

# Impact of Reward and Recognition on Job Satisfaction and Motivation

Vera Akafo Peter Agyekum Boateng

School of Business, Valley View University, PO Box AF 595, Adenta-Accra, Ghana

## ABSTRACT

The main aim of the study was to examine the impact of reward and recognition on job satisfaction and motivation. The specific objectives were to assess the relationship between reward and work motivation and job satisfaction; to identify academic staff' and administrators' perceptions about reward and recognition and to explain challenges of reward implementation in private tertiary institutions. The study employed descriptive survey design in gathering data from 157 academic staff, from a total number of seven private tertiary institutions which were selected through stratified sampling. Respondents from these seven private tertiary institutions were conveniently and purposively selected. The study observed that rewards had a positive impact on work motivation but no significant relationship existed between reward and job satisfaction. Again, both academic staff and university administrators perceived rewards as fair. Challenges facing private tertiary were the lack of funds, pressure from unions and other interest groups, existence of many qualified people for rewards at a particular time coupled with academic staff emphasizing direct monetary rewards.

**Keywords:** Compensation, Private Tertiary Institutions, Academic Staff, University Administrators.

## 1.0 INTRODUCTION

Management of employees has evolved from the craft stage, through the industrial era, personnel management era and then to Human Resource Management era. Business organizations operate in an environment that is rarely stable. For businesses to maintain their competitive edge, it is necessary to utilize the 'non-imitable assets' - that is the human resources. In an attempt to harness the best from employees, organizations are confronted with how to motivate their employees through rewards and recognition. Although reward and recognition seems to be common, it is complex and painstakingly difficult as a result of the fact that, the work environment is complex and is made up of a heterogeneous workforce (Eshun & Duah, 2011). Employees have a variety of needs, aspirations, as well as differing perceptions of what constitute appropriate rewards and recognition for effective motivation. For this reason, motivating workers and increasing their job satisfaction require an in-depth understanding of individual differences and perceptions of appropriate rewards and incentives, as well as a combination of extrinsic and intrinsic rewards (ibid).

Rewards and recognition play an imperative role in motivating employees and improving performance (Lawler, 2003). A carefully designed reward system can greatly enhance an organization's effectiveness and productivity. Today, complex reward systems are needed to meet the demands of a more diverse workforce and gradually more, organizations are finding they must focus on the total compensation package for employees. Organizations are also developing more complex recognition programs which focus on non-monetary rewards for employees, such as employee-of-the-month and lunch-with-the-CEO programs ([www.preciousheart.net](http://www.preciousheart.net) –accessed 17/08/14). Reward is something given or received in return or recompense for service, merit, hardship, etc (dictionary.reference.com- accessed 15/08/14). The Cambridge dictionary defined it as "something given in exchange for good behavior or good work". Some theorists also refer to reward as compensation. Mathis and Jackson (2004) are of the view that, compensation rewards people for performing organizational work through pay, incentives and benefits. Rewards can be extrinsic and intrinsic. Intrinsic rewards often include praise for completing a project or meeting performance objectives. Extrinsic rewards are tangible and take both monetary and nonmonetary forms (ibid). Tangible compensation may be direct or indirect. With direct forms of compensation, the employer exchanges monetary rewards for work done. Indirect compensation is given to every employee as a result of organizational membership.

## 1.1 Objectives of the Study

The fundamental argument is that academic staffs in Ghana are confronted with unsatisfactory working conditions, hence pushing them towards other occupations and sectors outside of higher education. The purpose of this study therefore, is to examine the impact of reward and recognition on job satisfaction and motivation. The specific objectives are:

- To assess the relationship between reward and work motivation and job satisfaction.

- To identify academic staffs' and administrators' perceptions about reward and recognition.
- To find out challenges private tertiary institutions encounter in rewarding and recognizing employees.

## 1.2 Research Hypotheses

Based on the objectives above, the following hypotheses were proposed:

- Rewards will influence work motivation.
- Rewards will increase job satisfaction.
- University administrators will not perceive reward practices as unfair.
- Other academic staffs will not perceive reward practices as fair.

## 2.0 LITERATURE REVIEW

### 2.1 Definitions and Overview of Reward

As organizations compete for needed talents and human capital, reward practice is being adopted by organizations- public or private, governmental or nongovernmental, profit-making or charitable. As Bowen (2000) argued, in a world of downsizing which is characterized with doing more with less, reward and recognition are pivotal factors to boosting morale and creating goodwill between employees and managers. Malhotra et al. (2007) define rewards as 'all forms of financial return, tangible services and benefits an employee receives as part of an employment relationship'. Employers expect employees to deliver or execute assigned duties to their satisfaction whilst employees also expect their employers to assure them of adequate wages and salaries (rewards) after they dutifully deliver what is expected of them (Eshun and Duah, 2011).

Reward is something given or received in return or recompense for service, merit, hardship, etc (dictionary.reference.com- accessed 15/08/11). The Cambridge dictionary defined it as "something given in exchange for good behavior or good work". Some theorists also refer to reward as compensation. Mathis and Jackson (2004) are of the view that, compensation rewards people for performing organizational work through pay, incentives and benefits.

The ability to achieve the company's critical business goals is the preferred criteria imposed by majority of organizations today to reward their employees. Mayo (1998) argues that, many companies are unable to instill the joy of working in performing duties and responsibilities if there are inadequate rewards being promised. Again, reward provides a visible means of promoting quality efforts and telling employees that the organization values their efforts (Evans and Lindsay, 2003).

### 2.2 Reward and Motivation

Even though people work for salary or wages (rewards), there are numerous ways of rewarding (motivating) employees according to the task or function performed (Eshun and Duah, 2011). The underlying principle for the use of rewards is to motivate or induce behaviours among employees which are viewed as beneficial for enhanced performance whilst inhibiting other behaviours which employers and managers perceive as detrimental to organizational effectiveness and efficiency. Thus, rewards serve as a means of motivating desired behaviors (Eshun and Duah, 2011; Danish and Usman, 2010).

