

EFFECTS OF REWARDS SYSTEMS ON EMPLOYEES PERFORMANCE

(A CASE STUDY OF GHANA COMMERCIAL BANK EJISU BRANCH)

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**A PROJECT WORK PRESENTED TO THE DEPARTMENT OF BUSINESS
ADMINISTRATION IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE AWARD OF A BACHELOR OF BUSINESS ADMINISTRATION
(HUMAN RESOURCE MANAGEMENT OPTION)**

JUNE, 2013

DECLARATION

We hereby declare that with the exception of references made to other works and texts which have been duly acknowledged, this work is the result of our own effort and that the work has not been presented elsewhere, wholly or in part, for the award of another academic certificate.

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Supervisor's Declaration

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ABSTRACT

Reward Systems is a vital aspect of any organization. They can actively engage and renew the overall sense of community and mission of an organization.

A properly administered system of rewards can provide incentive for quality workmanship and staff performance. Likewise, a poorly administered reward system can lead to low morale, unproductive performance, and even lead to a high percentage of staff turnover. A reward system is successful when the staff interprets its policies as even handed, consistent, and relevant. Rewarding and recognizing employees is a ticklish business. It can motivate people to explore more effective ways to do their jobs or it can utterly discourage such efforts.

Our main objective was to identify the effects of rewards on employees' performance.

Managers are therefore recommended to develop the habit of verbally recognizing/appreciating the achievement of the employees when they accomplish outstanding tasks and targets.

In summary, reward systems are a vital aspect of any organization since it serves as a motivating factor to improve upon employees' efficiency, effectiveness and loyalty to organizational goals and targets.

In conclusion, reward systems are the planned activities that organizations implement in order to motivate their employees to achieve the set goals of the company. Most organizations view their systems of rewarding employees as an additional cost of doing business which should not be so because it is very salient to reward employees and the outcome is that it motivates them to put in more efforts, skills and ability which at the long run increases productivity.

DEDICATION

This project is dedicated to God Almighty and the members of our family.

ACKNOWLEDGEMENT

We would like to express our gratitude to our heavenly father for his countless blessings bestowed upon us throughout our studies in this university. We are deeply indebted to our lecturer and supervisor Mrs. Evelyn Owusu Frempong and Mr. Isaac Ampong of Christian Service University College Kumasi whose help, stimulating suggestions and encouragement helped us in this project. We would also like to express our special thanks to the management of Ghana Commercial Bank Ejisu Branch for their time expended on us.

Lastly, we offer our regards and blessings to all Lecturers of Christian Service University College' Kumasi for the Knowledge imparted to us in all respects during our stay on campus.

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CHAPTER ONE

INTRODUCTION

1.0. Background of the study

Reward Systems is a vital aspect of any organization. They can actively engage and renew the overall sense of community and mission of an organization. A properly administered system of rewards can provide incentive for quality workmanship and staff performance. Likewise, a poorly administered reward system can lead to low morale, unproductive performance, and even lead to a high percentage of staff turnover. A reward system is successful when the staff interprets its policies as even handed, consistent, and relevant. Rewarding and recognizing employees is a ticklish business. It can motivate people to explore more effective ways to do their jobs or it can utterly discourage such efforts.

Reward systems according to Sziligyi [1981], are outcomes or events in the organization that satisfy work related needs. Rewards systems are much more than just bonus plans and stock options but while they often include intrinsic incentives, they also include extrinsic types like promotions, re-assignment, non-monetary bonuses, vacation holidays or simple “thank you” from a manager. Since high morale and productivity go hand in hand, it is however imperative on managers to reward employees when they hit organizational targets and stretched standards set by the organization. A properly administered system of rewards has the capacity not only to improve incentives for quality workmanship and staff performance but also strategically attract skilled employees to join the organization whereas the reverse may lead to unproductive performance and even to a high incidence of staff turnover. [Wilson, 2004].

