 76% of the respondents strongly agreed that centenary bank considers employee complaints at the end of every month. Most of the respondents agreed and strongly agreed that their complaints are always considered at the end of the month. This shows that employees in centenary bank are treated well and they are recognised as assets not a cost to the bank.

According to table 21 above, 8% of the respondents strongly disagreed that all departments were involved in making annual plans for the bank, 10% of the respondents disagreed, 2% of the respondents were not sure, 55% of the respondents agree and 25% of the respondents strongly agreed that all bank's departments are involved in making annual plans for the bank. A few of the respondents were not in agreement with the bank involving all the departments in making annual plans for the bank as compared to the majority of the respondents. This shows that the bank fairly takes into consideration the issues and concerns of all the departments when making annual plans.

From the table 21 above, none of the respondents neither strongly disagreed nor disagreed that the resources of centenary bank are well utilized, only 10% of the respondents were not sure, 65% of the respondents agreed and 25% of the respondents strongly agreed that the bank's resources are well utilized. Most of the respondents were in for the bank that it utilises well its

resources. This could be among the reasons why the bank has been in existence for a long period of time successfully.

From the table 21 above, none of the respondents neither strongly disagreed, disagreed nor were not sure that centenary bank is well known for its services, only 3% of the respondents agreed and 97% of the respondents strongly agreed that the bank is well known for its services. It can be clearly evidenced by this very high percentage (97%) of the respondents strongly agreeing that the bank is well known for its better services. This can also be another reason behind its success.

From the table 21 above, none of the respondents strongly disagreed that all work in centenary bank is done in accordance with deadline given, 18% of the respondents disagreed, 5% of the respondents were not sure, 61% of the respondents agreed and 16% of the respondents strongly agreed that all the work is done in accordance with deadline given. More than half of the respondents agreed that all the work is done in accordance with deadline given. The deadline is equally to the met set target that the respondents had confirmed that bank sets targets every year (still, table 21).

From the table 21 above, none of the respondents neither strongly disagreed nor disagreed that all the work is done as per the work plan, 16% of the respondents were not sure, 55% of the respondents agreed and 29% of the respondents strongly agreed that all work is done as per the work plan. This in line with what has just been found out in the previous paragraph where most of the respondents (61%) agreed that all the work is done in accordance with deadline given and meeting the set targets. Of course, deadline and set targets cannot be met unless the work plan has been properly followed.

From the table 21 above, 25% of the respondents strongly disagreed that centenary bank experiences high staff turn over, 45% of the respondents disagreed, 15% of the respondents were not sure, 13% of the respondents agreed and 2% of the respondents strongly disagreed that the bank experiences high staff turn over. Most of the respondents never admitted the existence of labour turnover in centenary bank. This can also be attributed to why most of the employee respondents in table 17 said that they are satisfied with their current jobs.



