Impact of Rewards (Intrinsic and Extrinsic) on Employee Performance with Special Reference to Courier Companies of Faisalabad City

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Abstract
The study is conducted to measure the effect of rewards (Intrinsic & Extrinsic) on employee job performance. The experiences and personal opinions of employees working in different couriers companies were analyzed through questionnaires in the city of Faisalabad. The key objective of the study was to find that the rewards affect the performance of an employee. Statistical package (SPSS) is used for our study of descriptive analysis. Employees like Field Supervisors, Courier from selected courier complainers (TCS, OCS, Leopard and Express Courier Services) were randomly chosen. The focus of this study was to distribute the adequate level of incentives to the employees and create balance in distribution of rewards so that every employee contributes his efforts for the growth of the company. This study also focuses on two major rewards, intrinsic and extrinsic rewards. Rewards plays a motivational role in the personality of an employee and urge them to produce loyalty and show good performance. By the results study shows that there is a strong relationship between both type of rewards and employee performance. Concluding, this study has verified further research opportunities that can enhance the understanding of rewards and employees job performance.

Keywords: Intrinsic Rewards, Extrinsic Rewards, Job Performance, TCS, OCS, Leopard & Express Couriers.

1. Introduction
Human resource provides basis for an organization to achieve sustainable competitive advantage. Since organizations are operating in a dynamic and competitive business environment, they need to develop strategies to acquire and retain the skilled workforce. “Nowadays, human asset considered to be the most important asset of any organization and in order to get the efficient and effective result from human resource motivation is necessary” Zaman (2011). Therefore many approaches such as goal setting approaches, measurement and feedback approach, job design approach and reward and recognition approach have been developed and adopted in the world with the aim of increasing employee performance. On the other hand Hafiza et al (2011) pointed out that working conditions, worker and employer relationships, training and development, job security and companies overall guidelines and procedures for rewarding employee have an impact on employee performance. Baron (1983) defined motivation as a set of processes concerned with the force that energizes behavior and directs it towards attaining goals. A well rewarded employee feels that he/she is being valued by the company that he/she is working for. They are also encouraged to work harder and better if they are aware that their well-being is taken seriously by their employers, and that their career and self development are also being honed and taken care of by their company. Employees engagement is essential for firms performance because it is the motivational factor for the employees, especially for lower level workers. Bakker identifies that not only work experience is positively related but the work engagement is also positively related with the financial results and client satisfaction Bakker (2012). The supervisors have a great responsibility regarding work engagement. Incentive programs are basically used to motivate employees, in sales / services specially to retain customers in business management, this concept is also known as a pay for performance. Large number of researches Pratheepkanth (2011),Qureshi et al (2010), Deeprose(1994), Zaman (2011) have revealed that reward system causes satisfaction of employee, which directly influences the performance of the employee. According to Baratton (1999) rewards refer to all form of financial returns and tangible services and benefits and employee receives as part of an employment relationship. “Reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility” Colin (1995).

According to Searle (1990), rewards can be categorized into two broad areas, namely extrinsic rewards...
and intrinsic rewards. “Extrinsic rewards are usually financial or tangible rewards which include pay, promotion, interpersonal rewards, bonuses and benefits” Zaman (2011). Stoner and Freeman (1992) defined intrinsic rewards as the psychological reward that is experienced directly by an employee. Markova and Ford (2011) mentions that the real success of companies originate from employees’ willingness to use their creativity, abilities and know-how in favor of the company and it is organization’s task to encourage and nourish these positive employee inputs by putting effective reward practices in place.

According to the Allen and Kilmann (2001), reward practices play a vital role in improving employee performance and to achieve organizational goals. As mentioned earlier, many researchers have identified that employee rewards directly attach to employee performance. Luthans (2000) highlights two types of rewards which are financial (extrinsic) and non-financial (Intrinsic) reward and both can be utilized positively to enhance employees performance. Financial rewards means pay-for-performance such as performance bonus, job promotion, commission, tips, gratuities and gifts etc. Non financial rewards are non monetary/non cash and it is a social recognition, praise and genuine appreciation etc. This research paper tempts to examine the impact of reward dimensions on employee performance with special reference to courier companies TCS, Leopard, OCS and Express Courier.

1.1. Objectives of the Study

- To identify the relationship between rewards and employees performance in selected Courier Companies.
- To identify the impact of rewards on employees performance.
- To identify suitable recommendations to make reward system more effective.

