

**COMPENSATION PACKAGES AND EMPLOYEES' JOB PERFORMANCE: A CASE
STUDY OF NATIONAL POPULATION COUNCIL, UGANDA**

BY

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DECLARATION

I, **Asiimwe Raymond**, hereby declare that this dissertation titled '*Compensation packages and employees' job performance: A case study of National Population Council Uganda*' is my original work and has never been submitted for any award of a degree or diploma in any institution of higher learning. Where other people's work has been cited, acknowledgement has been made.

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APPROVAL

We certify that this dissertation titled '*Compensation packages and employees' job performance: A case study of National Population Council, Uganda*' is the original work of Mr. Raymond Asiimwe which has been done under our supervision and is ready for submission to the Directorate of Postgraduate Training.

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DEDICATION

“A kind gesture can reach a wound that only compassion can heal” – Steve Maraboli. To my late Dad, Wilson Nyerwanire, who loved education more than the founders; my late mum Jackline Katushabe; and my core family members – Rossette Tushemerirwe, Kevin, Elvin and Keith. You were there for me in this academic struggle and you are precious to my life. I dedicate this HRM Master’s degree to you.

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LIST OF ABRIVIATIONS

HR: Human Resource

KI: Key Informant

NPC: National Population Council

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ABSTRACT

The purpose of the study was to examine the role of compensation packages for the employees' job performance at the National Population Council. The specific objectives were to: establish the various compensation packages employed by National Population Council; determine the relationship between the compensation packages and employees' job performance at National Population Council; and, find out the challenges affecting employees' job performance at National Population Council. The researcher used descriptive cross-sectional survey design which employed both quantitative and qualitative approaches. The study population involved employees of National Population Council totaling 104. The study used a sample size of 83 respondents which was selected using both simple random and purposive sampling techniques and the response rate was 76 responses, representing 91.6%. The study used both a structured questionnaire and an interview guide to collect primary data from the respondents. The findings were presented using both descriptive statistics and logistic regression model. The study findings revealed that the compensation packages employed by NPC include: salary (97%), incentives (72.9%), rewards (84%), and wages (97%). These compensation packages were found to be instrumental in improving the employees' job performance at NPC. Concerning the relationship between compensation packages and employees' job performance at NPC, the logistic regression findings indicated that employees given rewards (OR=1.906, P-value<0.05), incentives (OR=1.845, P-value<0.05), salaries (OR=1.316, P-value<0.05), and wages (OR=1.273, P-value<0.05) significantly performed higher compared to those who were not subjected to these compensation packages. The study found out that the major challenges affecting employees' job performance at NPC include: limited funds to support health insurance of employees, inadequate salary, inadequate allowances, and limited promotions to the staff. The study concluded that compensation packages provided to employees of NPC are so instrumental in enhancing employee job performance despite some challenges. Concerning recommendations, NPC should improve/increase on the salaries provided to its employees since this may help to improve on their performance. Funds should be set aside to cater for the health insurance of the employees of NPC. NPC should promote its employees who perform well so as to motivate them to perform better.

CHAPTER ONE:

INTRODUCTION

1.0 Introduction

This chapter covers the background of the study, the statement of the problem, purpose of the study, objectives of the study, research questions, scope of the study, significance of the study and conceptual framework. Compensation packages refer to the combination of the salary and various benefits an employer offers employees in exchange for employment. Compensation packages tend to vary depending on the employer. Therefore, though the packages include a basic salary, the fringe benefits they include often depend on the company and the specific position of the employee. Employees' job performance can be defined as how employees fulfil their job duties and execute their required tasks in the organization.

1.1 Background to the study

1.1.1 Historical Perspective

In Africa, compensation started in South Africa. The first Workmen's Compensation Act (WCA) was passed in 1914. Prior to the passing of the act, employees injured at work had to institute a common law suit against the employer for negligence. However, the difficulty of proving negligence and the high cost of litigation rendered the worker's common law right minimal. Compensation would only be paid if blame could be laid directly on the employer. While the 1914 WCA only recognized injuries, amendments to the act in 1917 extended coverage to provide for specified industrial diseases.

In Uganda, like any other East African country, employees are motivated by rewards. There is a need for an organization to reward its employees for creating a successful competitive environment. This is one of the essentials for the organizations to achieve high work performance. Some employees are highly motivated by extrinsic rewards such as increase in pay, promotions and bonus; other employees are motivated with intrinsic rewards such as appreciation, praise and recognition (Bena and Kalyango, 2017). However, which of the rewards motivate Ugandan workforce and leads to higher organizational performance, especially in commercial enterprises, is

not well understood. Thus most of the organizations in the country to date still face challenges with respect to getting better use of their employees due to non-standard compensation, thereby resulting to poor performance of many organizations and ultimately low productivity.

1.1.2 Theoretical Perspective

This study is underpinned by the Reinforcement theory. Advanced by B.F. Skinner, the reinforcement theory postulates that a behaviour which has a rewarding experience is likely to be repeated. The implication for remuneration is that high employee performance followed by a monetary reward will make future employee performance more likely. By the same token, high performance not followed by a reward will make its recurrence unlikely in future. The theory emphasizes the importance of a person actually experiencing the reward.

Skinner's work is built on the assumption that behaviour is influenced by its consequences. Reinforcement theory is the process of shaping behaviour by controlling consequences of the behaviour. Reinforcement theory proposes that you can change someone's behaviour by using reinforcement, punishment, and extinction. Rewards are used to reinforce the behaviour you want and punishments are used to prevent the behaviour you do not want. Extinction is a means to stop someone from performing a learned behaviour. The technical term for these processes is called 'operant conditioning'.

1.1.3 Conceptual Perspective

Compensation refers to the payment packages that an individual worker earns by virtue of his or her employment. According to Taylor (2011), compensation is the economic benefits which are given to the organizational employees in appreciation for the services they have rendered to the organization. This takes the form of salaries, allowances and rewards. According to Flippo (2013), compensation are the exchange prices for labour and they are payments which employers use to compensate time and effort spent by employees towards attaining the organizational goals. Employee compensation is a broad term that defines payments and rewards given to workers in order to persuade them.

There are two types of compensation packages which include direct compensation and indirect compensation (Christensen, 2011). Direct compensation refers to the monetary benefits offered

and provided to employees in return for the services they provide to the organization. The monetary benefits include basic salary, house rent allowance, conveyance, leave travel allowance, medical reimbursements, special allowances, bonus, provident fund/gratuity, etc. They are given at regular intervals at a definite time. Indirect compensation refers to non-monetary benefits offered and provided to employees in lieu of the services provided by them to the organization. They include Leave Policy, Overtime Policy, Hospitalization, Insurance, Leave Travel Assistance Limits, Retirement Benefits, Holiday Homes and flexible timings.

According to Mington and Hall (2003), employee performance refers to the mode of conduct of behaviour. They further emphasized that employee relations are in form of organizational justice consisting of organizational culture and management styles as well as rules and procedural sequence for mode of conduct. Zuhail (2010) defines employee performance as the functioning and presentation of the employee; therefore, the better performance would be the better ranking the employee would get in the company. Kakuru (2005) emphasized that employee performance is looked at in times of competitive performance, quality of service, feasibility sources, utilization and annotation. Employee performance is measured by the firm's ability to utilize resources.

1.1.4 Contextual Perspective

Pay for performance is one of the known practices of management. All compensation designs incorporate impetus and bonus plans keeping in mind the end goal to spur workers' performance by remunerating them. In any organization, activities are performed with the assistance of assets; machine, material, cash and above all men, who make use of these assets to create value, without them different assets will be futile, torpid and will not deliver anything (Xanthopoulou et al., 2009). Accordingly, human asset is the best resource any organization can have and ought to be given the highest priority. Human resource gives premise to an organization to attain sustainable competitive advantage (Christensen, 2011). Since organizations are working in a dynamic and aggressive business environment, they are required to develop effective strategies for acquiring and retaining competent workforce (Baker et al., 2007).

In recent era, human resource is thought to be the most imperative resource of any organization and to get the productive and powerful outcome from human asset, it has become crucial to influence their attitudes and behaviours positively that leads them contributing effectively in

enhancing organizational productivity by enhancing their performance (Bauer et al., 2006).

Previous research provides evidence that Compensation influences employees' job performance and, on the other hand, it influences employees' attitudes or behaviours, but it is still unclear that whether such influence on their attitudes leads them towards their performance or whether performance is independent of their attitudes. Previous researches have investigated the impact of Compensation on performance (Xanthopoulou et al., 2009a; Detert et al., 2007; Peterson et al., 2011) and impact of Compensation on attitudes or behaviours of employees (Calvin, 2017; Baker et al., 2007; Bauer et al., 2006; Coyle and Conway, 2004) separately, but have not investigated the fact that Compensation initially influences employees' attitudes that ultimately leads them towards their performance.

The National Population Council adopted the best compensation packages to ensure that employees' job performance increases and yields high productivity. This includes rewards, trainings, health insurance, Christmas packages, free transport, promotions, paying high salaries. Yet there is evidence of poor performance among employees. Hence the research study intended to examine the relationship between compensation packages and employees' job performance: a case study of National Population Council, Uganda.

1.2 Statement of the problem

Despite the financial and non-financial compensation packages offered to the employees of the National Population Council that include: salaries, bonus payments, commission, allowances, over time payments and medical care, there is still poor employees' job performance at the organization. This is evidenced by the employees not attaining the set performance targets in their respective performance plans. In addition to this, there is a delay in meeting the set timelines of different planned activities. High rate of turnover at National Population Council is at 48.8 per cent according to their HR-Manual 2019 and people move away for greener pastures. In addition, the attainment of the set interventions and outputs is at an average of 50% (NPC, 2020) as stipulated in five-year strategic plan and this is mainly due to poor employees' job performance which is greatly attributed to inadequate compensation packages. This in turn affects the achievement of the organization's goals and objectives. Therefore, it was due to this background that the researcher sought to examine the relationship between compensation packages and employees' job

performance at the National Population Council, Uganda

1.3 Objectives of the study

The study objectives included the main general objective and the specific objectives.

1.3.1 General Objective

To examine the role of compensation packages in the employees' job performance at National Population Council

1.3.2 Specific objectives

The study had the following specific objectives:

- i. To establish the various compensation packages employed by National Population Council;
- ii. To determine the relationship between the compensation packages and employees' job performance at National Population Council;
- iii. To find out the challenges affecting employees' job performance at National Population Council.

1.4 Research Questions

The study used the following research questions:

- i. What are the different types of Compensation packages given to the employees of National Population Council?
- ii. What is the relationship between compensation packages and employees' job performance?
- iii. What are the effects of compensation packages on employees' job performance at National Population Council?

1.5 Hypotheses

H₀₁: There is no relationship between compensation packages and employees' job performance

1.6 Scope of the Study

The research considered geographical scope, content scope and time scope.

1.6.1 Geographical scope

The research was conducted at National Population Council, Colville Street, Statistics House, Kampala (near Christ the King Church) because the NPC has a big number of corporate employees that are not satisfied with the Compensation packages which have affected performance of the Council. National Population Council was selected because it has a good library where the researcher could get related reading materials; has good Human Resource Officers who would guide me to do my research; and since I am working in Kampala which is near their offices, this saved time and money in terms of transport and other related expenses.

1.6.2 Content scope

The study was limited to the relationship between Compensation packages on the employees' job performance of NPC. The study considered both monetary and non-monetary Compensation packages as an independent variable and employees' job performance as the dependent variable.

1.6.3 Time scope

The study covered three years, that is from 2016 to 2018; the reason was that it was when the Government started emphasizing Compensation packages for betterment of the employees' job performance.

1.7 Significance of the study

- Ø The results of this study can be used by the policy makers to establish the linkage between Compensation packages and employees' job performance.
- Ø The study can be used by different institutions to establish how and when to give compensation packages to their employees so as to enhance their performance.

- Ø The study can be used to generate the literature review for researchers and other scholars who are interested in Compensation packages and employees job performance in organizations.
- Ø The study can also help the administrators, managers, Council members, human resource committee of the Council and other policy makers know and appreciate the Compensation packages in respect of the employees' performance at National Population Council.
- Ø The study was to be submitted to the Directorate of Postgraduate Training in partial fulfilment of the requirements for the award of a Master's degree in Human Resource Management of Kabale University.