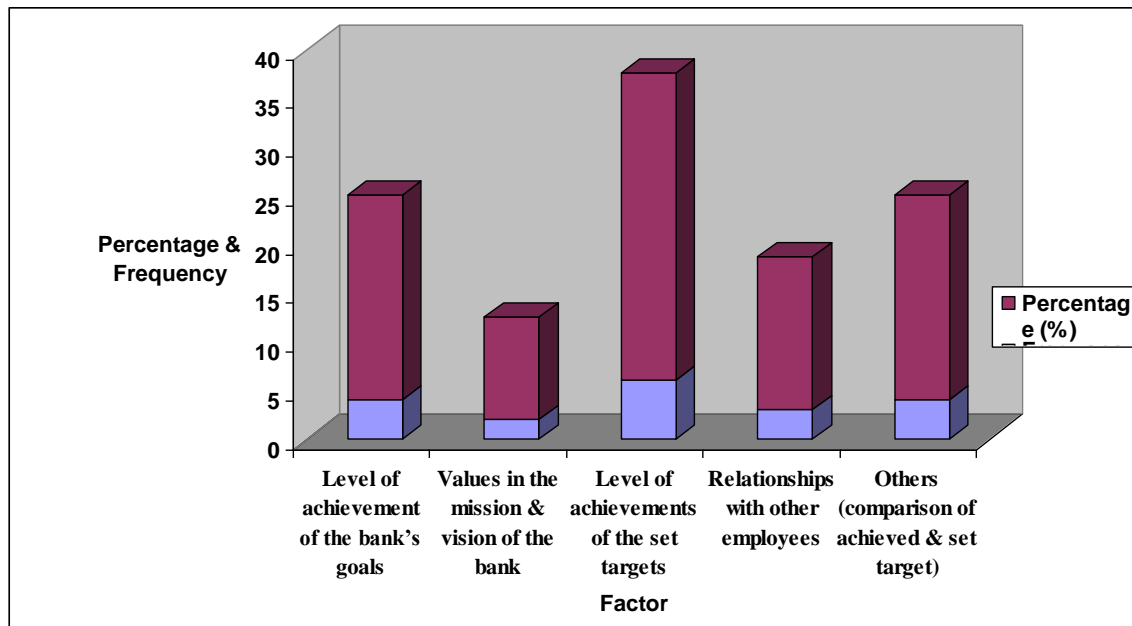
From the table 21 above, none of the respondents neither strongly disagreed nor disagreed that centenary bank has a good strategic plan, 4% of the respondents were not sure, 72% of the respondents agreed and 24% of the respondents strongly agreed that the bank has a good strategic plan. It can be observed that most of the respondents contended that centenary bank has a good strategic plan. This means that most of the employees feel happy and secure with the bank because of its good strategic plan. This happen to be in line with what they had agreed with in the previous table (table 19) that the bank promotes a number of strategies aimed at achieving long-term objectives like equipping employees with long-term training skills and retaining experienced and skilled workforce.

**Table 4.22: What Monitoring and Evaluation of Employee Performance Incorporates**

<b>Consideration factor</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Level of achievement of the bank's goals	4	21.1
Values in the mission & vision of the bank	2	10.5
Level of achievements of the set targets	6	31.6
Relationships with other employees	3	15.7
Others (comparison of achieved & set target)	4	21.1
<b>Total</b>	<b>19</b>	<b>100</b>

**Source: Primary data**

**Figure 8: What Monitoring and Evaluation of Employee Performance Incorporates**



From the table 22 and figure 8 above, 21.1% of the interviewees said that monitoring and evaluation of employee performance incorporates the level of achievement of the bank's goals, 10.5% of the interviewees were in for the values in the mission & vision of the bank, 31.6% of the interviewees were in for the level of achievements of the set targets, 15.7% of the interviewees were in for relationships with other employees and 21.1% of the interviewees said that monitoring and evaluation of employee performance incorporates comparison of achieved & set target. This shows that most of the monitoring and evaluation in centenary bank consider the extent to which the set targets and the bank's goals have been achievements. This can only be understood except by making a comparison between the achieved and bank's set targets.

Also through the interviews with the key informants (top managers), the researcher found out that despite the bank's great achievements, it needs to implement the following strategies in a bid to improve, strengthen and maintain employee performance:

- Improving effective communication,
- Regular on-the-job training,
- Sponsoring employees for further studies and
- Ensuring full employee participation in decision making.

## **CHAPTER FIVE:**

### **DISCUSSION OF FINDINGS, SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS TO THE STUDY**

#### **5.1 Introduction**

This chapter entails the discussion of major findings, summary of the findings, conclusions, recommendations to the study and areas for further research studies. The findings are discussed in line with the objectives of the study which were; investigating the impact of fringe benefits on the performance of employees in the banking sector in Uganda, examining the contribution of pay incentives on employee performance in the banking sector in Uganda, establishing the influence of belongingness and recognition on the performance of employees in the banking sector in Uganda, establishing the contribution of job satisfaction on the performance of employees in the banking sector in Uganda and establishing the effect of organization policy on the performance of employees in the banking sector in Uganda.