1.2. Hypothesis

H1: There is a positive relationship between intrinsic rewards on employee performance.
H2: There is a positive relationship between extrinsic rewards on employee performance.
H3: There is a positive and significant relationship between extrinsic and intrinsic rewards among each other.

2. Literature Review

Employees who are effective and efficient are likely to be limited if they are not motivated to Perform. Mendonca, (2002) sees reward and compensation system that is based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive there is a strong link between their performance and the reward they receive. Guest, (2002) is of the opinion that reward is one of the keys that motivate employees to perform as expected. The reward can be in the form of cash, recognition. The reward can be in the form of cash, recognition and praise or a combination of both. GroupPerformance-related schemes reward a group or team of employees with a cash payment for achieving an agreed target. These schemes are all designed to enhance company performance by aligning the interests of employees with the financial performance of their companies Chin-Ju, (2010).

According to Zaman (2011), Human resource is the most important factor which brings competitive advantage by contributing their knowledge, skills and capabilities to the organization. The existing literature reveals that human resource can be preserved within the organization and optimally utilized through inspiring it using different strategies such as working condition, leader’s influence, training and development, learning culture, organization reputation and rewards. Reward can be broadly categorized in to two groups namely, intrinsic rewards and extrinsic rewards. Extrinsic rewards are usually financial or tangible rewards. Ajils (1997) delineated that intrinsic rewards are inherent in the job itself and which the individual enjoys as a result of successfully completing the task of attaining his or her goal. He further explained that extrinsic rewards are those external to the task of the job such as pay, work condition, fringe benefits, security, promotion, contract of service, and the work environment. Yapa (2004) classified pay, promotion, interpersonal rewards, status, and fringe benefits as extrinsic rewards and responsibility, achievement, autonomy, personal growth, challenge, complex work and feedback characteristics of the job as intrinsic rewards.

According to the Armstrong (2008), performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams. He further explained it is means of getting better results by understanding and managing performance within an agreed framework of planned goals, standard and competency requirements. Mehmood (2013) points out rewards play a vital role on increasing employee rewards and change the behavior of dissatisfies employees. Carrather et al (2006) advocate that there should be an effective reward system to retain the high performers in the organization and reward should be related with their productivity. Entwistle (1987) is of the view that if an employee performs successfully, it leads to organizational rewards and as a result motivational factor of employees lies in their performance. Freedman (1978) is of the view that when effective rewards and recognition are implemented
within an organization, favorable working environment is produced which motivates employees to excel in their performance. Employees take recognition as their feelings of value and appreciation and as a result it boosts up morale of employee which ultimately increases productivity of organizations. Schaufeli et al (2002) stress on the importance of rewards in order to combat burnout, which is typically experienced by most employees on the job. Akerele (1991) observes that poor remuneration is related to profits made by organization. Wage differential between high and low income earners was related to the low morale, lack of commitment and low productivity.

Later, Abraham Maslow (1908-1970) came out with his hierarchy of needs. According to Maslow’s hierarchy of needs, there are five (5) stages of needs desired by people. The lower level is called „Psychology” which lists all the basic needs. The next subsequent levels are called „Security”, followed by „Belonging”, then „Self-Esteem” and finally the highest level is called “Self-Actualization”. All factors are arranged in a hierarchy manner. When the lower level needs have been fulfilled and satisfied, people are now more motivated, by an opportunity, to achieve the next higher satisfied level. Shah, K. and Shah, P.J (2007) believed that an individual moves up the hierarchy, when a need is substantially realized, as shown in Figure 1 below.

### Figure 1

![Hierarchy of Needs by John Antoncic](image)

#### 2.1. Rewards

A reward is usually something valuable, such as money. Rewards serve many purposes in organizations. They serve to build a better employment deal, hold on to good employees and to reduce turnover. The principal goal is to increase people's willingness to work in one’s company, to enhance their productivity. Most people assimilate “rewards”, with salary raise or bonuses, but this is only one kind of reward, Extrinsic reward. Studies proves that salespeople prefer pay raises because they feel frustrated by their inability to obtain other rewards, but this behavior can be modified by applying a complete reward strategy.