1.8 Definition of concepts and key terms

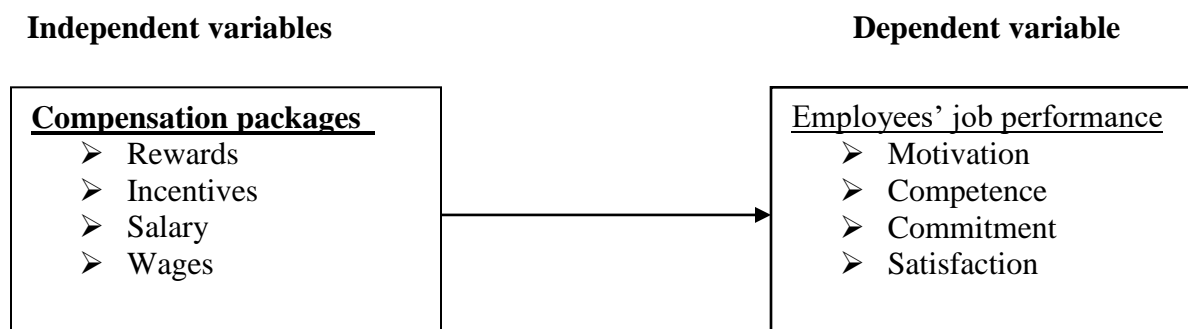
Compensation packages refer to the combination of the salary and various benefits an employer offers an employee in exchange for employment.

Employees' job performance refers to the ability of an employee to achieve a specified task measured against predetermined standards of accuracy, completeness, cost and speed (Sultana et al., 2012).

Skills and competence-based pay: Employees are paid depending on the skills and competences that they possess, and not what the job is worth (Guffey & Loewy, 2012).

1.9 Conceptual Framework

The conceptual framework below shows the relationship between the independent variable (compensation packages) and the dependent variable (employee job performance) and their constructs.



Source: Adopted from Abdul, H.M et al. (2014) and modified by the researcher

The figure above shows the conceptual framework illustrating the inter-relationship between the independent variables, intervening variables and dependent variables in the study on Compensation packages to the employees' job performance: a case of National Population Council. The independent variable was the Compensation packages and its components include rewards, payment, salary and wages. The dependent variables were the Employees' job performance which includes motivation, satisfaction, commitment and competences.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the works of other researchers regarding this topic. It covers the key concepts and opinions of different authors, the theoretical review and the review of other related literature.

2.1 Theoretical Review

The study considered the reinforcement theory as the main theory underpinning the study. Reinforcement theory states that responses followed by rewards are more likely to recur in future. In other words, behaviours that result in receiving rewards are mostly repeated. Hence, the implication of Compensation is that high performance resulting in monetary rewards will ensure future performance (DeCremer et al., 2008). Moreover, behaviours and attitudes of employees could be transformed if they receive rewards while exhibiting the desired behaviours or attitudes. A significant assumption of this theory is the regular delivery of rewards to make them the acquired right (Cropanzano et al., 2005).

Advanced by B.F. Skinner, the Reinforcement Theory postulates that behaviour which has a rewarding experience is likely to be repeated. The implication for remuneration is that high employee performance followed by monetary reward will make future employee performance more likely. By the same token, high performance not followed by reward will make its recurrence unlikely in future. The theory emphasizes the importance of a person actually experiencing the reward.

Skinner's work is built on the assumption that behaviour is influenced by its consequences. Reinforcement theory is the process of shaping behaviour by controlling consequences of the behaviour. Reinforcement theory proposes that you can change someone's behaviour by using reinforcement, punishment, and extinction. Rewards are used to reinforce the behaviour you want and punishments are used to prevent the behaviour you do not want. Extinction is a means to stop someone from performing a learned behaviour. The technical term for these processes is called 'operant conditioning'.

The fundamental concepts of this theory are reinforcement, punishment, and extinction. Reinforcement can be divided into positive reinforcement and negative reinforcement as follows: Positive reinforcement occurs when the consequence resulting in the behaviour you are attempting to produce increases the probability that the desired behaviour will continue. If a salesperson performs well, that salesperson may receive a bonus, which reinforces the desire to make sales because of the positive consequence of doing so. Negative reinforcement occurs when a negative consequence is withheld if the behaviour you desire is demonstrated, which will increase the probability that the behaviour you are seeking will continue. For example, let us say that your company is opening a new office in The Outer Hebrides. No one wants to move there. The company decides to let the top ten salespeople in the office pick if they go to the Outer Hebrides or stay at the old office. You work very hard to be in the top ten so you can avoid the negative consequence of relocating there. You will continue to perform your best to avoid the negative consequence. Negative reinforcement, however, is not the same as punishment. Reinforcement theory suggests that when positive reinforcement for a learned response is withheld, individuals carry on practicing that behaviour for some period of time. However, after a while, if the non-reinforcement continues, the behaviour will decrease in frequency and intensity and will eventually disappear. Punishment occurs when you impose a negative consequence to reduce an undesirable behaviour. While negative reinforcement involves withholding a negative consequence to encourage a desirable behaviour, punishment is imposing a negative consequence to discourage an unwanted behaviour. For example, getting your wages docked for being late to work is a punishment that is imposed on late workers to discourage workers from being late - an undesirable behaviour. However, punishment is often used as a last resort in an attempt to reshape the employee's behaviour because it can result in bad consequences and create more pressure and stress for the employee.

2.2 Compensation Packages

Maicibi (2005) defined Compensation as pay or reward given to individuals for work done.

He further identified the indicators of Compensation as including: basic salary, wages, health schemes, pension schemes, transport allowances overtime allowance and responsibility allowances. Abdul, Muhammad, et al. (2014) suggest that a good compensation policy includes a

balance between internal equity and external competitiveness. Compensation can also be referred to as monetary or financial benefits in form of salaries, wages, bonuses, incentives, allowances and benefits that are accrued or given to an employee or group of employees by the employer (firm) as a result of services rendered by the employee(s), commitment to the organization or reward for employment.

Financial incentives and rewards can be true motivators, but only when balanced against the potential drawbacks and packaged with ongoing verbal recognition, encouragement and support (Mutia, 2011). More still, Muogbo (2013) established that employee qualifications, skills and experience determined remunerations of employees. It was also established that organizational culture, policies, norms, leadership and management styles were determinants of remunerations. The compensation policy belongs to most read and discussed internal policies of the organization as it drives the salaries of the individual employees. Each employee is interested in the structure of the salary and the potential total cash achievable in the organization.

On the other hand, the dependent variable in this study is employee performance with constructs as employee efficiency, timeliness and effectiveness. Akinbowale, Lourens and Jinabhai (2014) define employee performance to mean the outcome derived from employees' efforts towards attainment of the organizational goals.

2.3 Various Compensation Packages employed

2.3.1 Salaries and Wages

Different definitions have been advanced on salaries and wages usually to show the differences that exist between both terms (Braton & Gold, 2003). Basic salary is a fixed periodic payment for non-manual employees usually expressed in annual terms, paid per month with generally no additions for productivity. Wage refers to payment to manual workers, always calculated on hourly or piece rates. Surbhi (2015) also defined salary as a fixed amount paid to the employees at regular intervals for their performance and productivity whereas wages are the hourly-based payment given to the labour for the amount of work finished in a day. He further argued that while salaried persons are generally said to be doing “**white collar office jobs**” which implies that an individual is well educated, skilled and is employed with some firm and holds a good position in

the society, the waged persons are said to be doing “**blue collar labour job**” which implies that an individual is engaged in the unskilled or semi-skilled job and is drawing wages on a daily basis.

One purpose of a person as an employee of a company is to earn income in the form of wages or compensation. Wages are paid to meet basic needs such as food, clothing and housing since every company in determining the amount of wages paid to the employees must be feasible, so that the lowest wage that is given meets the needs of their life (Kanzunnudin, 2007).

Agburu (2012) argued for the importance of salaries and wages in Nigeria. He stated that wages should not only be adequate but they must also show some element of equity. This is particularly true from the point of the employees. Anything short of a fair and equitable wage or reward can quickly attract the wrath of employees in an economy such as Nigeria. For many Nigerian employees, wages or salaries are highly critical issues. They are decisive because without them in sufficient quantities, life becomes extremely precarious for the worker and members of his/her family. As direct financial rewards, wages and salaries are the most emphasized by the employees, thus they sort of take a centre stage in the scheme of things as far as rewards for work are concerned.

According to Muogbo (2013), when employees are motivated through attractive remunerations, their performance of work tremendously increases. Afsal (2013) argues that basic salary is a fixed periodic payment for non-manual employees usually expressed in annual terms, paid per month with generally no additions for productivity. Moreover Ngui, Elegwa and Gachunga (2014) established that reward and compensation strategies have a significant positive effect on performance of commercial banks in Kenya. The study established that banks are currently emphasizing on rewarding and compensating their employees. Yet Onyancha, Munene and Muturi (2014) argue that industry trends and labour market forces were key determinants of employee remuneration. Performance of organizations has been directly associated with employee remuneration in the changing business environment despite internal and external factors that determine how much organizations should pay their workers in terms of wages and salaries (Onyancha, Munene & Muturi, 2014). However, it noted that that study was limited to the Ministry of Internal Security in Kisii County. Challenges of determining employee remunerations have

been an uphill task to firms in the international and local labour market thus, leading to declined performance (Wambui, 2015).

Abdul et al. (2014) studied the impact of compensation on employee performance and identified that the motivator of employee performance was not only money, but also other non-financial aspects such as good working conditions, promotions, trainings, delegation, good management and leadership styles, participative decision making and recognition. Equally important was the assertion by Mugbo (2013) on the impact of employee motivation on organizational performance who established that well remunerated employees are likely to perform effectively and vice versa. However, it is noted that the study was limited to different variables such as employee motivation on organization performance of manufacturing firms in Nigeria.

Onyancha, Munene and Muturi (2014) studied the effects of remuneration on employees' performance in the Ministry of Internal Security in Kisii County and identified that labour market conditions such as number of job seekers were influencing the amount of money paid to employees of MFI's in form of salaries. The labour force involves the number of people of working age, who are either employed or actively looking for work (Linge & Kiruri, 2013). Forces of demand and supply of labour that influence employee remuneration and performance of organizations in the labour market vary across countries. The supply of labour is determined by population, immigration and labour force participation. The working population or the population seeking jobs can influence remuneration of firms in an industry thus affecting their performance. The supply of labour can be influenced by additional workers entering the labour force, which tends to depress wage rates (Lamba & Choudhary, 2013).

2.3.2 Incentives and Rewards

By definition, incentives are an external persuading factor that encourages the motive which positively directs the individual into working harder, matching the required performance in the institution, so as to get the incentive. Incentives are also defined both as methods used by institutions to encourage employees to work with high spirits and also as concrete and moral methods of satisfying the individuals' moral and material desires. Palmer (2012) defines incentives as the external temptations and encouraging factors that lead the individual to work harder. They are given due to the individual's excellent performance since he will work harder and produce

more effectively when he feels satisfied in the institution. In addition to this, incentives can also be defined as the consideration of the excellent performance, assuming that the salary is enough to make the worker appreciate the value of the job that also satisfies his basic needs in life (Palmer, 2012).

Lamba and Choudhary (2013) contend that it is important to ensure that the key responsibilities and goals of the roles being compared are similar; as is the sector the organization is aligned with. It is to the advantage of the organization to ensure that employees are creatively compensated and knowledgeable of their benefits. In determining effective rewards, however, the uniqueness of each employee must also be considered. People have different needs or reasons for working. The most appropriate compensation will meet these individual needs. To a large degree, adequate or fair compensation is in the mind of the employee. However, it was noted that the study was restricted to the impact of human resource management practices on organizational commitment of employees.

2.3.3 The Importance of Incentives

The idea of incentives triggers much consideration especially from the beginning of looking for qualified employees who are able to efficiently achieve the institution's goals. This is because incentives play a major role in the employees' productivity. The importance of incentives originates from the need for the employee to be recognized and appreciated for his or her efforts. Actually, appreciating people for their efforts by giving them incentives is a very significant factor in satisfying the internal desires of an individual. The individuals' own skills are not enough to let them work with high productivity unless there is an incentive system that encourages their internal motives and then leads very hardworking efforts (Locke and Braver, 2008).