#### **5.2 Discussions**

##### **5.2.1 Background Information of Respondents**

The bank was found to be employing slightly more women (60%) than men. Findings were obtained from most of the categories of employees of the bank like the managers, accountants, bankers, casual labourers, general employees and loan officers. Most of the respondents were found literate with the high level of education (30% degree holders and 35% post graduate holders) because of the target respondents for the study. Most of the respondents had a good

working experience (50% for five years and above) with the bank. This means that the respondents engaged in the study were in position to give reliable information because they were literate and had a good working experience with the bank, since they knew much about Centenary bank and the relevant issues regarding the necessary information required for the study.

### **5.2.2 The Impact of Fringe Benefits on the Performance of Employees**

According to table 11 of the findings, most of the respondents agreed (55%) and strongly agreed (35%) that the bank has a good compensation structure for its employees. Most of the employees (50%) of centenary bank seem not to be sure whether their bank compares with other banks before giving them fringe benefits. This can be attributed to insufficient information about the fringe benefits offered by other banks since banks always do not disclose their important information. According to the same table, bonus payments were proved to be having positive impact on employees since it was highly reported that bonus payments encourage employees to work harder (95% both agree and strongly agree). These findings of the bonus payments having a positive impact are in line with Paul & Anantharaman (2003) and Paauwe (2004) who observed that giving out fringe benefits to employees can be a key tool to motivate employees which will later improve their performance.

According to table 11 also, Centenary bank was found to provide overtime premium to all its employees. All the respondents (100% - agree and strongly agree) said that the bank provides fringe benefits basing on the performance of employees. In addition to this, all the respondents also said that the bank makes changes in its fringe benefits annually. This was clarified by the top managers who were interviewed and it was a surprise that all of them (100%) said that the bank actually offers fringe benefits under terms and conditions like “meeting the target stated by the bank”. The researcher found out through the interviews with top managers that some of the fringe benefits offered by centenary bank include Performance related payment schemes, employee uniforms, recognition of merit, comfortable working conditions and loan incentives and a free interest loan. Centenary bank offers not only financial but also non-financial fringe benefits. This coincides with what Aswathappa (2003) suggested. He suggested fringe benefits to include non-financial benefits like job responsibilities, recognition of merit, growth prospects, competent supervision, and comfortable working conditions, job sharing and flextime - which

increase employees' motivation and ultimately organization's effectiveness. Basing on these findings, the researcher can tell that the higher the employee performance in centenary bank, the more the fringe benefits and pay incentives. The researcher thought that it is why Centenary bank recognises the payment of allowances and bonuses and provision of fringe benefits to its employees.

### **5.2.3 The Contribution of Pay Incentives on Employee Performance**

According to table 13 of the research findings, a bigger percentage of the respondents (75%) strongly agreed that centenary bank provides a fair pay to the employees. The payments under this bank were proved to be fair as compared to related payments within the banking industry. A few of the respondents (5%) disagreed that centenary bank provides safe working conditions as compared to the rest of the respondents (95%) who agreed and strongly disagreed that the bank provides safe working conditions. This is in line with the quotation of Mills & Walton (1984) which states "Pay incentives are critical in determining employee performance, whereby it can help in determining employee determination. At a minimum, employees expect their organization to provide fair pay, safe working conditions, and fair treatment".

Table 13 still showed that there is performance based salary systems. Equally to fringe benefits, pay incentives were also proved to encourage employees to work hard and towards the achievement of organisational goals (100%). Having been told that fringe benefits and pay incentives are based on employee performance, it was further clarified that an employee, group of employees or department who reaches a specific organisational goal earns a reward. This was reassured through interviews and that all the category of employees in centenary bank are entitled to pay incentives but more of managers (36%).