The above notwithstanding, most organizations have problems describing these rewards fairly to suit the organizational demands in relation to employee performance. Thus, which kind of reward system to allocate and at what time and whether non-salary based, salary based, annual merit based or personal praise by managers e.t.c.

Therefore, problems of rating and measurement of performance coupled with inadequate funding by some organizations have necessitated the adoption of non-salary based rewards which are based solely on the reward power of managers with no direction from formalized policies.

With regards to the various steps of performance appraisal under rewards systems, it is evident that employees and supervisors would come into terms with goals and policy framework of the organization and develop personalized non-salaried based rewards that correlate with the specific objectives.

1.1. Problem Statement

It is a well-known fact that human resource is the backbone of most organizations and other corporate entities due to their enormous strides and accomplishment within the organization. It is however baffling to note that productivity of the organizations have not seen major improvements. These are evident in the poor quality products and delayed service – delivery and the incessant organizational conflicts such as boycotts and strike actions. Growing evidence suggests that, in developing economies like Ghana, most employees are ill-motivated and lack the human resource capacity, the morale and the enabling environment to improve productivity and this is to a greater extent due to the unavailable human resource managers in some organizations to administer employee centered and goal-oriented reward system.

Administering rewards are thought to be a very daunting task managers must perform since managers need to use judgements, diagnosis and the resources available to reward these employees based on performance.

This problem stems from the fact that employers have different needs and perceptions, so outcomes such as pay, promotion, a reprimand and so on have different value for different people. Thus, in considering the reward and that time to administer it, a manager has to be astute in considering individual differences but if valued rewards are used to motivate, they have the high possibility of resulting in the exertion of efforts to achieve high levels of performance.

Again, intrinsic rewards, which are derived from employee's inner satisfaction for doing work such as responsibility, challenge and feedback do not find their way in most job establishment as everyone's major preoccupation for doing work is to gain much credence to the fact that, as most employees work for pleasure, others do not view it as a money making venture.

More so, most employees like to work in organizations with a much rewarding and recognize employee performance through the administration of rewards as appreciation and motivation for higher performance, thus, efforts expended on task will depend on the value of reward that will follow, [Porter et al, 1968]. Finally, confusion arises in some organizations due to the system of designing and administering fair rewards. Some management may like to base it on merit, whereas others may like to base it on position, hence under no circumstance must a subordinate be rewarded more than a superior.

In the light of these major problems, amidst the positive developments in rewards systems administration in Ghana, this study seeks to explore the effects of reward system on employees' performance in Ghana Commercial Bank as a case study.

1.2.Objectives of the Study

The aim of this research is to:

1. Identify the effects of rewards on employees' performance.
2. Identify the types of rewards system in Ghana Commercial Bank.
3. Identify the methods / strategies used in implementing rewards at Ghana Commercial Bank

1.3. Research Question

1. What are the effects of rewards on employees' performance?
2. What type of reward systems are employed in Ghana Commercial Bank?
3. What methods / strategies are used in implementing rewards at Ghana Commercial Bank?

1.4. Significance of the Study

The content and results of this study shall be of immense importance to all corporate entities and other stakeholders who recognize employees as a vital human resource that need to be harnessed and developed.

It would also expose the excesses and weakness of the area of study thus, serving as a mirror for self – assessment of managers and employees' performance. This would also provide needed criticism to serve as a wake – up call for improvement and offer advice on restructuring of the organization if the need be. Currently, Ghana Commercial Bank can boast of so many employees with Kumasi Branches and large customer base.

This implies that without a proper management of rewards system as an instrument of human resource management, employees' performance may have multiple effects on the Bank's survival in the business environment.

1.5. Research Limitations

Though information was obtained from our field of study, we encountered various challenges which came in the form of the bureaucratic process of the organization, lack of cooperation and delayance on the part of employees in filling the administered questionnaires. Also, the busy work schedules of employees' hampered the overall administration of questionnaires and the unstructured interview but that did not affect the validity of the research work.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

This chapter of the study is concerned with the presentation of the review of some mainstream thought contained in the contemporary literature to serve as background for subsequent analysis. However the literature review in this chapter is to focus on organizational rewards system and their effects on employees' performance.