Incentives, rewards and recognitions are the prime factors that impact on employee motivation. Zakaria et al., (2011) contend that, employees who are well motivated serve as the competitive advantage for any company because their performance leads an organization to accomplishment of its goals. Among financial, economical and human resources, human resources are the most vital that can provide a company's competitive edge as compared to others.

### 2.3 Types of Reward

Rewards may be classified into extrinsic/external and intrinsic/internal. Shanks (2007, p 30) posits, extrinsic rewards "are a host of external things (tangible) that managers can provide that may serve as incentives for employees to increase their productivity". These, among others, include; money, benefits, flexible schedules, promotion, job responsibilities, change in status, praise and feedback, a good boss, a nurturing organisational culture, etc. Tangible rewards (financial rewards) may be direct or indirect. Direct financial rewards refer to the pay an employee receives in the form of wages, salaries, bonuses, commissions, incentives, merit pay, stock options, etc. That is to say, direct financial rewards constitute base pay and variable pay (performance-base pay). Base pay refers to the basic pay an employee receives which may be a wage or salary and usually influenced by external and internal factors. The former include conditions in the labour market, market rates, government influences, etc. Whilst the latter comprises factors such as job evaluation, collective bargaining with employees' representatives, individual agreements, etc. These rewards are based on time worked and they constitute the bases on which majority of employees are compensated directly (Mathis and Jackson, 2004; Schuler, 1998).

## **2.4 Recognition and Its Facets**

Employees do not only want attractive pay and benefits, but also expect that their efforts are valued, appreciated and treated fairly. According to Harrison (2011- retrieved from [recognitionreward.blobspot.com](http://recognitionreward.blobspot.com) on 19/09/2011), recognition is the timely, informal or formal acknowledgement of a person's or team's behaviour, effort or business result that supports the organization's goals and values, and which usually is beyond normal expectations.

To Brun and Dugas, 2008, recognition represents a reward experienced primarily at the symbolic level, but may also take on emotional, practical or financial value. Deeprose (1994) argued that the motivation of employees and their productivity can be enhanced through providing them effective recognition which ultimately results in improved performance of organizations. Recognition programs demonstrate respect for employees.

A meaningful, thoughtful employee appreciation program is about valuing employees' efforts and having respect for who they are and what they do (Hart, 2011). According to Long and Shields (2010), recognition can be categorised into formal or informal, cash or noncash, and individual or collective.

## **2.5. Job Satisfaction**

Satisfaction is an evaluative term that describes an attitude of liking or disliking (Ivancevich, 2004). Hence, job satisfaction is a positive emotional state resulting from evaluating one's job experience. On the other hand, dissatisfaction occurs when an individual's expectations from the job are dashed. Mathis and Jackson (2004) explain that, the important factor in job satisfaction is what employees expect from their jobs and what they receive as rewards from their job. Job satisfaction, as defined by Locke (1976) cited in Gruneberg, (1979, p. 3), is "a pleasurable positive emotional state as a result of work appraisal from one's job experiences".

### **2.5.1 Dimensions of Job Satisfaction**

According to Locke (1976) cited in Buitendach and Witte (2005) and Sempane et al (2002) the most common aspects of job satisfaction are work, promotion, recognition, benefits, working conditions, supervision, co-workers, company and management. In the same way, Robbins (2001) mentions the more important factors conducive to satisfaction are mentally challenging work, equitable rewards, supportive working conditions and supportive colleagues. He further contends that, good personality-job fit and an individual's genetic dispositions is also a contributing factor to job satisfaction. Agreeing with the above mentioned factors, Spector (2000) added status and job content as probable causes of job satisfaction and conversely organizational structure as probable source of dissatisfaction. According to Mumford (1991), job satisfaction can be examined and assessed in terms of the fit between what the organization requires and what employees are seeking; and the fit between what the employee is seeking and what that employee is actually receiving.

The ability of managers to obtain employee satisfaction with rewards is a complex process. It is, undeniably a function of several related factors which any manager who intends to achieve it must critically study to be able to positively implement. First, each employee satisfaction with rewards is intrinsically related to what he or she expects from the organization and what is actually received. Feelings of satisfaction or dissatisfaction occur when employees compare their inputs such as education, job skills, and effort to the mixture of intrinsic and extrinsic rewards which they receive from their organizations.

Furthermore, many authors have noted that employee satisfaction results from a mixture of rewards other than any one particular reward (Shanks 2007; Bessell et al. 2002; Drake et al, 2007; Eshun and Duah, 2011). Evidence from various researches done over the years suggests the importance of both extrinsic and intrinsic rewards. To achieve enhanced employee satisfaction, neither one can be substituted for the other. Employees who are well paid but are made to work in environments which are not conducive or made to do repetitive or not recognized will leave for other organizations because of the lack of intrinsic rewards (motivators) just as employees who work in interesting and enabling work environment and recognized will leave because they will be dissatisfied with extrinsic rewards (hygiene factors) which reinforces Herzberg's Two-Factor theory.

Vroom (1964) explains that, only a small number of people will dispute the importance of expected economic consequence in the guidance of human conduct. Again, he argues that, it is wrong to link the importance of money in any society simply to the satisfaction of biological needs. The goods and services that are purchased with money go beyond ensuring survival. They serve as an indicator of social status.

Akintoye (2000) emphasizes that, money remains the most significant motivational strategy. Money possesses significant motivating power in as much as it symbolizes intangible goals like security, power, prestige, and a feeling of accomplishment and success. Sinclair, et al. (2005) cited in Commey (2008) explains the motivational power of money through the process of job choice. He explains that money has the power to attract, retain, and motivate individuals towards higher performance. Banjoko (2000) explains that many managers use money to

reward or punish workers. This is done through the process of rewarding employees for higher productivity or by instilling fear of loss of job (e.g., premature retirement due to poor performance). The desire to be promoted and earn enhanced pay may also motivate employees.