The research findings in table 13 further proved that the way employees are treated determines the prosperity of the organisation (95% of the respondents strongly agreed). This should be a lesson for the managers of centenary bank and other private individuals, corporate managers and all other responsible officers. The researcher found out through interviews that the primary pay incentive offered to the employees are the loan incentives based on the number of cases booked

or number of people brought into for loan advancement. Others include bonus payments, allowances and salary increments.

Interview findings had it that the most considered modes of pay incentives provided to the employees of centenary bank are “incentives based on performance” and “incentives based on meeting targets set”. This is in line with what the respondents said through the questionnaire method (table 13), where most of the respondents agreed and strongly agreed that an employee, group of employees or department who reaches a specific organisational goal earns a reward. Most of key informants said that pay incentives encourages the employees to work hard so as to get recognition and more bonuses and that there is an improvement in employee motivation due to pay incentives provided by centenary bank.

#### **5.2.4 Influence of Belongingness and Recognition on the Performance of Employees**

According to the research findings of table 15, most of the employees recognized the positive impact (in terms of performance) of one employee having a good relationship with a fellow employee (49% & 40% for agree & strongly agree respectively). This also encourages all managers or responsible officers to always strengthen the relationship among the employees themselves. Teamwork was also found to be along side good employee relationship in centenary bank that is created through contacting one another in case of any work-related challenge. Most of the respondents (90%) refuted the statement that pay systems in centenary bank discourages employee belongingness. This means that equally 90% of the respondents contend that the bank offers attractive and reasonable pay incentives to its employees which encourage employee belongingness.

Table 15 of the findings also shows that centenary bank has benefited a lot in terms of building employee belongingness through retreats, end of year parties and celebrations of organizations' anniversaries. Most of the employees contended that such events make them happy and feel a sense of belongingness to the bank. This was found to greatly (85%) result into strong employee teamwork (working as a team even if one is absent - 92%) and improved employee performance (figure 5 / table 16 - interview findings, 84%). The key informants emphasised that there is a high level of relationship among the employees. They also informed the researcher that the bank promotes employee belongingness through end of year parties, monthly meetings, quarterly reviews and seminars / workshops. The events that the bank uses to promote employee

belongingness are equally to non-financial rewards that Levine and Tyson (1990) suggested to influence employee relationship and employee belongingness. Levine and Tyson (1990) assert that well-designed incentive systems provide the employee with goals that appeal to her or his self-interest and can be very effective in motivating employees to put forth extra work effort.

### **5.2.5 Contribution of Job Satisfaction on the Performance of Employees**

According to the findings of table 17, most of the banks employees (92%) are satisfied with their current jobs they are doing. Interview findings showed 74% satisfaction. This can be attributed to the fringe benefits and pay incentives that the bank offers to its employees and the fair pay as it was seen in the previous discussions. This can also be linked to why the findings show that most (88%) of the respondents said that centenary bank is the best bank as compared to others in the Ugandan market. Additionally, it may be a similar reason why all (100%) the respondents said that their job motivates them to work harder. The employees showed their ultimate satisfaction with their jobs and the bank itself.

Furthermore, the findings of table 17 show more similarity. To greater extent (100%), employees were found to feel happy when clients are served very well and thus being customer-focused. It was found out that some of the respondents would feel ok even when they work more than 10 hours a day and a few of others would come to work even when centenary bank opens on Sundays, others would be willing to leave the banking sector for other jobs in other sectors. Even though most of the respondents were against such ideas, it can be seen that there was a small gap between the respondents who agreed and disagreed that they feel ok even when they work more than 10 hours a day. This can imply that some employees are satisfied to an extent that they can work for the bank beyond the normal working hours. On the hand, some of the respondents showed that there should be a time / a day for resting from work. The findings are in line with Organ (1988) who suggests that the failure to find a strong relationship between job satisfaction and performance is due to the narrow means often used to define job performance, and therefore employee job satisfaction determines employee performance.