There are two kinds of rewards:

- **Extrinsic rewards**: concrete rewards that employee receive.
  - **Bonuses**: Usually annually, Bonuses motivates the employee to put in all activities and efforts during the year to achieve more than a satisfactory appraisal that increases the chance of earning several salaries as lump sum. The scheme of bonuses varies within organizations; some organizations ensure fixed bonuses which eliminate the element of asymmetric information, conversely, other organizations deal with bonuses in terms of performance which is subjective and may develop some sort of bias which may discourage employees and create setback. Therefore, managers must be extra cautious and unbiased.
  - **Salary raise**: Is achieved after hard work and effort of employees, attaining and acquiring new skills or academic certificates and as appreciation for employees duty (yearly increments) in an organization. This type of reward is beneficial for the reason that it motivates employees in developing their skills and competence which is also an investment for the organization due to increased productivity and performance. This type of reward offers long-term satisfaction to employees. Nevertheless, managers must also be fair and equal with employees serving the organization and eliminate the possibility of adverse selection where some employees can be treated superior or inferior to others.
  - **Gifts**: Are considered short-term. Mainly presented as a token of appreciation for an achievement or obtaining an organizations desired goal. Any employee would appreciate a tangible matter that boosts their self-esteem for the reason of recognition and appreciation from the management. This type of reward basically provides a clear vision of the employee’s correct path and motivates employee into stabilizing or increasing their efforts to achieve higher returns and attainments.
  - **Promotion**: Quite similar to the former type of reward. Promotions tend to effect the long-term
satisfaction of employees. This can be done by elevating the employee to a higher stage and offering a title with increased accountability and responsibility due to employee efforts, behavior and period serving a specific organization. This type of reward is vital for the main reason of redundancy and routine. The employee is motivated in this type of reward to contribute all his efforts in order to gain managements trust and acquire their delegation and responsibility. The issue revolved around promotion is adverse selection and managers must be fair and reasonable in promoting their employees.

Other kinds of tangible rewards

Intrinsic rewards: tend to give personal satisfaction to individual

- **Information / feedback:** Also a significant type of reward that successful and effective managers never neglect. This type of rewards offers guidance to employees whether positive (remain on track) or negative (guidance to the correct path). This also creates a bond and adds value to the relationship of managers and employees.

- **Recognition:** Recognition: Is recognizing an employee’s performance by verbal appreciation. This type of reward may take the presence of being formal for example meeting or informal such as a "pat on the back" to boost employees self-esteem and happiness which will result into additional contributing efforts.

- **Trust/empowerment:** in any society or organization, trust is a vital aspect between living individuals in order to add value to any relationship. This form of reliance is essential in order to complete tasks successfully. Also, takes place in empowerment when managers delegate tasks to employees. This adds importance to an employee where his decisions and actions are reflected. Therefore, this reward may benefit organizations for the idea of two minds better than one.

Intrinsic rewards makes the employee feel better in the organization, while Extrinsic rewards focus on the performance and activities of the employee in order to attain a certain outcome. The principal difficulty is to find a balance between employees’ performance (extrinsic) and happiness (intrinsic). The reward also needs to be according to the employee’s personality. For instance, a sports fan will be really happy to get some tickets for the next big match. However a mother who passes all her time with her children, may not use them and therefore they will be wasted.

When rewarding one, the manager needs to choose if he wants to rewards an Individual, a Team or a whole Organization. One will choose the reward scope in harmony with the work that has been achieved.

- **Individual**
- **Base pay, incentives, benefits**
- **Rewards attendance, performance, competence**
- **Team: team bonus, rewards group cooperation**
- **Organization: profit-sharing, shares, gain-sharing**

2.2. **Intrinsic Rewards**

An intrinsic reward actually fulfills employee’s intrinsic factors or motivators and thus motivates him. Examples include; giving challenging task, involving in decision making process, giving a higher rank in hierarchy etc all these rewards do not required to have increased salary as well and employee may be working at higher management rank without an increase in the salary and still more motivated.Nelson (2004) notes that “praise and recognition are the most efficient intrinsic reward that enhance employee’s performance”. Jensen et al (2007) see “intrinsic reward as a tool that motivate employees to perform as expected”.Stoner and Freeman (1992) defined intrinsic rewards as the” psychological reward that is experienced directly by an employee”.