A successful organization is one which can efficiently exploit its employees' skills and qualifications. Therefore, scholars have worked hard to come up with a comprehensive description of how to enhance the professionalism of the employees; how the administration chooses active individuals; and how to connect the institutions' goals to the personal objectives of the individuals which will improve their performance. It is plausible to say that successful organizations set an active incentive system capable of affecting the employees' performance in a way that pushes them into working harder and maintaining the goals of the institution. In addition, it is noticeable that

motivating employees may help them to overcome a lot of their obstacles at work (Palmer, 2012). On the other hand, for the administrator to be incentivizing, he must try to create confidence and an environment of tranquility, security and respect in an honest and actual manner. One must know that appreciating people's work and praising their achievements do not affect one's own success, so one must do this directly to who deserves it or just in front of a group of people by praising their accomplishment (Locke and Braver, 2008).

Incentives have been classified into different types, and they tend to interfere. They have been classified by searchers into different ways and techniques that can be used by the administration to get the highest amount of qualification from human performance. Some have classified them depending on their effect on each individual, while some based them on the way they are given out, or on their goals and other ways of classification which after a long way of research can be put under two main types of incentives which are: incentives based on the purpose and incentives based on the kind of the incentive itself (Robbins and Judge, 2007).

Firstly: incentives based on the purpose of the incentive, classified into two types: the first one is the positive Incentives which is the ways that positively affect people's behaviour through satisfying their needs such as promising the employees cash bonuses when they reach a stage of highly qualified performance. Such incentives are helpful for both the needs and sake of the employees and that of the institution. It is because rise in production, improving the quality, working according to high standards, coming up with inventories along with high responsibilities -- all of which are positive consequences for the institution -- which, in turn, rewards its employees with concrete, moral or social incentives (Robbins and Judge, 2007). The second classification of incentives based on purpose is the negative incentives which are the ways of affecting people's behaviour by threatening employees of depriving them of some privileges such as truncating part of their salary if they violated any of the work's principles. These ways are methods used by the administration in order to reduce negative behaviours and unacceptable manners among employees such as following orders, lack of responsibility and laziness. This kind of methods include cautions and warning, denying the employee of some privileges for a specific time, delaying promotion or even lowering the job position and transferring him to other departments. These methods are used according to the degree of violation; such negative incentives are called

deterrent incentives. However, the use of negative incentives is sometimes necessary for increasing efficiency in production especially when dealing with lazy employees (Palmer, 2012).

Secondly, incentives based on the type of the incentive itself, are classified into two types: A- Concrete incentives including classified into three types: 1-The concrete incentive which is the most important one since it is considered the only source of living in addition to its being the base on which people depend in order to satisfy their basic needs and security. This kind of incentives includes rates, encouraging cash bonuses, commissions, periodic promotions, motivational promotions and sharing in some of the institutions' profits along with gifts for extra work. 2- Security and stability at work which is achieved through real guarantees that prevent abuse towards the employee if he commits a violation. Such guarantees create an atmosphere of security and stability and it also softens the morale of the employees which enhances productivity. Therefore, the institution must make a connection between the stability of the employee and his role in increasing production in the institution. This stability is given only to successful employees who work hard (Robbins and Judge, 2007). 3-Enrolling the employees in training sessions helps in increasing the morale of these employees; it also provides them with suitable work conditions and persuades them to work harder. This is due to the features of service that positively improve manners and performance in the institution (Abu Shaikhah, 2000).

2.3.4 Rewards

According to Yousaf (2014), rewards are categorized into two groups, financial and nonfinancial. The financial rewards are also called extrinsic rewards and the non-financial rewards are called intrinsic rewards. Other researchers like (Dailey, 1992) argued that three types of rewards existed and to which individuals are normally attracted and seek from their organization; these are extrinsic, intrinsic and social rewards. The study of Gomez (1992) best illustrates the differences between extrinsic and intrinsic rewards. Extrinsic rewards refer to physical benefits provided by the organization such as pay, salaries, bonus, fringe benefits, and career development opportunities.

Intrinsic rewards on the other hand, refer to the rewards that come from the content of the job itself and encompass motivational characteristics of the job such as autonomy, role clarity and training. The list of differences between extrinsic and intrinsic rewards goes on to include further additions

for extrinsic rewards as suggested by Baron (1983). For example, extrinsic rewards may include tangible or external rewards like incentives, promotions, job security, contract of service, allowances and insurance. While intrinsic rewards, or intangible psychological rewards may include further elements, for instance, appreciation, meeting the new challenges, positive and caring attitude from employers, job rotation, sense of achievement, professional growth and individual recognition.

On the contrary, social rewards as named by Tuominen (2015) arise from the interaction with other people on the job and may include, having supportive relationships with managers, supervisors and co-workers. This view is supported by Mottaz (2002) who defined social rewards as non-related factors such as the interpersonal relationships with colleagues and supervisors' support. In line with extrinsic and intrinsic rewards, social rewards can also be classified into tangible and intangible rewards (Garlick, 2014). Tangible social rewards evoke positive senses of well-being when one receives an object that fosters a positive sense of wellbeing, like a treasured toy, piece of jewelry, monetary incentive, etc. In contrast, intangible social rewards are not physical objects but are elicited during social interactions. Social interactions generate a positive sense of wellbeing when one feels that one belongs, is accepted by others during social interactions, and is able to experience mastery during tasks or during social interactions. Both tangible and intangible sensory and social rewards are capable of instilling rewarding outcomes of positive senses of well-being and positive emotions like happiness and contentedness. Human beings and animals alike hope, anticipate, and expect to obtain rewards and associated positively rewarding outcomes.

The existence of rewards and their management is becoming an increasing issue of importance not only to practitioners and scholars but also to the concerned parties associated with the organization, (that is the employer and the employees). Understanding this critical point will make all concerned parties aware of the fact that rewards systems do have influence over the way employees perform their tasks and in return achieve organizational strategic goals and objectives. So one can say a proper alignment or the use of reward systems with set organizational strategies will associate organizational effectiveness.

Maroko and Maundu (2015) ascertain that it is important to ensure that the approach taken to

compensate employees is guided by the compensation philosophy of the organization and is applied consistently. Furthermore, they revealed that well remunerated workers were highly motivated to accomplish organizational goals with minimal supervision and vice versa. Other factors that were identified that contributed to employee motivation to perform were ability to possess the required skills to perform the task, supportive working environment and fringe benefits. Nevertheless, it was little noted that the findings of the study were confined to the influence of remunerations on performance in public benefit organizations in Uganda.

Additionally, Odunga (2011) argues that industry trends like competition, structure and number of players in an industry, global influence and technological developments play a critical role in influencing the way organizations remunerate their workers. Competition in the industry is one of the aspects that determine what employers pay their employees for a given period of time. Omotayo (2015) on the other hand revealed that competition has resulted in many organizations adopting performance contracts in order to minimize costs of operation locally and internationally. Due to the intensity of competition in the industry, many firms always review their salaries downward or upwards in order to remain competitive. However, it is observed that the study was confined to two variables and failed to examine the integrative approach of the variables of this study on the public sector of Uganda.

2. 4 Relationship between compensation package and employees' job performance

2.4.1 Compensation Strategy

According to Moghimi et al. (2017), compensation strategy should be able to ensure the retention of the employee, employees' satisfaction, the development as well as performance of the employee.

General findings showed that it possesses positive notable connections among incentive allowances, bonuses, fringe benefits, and salary. In brief, there is a co-bonding between these variables, which undoubtedly consider performance as a connection among the compensation benefit schemes, levels of employee contentment, and turnover rate. This concluded that organizations with upgraded compensation system may have an impact on their employees. This will psychologically encourage them to be in the organizations (Wucher et al., 2017). Linking

“compensation to performance” is one of the strategies being followed all over the world in all sectors for talent management and employee retention. Generally, it is called "Pay for Performance" or "Performance-based pay" to describe that compensation depends on the performance of the employees and their contributions to attain the organizational goals (Tima, 2011). The vigorous relationship between the compensation elements' schemes leads to a strong assumption of employee retention (Adeoye & Fileds, 2014). Compensation strategy needs to have upgrade frameworks that can motivate, retain, attract, and satisfy the employees and thus lead to employee retention and satisfaction. According to George et al. (2016), this motivates the best performers to be more enthusiastic and can also prepare them to be more competitive within the organization. Furthermore, Nchorbuno (2011) opined that a pure integral section of HRM is the compensation that assists and inspires the employees as well as develops the organizational effectiveness to a certain extent. Thus, the connection between compensation and work performance can be assured, as stated by Quartey and Attiogbe (2013). The dealing of compensation should be implemented to every sort of achievement the employees had received such as accomplishing organizational tasks with an expected outcome of the individuals who have thoroughly interacted with the work, are contented and inspired to perform better for the employer (Premalatha, 2013; George et al., 2016). Njoroge and Kwasira (2015) discovered a major association concerning the strategies of compensation and the performance of the employee. For example, MaysounBaquer Mahdi (2015) elaborated that an organization can attract, motivate, and retain their employees by offering competitive salaries and suitable rewards based on their performance and development in the organization. Furthermore, Inés and Pedro (2015) mentioned that the compensation system is applied to bring out its significant effects on the employees' performance. Today, many organizations around the world are trying to discover an innovative compensation strategy that can enhance the performance of the employee directly (Denis & Michel, 2011).

2.4.2 Employee Performance

Various explanations associated with the term ‘performance’ had been presented in past studies. According to Hellriegel et al. (1999), performance is referred to as the level of an individual's achievement after pouring great effort along with the assistance of the environmental variable. It is part of the HR practices to determine the employees' progress in the organization (Campbell,

McCloy, Oppler & Sager, 1993). Based on the outcome of this practice, it acts as the framework in determining the status of the educational organizations and to measure its competitive advantage among other organizations. Thus, it is crucial to measure the performance of the employees in every institution. Pradhan and Jena (2017) highlighted that the main factors to measure the performance are by evaluating the employees' performance in completing the task, adaptive performance, and contextual performance. These factors are believed to be the most influencing attributes to measure the performance level.

Nevertheless, several organizations only focus on satisfying the customers and tend to neglect the need to satisfy their employees. In reality, customer satisfaction can be attained if the employees are satisfied. According to Ahmad (2011), a satisfied employee will always do more work and, therefore, makes it easy to satisfy the customer. Besides, motivation can also influence employees' performance. For instance, if employees are motivated and satisfied with the compensation offered, they will perform with full commitment and as a result, the performance level will significantly improve (Shahzadi et al., 2014). Several components are vital as employees' performance determines the success and performance of the organization. By sharing and combining the endeavour of all the employees, organizational performance can be measured. Anwar et al. (2011) asserted that performance is the key factor in attaining the organizational goal due to the vital connection with the intended purposes of the organization. To reach the organizational success mark and purposes, the leaders and the employees of any level must contribute their energy through their performance and build the utmost utilization of their abilities. Based on the performance of the leaders and employees, the organizations will have several expectations. Therefore, in many circumstances, employees will try to accomplish these expectations. In some cases, they tend to rely on their bosses or in their management. Therefore, the employees should be compensated strategically by demonstrating committed performance to fulfil their tasks and responsibilities artistically (Anitha, 2014).

However, employees believed that their performance is highly influenced based on the nature of the work, compensation strategy, and also the promotion opportunities among the organizations.

Therefore, organizations should concentrate on their fair promotions and compensation system as fair promotion and compensation can motivate the employees to perform consistently. Boamah

(2014) opined that work appraisal, salary, work environment, and the relationship between the manager and employees tend to bring significant effects on the performance of the employee.

There is a strong connection between the compensation strategy and the performance and retention of the employee. Ramanathan (2012) reported the existence of a positive relationship concerning the compensation and how well the employees performed in their task due to the existence of bonuses and employee ownership. Similarly, a significant relationship between compensation and employee performance was also found by several researchers such as Tima and AK (2011), Ramanathan (2012), and Shiah-Hou and Cheng (2012). They opined that by offering competitive salaries and appropriate rewards to the employees, the employees will improve their work performance and the growth of the employees in the organization can be developed due to the capability of the company to attract, inspire, and retain the employees in the organization. Besides, Kuster and Canales (2011) discovered that the enhancement of the employees' performance and the effectiveness of the organization can be attained when the organization utilizes an effective compensation system. However, Tetteh-Annor (2014) highlighted the consequence of the current business environment and opined that it is too competitive. Therefore, several organizations are trying to discover compensation strategies that can be innovative in improving the performance of the employees. Consequently, periodic performance reviews play a significant role to provide the basis of performance-related pay. Although there are other factors without compensation, compensation is considered as a major factor that can lead to the employees' performance improvement (Mabaso & Dlamini, 2017). If the employees are admired by the organization for their effort and offered a compensation system with positive job evaluation, it will psychologically enhance the employees' motivation and enthusiasm (Premalatha, 2013; Tetteh-Annor, 2014). Nevertheless, Rizal et al. (2014) found that offering competitive salaries and appropriate rewards can enhance the organization's performance and growth as it can attract, motivate, and retain the employees in the organization.