The researcher found out through his interviews with the top managers of centenary bank that their ideal role as managers in terms of fringe benefits, pay incentives and other forms of

remuneration was mainly towards encouraging and enabling employees to meet the set targets. This emerged the general role because it encompasses both the employees` and organisation`s interests, as it was backed up by a quotation that “As employees strive to get the highest pay, employees performance improves, organisational objectives are achieved and thus prospering of the organisation”. The tools and the ways used by managers to find out the employees` feelings about their current jobs and to show the level of employee satisfaction included the following; personal evaluation forms filled by employees, personal interviews with employees, personal employee commitments and employees` silence (non-verbal communication).

### **5.2.6 The Effect of Organization Policy on the Performance of Employees**

According to table 19 of the research findings, it can be observed that the most percentage of the respondents agreed (28%) and strongly agreed (72%) making a grand total percentage of 100% who said that centenary bank sets performance targets and output objectives that define each individual task. This in favour of the employees and the bank itself in clear set objective. Also, it was found out that the bank has a good and favourable human resource policy that encourages most of the employees to work harder and that the bank`s policy encourages innovation at work place. 95% of the employees said that the bank equips them with training skills for long-term objectives and thus bank ensures not only short term objectives but also long term objectives. The bank`s policies like loss of compensation policy do not only encourage innovation but also promoting carefulness among the employees especially the tellers and aim at employee retention in all aspects. The research findings show that centenary bank values the benefits of employee training, employee retention and generally the long-term benefits. The positive impact of how the bank`s policy of employee retention, training and others on employee performance is supported by Boesen and Therkildsen (2004) who observed that the performance of an employee and the organization is related to the organisation`s capacity, policy and regulatory environment for development. Therefore there is a direct link between organizational policy and capacity and employee performance and the organisation performance.

The researcher found out that most of the bank`s top managers (84%) know the bank`s mission and values (table 20 and figure 7). These interview findings clearly show that the respondents used under the study would give reliable and relevant information about the matter under study



in relation to the case study. This also shows that they know and they are ready to help the bank achieve its short-term and long-term objectives in relation to the bank's mission and values.

### **5.2.7 Organization Performance**

According to table 21 of the research findings, all the respondents (100%) said that centenary bank sets performance targets every year. This is in line with what still most of the respondents had said in table 19, that, it sets performance targets and output objectives that define each individual task. Most of the respondents said (61% agreed and 16% strongly agreed) that the human resource manager evaluates employee performance at end of every year. This helps the human resource manager to assess individual employee's performance for fringe benefits and pay incentives, since they have been reported to be offered basing on employee performance. None of the respondents (0%) disagreed that centenary bank competes favourably in Uganda's banking sector and therefore this shows that the bank's going concern position is promising and it may be the reason why the most of the respondents (its employees, 88%) had reported that it is the best bank as compared to other banks in Uganda (table 17).

Most of employees (96%) of centenary bank are satisfied with the bank as to how it handles their complaints monthly. This adds to the findings where employees had reported of satisfaction with their jobs and the bank because of the fringe benefits and pay incentives and the way they are treated (tables 13, 15 and 17), like as assets not as a cost to the bank. The bank was found to as fairly as in including all departments in its annual plans. This response might have been as a result of questionnaire findings being more composed of operational employees (see, table 7), since senior managers were excluded – for interviews.

However, most of the respondents said that the bank utilises well its resources and that it is well known of its services. This could be as a result of long-time existence and its success. The bank's long-time existence and success seem to be linked to what the researcher found out that; all work in centenary bank is done in accordance with deadline given (more than half of the respondents), all the work in centenary bank is done as per the work plan (84%), the bank does not experience high staff turn over (70%) - this is in line with findings of table 17 where most of the employee respondents said that they are satisfied with their current jobs and that centenary bank has a good

strategic plan (96%). This means that most of the employees feel happy and secure with the bank because of all that especially having a good strategic plan, since most of the employees are always concerned of the continuity/survival of the employing organisations. This is in line with Boselie, Paauwe, & Jansen (2001) who used an example of employee retention as a strategy. They assert that retained skilled and experienced employee presence may have a positive impact on employee performance and organizational effectiveness.