In Africa, studies have revealed that great importance is attached to the status and prestige a person has in wider social setting likewise the kind of interpersonal relation between co-workers, supervisors and subordinates are also important. Olajide, (2000) contends that workers in Africa are deeply engrossed in an everyday struggle for basic material survival, where the next job or the next package becomes the limit of their horizon.

Almost all employees value being praised and appreciated for their work and being given credit especially by supervisors and colleagues whom they respect. In the same way, most individuals feel bad when they are not given credit for accomplishing their work. Locke (1973) cited in Dartey-Baah (2010) found recognition as the single most frequently mentioned event which motivates positive efforts from workers. Another important function of recognition for work is that it provides feedback concerning the competence of one job performance. Thus praise indicates that one has done one's job correctly and according to the standards of one's supervisor. The desire for recognition is typically attributed to the desire or need for self esteem or a positive self concept according to Maslow (1959) hierarchy of needs. On the other hand, Kohn (1993, p.60) explains "People do not work to collect a pay check. They work because they love what they do". Workers are concerned with more than just money in their lives so an organization cannot expect to motivate workers with money alone. In fact, proponents of what have come to be known as 'cognitive evaluation theory' (Deci 1975; Kohn 1993) contend that application of monetary and other extrinsic incentives can actually destroy the intrinsic motivation that may otherwise exist in a work setting. Extensive body of simulative empirical evidence suggests that such an outcome can indeed occur (Deci, Koestner and Ryan 1999). Again, a study by Danish and Usman (2010) in Pakistan, tried to relate how the impact of incentives, rewards and recognition programs drives employee motivation. It was discovered that, there is a significant relationship between many dimensions of work; and motivation and satisfaction. However, recognition, operating procedures and the work itself revealed low means as compared to other dimensions. Thus, the study revealed that employees are dissatisfied with their work contents, operating procedures and when employees are not recognized.

Dartey-Baah (2010) contends that, if supervisors and colleagues, whose opinion is valued by employees, recognize employees' contributions by giving credit where credit is, then employees will be satisfied with and committed to their work. He also stated that, recognition is one of the single most frequently mentioned factors causing satisfaction and dissatisfaction especially among workers. Hence, organisations are increasingly making use of non financial rewards in the form of social recognition forms where employers utilise non-monetary methods to recognise and reinforce desired behaviours (Long and Shields, 2010). Numerous empirical researches confirm that social recognition has significant positive effects on employee performance (Stajkovic and Luthans, 2003). According to Danish and Usman (2010), for employees to be committed, recognition must be given to keep them motivated and appreciated.

Flynn (1998) explains that rewards and recognition programs keep high spirits among employees, enhances their morale and create a relation between performance and motivation of employees. Hence, the fundamental aim of reward and recognition program is to define a system to compensate employees and communicate it to them to enable them associate their reward to their performance which ultimately leads to employees' job satisfaction. Baron (1983) posits that, when employees are recognized and appreciated, in terms of their identification, their working capacity and performance is very high. Recognition today is extremely important according to most of the experts, since a reward which includes all the monetary and compensative benefits cannot be the sole motivator for employees' motivation as postulated by Herzberg (1966). Similarly, the recognition which is a central point towards employee motivation adores an employee through appreciation and assignments (Danish and Usman, 2010).

Again, Barton (2002) asserts that, the factor in Fortune best companies which discriminates companies from the others is recognition which is the most important part of their reward system. Thus, employees are closely drawn to their organization as their job can become the major source of satisfaction in their life after having a proper rewards and recognition at their job. Employees are fully motivated when their needs (intrinsic and extrinsic) are met. The level of motivation of employees increases when employees get an unexpected increase in recognition, praise and pay (La Motta, 1995). In today's dynamic business environment, highly motivated employees serve as

a synergy and competitive edge for accomplishment of company's goals, business plans, high efficiency, growth and performance.

### 3.0 METHODOLOGY

The research employed the quantitative method. The quantitative methodology was used due to the fact that survey research is a type of quantitative research (Creswell, 2003). Quantitative research focuses on numbers and quantifiable data and very useful for academic or pure research and hypothesis testing (Buame, 2006; Dawson, 2002; Kothari 1985; Kumar, 2005). This enables the researcher to generalise findings in the samples to the population since it eliminates and minimises subjectivity. In other words, quantitative research design is an excellent way of finalizing results and proving or disproving a hypothesis ([www.experiment-resources.com/quantitative-research-design](http://www.experiment-resources.com/quantitative-research-design) accessed 11/09/2014).

According to Jankowicz (2000, p. 190), research design is "the arrangement of conditions for analysis and collection of data in a manner that aims to combine relevance to the research purpose with economy of procedure". Thus, the descriptive survey method was used in data collection to enable the study to examine different variables in large samples so as to facilitate the generalization of information derived from data (Buame, 2006; Jankowicz, 2000). Also, surveys are most suited for descriptive information and are applicable in collecting many different kinds of data. In addition, it is easier and less expensive compared to observation and experimental methods (Dawson, 2002; Kothari 1985; Kumar, 2005). Furthermore, Gill and Johnson (2002) contend that, descriptive surveys have population validity since the assessment of attributes of the population is accurate and findings can be generalized.

This study made use of only primary data. Primary data was collected through structured closed- and open-ended questionnaires administered to respondents of the study population which was collected by the researcher. The population for this study was one chartered private tertiary institution in the Greater Accra Region; in addition to private tertiary institutions in the Greater Accra Region, affiliated to the University of Ghana and accredited by the National Accreditation Board of Ghana to run degree programmes and other courses.