Likewise, Alfandi and Alkawsaneh (2014) also discovered that the performance of the employee and the effectiveness of the organization are significantly relying on the compensation system used for the employee. It has proven that the compensation strategy has a vital role in enhancing employees' job performance. June and Mahmood (2011) and Jean et al. (2017) depicted the present scenario by denoting the current competitive business environment by many institutions

and, therefore, urging the organizations to find other rewarding techniques to improve the employees' job performance.

In contrast, Shin-Rong and Chin-Wei (2012) discovered that there is a huge gap between compensation and the employee. Similar to the findings by Mayson and Barret (2006), the efforts are done by an institution to attract, spur, and retain employees through offering competitive pay rates and suitable rewards are significantly connected to the performance of the institution. On the other hand, Denis and Michel (2011) opined that along these lines, in a competitive business condition, numerous institutions today are endeavouring to recognize creative compensation strategies that are specifically connected to enhance further in the future. However, customers' fulfilment and performance of the institutions are the consequence of the worker's accomplishment (Hausman et al., 2002). There have been researches demonstrating an affirmative connection between stock reward and worker performance. As propounded by Collins and Clark (2003), pay based on the performance is the prevailing human resource practice that most organizations generally assess. Besides, pay based on performance has a beneficial outcome on the worker and authoritative performance (Barringer et al., 2005). Results showed that motivating forces of employed individuals had separated the rapidly developing organization from the moderate developing organization. Institutions that are arranged with as rapid development tend to give their workers financial impetuses and investment opportunities as a major aspect of their pay bundles. Consequently, the organization able to figure out how to evoke the top-notch categories of performance from employed individuals gives the workers the inclination that they have an ownership enthusiasm for the institution, attract, and hold the astounding workers. Sudiardhita et al. (2018) conducted a study using exploratory research method and respondents of the study were employees. The results of this study indicated that compensation has a positive and significant impact on the employees' work motivation, job satisfaction, and performance. Besides, Jean et al. (2017) conducted a case study that was to discover the effect of compensation strategies on employee performance in Mombasa Cement Limited. Questionnaires were used as the primary research instrument to collect the data from the selected respondents. The result revealed that compensation has a significant effect on job satisfaction and employee performance. Meanwhile, Hameed et al. (2014), Pepurah (2018), Azman, Shuraimi, Binti and Yunus (2018) conducted quantitative research to collect the data on the factors related to compensation such as salary, rewards, compensation, and employee performance. Their outcome also revealed that

compensation has a major influence on the performance of the employee. Masea (2016) has conducted a study by applying the quantitative research method. The study utilized questionnaires as the primary research instrument for data collection from the respondents, who are the academic staff in higher education institutions in South Africa. It was discovered that compensation has a positive impact on the performance of the employee.

A similar outcome was reported by Ramli (2019) who also utilized the quantitative research method in his study. The respondents who were involved in the study were the employees of RumahSakitSwasta in Jakarta. The outcome also demonstrated a similar finding whereby the compensation has a significant effect on job satisfaction and the employees' job performance. Haryono (2019) asserted that compensation is the organizations' obligation that must be conducted as a form of appreciation for the progress made by the employees to the organization. The organization should respect and acknowledge all the achievements made by the employees by giving them reasonable compensation based on the tasks they had performed. Thus, compensation does affect the level of performance done by the employee. In general, good performance and efficient outcomes are highly demanded in the current globalization era. Therefore, many organizations are implementing the compensation system. It is believed that effective compensation is predictable to add value to the employees' satisfaction, which can psychologically encourage the employees to perform effectively and efficiently. Another study that was conducted using a quantitative research method was done by Darma and Supriyanto (2017). The study was conducted to determine the impact of the compensation variable on the employee performance variable. The compensations were in the form of allowances, bonuses, salaries, and wages. Indeed, these compensations do have a significant impact on the employees' progress towards work completion.

Nwokocha (2016) applied the compensation strategy in organizations to ascertain their efficacy on the performance of the employees, retention, and level of productivity. This study revealed that there is a positive connection between compensation and the employees' performance, retention, and productivity in the organization. Based on this outcome, the compensation system with articulated strategies should be embedded in the organization's culture. The management should also recognize and understand the employees' needs/preferences in establishing the compensation structure of the organizations. The use of these notions matched to a good managerial disposition,

which will allow the organizations to formulate effective and sustainable strategies that will acknowledge the fair and sufficient reward for employees. This will improve the performance and the progress of the employees, retention, and productivity in the organization.

Another study was conducted by Demerouti et al. (2014) to investigate the compensation model with the strategies in selective optimization. Based on a few samples of employees, they discovered the appropriate technique to hinder the negative impacts on the employees' job performance. This study revealed the effective and ineffective techniques that people use to overcome their burnout symptoms to attain maximum outcomes on the performance of the employees. Besides, a study by Ibrar and Khan (2015) similarly discovered that the employees' performance can be improved with the implementation of an effective compensation system in the organization. Questionnaires were used as the instrument of the study to conduct the descriptive analysis, correlation, and multiple regression tests for the data analysis. Overall, based on the analysis, the study concluded that there is a significant connection between the compensation strategy and the performances of the employee.

Larbi's (2014) study discovered that there is a significant connection between the overall compensation, the management, and the performance of employees. In certain circumstances, the employee will not have a clear picture of their rights when it is related to the matter of compensation. This situation can be perceived due to the employers not exposing the employees to the clause regarding compensation or the employees are not interested to read the policy manuals. Thus the management of the organization must ensure that the employees are aware of the policies related to the matter of the compensation system and the rewards offered. Other studies done by Brown et al. (2003), Obasan (2012), Lawler and Worley (2016), and Okeke and Ikechukwu (2019) had also discovered similar outcome that there is a significant connection between the compensation system and the employees' job performance in an organization. Salaries, rewards, allowance, and non-financial compensation bring a major impact on the performance of the employee in the organizations. Therefore, based on the outcomes of several past studies, it can be concluded that compensation has a positive impact on the employees' progress and performance in many organizations. However, there have been debates among scholars relating to the type and blend of compensation methods that are best for the institutions. A few studies have exhibited that rewards have positive impacts on the workers' development and progress as well as workplace

security. It is one of the elements that will be highlighted to increase the employees' commitment to task completion (Furtado, 2015; Lawler & Worley, 2016).

2.5 Factors affecting employees job performance

2.5.1 Working conditions

These benefits have been claimed by those using a linear causal model. The frequently used or at least assumed model posits that strategic Human Resource Management leads to a human resources management system designed to increase employee skills, motivation and job design. This results in increased discretionary effort and access to employee tacit knowledge which, in turn, improves operational performance, profitability and stock market value. Research into specific labour practices and positive enterprise-level outcomes based on this more or less explicit model has been subject to stringent criticism, which we use as part of our own apparatus in evaluating the research we review. The critique in question is long-standing and centres on several aspects of previous research: its tendency to assume causal relationships; the assumption that their direction is from the practices to positive outcomes; the way that outcomes are narrowly defined if indeed they are clearly defined at all; the lack of specification of the mechanisms that lead to the outcomes; the attempt to find a “universal” paradigm for success that will apply to any company rather than a “best fit” one where specific practices are most effective for particular organizations (Wright and Gardner, 2000). Moreover, it cannot be assumed that maximization of profit is the sole or even main objective function of SMEs from owner/managers' viewpoints; nor that they allocate high proportions of their time to maximization of performance. Non-monetary components are also significant. It has increasingly been argued by researchers examining companies, including Small and Medium Enterprises (SMEs) in the developing world, that “quiet life” preferences and orientations towards the firm that prioritize direct control are also important considerations (Bandiera et al., 2011).

From the continuous quality improvement movement, Juran made a concrete connection between quality improvement and productivity improvement: “Thus the improvement in quality results directly in an increase in productivity” (Gryna, Chua, & DeFeo, 2007). Deming's approach to total quality management showed direct impacts on productivity enhancement as well. Empirical evidence exists demonstrating the successful application of such principles. Byrnes (2006)

highlighted Nucor Steel's system of performance-based compensation in which workers' pay is based on productivity measures; the result is a highly motivated workforce at Nucor. Although the news article portrayed the compensation/motivation plan at Nucor as unique and innovative, the steel maker's approach to pay-for-productivity was remarkably similar to that used by the Lincoln Electric Company since 1915. While such dramatic productivity initiatives are evident in the private sector and are often well publicized, the quest for ways to improve productivity in government continues.

2.5.2 Remuneration of employees

Remuneration has a significant impact on workers' attitude and performance in an organization because it is the most effective motivational technique. Good remuneration improves productivity, while poor remuneration affects productivity adversely. However, the general problem of monetary remuneration is that they are expert in the short run but not necessarily cost effective. On the other hand, monetary remuneration can motivate workers depending on their need for money. Individual behaviour and consequently performance in an organization is related to remuneration. This is because people come to work in order to excel or to succeed in a competitive situation. As such, individuals with high needs for achievement have intense desire for success and equally intense fear of failure. As individuals, they like to see challenges set moderately difficult task (but not impossible goal) for themselves, take realistic approach to risk, prefer to assume personal responsibilities to get the job done like specific and prompt feedback on how they are performing and liking to work for long hours (Alfred, 1987). Once installed in a position in government service, a worker would then be compensated in terms of seniority. This system of compensation, the use of service incremental salary scales, more or less guaranteed government workers wage increases at specified times during their tenure in the position. Often such raises were annual, and were automatic based on seniority. Further, workers in the public sector in many countries were (and remain) hard to terminate from a position regardless of performance. This has led to "public perceptions of civil servants as under-worked and overpaid" (OECD in a Policy Brief, May 2005). In 2001, Hungary enacted a law calling for the assessment of all full-time civil servants. There are three layers to the assessment. On the top layer is a definition of the goals of each unit of the civil service, set by ministers and heads of public service bodies. The next layer is a definition of personal criteria -- that is, each civil servant is given objectives within the framework established

by the first layer for the unit in which he or she works. The final layer is a written evaluation of each individual by his or her supervisor. This is an assessment of how that individual performed against the objectives. The civil servant then may have his or her pay increased or decreased within a range of +30% to –20% based on the evaluation (Sigma Update, May 2005). The main perceived advantage of a pay-for-performance scheme in the public sector is that some form of performance-based remuneration will increase productivity and cost-effectiveness. That is, that a pay-for-performance scheme will result in better performance by employees. Further, it is believed, such schemes will allow managers to weed out less effective employees, or at least reward them less than their more effective and productive counterparts (OECD Policy Brief, May 2005). The institution of pay-for-performance schemes allows governments to state that in fact public sector employees are now being paid for the work that they do, not the time they spend on the job, and are rewarded strictly in terms of how they perform on the job (Policy Brief, May 2005).

2.5.3 Job security

Initial studies along these lines suggest that full-time employees react negatively to blended workforces. Davis-Blake, Broschak, and George (2003) found that full-time employees who are in a workforce blended with temporaries exhibited lower levels of loyalty and intentions to remain with their organizations and higher intentions to unionize than did employees not in blended workforces. Pearce (1993) found that full-time employees who worked with independent contractors reported less trust in their organizations than did employees who did not.

Sanderson, Harshak and Blain (2009) in their study found that many organizations rightly focus their human resource efforts on processes such as recruitment, selection, and training to ensure that employees have the necessary capabilities to meet the demands of their work. However, these alone do not guarantee the level of effort an individual will apply to the job. In this context, hygiene factors are those essential elements that do not positively influence productivity. However, if absent or if negatively perceived, they can have a destructive impact on individual commitment and willingness to deliver even standard performance. Therefore organizations must address three hygiene factors to position their staff to deliver at least standard levels of performance on the job.