2.3. **Extrinsic Rewards**

An Extrinsic rewards actually fulfills employees extrinsic factors or hygiene factors and thus do not let him start thinking about leaving the company. Examples include; pay rise, bonuses, paid leaves, annual recreational plans etc. Ahmed (2009) confirms that there is a statistically significant relationship between reward and recognitionrespectively, also motivation and satisfaction. Carraher et al (2006) advocate that there should be an effective extrinsicrowardsystem to retain the high performers in the organization and reward should be related with their productivity.Another fact that can be observed from the above discussion and examples is that intrinsic rewards are mostly qualitative in nature and cannot be quantified for example more respect, recognition etc. Whereas extrinsic rewards are more of a quantitative in nature.
2.4. Theoretical Model

![Diagram of Theoretical Model]

3. Methodology

Through convenience random sampling fifteen respondents from each courier company (TCS, OCS, Leopard & Express Courier) were selected, questionnaire consisting 20 questions were ask to them. 100% response rate was seen. Reliability test, Correlation and Regression test were implemented to verify the hypothesis. Tool kit developed by researchers based on Dharmasiri and Wickramasinghe (2006) and Pretheep kanth (2011) is used. The main aim of our study is to investigate the relationship between Extrinsic & Intrinsic rewards towards job performance, hence categorized as correlation study.

3.1. Population, Sample, Subjects

The research was conducted on Courier companies of city Faisalabad. Reason for selecting this sector is that there employee performance is directly associated with rewards. A statistical population is a set of all the objects or individuals under study and about which statistical inferences are to be drawn based on a representatives taken from the population. Among large number of courier companies operating in city Faisalabad, four major companies were selected on the basis of larger workforce, operating network, organizational structure, etc. The sample size was 60 respondents of courier level from selected four companies (TCS, Leopard, OCS, and Express) of city Faisalabad, and data was collected from 15 respondents from each companies.

3.2 Sampling Technique

Sampling is a basic of hypothesis testing. With the help of Stratified Convenient Sampling courier companies like OCS, TCS, Leopard, Express were selected from city Faisalabad as they have large operating network, huge number of workforce directly connected with rewards and performance. The overall population has a chance of being selected as a sample. Questionnaire are distributed among respondents personally and filled by respondents in my presence. For the analysis purpose various statistical tests are to be calculated, for the said determination SPSS (Statistical Package for Social Sciences) version 19 is used.

3.3 Data Instruments

The data collected for this research is gathered through a questionnaire, where the respondents replied the close ended questions. The data so collected is then altered in the analysis as useful information about the various aspects of rewards and job performance. The questionnaire consisted on three sections. The first section was designed to gather the information about extrinsic rewards contain eight questions. The second half of the questionnaire was based on intrinsic rewards contain seven questions. Third part consists of Job performance, contain four questions.

Five point Likert scale rating 1 to 5 (strongly disagree to strongly agree) used to analyze the rewards given to the employees & associated Job Performance. Questionnaire consists of total 19 questions.

4. Data Analysis

A total of 60 questionnaires were distributed through Stratified Convenient Sampling to the respondents.
Response rate was 100 %. The questionnaires were found to be satisfactory completed by the respondents and subsequently the data were analyzed using Statistical Pack (SPSS) version 19 software.

4.1. Reliability Test
Cronbach alpha is used to measure reliability of the questionnaire/scales that are used to gather information/data. It measure the internal consistency of the sample obtained after research survey. It was first named by (Lee Cronbach in 1951) Cronbach alpha can be written as:

\[ \alpha = \frac{N \cdot c}{v + (N-1) \cdot c} \]

Here:
- \( N \) = Number of items
- \( c \) = Average covariance of the items
- \( v \) = Average variance of the items

Table 1

<table>
<thead>
<tr>
<th>No of items</th>
<th>Item Dropped</th>
<th>Cronbach Alpha</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Performance</td>
<td>4</td>
<td>-----</td>
<td>.794</td>
</tr>
<tr>
<td>Intrinsic Reward</td>
<td>8</td>
<td>-----</td>
<td>.637</td>
</tr>
<tr>
<td>Extrinsic Reward</td>
<td>8</td>
<td>-----</td>
<td>.761</td>
</tr>
</tbody>
</table>