Private universities affiliated to the University of Ghana were stratified into regions out of which six of them were selected. A sample of thirty (30) respondents each was drawn from the six private tertiary institutions and one chartered private tertiary institution. To enable easy access to respondents who were full-time academic staffs of these institutions, non-probability sampling methods of convenience and purposive sampling techniques were utilized. The researcher targeted respondents who were willing and readily available to participate in the study whilst ensuring that survey respondents were representative of the various active departments in the institutions. These methods of data collection were employed since it is cheaper, more convenient and gave access to people who were willing and ready to participate in the study (Opoku, 2005).

The study sample was made up of academic staffs (teaching and non-teaching staff) of six private tertiary institutions in the Greater Accra Region affiliated to the University of Ghana in addition to one chartered private tertiary institution (Valley View University), making a total of seven. In all 210 respondents were drawn for the study. Of the 210 academic staffs targeted, 167 questionnaires were returned. However, only 157 questionnaires were used and 10 were discarded since they were improperly filled. Hence, the response rate for this study was 74.8%. Sekaran (1992) indicates that a response rate of thirty percent (30%) is considered acceptable for most purposes. Below is a summary of responses:

**Table 1: Response of Private Tertiary Institutions**

<b>Name of Institution</b>	<b>Number of Respondents</b>
Valley View University	29
Wisconsin International University College	25
Islamic University College, Ghana	17
Methodist University College	21
Pentecost University College	19
Good News Theological College	21
African University College of Communication	25
<b>Total</b>	<b>157</b>

Hackley (2003) posits that, a sample should be decided on the bases of pragmatism (dictates that student researchers cannot wait for months for organizations to reply to letters requesting field access); representativeness (it is more important for a sample to be representative of a larger group than for it to be

random); and quality of insights generated (some sources of data are more interesting and authoritative than others).

In order for the research to be valid and representative, the list of universities in Ghana was retrieved from the web site of the National Accreditation Board ([www.nab.gov.gh](http://www.nab.gov.gh)- accessed 5/10/2011). This list categorizes all the tertiary institutions in Ghana into public universities, professional institutes or public universities, regional university, private universities (chartered private tertiary institutions and other university colleges and private universities). In all, ten (10) private tertiary institutions are affiliated to the University of Ghana. Out of these, six (6) were selected through stratified random sampling representing 60% of private tertiary institutions affiliated to the University of Ghana and they are; Wisconsin International University College, Islamic University College, Methodist University College, Pentecost University College, Good News Theological Seminary and African University College of Communication. There were only two private institutions chartered to run their own degree courses in Ghana and they were; Book DR University, Nandom and Valley View located in the Greater Accra Region. The latter was selected for the research.

Structured questionnaire (closed- and open-ended) was used in gathering data. It was designed in such a way to enable the researcher achieve research objectives. Questionnaires are often used as part of a survey strategy to collect descriptive and explanatory data about attitudes, beliefs, behaviours and attributes (Buame, 2006). Questionnaire was used since it was cheaper and guaranteed anonymity. Items on the questionnaire sought respondents' views on objectives of the study.

Using Likert-scale type demands that the Cronbach's alpha coefficient for internal consistency is calculated and the result ranges from 0 to 1 (Gliem and Gliem, 2003). To enable the researcher ascertain the validity and reliability of the questionnaire, it was piloted using Cronbach's alpha. Cronbach's alpha is defined as:  $\alpha = \frac{rk}{[1 + (k - 1)r]}$  where k is the number of items considered and r is the mean of the inter-item correlations. The size of alpha is determined by both the number of items in the scale and the mean inter-item correlations. The Cronbach's alpha can also be calculated using the SPSS.

George and Mallery (2003) establish that, a cronbach's alpha which is greater than 0.7 is acceptable. For the purpose of the study, 20 of the questionnaire were piloted and the Cronbach's alpha coefficient was .79. This means that, the questionnaire designed was acceptable.

Descriptive and inferential statistics were used to describe and analyze data gathered. Descriptives statistics such as frequency counts and the percentages were used to present data towards achieving all the objectives of the study.

Analysis of Variance (One Way ANOVA) was used to test for differences between the group means and the level of significance of 0.05 (5%) was used to conduct the test. The null hypotheses were rejected when the p-values were smaller than the significant level of 0.05. Data was subjected to these inferential statistical tests in order to support or reject the hypotheses.

#### 4.0 DATA ANALYSIS

With respect to the demography of the respondents, three (3) levels of bio data of respondents were examined and these were; job title, type of worker and tenure of respondents.

In relation to job title, majority of the respondents (46.6%) were lecturers whilst office workers constituted 21.7% of the respondents, 19.1% indicated they were administrators whereas the remaining 14.6% did not belong to any of the categories.

Again, in respect to type of worker, 84.7% of respondents were permanent workers, 12.7% were temporary workers whilst 2.5% were on probation. Lastly, with respect to tenure of respondents, approximately 50% had been working for their employers for 4-10 years whereas 47.1% had a tenure ranging between 0-3 years, 3.2% were within the ranges of 11-15 years.

#### Hypothesis One: "Rewards will influence work motivation"

**Table 2: Test of Homogeneity of Variance**

Work Motivation			
Levene Statistics	df1	df2	Sig.
22.282	2	154	0.000

To test the null hypotheses that the error variance of the dependent variable is equal across groups, a significant value of 0.000 was realised. This indicates that, the assumption of homogeneity was violated. Hence, the regression approach was used to calculate ANOVA. Therefore, the problem of violating the assumption was not significant.