2.1. Definition

Rewards can therefore be defined as something given in recognition of service, effort or achievement. They can either be in monetary or non-monetary terms.

Reward systems are the planned activities that organizations implement in order to motivate their employees or individuals to achieve the set goals of the company.

Managing human resources which is the most valued asset of an organization, has received much attention recently because much more could be gained from a better handling of human resource within organization.

Therefore, rewards systems are outcomes in the origination that satisfy work – related needs for employees (Szilzgyi, 1981:574).

Most organizations view their systems of rewarding employees as an additional cost of doing business which should not be so because it is very salient to reward employees and the outcome is that it motivates them to put in more efforts, skills and ability which at the long run increases productivity.

Nevertheless, in an increasing knowledge and service based economy, where remuneration can constitute 75% of total operation cost, progressive organizations are coming to regard reward systems as a source of competitive advantage. An effective organizational reward system will help create a skilled, committed, competent and well motivated workforce, one that ensures that the organization stays ahead of its competitors (Carter: 2002).

In conclusion, we investigate how the organizational rewards systems affect the employees on their performance.

2.2. Types of Rewards Systems

2.2.1. Extrinsic Reward Systems in Organizations.

Reward systems in an organization can either be intrinsic or extrinsic.

Extrinsic rewards also known as financial rewards which include salaries, bonuses, allowances and benefits. It is a well known fact that, rewards are linked with performance of employees in any organization.

This is because employees are generally rewarded on the basis of the value of the job, their personal contribution and performance.

According to Victor Vroom's Expectancy theory, employees will be motivated to exert a high level of effort when they believe that, effort will lead to good performance appraisal and followed by organizational rewards such as bonus, Salary increment which later satisfy goals.

Before rewards are administered, there are certain criteria and processes which may be followed, rewards processes suggested by model indicate that, the motivation to exert effort

is not enough to cause acceptable performance. Performance results from a combination effort of an individual and that person's ability, skill and experience.

In most organizations, performances of individuals are evaluated either formally or informally and distribute it amongst the two types of rewards i.e. intrinsic and extrinsic because of the evaluation. Most organizations now establish conditions under rewards i.e. the reward that are part of their behavior.

2.2.1.1. Salaries and Wages

Money has been the major mechanism for rewarding performance but very little is known about how it works. To understand how money modifies performance, the preference or taste of the person being rewarded must be known or understood and this makes it a challenge for most managers.

Money cannot be a powerful motivator, when employees cannot see a connection between performance and merit increases. To make this clear in the minds of employees, a well-designed appraisal system should be adopted. The clarity does not just happen; managers must work hard at communicating the performance – financial reward connection, (Lawler, 1988: 68 – 71).

2.2.1.2. Bonus Plans

Bonus plans are very essential part of reward systems in an organization. This is so because they are related to the current performance of employees as it is an extra amount of money added to an employees pay. This bonus plans are initiated in order to enhance performance and effectiveness of employees on their job.

2.2.1.3. Fringe Benefits

Benefits are the programs an employer uses to supplement the cash compensation that employees receive. These programs are designed to protect the employee and his/her family from financial risk and this include pensions, sick pay, insurance cover, company cars and annual holidays.

The major financial fringe benefits in many organizations are the pension plan. For most employees, opportunity to participate in the pension plan is a valued reward.

2.2.1.4. Promotion

Promotions for employees do not happen often, if you are given promotion in your job, you are given a more important job or rank in the organization that you work for.

Criteria used are mostly performance and seniority and if performance can be accurately assessed, it is often given significant weight in promotion reward allocation.

Extrinsic rewards are predominantly used by most organizations; others use intrinsic rewards or non-financial rewards which include personal growth, responsibility and completion of task, achievement of goals, and employee autonomy over job etc.