For organisation`s performance, the researcher engaged the key informants (senior managers) in interviews on what is encompassed within monitoring and evaluation. They agreed that monitoring and evaluation of employee performance incorporates very many factors but more of the level of achievements of the set targets/goals and the comparisons of achieved and set targets (performance review, actual results Vs expected results). The researcher was finally reliably informed by the interviewees that despite the bank`s great achievements, it needs to implement the following strategies in a bid to improve, strengthen and maintain employee performance; improving effective communication and sensitisation, regular on-the-job training, sponsoring employees for further studies and ensuring full employee participation in decision making.

### **5.3 Summary of Findings**

Centenary bank employs slightly more of women than men and highly educated employees with good working experience.

Centenary bank has a good compensation structure for its employees. The bank provides overtime premium to all its employees. Bonus payments greatly encourage employees to work harder. Centenary bank provides fringe benefits basing on the performance of employees (meeting the target stated by the bank) and therefore the higher the employee performance, the more the fringe benefits and pay incentives.

Centenary bank greatly provides a fair pay to the employees. The bank provides safe working conditions. Equally to fringe benefits, pay incentives encourage employees to work hard and towards the achievement of organisational goals. An employee, group of employees or department who reaches a specific organisational goal earns a reward.

The way employees are treated determines the prosperity of the organisation. The primary pay incentive offered to the employees are the loan incentives based on the number of cases booked or number of people brought into for loan advancement. Others include bonus payments, allowances and salary increments. The most considered modes of pay incentives are “incentives based on performance” and “incentives based on meeting targets set”.

There is teamwork and good employee relationship in centenary bank. The bank offers attractive and reasonable pay incentives to its employees and which stimulate/encourage employee belongingness. The bank promotes employee belongingness through end of year parties, monthly meetings, quarterly reviews and seminars / workshops.

Most of the banks employees are satisfied with their current jobs they are doing and the bank itself. Employees of centenary bank are customer-focused. There should be a time / a day for resting from work in a week.

The tools and the ways used by managers to find out the employees` feelings about their current jobs, level of employee satisfaction include; personal evaluation forms, personal interviews, employee commitments and employees` silence.

Centenary bank sets performance targets and output objectives that define each individual task. The bank has a good and favourable human resource policy that encourages employees to work harder and innovation at work place. The bank equips its employees with training skills for long-term objectives.

Centenary bank has the right persons/managers who would help it to achieve its objectives since they (key informants) know its mission and values and know much about the bank. The researcher therefore obtained relevant and reliable findings (from reliable respondents).

Centenary bank sets performance targets every year. The human resource manager evaluates employee performance annually, for fringe benefits and pay-incentives purposes. The bank is still strong to compete favourably in Uganda`s banking sector.

Centenary bank utilises well its resources and that it is well known of its services. All the work is done as per the work plan. The bank does not experience high staff turn over. The bank has a good strategic plan.

## **5.4 Conclusions**

Primarily, the aim of this research study was to establish the role of rewards management on employee performance in the banking sector, a case study of centenary bank. Through the effective use of the questionnaires and interviews, the researcher established that rewards management plays a great positive role towards achieving employee performance in the banking sector. Rewards management was found to result into employee belongingness, employees getting satisfied with their current jobs and the organisation and in general, the improved performance of employees.

## **5.5 Recommendations**

Basing on the findings, the researcher recommends that;

Centenary bank should conduct a national drive, sensitizing the public about all their services especially new services like internet banking. Most of new services that the banks have introduced like the use of Automated Machines (ATM) calls for literacy. Illiterate people especially village and less educated people require extensive sensitisation on how to use such services. This will address one of the weakness issues that some of the respondents talked of, a need to improving effective communication and sensitisation.