**Table 3: ANOVA Test on Work Motivation**

Work Motivation							
			Sum of Squares	df	Mean Square	F	SIG.
Between Groups	(Combined)		10.65	2	5.32	12.43	0.000
	Linear Term	Unweighted	1.02	1	1.02	2.39	0.124
		Weighted	0.15	1	0.15	0.35	0.553
		Deviation	10.49	1	10.49	24.52	0.000
Within Groups			65.91	154	0.43		
<b>Total</b>			<b>76.55</b>	<b>156</b>			

Hypothesis four was tested using the One Way ANOVA. Table 3 above indicates a significant relationship between rewards and work motivation with  $[F_{(2,154)} = 12.343, p < 0.05]$ . This means that, rewards (extrinsic and intrinsic) are positively related to work motivation (Commeay, 2008; Eshun & Duah, 2011; Danish & Usman, 2010; La Motta, 1995; Zakaria et al., 2011).

**Hypothesis two**

This hypothesis states “rewards will increase job satisfaction”.

**Table 4: ANOVA Test on Job Satisfaction**

Job Satisfaction							
			Sum of Squares	df	Mean Square	F	SIG.
Between Groups	(Combined)		1.83	2	0.37	0.74	0.594
	Linear Term	Unweighted	0.19	1	0.19	0.39	0.534
		Weighted	0.28	1	0.28	0.56	0.456
		Deviation	1.56	1	1.56	0.79	0.536
Within Groups			74.72	154	0.5		
<b>Total</b>			<b>76.55</b>	<b>156</b>			

The One Way ANOVA was used in testing hypothesis three. Table 4 above indicates an insignificant difference in the means at the 0.05 level of significance with  $[F_{(2,154)} = 0.74; p = ns]$ . This means that, there are other facets of job satisfaction aside job satisfaction (Locke, 1976; Spector, 1997, Cooke et al., 1997 cited in Dartey-Baah, 2010).

**Hypothesis three**

The fourth hypothesis posits “university administrators will not perceive reward practices as unfair”.

**Table 5: Test of Homogeneity of Variance**

Fairness of reward systems			
Levene Statistics	df1	df2	Sig.
6.205	3	153	0.001

With the significant value of 0.001 the assumption of homogeneity was violated. Hence, the regression approach to calculate ANOVA was used. Therefore, the problem of violating the assumptions was insignificant.

**Table 6: ANOVA Test on Fairness of Rewards**

Fairness of Rewards (University Administrators)							
			Sum of Squares	df	Mean Square	F	SIG.
Between Groups	(Combined)		3.84	3	1.28	2.69	0.048
	Linear Term	Unweighted	0.39	1	0.39	0.83	0.364
		Weighted	0.07	1	0.07	0.15	0.704
	Deviation		3.77	2	1.88	3.96	0.021
Within Groups			72.71	153	0.48		
<b>Total</b>			<b>76.55</b>	<b>156</b>			

Hypothesis four was tested using the One Way ANOVA. As indicated in Table 6 above, there is a significant relationship between job title and perception of fairness of reward systems. The fourth hypothesis was supported at  $[F_{(3,153)} = 2.69; p < 0.05]$ , indicating that there exist significant differences between the means which leads to the rejection of the null hypothesis. This means that, university administrators perceive reward systems as fair. In other words, most university administrators are privy to reward policies and procedures, hence will perceive reward policies and procedures as fair.

**Hypothesis Four**

The last hypothesis stated “other academic staffs will not perceive reward systems as fair”.

**TABLE 7: Test of Homogeneity of Variance**

Fairness of reward systems (other academic staffs)			
Levene Statistics	df1	df2	Sig.
4.772	2	154	0.010

A significant value of  $0.010 > 0.05$  is indicative of the assumption of homogeneity being violated. Hence, the regression approach was used to test the ANOVA.

**Table 8: ANOVA Test on Fairness of Rewards**

Fairness of Rewards (other academic staff)							
			Sum of Squares	df	Mean Square	F	SIG.
Between Groups	(Combined)		3.16	2	1.58	0.56	0.575
	Linear Term	Unweighted	0.54	1	0.54	0.19	0.663
		Weighted	0.38	1	0.38	0.14	0.714
	Deviation		2.77	1	2.77	0.97	0.325
Within Groups			437.95	154	2.84		
<b>Total</b>			<b>441.11</b>	<b>156</b>			

The fourth hypothesis was also tested using the One Way ANOVA. The test did not support this hypothesis with  $[F_{(2,154)} = 0.56; p = ns]$  as shown in Table 8. This means that, other academic staffs also perceive reward systems as fair on the bases of open communication concerning how rewards are distributed and offered.

**Challenges PTIs Encounter in Reward Implementation**

The study sought respondents’ views concerning challenges faced in implementing existing reward and recognition policies in PTIs. Below is a distribution of the responses:

**Table 4.11: Challenges of Reward Implementation**

**M=2.49, SD=1.4**

Response	f	%
Financial	60	38.2
Pressure from unions	18	11.5
Personal interests of pressure groups	36	22.9
Too many qualified people at a time	27	17.2
Too much emphasis on tangible rewards	16	10.2
<b>Total</b>	<b>157</b>	<b>100.0</b>



## 4.1 DISCUSSION OF FINDINGS

### Research Objective One

The first objective was to assess the relationship between reward and work motivation. A one-way ANOVA test of the relationship between reward and work motivation revealed a statistically significant relationship between the variables showing that the  $F$  ratio is significant with  $F_{(2,154)} = 12.343$ ,  $p < 0.05$  as depicted by Table 2. This discovery confirms the assertions of Comney (2008), Bessell et al. (2002), Drake et al., (2007) and Shanks (2007). They maintain that, effective motivation results from the combination of intrinsic, extrinsic and social rewards.

To test the hypothesis that rewards will increase job satisfaction, the hypothesis was not supported by the data since the results indicated an insignificant difference in the means at the 0.05 level of significance with  $F_{(2,154)} = 0.740$ ;  $p = ns$  as demonstrated in Table 4. This supports the assertion of Locke, (1976); Spector, (1997); Cooke et al., (1997) cited in Dartey-Baah, (2010) that there are other dimensions of job satisfaction aside rewards. These other dimensions include; satisfaction with work attributes other people, organisational context and individual differences. Conversely, this discovery debunks the arguments of Bessell et al., (2002), Drake et al, (2007), Eshun and Duah, (2011) and Shanks, (2007), who noted that, employee satisfaction results from a mixture of rewards other than any one particular reward.