2.2.2. Intrinsic Rewards Systems

2.2.2.1. Employee Autonomy over Job

Most people want jobs that provide them with the rights and privileges to make decision. People want to operate without being closely supervised or monitored. A feeling of autonomy could result from the freedom to be what the employee considers best in a particular situation,

in jobs that are highly structured and controlled by management, it is difficult to create task that lead to a feeling of autonomy (McClelland, 1961).

2.2.2.2. Achievement of Task

Achievement is something which you have succeeded in doing, especially after a lot of effort. Achievement is also a self – administered reward that is derived from reaching a challenging goal. According to McClelland (1961) some people seek challenging goals while others seek moderate goals.

In goal – setting programmes, difficult goals may result in high level of individual performance than moderate ones.

2.3. Equity and Equality of Rewards

Unfair or improper distribution of rewards sometimes results in organizational conflict. Employees have different needs, perception and outcomes such as pay, promotion, a reprimand from a superior having different values for different people. A significant amount of research has been done on what determines whether individuals are satisfied with rewards or not, which has been summarized by Lawler (1988: 68 – 71).

First, satisfaction with a reward was found to be a function of how much is received and how much the individual feels should be received. If individuals receive less than they feel they should, they are dissatisfied.

Second, feeling of satisfaction is influenced by comparisons with what happens to others. People tend to compare the efforts, skills, seniority and job performance with those of others.

They then attempt to compare their inputs with the inputs of others relative to the rewards received. This input – output comparison has to do with equity theory. People differ on what they prefer. Some rewards such as promotion and fringe benefits are satisfying because they lead to other rewards. Money is a reward that leads to such things as prestige, autonomy and independence, security and shelter, (Lawler, 1988: 68 – 71).

Again, satisfaction is influenced by how satisfied employees are with both intrinsic and extrinsic rewards. Intrinsic rewards are valued in and of themselves; they are related to performing the job. Extrinsic rewards are external to the work itself, they are administered externally.

Generally, most organizations resort to the administration of extrinsic rewards more than intrinsic rewards. Extrinsic rewards are mostly financial rewards which are external. Amongst them are monetary rewards, bonus plans, interpersonal rewards and promotions. The cost and benefits of administering these extrinsic rewards are evident in the discussions.

CHAPTER THREE

METHODOLOGY AND ORGANISATIONAL PROFILE

3.0. Introduction

This chapter of the research involves the methods we used in data collection. It involves both quantitative and qualitative methods of research whereby questionnaires were employed as a source of data collection tool which comprised specifically more of the close – ended questions due to the numerous advantages they have over open – ended questions. The open – ended questions were also administered to help respondents to freely express their views on particular issues and give justification for their answers.

The close – ended questions were also used which gave respondents a clear – cut categories to help them make their definite choice. The questionnaires were administered out to the selected respondents. Information were sought from both the primary and secondary source of data.

With primary source of data collection, methods such as non-participant observation, unstructured interviews and questionnaires were used. It also involves the description of the study area, sample size and composition sampling techniques adapted and description of the methods of data collection used. In this study, simple random sampling technique was employed.

3.1. Research Design

The research design type is descriptive because it is a case study which seeks to explore the effects of rewards systems on employees' performance.

3.2. Sources of Data

Primary and Secondary data were used.

3.2.1. Primary Source of Data

The Primary data were obtained from the questionnaire sent out and returned. The questionnaires were designed and structured in accordance with the objective of the study using both open ended and closed ended questions. An interview in the form of conversation was conducted with staff of Ghana Commercial Bank Ejisu Bank to the idea on effects of rewards on their performance.

3.2.2. Secondary Source of Data

Secondary data were obtained from the Bank. Others were also obtained from internet, journals, books and articles from the library of CSUC and lecture notes of other lecturers also served as the major source of data as far as the review of the study is concerned.

3.3. Method of Data Collection

Questionnaires were employed as a source of data collection tool, which comprised specifically more of the close-ended questions due to the numerous advantages they have over open-ended questions. The open-ended questions were also administered to help respondents to freely express their views on particular issues and give justification for their answers.

The close-ended questions were also used which gave respondents a clear-cut categories to help them make their definite choices.