The government should get more interested in these institutions because they have more potential of redeeming the people from poverty than any other programs. Centenary bank happens to be the leading bank with a big market share of local people as compared to other banks. The “NAADS” and “Bonabagagawale” money instead of being squandered by selfish individuals should be channeled through these banks which serve and have been serving the target people (low income earners) where it is easier to account for it for the benefit of the people.

Centenary bank should ensure enough training to all its employees, as it has been suggested by some of the respondents. Despite of any training that the bank has been subjecting to its employees, on-the-job training is still recommended, sponsoring of some employees for further

studies, delegation and regular training workshops especially regarding the new developments in the banking sector.

Centenary bank should invest more in research and development to find out how they can effectively serve the local communities where their market greatly lies. Not only to serve the local communities better but research and development has been said to be the only way to go, if any business organisation is to survive globalization. The effect of operating in a global village has called for innovation and creativity. This can help the bank to remain competing favourably as it has been found out within the research findings.

### **5.6 Areas for Further Research**

To further understand this study, the researcher suggested the following areas for further research;

The contribution of rewards management on the performance of the organisation. There is no clear information that if something impacts employees` performance, it will equally impact the performance of the organisation. Further investigation should therefore be made on the contribution that rewards management has on the performance of the organisation other than employees.

The relationship between pay incentives and employee satisfaction. Employee satisfaction has been cited to be related to employee performance and since it is influenced by a number of factors, a research study should be conducted on how particularly pay incentives is related to employee satisfaction.

The impact of non-financial rewards on employee performance. Rewards can be either financial or non-financial rewards, of which both of them it is assumed to have a certain impact on employee performance. This research study combined both of them. But, one can specifically isolate and endeavour to look at the impact of non-financial rewards since most of the people always consider/know financial rewards.

## APPENDICES

### I: References

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## II: Questionnaire for Respondents

### Introduction

Dear respondent, my name is Kansiime Alex a student from Uganda Management Institute and am pursuing a masters degree in management. I would like to interview you about few things in this bank. The responses you provide will be treated with utmost confidentiality and used for academic purposes only. Would you like to be interviewed?

Yes [ ]

No [ ]

If no ask why and proceed to the next respondent.

### Background information

1.	Sex	a) Male b) Female
2	Age	_____
3.	Occupation	a) Banker b) Accountant c) Manager d) Customer care consultant e)Others
4.	Level of management	a) Strategic b) Middle level c) Operational level

5.	Education	a) O level b) A level c) Tertiary d) University e) Post graduate f) Professional course g) Others (Specify) _____
6.	Work Experience in banks (years)	_____

For each of the questions below, 1 represents strongly disagree 2-disagree 3 Not sure 4-Agree 5-strongly agree

**A) Fringe benefits and performance**

No.	Question	1	2	3	4	5
7.	There is a good compensation structure for employees in this bank.					
8.	The bank compares fringe benefits of other banks before giving employees					
9.	Bonus payment encourages employees to work harder.					
10	The bank provides overtime allowances to employees					
11.	Payment of fringe benefits depends on employee performance					
12.	Allowances motivate employees' performance					
13	Fringe benefits improve employees productivity					
14.	Fringe benefits are always changed every year					