However, this finding supports the contentions of Herzberg regarding the importance of both motivators and hygiene factors in job satisfaction and eliminating job dissatisfaction. The presence of motivators serve to motivate the individual to superior effort and performance preventing dissatisfaction, but does not on its own create a positive attitude or motivation to work. Employees will be motivated if management enrich the content of the actual work through added responsibility, career development, growth and other intrinsic forms of motivation aside extrinsic factors of motivation.

On the whole, the research established that, rewards (intrinsic, extrinsic and social) have no positive influence on work motivation and job satisfaction but discovered a statistically significant relationship between reward and work motivation. In addition, no relationship was established between reward and job satisfaction since there are other dimensions of job satisfaction aside rewards.

### Research Objective Two

The second objective was to identify academic staffs' and administrators' perceptions about reward and recognition. For this reason, the study sought respondents' views on issues of transparency, distributive and procedural justices.

To enable the study identify the perceptions of both university administrators and other academic staffs about existing reward systems, two hypotheses were proposed and were tested using the one-way ANOVA. Hypothesis four stated that university administrators will not perceive reward practices as unfair. This hypothesis was supported at  $F_{(3,153)} = 2.69$ ;  $p < 0.05$ , indicating that there exist significant differences between the means which led to the rejection of the null hypothesis. It can therefore be concluded that, university administrators perceive reward systems as fair since most university administrators are privy to reward policies and procedures. This confirms the views of Zakaria et al., (2011) who posit that employees' perception towards the transparency of a reward practice depends on two characteristics- communication (clear and open) and complexity (understanding the methodologies, measures and targets used while introducing any rewards). Ivana et al., (2009) also argue that, reward practice must satisfy a full and open transparency regarding awards, the communication of the availability of the rewards, the criteria to be satisfied, and the identification of the award recipients. Once there is transparency and openness, employees will perceive rewards as fair.

The third hypothesis to enable the study identify the perceptions of other academic staffs (outside the strategic apex) proposed that, other academic staffs will not perceive reward practices as fair. The one-way ANOVA test did not support the statement by emerging with  $F_{(2,154)} = 0.56$ ;  $p = ns$  (see Table 8). This means that, other academic staffs also perceived reward systems as fair. This lends credence to the fact that, the need for a transparent reward system is based on having a clear and open communication of how rewards are distributed and offered and once there is open and transparent communication regarding reward systems, employees will perceive rewards as fair (Zakaria et al, 2011; Ivana et al., 2009; Porter et al., 1975). This finding however, is at variance with Lawler (1975) who opines that, there is considerable amount of pay secrecy in most organizations and this policy affects individuals' perceptions of others' pay and their own pay satisfaction.

### **Research Objective Three**

The third objective of the research was to find out challenges private tertiary institutions encounter in rewarding and recognising employees. Literature reviewed revealed that institutions of higher education are beleaguered with a myriad of problems ranging from affordability and accessibility, financial austerity, faculty recruitment and retention, and how to fund for the improvement of physical facilities (Saint, 1992; Tettey and Puplampu, 2000; Tettey, 2006; Sawyerr, 2002; Nyamjoh and Nyantang, 2002). These problems coupled with the global political economy have affected Africa's ability to support its institutions of higher learning. The situation is even worse in private tertiary institutions where they rarely receive financial support from public authorities (Varghese, 2004).

To identify challenges confronting private tertiary institutions in Ghana with specific reference to reward and recognition, the following results were realized:

In implementing various reward policies, the study identified the following as challenges that confront private tertiary institutions in Ghana:

It is evident that, the main challenge confronting these institutions is financial since 38% of the total respondents alluded to this fact. This is followed by personal interests of pressure groups (23%), too many qualified people at a time (17%), and pressure from unions (12%) with the least of them being too much emphasis on tangible rewards (10%). In short, the main challenge is not employees wanting more tangible rewards but lack of funds which lends credence to the assertion made by Varghese (2004) and issues having to do with organisational politics.

The study revealed the major challenge encountered in reward and recognition was the lack of funds confirming the arguments of Teferra and Altbach, (2003) and Varghese, (2004) leading to faculty moonlighting (World Bank, 2000) thereby reducing the commitment levels of academic staff to their home institutions (Ajadi, 2010). Since private institutions of higher learning are rarely given financial support by public authorities, tuition fees and other internally generated funds form the backbone of financing these institutions. Their profitability is dependent on savings made on expenditure (especially direct monetary compensation) and ability to run the cost of operations (Varghese, 2004). Another challenge identified was pressure from unions (11.5%) and the personal interests of pressure groups (22.9%).

Pressure from unions and other interests groups as a barrier to reward implementation affirms the positions of Blanchflower who argues that, the impact of unions and other groups on rewards (monetary rewards) ranges between 15% and 20%. Indeed, Katz and Kochan (2004) argue that the positive impact on union members wages by unions make them attractive to employees. Too many qualified people for specific rewards at a time was another challenge identified and even more challenging where private tertiary institutions are beleaguered with lack of funds and over reliant on student and tuition fees. Finally, it was discovered that, academic staffs tend to focus too much on tangible rewards confirming the assertions of Olajide (2000). He contends that workers in Africa are deeply engrossed in an everyday struggle for basic material survival where the next job or the next package becomes the limit of their horizon.

### **5.0 Conclusion and Recommendations**

The purpose of the research was to investigate how reward and recognition can be contextualized and tailored to the needs of academic staffs in PTIs in Ghana since evidence points to the fact of a likely shortage of academic staffs if conditions of service are remains the same.