The questionnaires were administered out to the selected respondents. Information was sought from both the primary and secondary source of data. With the primary source of data collection, methods such as non-participant observation, unstructured interviews and questionnaires were used.

3.3.1. Problems Related to Data Collection

The major problems we encountered were inadequate time to do proper research on the topic and unwillingness of respondent to divulge information, this caused a limitation to the scope of the literature review but it did not affect the validity of the research work.

3.4. Research Population

Population refers to any complete group of potential participants relevant to the purpose of the study (Dr. Kwaku Ahenkora 2012). The target population was Ghana Commercial Bank Ejisu Branch. There are 13 workers in that branch. The departments are as follows:

- Operations
- Marketing
- Customer Service
- Finance
- Human Resource
- Audit

3.5. Research Methods

This part deals with all the methods and techniques used during and after the collection of data. The research methods and procedures have been presented under the following sub headings:

- Sample Area
- Sample Size
- Sampling Technique
- Data Collection
- Methods of data analysis and presentation

3.5.1. Sample Size

Considering the size of the workers population in Ejisu and the time available for the writing of this project work, a sample size of 13 workers were selected and questionnaires administered. Two workers were selected from each department plus one manager making it thirteen (13).

3.5.2. Sampling Technique

The sampling technique employed was purposive sampling which gave every employee of the Bank an equal opportunity to be among the respondents.

3.5.3. Data Collection Instruments

Primary and Secondary data were used. The Primary data were obtained from the questionnaire sent out and returned. Secondary data were obtained from the Bank. Both structured and unstructured interviews were adopted for the collection of data.

3.5.4. Methods of Data Analysis and Presentation

The data collected from respondents were edited and coded for analysis. The analysis was made with the use of computer program like Microsoft Excel, Microsoft Word, and Statistical Package for Social Science (SPSS). The results were illustrated by the use of tables, bar graphs and percentages.

3.6. Method of Data Analysis

Data gathered were classified into tables and bar graphs to summarize the data. Data analysis were coded and analyzed with the help of statistical package for social science (SPSS) version 16 and the Microsoft excel spreadsheet whereby bar graphs on some of the data were employed to reflect the responses gathered to facilitate easy understanding and interpretation.

3.7. Organisational Profile

Ghana Commercial Bank was founded in 1953, with 27 employees, as the bank of gold coast. Initially, it focused on serving Ghanaian traders, farmers and business people who could not obtain financing from the expatriate banks. In 1957, when Ghana attained independence, the bank rebranded to Ghana Commercial Bank, to concentrate on commercial banking since Bank of Ghana had been created to function as the central bank and banking regulator. In the beginning, the bank was wholly owned by the government of Ghana. However, beginning in 1966, the government started partial divestiture until today, when government shareholding stands at 51.17%. Subsequently, the stock of the bank was listed on the Ghana Stock Exchange. Today, GCB serves the banking needs of large corporations, parastatal companies' small and medium enterprises as well as individuals. As of July 2012, the bank employs 2,315 staff, in branches distributed in all 10 provinces of the Republic of Ghana. The growth of the bank has been synonymous with its customer base. GCB provides a wide range of products and services for the benefits of its customers. From traditional products of the Current/ Savings Account. GCB now offers specialized products and services including doorstep cash collection, loans and overdrafts. All these and more have been done to increase profit and enhance shareholder value. Today, GCB can boast of being the widest networked bank in Ghana.