**B) Contribution of pay incentives on employee performance in the banking sector in Uganda**

		1	2	3	4	5
15.	This bank provides a fair pay to employees					
16.	This bank provides safe working conditions					
17.	There is performance based salary systems in this organization					
18.	Pay incentives provided here encourage me to work towards achievement of organization goals					
19.	An employee, group of employees, or department who/which reaches a specific organizational goal					

	earns a reward.					
20.	The way employees are treated determines the prosperity of the bank					
<b>C) Influence of belongingness and recognition on the performance of employees in the banking sector in Uganda</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
21.	Relationship with my fellow employees helps improve my work performance					
22.	When I get challenges in a given task, I contact my work mates					
23.	Pay systems in the bank discourages employee belongingness					
24.	Retreats, end of year parties, celebrations of organizations' anniversaries encourage employee belongingness					
25.	Employees work as a team even when one is absent					
26.	Employee belongingness encourages team work at the work place					
<b>D) Contribution of job satisfaction on the performance of employees in the banking sector in Uganda</b>						
27.	Am satisfied with the current job am doing					
28.	Our bank is the best compared to others in the Uganda					
29.	My job motivates me to work harder					
30.	I feel OK even when I work more than 10 hours a day					
31.	Even when the bank opens on Sundays I would still come to work					
32.	I feel happy after making sure all clients are served very well in the banking hall.					
33.	I am willing to leave the banking sector for other Jobs in other sectors.					
<b>A) The effect of organization policy on the performance of employees in the banking sector in Uganda</b>						
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
34.	The bank sets performance targets and output objectives that define each individual task					
35.	The Human resource policy for this bank encourages me to work harder					
36.	The organization policy encourages innovation at					

	work place					
37	The organization equip employees with training skills for long-term objectives					
38.	The policy of loss compensation for the tellers encourages carefulness.					
39.	The bank aims at employee retention in all aspects					
<b>A) Organization performance</b>						
		1	2	3	4	5
40	The bank sets performance targets every year					
41	The human resource evaluates employee performance at the end of every year.					
42.	The bank competes favorably in the banking sector					
43.	The bank considers employee complaints at the end of every months					
44.	All departments are involved in making annual plans for the bank					
45	The bank's resources are well utilized					
46	The bank is well known for its services					
47	All work is done in accordance with deadline given					
48	All work is done as per the work plan					
49	The bank experiences high staff turn over					
50	The bank has a good strategic plan					

### III: Key Informants Interview

#### Introduction

Dear sir/Madam,

My name is Kansiime Alex a student of Uganda Management Institute pursuing a Masters Degree in Management and would like to interview you about few issues pertaining Centenary Bank. The study seeks to identify the role of rewards on employee performance through fringe benefits, pay incentives, belongingness and recognition, as well as Job satisfaction and organization policy.

The information you provide will be treated with utmost confidentiality and used for academic purposes only.

Would like to be interviewed?

Yes [ ]

No [ ]

If no, why?

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1. Does the bank offer fringe benefits to employees?

a) Yes [ ]

b) No [ ]

2. If yes in Q 1 above, please name the fringe benefits the bank employees have received in the last year

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3. Under what terms and conditions does the employee get the fringe benefits?

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4. What are the pay incentives that the bank provides to employees?

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5. What type of employees are entitled to pay incentives in this bank?

a) Managers b) Tellers c) Accountants d) Others (specify)

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6. Briefly explain the modes of pay incentives provided to the bank employees.

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7. What is your view about the current pay incentives in relation to employee motivation to work?

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8. In your view, what is the level of relationship between employees in your branch?

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9. What functions/events that the Bank puts in place to bring the employees together in a year?

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10. In your view, to what extent does employee belongingness improve employee performance at work in this bank?

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11. How do you feel about the current job you are holding?

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12. What is your ideal job in terms of fringe benefits, pay incentives and other forms of remuneration?

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13. What do you use to find out the employees feelings about their current Jobs in this banks?

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14. In most cases, do the tools you use show the level of job satisfaction among employees?

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15. Do all employees know the bank's mission and vision?



b) No [ ]

a) Level of achievement of the banks goals

c) Level of achievements of the set targets

d) Relationship with other employees

f) Others (Specify) \_\_\_\_\_

17. In your own analysis, what can be implemented to improve employee performance in this bank?

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**THE ROLE OF REWARDS ON THE PERFORMANCE OF EMPLOYEES IN THE BANKING SECTOR IN UGANDA**