The study observed that a positive relationship between reward and work motivation but no positive relationship existed between reward and job satisfaction affirming the fact that other dimensions such as satisfaction with work attributes, other people, organisational context and individual differences are facets of job satisfaction aside reward (intrinsic, extrinsic and social). Academic staffs from all levels were informed about existing reward systems in their institutions and considered existing reward systems as fair on the bases of availability and openness of reward information and procedural fairness.

Challenges encountered in the implementation of reward and recognition were manifested in lack of funds, pressure from unions and other interest groups, existence of many qualified people for rewards at a particular time coupled with academic staffs emphasizing tangible rewards.

#### **Recommendations of Stakeholders and Further Research**

The following recommendations are suggested:

- Academic staff should focus on other intrinsically motivating aspects of their work such as added responsibility, opportunities for career growth and development, recognition and acknowledgement

from management, autonomy, interesting and challenging work and other self-generated ways that drive behaviour.

- Prior to the implementation of any policy (especially reward policies) concerning employees, attitude surveys should be conducted on the basis of demography to determine what employees really value and appreciate. This is because representatives of employees some times are detached from those they represent.
- Formulation and implementation of all policies especially those concerning employees' reward and recognition should be transparent and communicated properly to minimise perceptions of cronyism, nepotism and favouritism. The probability of retaining academic staffs is higher if academic staffs have similar values with those of the institution such as equity and justice.

The study suggests a further comparative research on reward management in private and public tertiary institutions of higher learning.

## REFERENCES

- Ajadi, T.O. (2010). "Private universities in Nigeria – the challenges ahead". *American Journal of Scientific Research*, 7, 15-24.
- Akintoye, I.R. (2000). "The place of financial management in personnel psychology". *A paper presented as part of Personnel Psychology guest lecture series*. Department of Guidance and Counselling, University of Ibadan, Nigeria.
- Banjoko, S.A. (2000). *Human resource management*. Lagos: Saban Publishers.
- Baron, R. A. (1983). *Behaviour in organisations*. New York: Allyn & Bacon, Inc.
- Barton, G. M. (2002). *Recognition at work*. Scottsdale: World at Work.
- Bessell, I., Dicks, B., Wysocki, A., & Kepner, K. (2002, June). *Understanding Motivation: An Effective Tool for Managers*. Florida: University of Florida IFAS extension.
- Bowen, R.B. (2000). *Recognising and rewarding employees*. New York: McGraw-Hill.
- Brun, J.P., & Dugas, N. (2008). "An analysis of employee recognition, perspectives in human resources practices", *International Journal of Human Resource Management*, 19(4), 716-730.
- Buame, S. (2006). *Research methods: studies in management*. Ghana Universities Press.
- Buitendach, J.H., & De Witte, H. (2005). "Job security, extrinsic and intrinsic job satisfaction and effective organizational commitment of maintenance workers in a parastatal", *South African Journal of Business Management*, 36(2), 27-37.
- Commey, W.J. (2008). "A study of the factors which determine employee motivation in Ghana", Master of Philosophy thesis, University of Ghana.
- Creswell, J.W. (2003). *Research design: qualitative & quantitative approaches*. London: SAGE Publications.
- Danish, R.Q., & Usman, H. (2010). "The impact of reward and recognition on job satisfaction and motivation: an empirical study from Pakistan", *International Journal of Business and Management*, 5(2), February, 2010.
- Dartey-Baah, K. (2010). "Human resource capacity building in the developing world and mobilising excess capacity for export", *Academic Leadership Journal*, 8(2), April, 2010.
- Dartey-Baah, K. (2010). "Job satisfaction and motivation: understanding its impact on employee commitment and organisational performance", *Academic Leadership Journal*, 8(4), fall, 2010.
- Dawson, C. (2002). *Practical research methods*. New Delhi: UBS Publishers' Distributors.
- Deci, E. L. (1975). *Intrinsic motivation*. New York: Plenum Press.
- Deci, E.L., Koestner, R., & Ryan, R.M. (1999). "A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation", *Psychological Bulletin*, 125(6), 627–668.
- Deeprise, D. (1994). *How to recognise and reward employees*. New York: AMACOM.
- Drake, A. R., Wong, J., & Salter, S. B., (2007). Empowerment, motivation, and performance: examining the impact of feedback and incentives on non-management employees. *Behavioural Research in Accounting*, 19, 71-89.
- Eshun, C., & Duah, F.K. (2011). *Rewards as a Motivation Tool for Employee Performance*. Accessed 17/07/11 from BTH2011Eshun.pdf.
- Evans, J. R. & Lindsay, W.M. (2003). *The management and control of quality* (5<sup>th</sup> ed.). Thomson, US.
- Flynn, G. (1998). "Is your recognition program understood?" *Workforce*, 77(7), 30-35.
- George, D. & Mallery, P. (2003). *SPSS for windows step by step: a simple guide and reference* (4<sup>th</sup> ed.). Boston: Allyn & Bacon.