Sanderson et al. (2009) found that in those instances where perceptions of job security are not aligned with reality, this is particularly disadvantageous for the organization. Public sector organizations are often criticized for providing too much job security and failing to address underperformance. This not only leads to substandard performance by some individuals but also can frustrate other team members who are affected by the poor performance. Either way, managing employee expectations regarding job security is key for achieving and maintaining standard performance. The 2009 “Best 100 Companies to Work For” survey highlighted the importance of open communication regarding business performance and headcount reductions, particularly during an economic crisis. At an individual level, organizations can manage expectations by defining clear objectives and providing honest feedback. It is also important to ensure that perceptions of job security are aligned with reality.

From this aspect, today’s business world is experiencing a difficult period in terms of both employees and employers. Job security, which is crucial for an employee in terms of keeping his or her job or finding a new job, is also important for the employers since it enables them to keep their employees or find new ones. Therefore, employers should be sensitive about the motivation of their employees under any circumstances for the interest of their organizations (Celtek, 2004) because employees are not machines running on physical power but social beings thinking, feeling and being affected by their environment. For this reason, trying to understand employees can make them feel valued and inspire them to work harder on the quality of their work.

Job security plays an important role in both social and working life because it helps individuals do not worry about their future, contributes to maintaining labour peace, increasing organizations’ productivity and protecting social balance and values.

2.5.4 Salary

David Marsden and Ray Richardson (2012) recently underlined this, and gave an insight into some of the accompanying reasoning of the present Government on this issue; in his reply to a Parliamentary question (24.7.91). He noted that: - "It is important that pay systems in the public sector should make a regular and direct link between a person's contribution to the standards of service provided and his or her reward. Pay has an important part to play in raising the quality and improving the responsiveness of public services - a key theme in the Citizens' Charter. The

Government now wants to introduce more flexible pay regimes for the Civil Service, both nationally and locally. The new pay systems must be demonstrably beneficial to the citizen, fair to the employee and linked to the delivery of high-quality public services. This means developing pay structures which reward good performance and penalize bad the Government has concluded that the (existing pay) agreements as they stand do not provide a framework that is fully capable of meeting the needs of the Nineties. I therefore propose to put in place a range of forms of performance related pay in order to achieve a closer link between performance and reward both for individuals and for groups of staff. This will be an important means of securing the objective of improving the quality of public services, which is at the heart of the Citizens' Charter Programme. Over time, performance will come to determine a larger proportion of the pay bill without performance pay becoming a disguised way of providing unacceptably high increases in the pay bill". When reviewing the experience of performance related pay for the senior grades of the Civil Service, the 1990 Review Body of Top Salaries stressed management's goal of encouraging and rewarding good performance as the purpose behind relating pay to performance. But before Governments commit themselves to enlarge the role for performance related pay in the Civil Service, it would seem only prudent to consider whether its application to the Civil Service so far has been a success (Marsden and Richardson 2012)

2.5.5 Fringe benefits

Clearly, measuring the effect that ignoring fringe benefits has on estimates of labour supply and earnings functions requires data on factors affecting individuals' productivity and personal characteristics as well as on wages and fringe benefits. Some studies have considered how the amounts of fringe benefits supplied by employers vary with industry or employer but not employee characteristics (e.g., Goldstein and Pauly 2006). A recent survey of health care coverage (Taylor and Lawson 2011) does contain the requisite demographic data but does not include information on the employer's payments for health insurance or other fringes. Data sets with both employee characteristics and employer fringe benefit payments can be constructed by linking data from separate employer and employee surveys (e.g., Smeeding, this volume). By using means, however, we lose the data on individual characteristics which would allow us to hold productivity constant.

2.5.6 Time of work

Time to work is a crucial element of a performance management system with performance measurement monitoring that shows where change is required and which will in turn produce the desired behaviour that will produce improved performance (Lemieux-Charles et al., 2003; Fryer et al., 2009). Experts often use the phrases of time to work and performance measurement interchangeably, but the two terms are somewhat different. Performance management is action, based on performance measures and reporting, which results in improvements in behaviour, motivation and processes and promotes innovation, while time to work is quantifying, either quantitatively or qualitatively, the input, output or level of activity of an event or process (Radnor and Barnes, 2007; Fryer et al., 2009). The primary function of time to work and performance measurement is to specify broad and abstract goals and missions to enable evaluation and the main aspects of performance measurement are: (1) deciding what to measure; (2) how to measure it; (3) when to measure it (4) interpreting the data; and (5) communicating the results (Wang and Berman, 2001; Fryer et al., 2009).

2.5.7 Monitoring and evaluation system

Medlin (2013) asserts that the Zimbabwean Government chose Results Based Monitoring (RBM) because it covers the following critical areas: Planning (which is done collectively with all parties concerned), Results Based Budgeting (RBB) looks at the financial aspect), Personnel Performance System (PPS) (evaluates the actual performance of all members in the organization against set targets) and Monitoring and Evaluation is continuous and looks at the efficiency, effectiveness of all the above aspects. Areas which need improvement during the performance cycle are also highlighted and action is taken accordingly. This approach helps the organization with decision making. RBM integrates the human resource aspect with the financial aspect and link them to the outcomes with the aim of improving lives of communities through provision of superior service. Performance management emphasizes agreement of objectives and development needs and the importance of self-assessment and self-development. Performance management focuses on the evidence provided by the analysis of what individuals and their managers did or did not do as an explanation of the results achieved.

The Ministry of Finance, Planning and Economic Development (2012) notes that M&E cannot be

addressed from the narrow perspective of progress reporting, seen in isolation from its foundation of purpose and the reality of its use. Firstly, M&E is intended to support the process of creating development results of the employees' performance. When well-conceived and practiced, M&E guides managers towards achieving their goals – whether their responsibilities are at the policy, programme or project levels. M&E lets managers, together with their respective constituency of stakeholders, know whether progress is being made – knowing which strategies work and which do not.

Buchner (2007) found that most employees have a negative feeling about performance management. Employees feel that the system manipulates employees without rewarding their efforts. However, research shows that if well implemented RBM can motivate employees to be more productive. De Nisis and Pritchard (2006) aver that attitudes toward performance management affect the performance of employees in organizations. Matiza (2001) submits that performance appraisal is viewed with mixed feelings in Zimbabwe, the majority of them negative. Mandishona (2003) indicates the survival of the organization and good service delivery is dependent on how employees perceive the whole system. There should be a win-win situation between the employer and employees. Organizations are therefore, called upon to make sure that employees' benefits are tied to performance and the system has to be regarded as fair and just by the employees. The National Policy on Public Sector Monitoring And Evaluation (2011) notes that reforms in the public sector have been further enhanced by the introduction of the National Development Plan, which has provided overarching strategic direction for the country's development. However, challenges still remain, and provide the rationale for the formulation of this Policy. The requirements for effective planning, monitoring and evaluation in the public sector are only partially addressed in existing legislation outlined in the Constitution of the Republic of Uganda (1995), Local Government Act (1997), Uganda Bureau of Statistics Act (1998), Budget Act (2001), National Planning Authority Act (2002), Public Finance and Accountability Act (2003), and the National Audit Act (2008).

2.6 Literature summary

While these factors have been studied extensively in Uganda, the literature base is still infant. Moreover, current efforts to compensate and remunerate staff in public sector in low resource

setting commonly focus on extrinsic measures such as better financial incentives (Willis Shattuck et al., 2008). While these are necessary given low salaries and an expenditure income mismatch the role of intrinsic factors and organizational determinants need to be studied in greater detail, specific for each context and integrated more comprehensively in such strategies. This study sought to establish the role of good compensation packages in the performance of employees at the National Population Council, Uganda.

Despite the previous studies that have been carried out to understand compensation packages and employees' Job performance, there are still gaps relating to the acceptance of outcomes; failure by the institution to effectively budget for funds to cater for compensation packages; failure for the institution to maintain skilled and efficient employees because of the mode of compensation packages it offers to employers; lack of safety and health measures at the place of work; delay in promoting internal staff and the use external recruitment which later makes employees work better since new people are brought on board; unwillingness of Council Board to consider recommendations or compensation packages highlighted in the Human Resource Manual 2019; disparities in salaries, among others.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter presents the methodology that was used to collect data from the field. It also outlines the population that was studied, the survey sample size that was chosen, sample selection techniques, data collection procedures and data processing.

3.1 Research design

The study employed case study research design to have an in-depth study on the effect of corporate culture on corporate performance and establish the relationship. A case study was adopted for this study because this approach provides a holistic and in-depth investigation of the phenomena (Ranjit, 2011).

3.2 Study Population

The study population was 104 employees of National Population Council. These included the Directors, Principal National Programmer Officers, Senior National Programme Officers, National Programme Officers, Research assistant and the Support staff of the institution.

3.3 Sample size determination

Slovin's formula was used to determine the sample size as below;

Given by
$$n = \frac{N}{1 + Ne^2}$$

Where;

n is Sample size

N is the organization's population size

e is the permissible error 0.05

$$n = \frac{104}{1 + (104 * 0.05^2)}$$

$n = 82.5 = 83$ respondents

A sample size of 83 respondents was interviewed from National Population Council,

3.3.1 Purposive sampling

Sampling is determined by the judgement of the researcher as to who can provide the best information to achieve the objective of the study. Purposive sampling helps the researcher to select respondents for a sample deliberately. The researcher selected respondents that he thought were relevant to the study. The heads of department and Principal National Programme were selected to participate in key informant interviews. Six key informant interviews were conducted with the organization's employees that have vast knowledge on the organization's structure.

3.4 Sampling technique

According to Mlilo (2013:115), a sample is a part of the population which is studied in order to get inferences about the whole population. The researcher used probability and non-probability techniques. Sekaran (2003) suggests that when using probability sampling, the elements in the population get equal chances of being selected as samples for the study. Simple random sampling was also applied in the selection of employees of the NPC because every employee would have equal chances of being selected (Ritchie et al., 2013). Purposive sampling was also used to select the respondents who had specialized knowledge concerning the internal Compensation packages and employees' job performance in National Population Council, as cited in Creswell (2013).

3.5 Data Collection Methods/ Research instruments

The researcher relied on both primary and secondary data collection methods. For primary data, the researcher used two research instruments for data collection which included semi-structured questionnaires and interview guides. Secondary data collection relied on documenting sources such as files, textbooks, and human resource manuals, quarterly and annual reports in order to generate the information for the study.

3.5.1 Questionnaires

A questionnaire is the research instrument consisting of a series of questions for the purpose of gathering information from respondents. The questionnaire was semi-structured so as to enable the researcher to get more information on the good Compensation Packages and employees' job performance at National Population Council, as raised by Sekaran & Bougie (2016).

3.5.2 Interview guide

The researcher used an interview method guide while collecting the relevant information for the research. There was face-to-face interaction with the employees in the offices and the research was guided by the questions depending on the purpose, objectives and research questions of the study. Creswell (2013) further elaborates that interviews provide qualitative data which initiates assumptions, a world view, and the possible use of a theoretical lens and the study of research problems inquiring into the meaning of individuals or groups ascribing to a social problem to supplement data collected by use of questionnaires and remove bias.

3.5.3 Documentary review

According to Kane (2013), documentary review is a process whereby each part analyses the documents and data they possess to determine what is sensitive or otherwise relevant to the case. This method was applied to gather secondary data. It was guided by a documentary checklist. Sources of secondary data included public and private libraries and documents from NPC containing information relevant for the study. Documentary review enabled the researcher to gather information which might be difficult to obtain using questionnaire, interview or any other method, as advised by Sekaran and Bougie (2016). This method was considered because it allows the collection of data over a long period of time compared to questionnaires and interviews. It is also relatively low-cost mainly when documents are easily accessed.

3.6 Quality Control of Collected Data

The researcher first pre-tested the instruments on a few professionals and confirmed validity before proceeding to the field for data collection. Collected data was finally tested for validity and reliability.

3.6.1 Validity of Data Collection Instruments

Pretesting was done to ensure validity of instruments.