Table 1 Reliability Analysis was used to measure the accuracy of the data collected, to ensure that all items used in each variable were free from errors and thus, providing consistent results. Cronbach’s alpha is the measurement. There are different reports about the acceptable values of alpha, ranging from 0.70 to 0.95. Above table shows the Cronbach alpha and items of each dependent variable, namely job performance, while intrinsic rewards and extrinsic rewards, are independent variables. The Cronbach’s coefficients alpha values for all factors that range from 0.637 to 0.794 indicated good inter-items consistency for each factor. Cronbach alpha was 0.794, 0.637 and 0.7661 for Job Performance, Intrinsic Rewards and Extrinsic Rewards respectively. The reliability of Intrinsic Rewards value is slightly poor as compared to the other two variables. However, Hinton et al. (2004) have suggested four cut-off points for reliability, which includes excellent reliability (0.90 and above), high reliability (0.70-0.90), moderate reliability (0.50-0.70) and low reliability (0.50 and below).

4.2. Demographic Profile

4.2.1 Age of Respondents

<table>
<thead>
<tr>
<th>Age Range</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-35</td>
<td>50</td>
<td>83.3</td>
</tr>
<tr>
<td>36-45</td>
<td>10</td>
<td>16.6</td>
</tr>
</tbody>
</table>

Table 4.2.1 indicates that 83.3 % respondents were from age group 25-35 and remaining 16.6 % were from above 36.

4.2.2 Gender of Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>54</td>
<td>90</td>
</tr>
<tr>
<td>Female</td>
<td>6</td>
<td>10</td>
</tr>
</tbody>
</table>

90 % respondents were male and remaining 10 % were female.

4.2.3 Residence Local /Out of City

<table>
<thead>
<tr>
<th>Resident of</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>52</td>
<td>86.6</td>
</tr>
<tr>
<td>Out station</td>
<td>08</td>
<td>13.3</td>
</tr>
</tbody>
</table>

86.6 % respondents were locally resident and remaining 13.3 % were from outside Fsd.

4.2.4 Qualification of Respondents

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>BA</td>
<td>25</td>
<td>41.66</td>
</tr>
<tr>
<td>FA</td>
<td>28</td>
<td>46.66</td>
</tr>
<tr>
<td>Matric</td>
<td>7</td>
<td>11.66</td>
</tr>
</tbody>
</table>

41.66 % respondents were BA, 46.66 % were FA and remaining 11.66% were Matric.
4.3. Correlation Coefficient Analysis

Table 2

<table>
<thead>
<tr>
<th>Variables</th>
<th>Extrinsic Reward</th>
<th>Intrinsic Reward</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extrinsic Reward</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.609**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Intrinsic Reward</td>
<td>Pearson Correlation</td>
<td>.609**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.004</td>
</tr>
<tr>
<td>N</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Job Performance</td>
<td>Pearson Correlation</td>
<td>.556**</td>
<td>.368**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.004</td>
</tr>
<tr>
<td>N</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
</tbody>
</table>

Table 2 shows the results of correlation coefficient conducted. The table gives a good relation with in the variables. The extrinsic rewards strongly correlate with job performance with values 0.556 and approaching the 1.00 value. The values of Pearson Correlation (r) also show the positive in value, thus indicating a positive correlation. As a result of the Pearson Correlation being positive, it is concluded that as the extrinsic rewards increase, the job performance of workers will also be increased. On the other hand the value of intrinsic reward with value 0.368 indicates the moderate correlation and positive, it is concluded that the intrinsic reward increase, the job performance of the worker will also increase.

4.4. Regression Analysis

Table 3

<table>
<thead>
<tr>
<th>Model Summary&lt;sup&gt;b&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change Statistics</td>
</tr>
<tr>
<td>Model</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Unstandardized Beta</th>
<th>Coefficient Standard Error</th>
<th>Standardized Coefficient Beta</th>
<th>T</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>4.318</td>
<td>1.406</td>
<td>3.072</td>
<td>.003</td>
</tr>
<tr>
<td>TER</td>
<td>.359</td>
<td>.066</td>
<td>.527</td>
<td>5.449</td>
</tr>
<tr>
<td>TIR</td>
<td>.031</td>
<td>.064</td>
<td>.047</td>
<td>.484</td>
</tr>
</tbody>
</table>

Based on results indicated in Table 3, the one unit change in employee job performance is affected by .359 of total extrinsic rewards. The remaining .641 is affected by other factors. This value shows an average good outcome. Similarly the one unit change in job performance is affected by .031 of total intrinsic rewards. The value shows that total intrinsic rewards are less affected by total extrinsic rewards.