- Gill, J., & Johnson, P. (2002). *Research Methods for Managers* (3<sup>rd</sup> ed.). Sage Publications.
- Gliem, A., & Gliem, R. (2003). Calculating, interpreting, and reporting cronbach's alpha reliability coefficient for likert-type scales. *Presented at the Midwest Research-to-Practice Conference in Adult, Continuing, and Community Education*, the Ohio State University, Columbus, OH, October 8-10, 2003.
- Gruneberg, M. M. (1979). *Understanding job satisfaction*. Basingstoke: MacMillan.
- Hackley, C. (2003). *Doing Research Projects in Marketing, Management and Consumer Research*. Routledge
- Hart, P. (2011). "Benefits of employee recognition in the workplace: reduced risk raised avenues", *EHS Today*, 4(2), 49-52.
- Herzberg, F. (1966). *Work and the nature of man*. New York: Staples Press.
- Ivana, N., Lovorka, G., & Nevenka, C. (2009). "Corporate culture and innovation: implications for reward systems", *World Academy of Science, Engineering and Technology*, 397-402.
- Ivancevich, J.M. (2004). *Human resource management* (9<sup>th</sup> ed.). Tata: McGraw-Hill.
- Jankowicz, A.D. (2000). *Business research projects* (3<sup>rd</sup> ed.). Thomson Learning
- Katz, H.C. & Kochan, T.A. (2004). *An introduction to collective bargaining and industrial relation* (3<sup>rd</sup> ed.). McGraw-Hill: Irwin
- Kohn, A. (1993). *Punished by rewards: the trouble with gold stars, incentive plans, A's, praise and other bribes*. Boston: Houghton Mifflin.
- Kothari, C.R. (1985). *Research methodology- methods and techniques*. New Delhi, Wiley Eastern Limited.
- Kumar, R. (2005). *Research methodology-a step-by-step guide for beginners* (2<sup>nd</sup> ed.). Singapore: Pearson Education.
- La Motta, T. (1995). *Recognition: the quality way*. New York: Quality Resources.
- Lawler, E.E. (1986). *High involvement management*. San Francisco, CA: Jossey Bass.
- Long, R.J., & Shields, J.L. (2010). "From pay to praise? Non-cash employee recognition in Canadian and Australian firms", *The International Journal of Human Resource Management*, 21(8), 1145-1172.
- Malhotra, N., Budhwar, P., & Prowse, P. (2007). "Linking rewards to commitment: an empirical investigation of four UK call centres", *International Journal of Human Resource Management*, 2095-2127, Routledge: Taylor & Francis Group.
- Maslow, A.H. (1959). *Motivation and personality*. New York: Harper & Row.
- Mathis, R. L. & Jackson, J. H., (2004). *Human resource management* (10<sup>th</sup> ed.). Thomson South-Western.
- Mayo, E. (1998). *The human problems of an industrialized civilization*. Illinois: Scott Foresman.
- Mumford, E. (1991). Job satisfaction: a method of analysis. *Personal Review*, 20(3), 11-19.
- Nyamnjoh, F., & Nantang, B. (2002). "African universities in crisis and the promotion of a democratic culture: the political economy of violence in African educational systems", *African Studies Review*, 45(2), 1-26.
- Olajide, A. (2000). Getting the best out of the employees in a developing economy. *A Personnel Psychology Guest Lecture Series*. Department of Guidance and Counselling, University of Ibadan, Nigeria.
- Opoku, J.Y. (2005). *A short guide to research writing in the social sciences and education* (2<sup>nd</sup> ed.). Ghana Universities Press.
- Perry, J.L., & Mesch, D. (2006). "Motivating employees in a new governance era: the performance paradigm revisited", *Public Administration Review*, 66, 505-515.
- Porter, L.W., Lawler, E.E. & Hackman, J.R. (1975). *Behaviour in organizations*. New York: McGraw-Hill, Inc.
- Puplampu, B.B. (2007). *Motivation*. Unpublished Lecture notes.
- Robbins, S. P. (2001). *Organisational behaviour* (9<sup>th</sup> ed.). New York: Prentice-Hall, Inc.
- Saint, W.S. (1992). *Universities in Africa: strategies for stabilisation and revitalisation*. Washington D.C., World Bank.
- Schuler, R.S. (1998). *Managing human resources* (6<sup>th</sup> ed.). South-Western College.
- Sekaran, U. (1992). *Research methods for business: a skills building approach* (2<sup>nd</sup> ed.). New York: John Wiley & Sons
- Sempene, M.E., Rieger, H.S., & Roodt, G. (2002). "Job satisfaction in relation to organisational culture", *SA Journal of Industrial Psychology*, 28(2), 23-30.
- Senyucel, Z. (2009). *Managing human resource in the 21<sup>st</sup> century: motivation and commitment at work*. Zorlu Senyucel and Ventus Publishing Aps.
- Shanks, N.H. (2007). *Management and motivation: introduction to healthcare management*. Jones and Bartlett Learning United States.

- Spector, P.E. (2000). *Organisational psychology: research and practice*. New York: John Wiley & Sons.
- Stajkovic, A.D., & Luthans, F. (2003). “Behavioural management and task performance in organizations: conceptual background, meta-analysis, and test of alternative models”, *Personnel Psychology*, 56, 155–194.
- Teffera, D. & Altbach, G.P. (2003). *Challenges and/or opportunities facing academic staff in PHEA countries, highlights from African higher education: an international reference handbook*. Indianapolis: Indiana University Press.
- Tettey, W.J. (2006). *Staff Retention in African University: Elements of Sustainable Strategy*. Accessed 17/07/11 from Staff\_Retention\_Final\_2\_06.pdf.
- Tettey, W.J., & Puplampu, K. (2000). Social science research and the Africanist: the need for intellectual and attitudinal reconfiguration. *African Studies Review*, 43(3).
- Varghese, N. V. (2004). Patterns in ownership and operation of private higher education. *Higher Education Management and Policy*, 16(1), 27- 40.
- Vroom, V.H. (1964). *Work and motivation*. New York: Wiley.
- World Bank (2000). *Higher education in developing countries: peril and promise*. Washington D.C., World Bank.
- [www.preciousheart.net](http://www.preciousheart.net) accessed 17/08/14
- [www.dictionarist.com/academic+staff](http://www.dictionarist.com/academic+staff) accessed 5/10/14
- [www.nab.gov.gh](http://www.nab.gov.gh) accessed 5/10/2014
- [www.experiment-resources.com/quantitative-research-design](http://www.experiment-resources.com/quantitative-research-design) accessed on 27/01/2012
- Zakaria, Z., Noordin, N., Sawal, M.Z.H., Zakaria, Z., Noor, M.F.M. & Maras, P. et al. (2011). “Reward practice in private sector: employees’ perception”, *Interdisciplinary Journal of Contemporary Research in Business*, 2(12).