3.6.2 Validity of Research Instruments

Various authors, such as Oso and Onen (2008) and Amin (2005), have defined validity as a check on the extent to which research instruments measure whatever they are intended to measure. Content construct as well as face and criterion validity were measured in this study. The research instruments were administered to four research fellows/experts and thereafter unclear questions (if any) were corrected. The coefficient of validity ratio (CVR) formula was applied and the instruments were found to be valid in line with Amin's (2005) contention that research instruments with 50 per cent and above (as indicators) validity are acceptable.

$$\text{CVR} = \frac{n_e - N/2}{N/2}$$

$$N/2$$

In this formula, n_e represents the number of respondents who said YES to the validity of the instruments and N is the total number of respondents. When the formula was substituted with actual figures, the results were as follows:

$$\text{CVR} = \frac{9 - 10/2}{10/2}$$

$$10/2$$

$$= \frac{9 - 5}{5}$$

$$5$$

$$\text{CVR} = 4/5 = 0.8.$$

The Research Instruments were found valid and acceptable with the CVR of 0.8 (80%) as per Amin (2005).

3.6.2 Reliability of Data Collection Instruments

Reliability is the level of internal consistency or stability of the measuring device over time and when the instrument produces the same results (Saldana, 2012). For qualitative data, the researcher recorded interviews for opinions from respondents. The researcher thereafter crosschecked and repeated records and measurements were done to verify data and ensure consistency. According to Amin (2005), test-retest reliability can be used to measure the extent to which the instrument can produce consistent scores when the same group of individuals is repeatedly measured under same conditions.

3.7 Data management and processing

3.7.1 Data Collection Procedure

An introductory letter was got from the University Dean introducing the researcher to National Population Council management. The letter was then subsequently presented to commence with interviewing respondents.

3.7.2 Data measurements and presentation

Both ordinal and nominal scales were used to measure the variables. The ordinal Scale measurement of variables was not only categorized elements being measured but was ranked into some order (Sarantakos, 2012:92). For the case of nominal measurement of variables, numbers were assigned only for the purpose of identification but not included in comparison of the variables.

3.8 Data Analysis Techniques

Qualitative data was analysed using both thematic analysis and content analysis. Thematic analysis refers to the way of seeing and making sense out of seemingly unrelated material (Neuendorf, 2019). Yet content analysis refers to the systematic, objective, qualitative analysis of message features (Neuendorf, 2019). The two approaches complemented each other. Qualitative data was cleaned, sorted and edited to eliminate errors. Thematic analysis allowed clustering data into relevant themes (Feig & Stokes, 2011:6) to describe the ideas expressed by informants. Themes were created and similarities among opinions and responses captured and clustered under

identified sub-themes. The responses are to be categorized as those in support, opposed and non-committal. Conclusions were drawn and ranked basing on the highest and lowest number.

Quantitative data was collected using questionnaires. It was coded by attributing a number to a piece of data, grouping the data, organizing for easy understanding and presentation of data using Statistical Package for Social Scientists (SPSS). The same SPSS programme version 21 was used to process data into descriptive statistics in form of frequencies, percentages and mean as well as inferential statistics to ease analysis. Microsoft Excel was used to generate tables, charts and graphs to aid in the presentation.

The following data analysis methods were used; Descriptive analysis, frequencies and charts to help categorise the responses in the form of percentages and Bi-variate statistics involved using the logistics multiple regression to provide answers to the study hypotheses.

The logistic multiple regression model was used to determine the relationship between the dependent variable (Employee performance) and independent variables (Compensation packages)

$$Y_i = \beta_0 + \beta_1 x_{1i} + \beta_2 x_{2i} + \beta_3 x_{3i} + \beta_4 x_{4i} + \varepsilon_i$$

Y_i was the dependent variable (employee job performance)

$X_1, X_2, X_3, X_4 \dots \dots X_k$ were independent variables (Compensation packages)

X_1 -Rewards

X_2 -Incentives

X_3 -Salaries

X_4 - wages.

β_0 was be the intercept term which gives the mean or average effect on dependent variable Y.

β_1 Measures the change in the mean value of Y per unit change in X_1 .

β_2 Measures the change in the mean value of Y per Unit change in X_2 .

β_3 Measures the change in the mean Value of Y per unit change in X_3 .

β_4 Measures the change in the mean value of Y per unit change in X_4 .

3.9 Ethical Considerations

As part of ethical consideration, the researcher obtained a permission letter from Kabale University introducing him to the area of study and acceptance from the National Population Council to conduct this study. Further, Sekaran and Bougie (2010) contend that despite the high value of knowledge gained through research, knowledge cannot be pursued at the expense of human dignity. In order to respect informed consent as an ethical principle, all participants receiving the questionnaire were informed about the procedure and purposes of the study in which they were requested to participate and that the researcher's intention to use questionnaire was to collect data to be used purely for academic purposes.

Approach to respondents was polite and no single respondent was forced to answer any question. The researcher made respondents feel comfortable and assured them that the data would be treated with confidentiality and it would be strictly for academic purposes.

3.8 Limitations of the study

Some of the respondents were asking for money. This was solved by telling them the truth that the research was for academic purposes only.

Respondents were filling the questionnaire half way thinking that their responses would be leaked to other authorities while other respondents would not understand some of the Compensation packages.

There was a sizable rate of non-response due to most officers being on leave and failure to reveal the information; yet other respondents gave telephone contacts that were not operational.

Financial constraints: The study was costly as the researcher would have to move from one office to another but with the help of friends and family the researcher was able to accomplish the study.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

The following data analysis methods were used: Descriptive analysis, frequencies and charts to help categorize the responses in the form of percentages and Bi-variate statistics involved using the logistics multiple regression to provide answers to the study hypotheses.

The logistic multiple regression model was used to determine the relationship between the dependent variable (Employee performance) and independent variables (Compensation packages).

4.1 Response rate

The study targeted 83 respondents where 77 respondents were expected to be for structured interviews and 6 respondents were expected to be for key informant interviews.

The researcher used purposive sampling to determine the respondent who could provide the best information to achieve the objectives of the study. The method used to determine who to include in the sample helped the researcher in saving time and resources. The breakdown of the response rate is presented below.

Table 4.1: Response rate

Category	Expected structured and semi-structured interviews	Actual structured and semi-structured interviews	Response rate (%)
Questionnaire	77	70	90.9%
Interviews	6	6	100%
Total	83	76	91.6%

Source: Primary data (2021)

The total response rate of the study was represented by 91.6%%. Out of 77 structured questionnaires which were expected to be filled, only 70 actual questionnaires were filled and

returned. In addition, all the 6 key informant interviews were carried out by the researcher as expected.

4.2 Demographic characteristics of the respondents

The demographic characteristics of respondents included; gender, age, marital status, title, department, and number of years worked at NPC. The demographic findings are presented in Table 4.2 below.

Table 4.2: Findings of the demographic characteristics of the respondents

Demographic Characteristics		
Gender	Frequency	Percentage
Male	43	61.4
Female	27	38.6
Total	70	100
Age bracket	Frequency	Percentage
25-35	31	44.3
36-45	17	24.3
46-50	15	21.4
51 and above	7	10
Total	70	100
Marital status	Frequency	Percentage
Married	44	62.9
Single	23	32.9
Divorced	3	4.3
Total	70	100
Title	Frequency	Percentage
Principal National programmes officer	5	7.1
National programmes officer	11	15.7
Senior National programmes officer	5	7.1
Research assistant	2	2.9
Secretary	3	4.3
Principle Accountant	1	1.4
Senior Accountant	1	1.4
Senior procurement officer	1	1.4
Senior IT	1	1.4
Others	40	57.1
Total	70	100
Department	Frequency	Percentage
Policy and planning	10	14.3

Family Health	7	10.0
Monitoring and Evaluation	8	11.4
Information & Communication	7	10.0
Finance & Administration	38	54.3
Total	70	100

Number of years worked at NPC	Frequency	Percentage
1-5years	10	14.3
6-10years	35	50.0
11-15years	16	22.9
16-20years	7	10.0
21 years and above	2	2.9
Total	70	100

Source: Primary data (2021)

Table 4.2 summarizes the demographic characteristics of the respondents who participated in the survey at NPC. Concerning gender, the study found that there were more male (61.4%) than female respondents (38.6%) who participated in the survey. At National Population Council male employees are more than females because the nature of work which is field based and using motorcycles as a mode of transport makes it hard for women to apply for jobs because of the hardships involved in implementing activities in this organization. The results show disparity in gender in terms of employees who benefit from compensation packages at NPC. In terms of age, the greater proportion of respondents (44.3%) were aged between 25 and 35 years, followed by 24.3% who were aged between 36 and 45 years, and the least proportion of respondents was aged 51 years and above (10%). The study found out that most of the respondents were married (62.9%), followed by 32.9% who were single, and the least proportion was divorced (4.3%).

In regard to the job titles of respondents, the survey found that most of the respondents were National programmes officers, followed by Principal National programme officer and Senior National programmes officer. Concerning the department of operation, the majority of the respondents were working with Finance and Administration (54.3%), followed by policy and planning department, monitoring and evaluation department followed, and the least were from

family health and information and communications department. Lastly, the study found out that the majority of the respondents had worked with NPC for a period between 6 and 10 years (50%), followed by respondents who had worked for a period between 11 and 15 years, and the least proportion of respondents had worked for a period of 21 years and above (2.9%). This implies that most of the respondents had considerable knowledge on compensation packages and employee performance at NPC.

It was observed that disparities in the titles of respondents were attributed to the fact that National Population Council normally recruits intern students (fresh graduates) and this has contributed to the higher number of officers within the organization.

In regard to the disparities in number of years worked at National Population Council by different officers, these were due to inadequate skills of employees who could not move to other organizations because they were incompetent and could not compete to fit in other organizations. Most of employees who had worked for a long time were majorly natives of Buganda and even had acquired big families. The compensation packages such as health insurance had induced employees to stay for a long time in the organization.

4.3 Findings on the study objectives

This section presents findings on the various compensation packages employed by National Population Council; the relationship between the compensation packages and employees' job performance at National Population Council; and, challenges affecting employees' job performance at National Population Council.

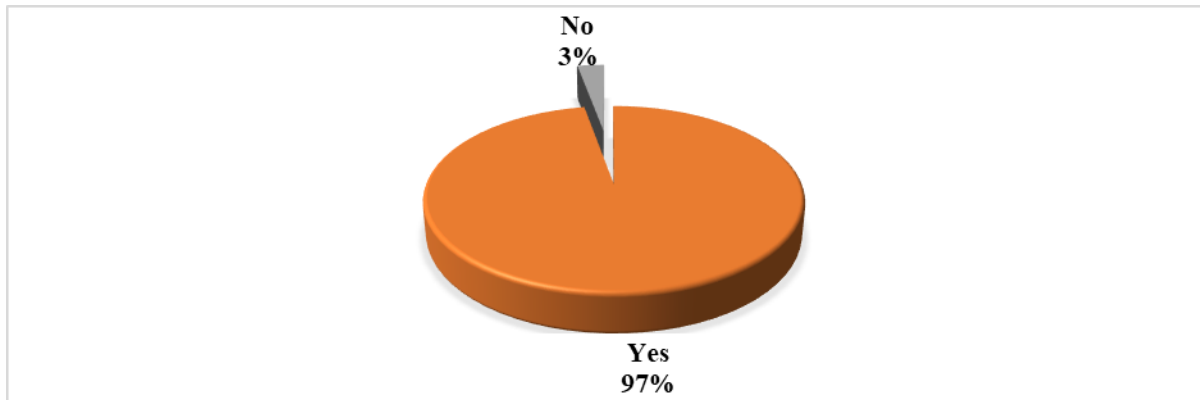
4.3.1 Compensation packages employed by National Population Council

The first objective of the study was to find out the compensation packages employed by National Population Council. The findings are presented in the subsections below.

4.3.1.1 Assessing whether employees are paid a salary according to work they do at National Population Council

The study sought to establish whether employees are paid a salary based on the work they do at National Population Council. The findings are shown in Figure 4.1.

Figure 4.1: Are you paid a salary for the work you do at National Population Council?