Where only these two factors were used in this study to measure the job performance. The value of beta present the positive rates of change by dependent variables with both independent variables were found to have a positive and highly significant correlation (0.000 and 0.000<0.005).

4.5. ANOVA Analysis

Table 4

<table>
<thead>
<tr>
<th>Company</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>TCS</td>
<td>15</td>
<td>28.5625</td>
<td>3.91525</td>
</tr>
<tr>
<td>OCS</td>
<td>15</td>
<td>24.4286</td>
<td>4.44997</td>
</tr>
<tr>
<td>Leopard</td>
<td>15</td>
<td>24.5333</td>
<td>4.30725</td>
</tr>
<tr>
<td>Express</td>
<td>15</td>
<td>24.4667</td>
<td>4.34029</td>
</tr>
<tr>
<td>Total</td>
<td>60</td>
<td>25.5667</td>
<td>4.52251</td>
</tr>
</tbody>
</table>

The Table 4 shows that comparison of different courier companies. TCS shows the better performance due to greater mean score and minimum standard deviation (X= 28.56, S.D=3.91) and OCS shows the poor performance due to less mean score and maximum standard deviation (X=24.42, S.D= 4.44)
5. Discussion & Conclusion
The dual objectives of this study were to determine the relationships between intrinsic rewards and extrinsic rewards on job performance, as well as to examine the most significant types of rewards that may boost workers performance. Based on the above mentioned findings, firstly, there is high and positive relationship between intrinsic rewards towards job performance and secondly, the most influential rewards booster job performance of the employees in the TCS courier company is extrinsic reward. The finding also revealed that the study outcome has significant influence between intrinsic rewards towards job performance. Therefore, the study supported H1 which examined the relationship between extrinsic rewards and employee job performance. It showed that intrinsic rewards motivate workers to increase their job performance. These results are in line with previous researchers conducted by Khalizani, Hanisah and Loke (2011) and Ryan and Deci (2000). Intrinsic reward related to the work itself as the individual enjoys the reward as a result of completing the task successfully or reaching his goals. It also known as ‘psychological rewards’ as it covered the opportunity to use one’s ability, a sense of challenge and achievement, receiving appreciation and being treated in a caring and considerate manner. These rewards are set to be coherent with individuals self-developing, satisfying with their own right and enjoying their autonomy Deci et.al. (2006).

Meanwhile, H2 was to examine the relationships between extrinsic rewards and employees job performance, which was also found to be supportive or accepted. These results showed that the individual enjoyed the payment given security and the environment in the work place including their relationship among employees and at the same time may enhance their performances. These are the basic needs in any normal working condition as they need to fulfill the other wants as mentioned in Maslow’s hierarchy of needs. When an individual’s basic needs are fulfilled, there is always the tendency for the individual’s needs to raise up to another level to achieve their aims in life. This study is also in line with previous researches conducted by Khalizani, Hanisah and Loke (2011), Ryan and Deci (2000), Rehman et al. (2010) and finally Ajila (1997). Summarily when an employer offers better extrinsic rewards, the employee will increase their motivation level and improve his job performance. H3 By having 60 respondents that represent 85% from the total sample and conducted in real work place, the present study found that both intrinsic and extrinsic rewards positively related to increase employee’s job performance with 0.000 significant for both. However, to be found that intrinsic rewards highly affected employees’ job performances.

6. Recommendations
The outcomes of the study provide logical reasoning for the following recommendations:
- Organizations may plan proper compensation packages to their employees.
- Organizations can plan about non-monetary rewards.
- Excess of Intrinsic and Extrinsic rewards could also be harmful for the organization because these rewards may increase the fake needs of employees.
- Employee’s performance factors like employee productivity, job accomplishment and satisfaction must be kept in view.
- Management of organizations should make use of both intrinsic and extrinsic reward to motivate its employees so that both individual and Organizational objectives can be achieved.
- Employees with one another vary individually, according to physically and mentally. So, management must identify their different types of needs and fulfill them.
- Employees can be allowed to participate in pay determination.
• Regarding the salary and other allowance, management should intensify the salary scheme of employees.
• Proper training and promotion also to be given to all employees irrespective of their sex.
• The facilities provided to the employees can be compared with that of other organizations and facilities similar to it or more to be provided quickly.

References