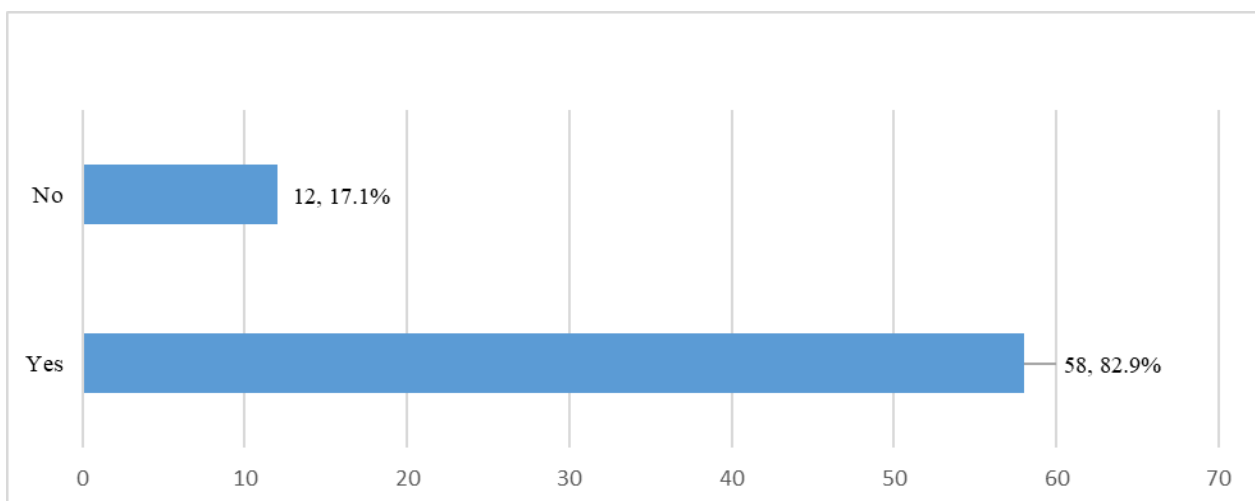
Source: Primary data (2021)

Findings in Figure 4.1 indicate that majority of the respondents (97%) were in agreement that they were paid a salary for the work they do at National Population Council and only 3% were in disagreement. This shows that employees of NPC are rewarded with salary for the work they do and this could be the reason for improved performance at work.

4.3.1.2 Assessing whether employees receive their salaries on time at the National Population Council

The respondents were asked to indicate whether they receive their salaries on time at the National Population Council. The findings are shown in Figure 4.2.

Figure 4.2: Do you receive your salaries on time at the National Population Council?



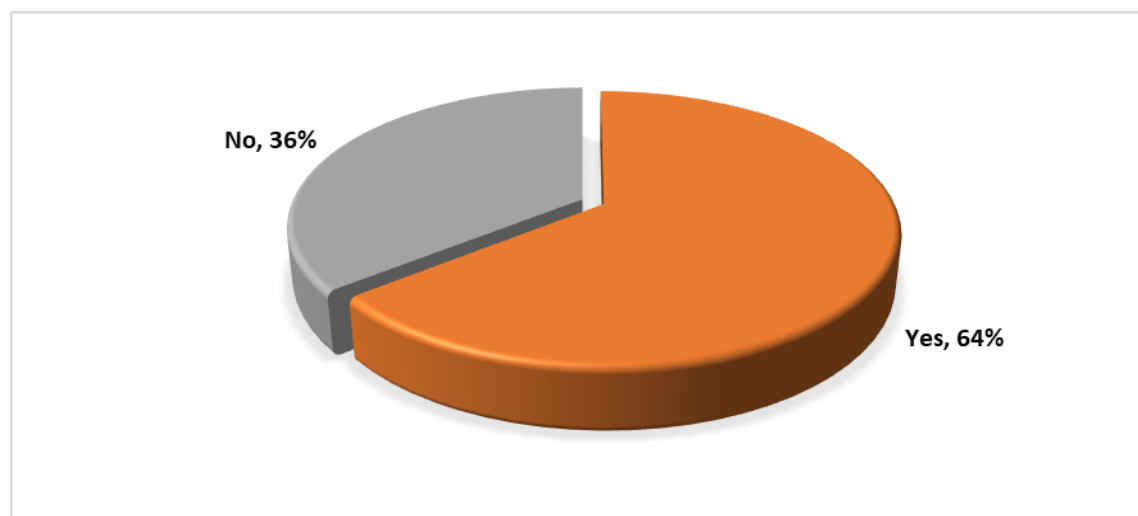
Source: Primary data (2021)

The findings revealed that a bigger proportion of respondents (82.9%) agreed that they received their salaries on time at the National Population Council while a few respondents were in disagreement with the statement (17.1%). This may imply that the employees of NPC are given their salaries on time and this could be the reason for their improved performance at work.

4.3.1.3 Establishing whether the salary paid to employees by NPC is enough

The respondents were asked to indicate whether the salary paid to them by NPC is enough and their views are indicated in Figure 4.3.

Figure 4.3: Is the salary paid to you by NPC enough



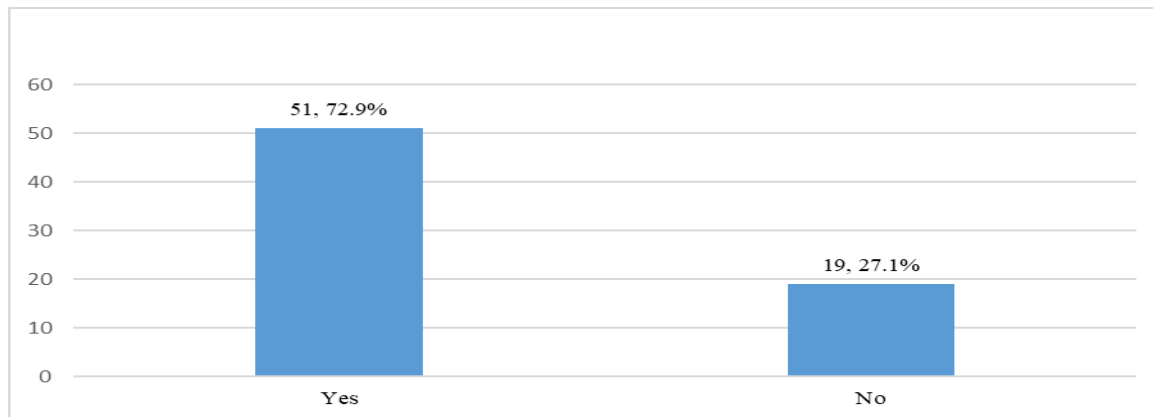
Source: Primary data (2021)

The survey findings indicate that most of the respondents were in strong agreement (64%) that they were paid enough salary, while a smaller proportion of respondents (36%) was in disagreement. This indicated that employees of NPC were paid enough salary and this could encourage them to perform well at work.

4.3.1.4 Assessing whether employees receive any incentives from the National Population Council

The respondents were asked to indicate their views on whether they received any incentives from the National Population Council and the findings are indicated in Figure 4.4.

Figure 4.4: Do you receive any incentives from the National Population Council?



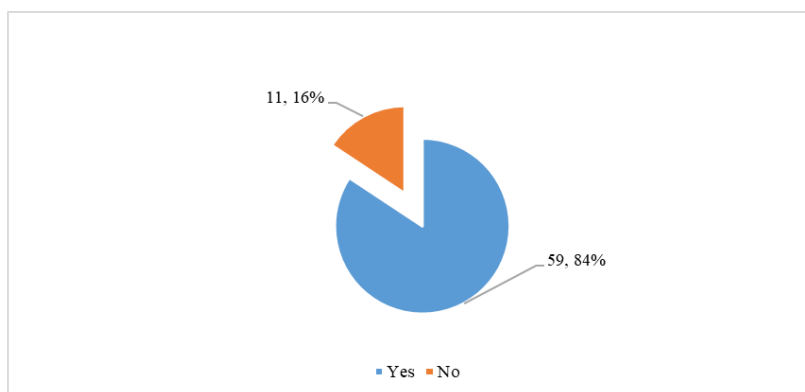
Source: Primary data (2021)

The study findings show that majority of the respondents (72.9%) agreed that they received incentives from the National Population Council and a minority were in disagreement (27.1%). This indicated that the employees of NPC are provided with incentives and this could be the justification for improved performance at work. The study found that the salary provided to the employees matches with their work; the health insurance provided to employees makes the services suitable for them; and they are provided with overtime payments.

4.3.1.5 Assessing whether NPC gives out rewards to its employees

The respondents were asked to indicate whether they were provided with rewards by NPC and their opinions are presented in Figure 4.5.

Figure 4.5: Does NPC give out rewards to its employees?



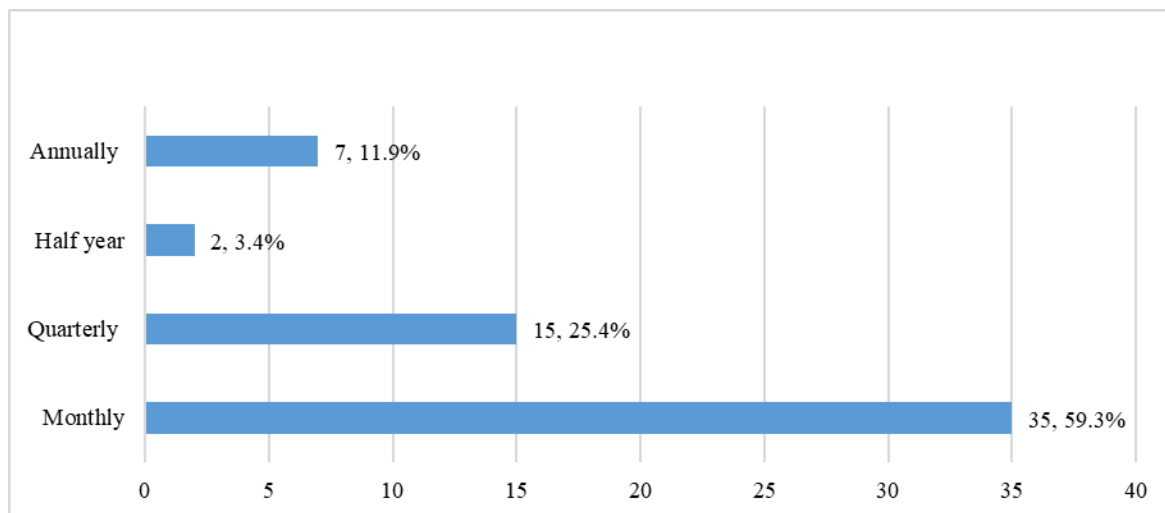
Source: Primary data (2021)

The findings presented in Figure 4.5 above indicate that the majority of the respondents (84%) were in agreement that they are provided with rewards by NPC and a minority of respondents (16%) were in disagreement. The majority of the respondents reported that they were provided with enough salary, followed by allowances, health insurance, promotions, and awarding best performers among others.

4.3.1.6 Assessing how often NPC gives out rewards to its employees

The study sought to find out how often NPC gives out rewards to its employees and the results are presented in Figure 4.6 below.

Figure 4.6: How often does NPC give out rewards to its employees?



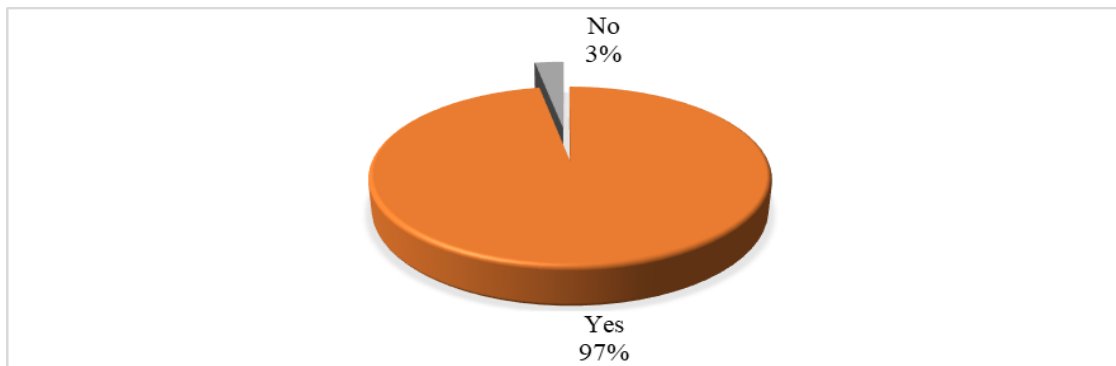
Source: Primary data (2021)

The study findings revealed that most of the employees of NPC were rewarded monthly (59.3%), followed by those rewarded quarterly (25.4%), those rewarded annually follow (11.9%), and the least proportion of respondents (3.4%) were rewarded half a year. The findings indicate that majority of the respondents are awarded monthly and this motivates them to perform well.

4.3.1.7 Ascertaining whether employees receive any wages from the National Population Council

The study also sought to find out whether employees receive any wages from the National Population Council and the findings are indicated in Figure 4.7.

Figure 4.7: Do you receive any wages from the National Population Council?



Source: Primary data (2021)

The findings from the survey revealed that majority of the respondents (97%) were in agreement that they received wages from NPC and very few (3%) disagreed. This meant that the majority of the employees were provided with wages and this could be the reason for their improved performance.

4.3.2 Relationship between the compensation packages and employees' job performance

The second objective of the study was to examine the relationship between the compensation packages and employees' job performance. The association was examined using logistic multiple regression model at 95% confidence interval as indicated in Table 4.3.

Table 4.3: Logistic regression findings on the relationship between compensation packages and employees' job performance at NPC

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Rewards	.098	1.747	.017	1	.035	1.906
	Incentives	.169	1.608	.077	1	.002	1.845

Salaries	.275	1.265	.047	1	.008	1.316
Wages	.242	1.262	.037	1	.048	1.273
Constant	.630	1.906	.109	1	.001	1.878

a. Variable(s) entered on step 1: Rewards, Incentives, Salaries, Wages.

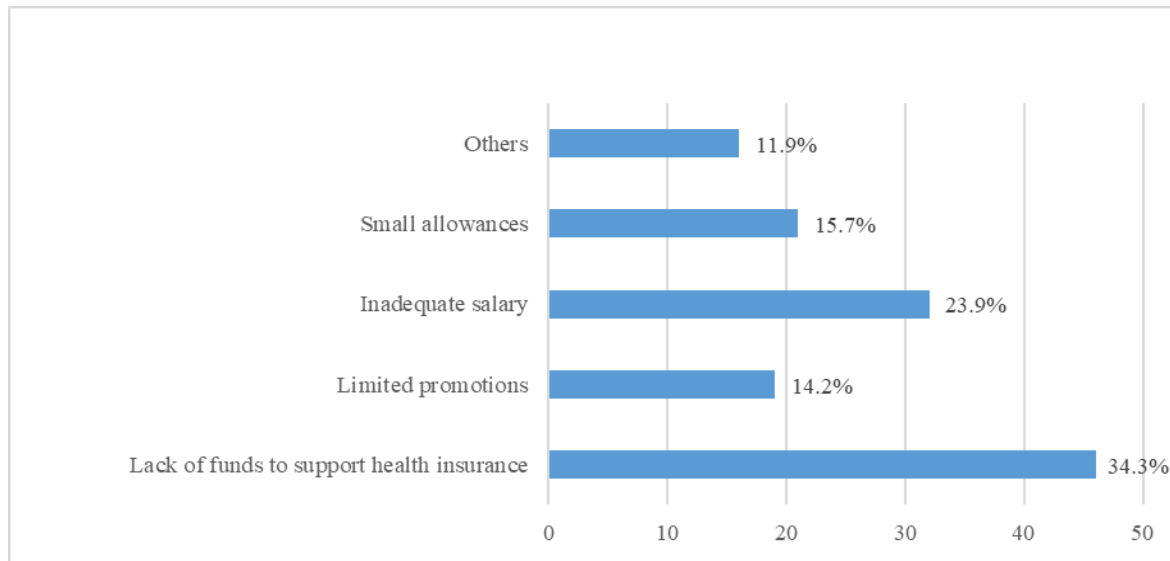
Source: Primary data (2021)

Based on the results from the logistic regression, employees who were provided with rewards had a higher likelihood to perform better compared to those who are not provided with rewards (Odds ratio=1.906). This association was significant since the P-value (0.035) was below the 0.05 level of significance. Concerning incentives and employee performance, the model findings indicate that employees who were given incentives performed significantly higher compared to those who were not provided with incentives (Odds ratio=1.845, P-value<0.05). In terms of salaries and employee performance, the workers who were subjected to salary had more possibilities to perform better at work compared with those who were not provided with salary. This relationship was significant since the P-value was below 0.05 level of significance. In regard to wages and employee performance, the study found that employees who were given wages had more chances to perform above those who were not provided with wages (odds ratio=1.273). This relationship was significant since the P-value (0.001) was below 0.05 level of significance.

4.3.3 Challenges affecting employees' job performance at National Population Council

The last objective of the study was to establish the challenges affecting employees' job performance at National Population Council. The challenges experienced by employees' regarding job performance at NPC are presented in Figure 4.8 below.

Figure 4.8: Challenges affecting employees' job performance at NPC



Source: Primary data (2021)

The findings in Figure 4.8 above revealed that the majority of the respondents mentioned that there was lack of funds to support health insurance of employees (34.3%), followed by 23.9% who commented that there was inadequate salary, 15.7% added that the allowances provided were small, and the least said that there were limited promotions (14.2%). The above-mentioned challenges could in one way or another affect the performance of employees at NPC. Thus, there was need for them to be addressed.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter highlights the summary of findings, discussion, conclusions, recommendations, and areas for further research

5.1 Summary of findings

This section presents the summary of the findings on the study objectives as they appeared in chapter four.

5.1.1 Compensation packages employed by National Population Council

The study findings revealed that the compensation packages employed by NPC include: salary, incentives, rewards, and wages. These compensation packages were found to be instrumental in improving the employees' performance at NPC.

5.1.2 The relationship between the compensation packages and employees' job performance at National Population Council

The logistic regression findings indicated that rewards, incentives, salaries, and wages had a positive significant association with employee performance at NPC. The findings revealed that employees who were provided with compensation packages had more possibilities of performing better compared to their colleagues who were not provided with compensation packages.

5.1.3 Challenges affecting employees' job performance at National Population Council

The study found out that the major challenges affecting employees' job performance at NPC include: limited funds to support health insurance of employees, inadequate salary, inadequate allowances, and limited promotions to the staff.

5.2 Discussion of the findings

The study found out that NPC provides compensation packages to its employees in form of salaries, incentives, rewards, and wages. The findings are consistent with Agburu (2012) who argued for the importance of salaries and wages in Nigeria. He stated that wages and salaries should not only be adequate but they must also show some element of equity. This is particularly true from the point of the employees.

The study found out that compensation packages had a positive significant association with employee job performance at NPC. The findings are also in agreement with Ngui et al. (2014) who established that reward and compensation strategies had a significant positive effect on performance of employees of commercial banks in Kenya.

5.3 Conclusions

Conclusions were made basing on study objectives as discussed below

To examine the role of compensation packages to the employees job performance at National Population Council

It was found out that National Population Council provides compensation packages to its employees. While these are not enough, employees have continued to perform their duties towards achieving the goals and objectives. I therefore conclude that compensation packages play a big role towards employees' job performance. Compensation packages provided to employees of NPC are so instrumental in enhancing employees' job performance despite some challenges.

To establish the various compensation packages employed by National population Council

The researcher found out that compensation packages such as salaries and wages, rewards and incentives which are both monetary and non-monetary are given to the employees of the National Population Council. I therefore conclude that packages contribute a lot to employees' job performance. It was noted from the study that when employees of NPC are provided with compensation packages, they perform better compared to their colleagues who are not provided with compensation packages. Thus, it is concluded that more efforts are needed to provide employees of NPC with adequate compensation packages since this may help to improve more

employees' job performance in the long run.

To determine the relationship between the compensation packages and employees job performance at National Population Council

The study found out that compensation packages had a positive significant association with employees' job performance at NPC. The findings are also in agreement with Ngui et al. (2014) who established that reward and compensation strategies had a significant positive effect on performance of employees of commercial banks in Kenya.

To find out the challenges affecting employees job performance at national population council

The research found out that there are many challenges affecting employees' job performance which include poor working conditions in adequate remuneration, time of work, among others. I therefore conclude that such challenges should be handled by the institution so as to improve/motivate workers.

It is concluded from different results that compensation packages have positive impact on employee's performance. It is proved from correlation analysis that all independent variables have weak or moderate positive relationship to each other.

5.4 Recommendations

Do compensation packages play a big role towards employee job performance?

According to responses from respondents, there was an agreement that compensation packages contribute or play a big role towards employee job performance. It is against this that I recommend National Population Council to plan and budget effectively for funds to cater for adequate compensation packages. NPC should improve on the salaries provided to its employees since this may help to improve on their performance, NPC should set aside funds specifically for health insurance of employees. NPC should promote staff internally so as to motivate them. NPC should improve on the allowances provided to its employees.

Various compensation packages employed by national Population Council

The findings from the respondents confirmed that NPC provides compensation packages both monetary and non-monetary. I therefore recommend that such packages, especially health insurance, should be improved to the best standards. **Is there a relationship between compensation packages and employees' job performance?** Yes. It was confirmed by the researcher from respondents that compensation packages are related to employee job performance. It is against this that I do recommend that the Human Resource Department at National Population Council should benchmark with other institutions and make a comparison on what they give as compensation packages to the employees. This will help the NPC's management in planning and budgeting.

Are there challenges affecting employees' job performance at National Population Council?

Yes. There are challenges including inadequate salaries, lack of safety and occupational packages at the workplace, and issues of health insurance. I do, therefore, recommend that the Human Resource Unit together with Council of NPC should develop compensation packages policy that treats all employees equally as far as compensation packages and employees' job performance is concerned.

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APPENDICES

Appendix 1. Questionnaire

Good morning/ good evening I am called **ASIMWE RAYMOND** a student of Kabale University pursuing a Master's Degree in Human Resource Management. I am carrying out a study on **compensation packages and employees' job performance at National Population Council**.

The findings of this study will be used for academic purposes and all the information given will be kept confidential. You are kindly requested to answer this questionnaire exhaustively and as honestly as possible to enable me achieve the objectives of this study.

The interview will take about 30 minutes.

Do you agree to be interviewed?

YES.....

NO.....

Section A: Demographic characteristics

Tick the most appropriate answer

Respondent id.....

1 Sex

a) Male

b) Female

2 Age

a) 25-35

b) 36-45

c) 45-50

d) 50 and above

3 Marital status

a) Married

b) Single

c) Divorced

4 Title

.....

5 Department

.....

6 Number of years worked at NPC

a) 0-5b) 6-10

c) 10-15

d) 16-20

e) 21 and above

Objective 1: Compensation packages employed by National Population Council

7 Are you paid a salary from the work you do at National Population Council

Yes

No

8 Do you receive your salaries on time at the National Population Council?

Yes

No

9 Is the salary paid to you by NPC enough?

Yes

No

10 Do you receive any incentives from the National Population Council?

Yes

No

11 Mention any incentives that you receive from National Population Council?

.....

.....

.....

.....

12 Does NPC give out rewards to its employees?

Yes

No

13 If yes how often does it give out these rewards?

a) Monthly

b) Quarterly

c) Half year

e) Annually

14 What type of rewards are you given?

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

15 Do you receive any wages from the National Population Council?

Yes

No

16 What other compensation packages do you receive from National Population Council?

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

Objective 2: Relationship between the compensation packages and employees' job performance

17 Does the salary you receive motivate you to work?

Yes

No

18 Have these incentives motivated you to work?

Yes

No

19 Do the rewards you receive motivate you to work?

Yes

No

20 Have these wages motivated you to work?

Yes

No

Objective 3: Challenges affecting employees' job performance

21 What challenges are you facing at the National population Council that affect your job performance?

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

22 How is the organization trying to address these challenges?

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

Thank you

Appendix 2. Key Informant (KI) Guide

Good morning/ good evening,

I am called **ASIIMWE RAYMOND** a student of Kabale University perusing a Master's Degree in Human Resource Management. I am carrying out a study on **compensation packages and employee job performance at National Population Council**.

The findings will be used for academic purposes and all the information given will be kept confidential. You are kindly requested to answer this questionnaire exhaustively and as honestly as possible to enable me achieve the objectives of this study.

The interview will take about 30 minutes.

Do you agree to be interviewed?

YES.....

NO.....

1 What are the different compensation packages that are given by National Population Council?

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

2 Are the compensation packages given to the employees of National population council adequate and are they given in line with the employment Act including the government standing orders?

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

3 How have the compensation packages given to the employees of National Population Council improved on their job performance.

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

4 What challenges do NPC face while giving out these compensation packages?

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

5 How is the organization addressing these challenges?

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

Thank you