3.8 The Bank's Mission

To be the established leader in banking, satisfying the expectations of customers and shareholders, providing a full range of cost efficient and high quality services through the optimization of information technology and efficient branch network. For the achievement of this mission, the bank is committed to:

- The provision of first class customer service
- Focusing on our core business/competencies-commercial banking
- Constant improvements in the use of information technology
- Ensuring that staff are well motivated and have a conducive work environment
- Recruiting and retaining the best human resource to carry out the bank's mandate
- Applying best practices in internal policies, procedures, processes and service delivery
- Constant improvement in shareholders' value

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.0. Introduction

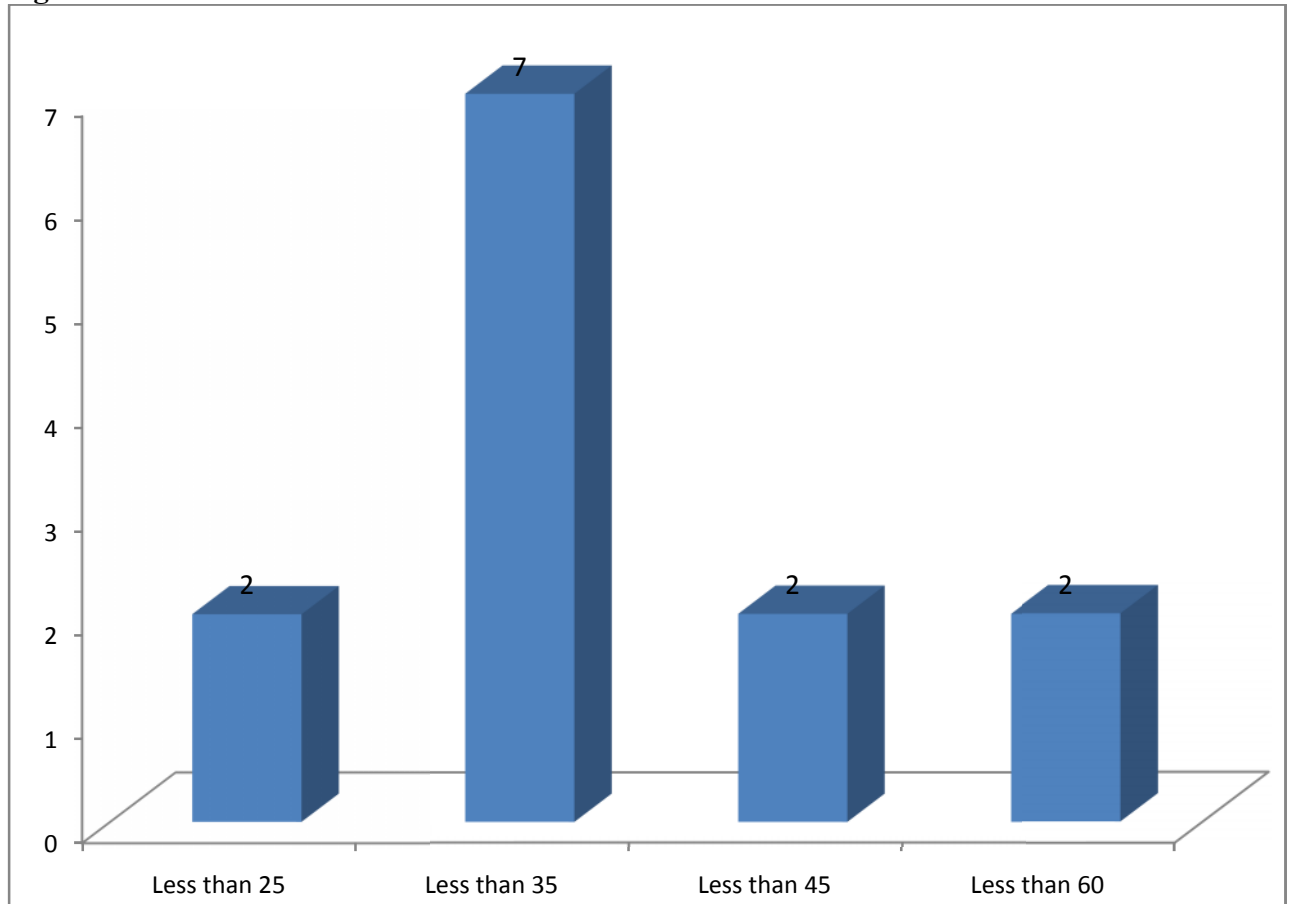
This chapter presents data gathered from administered questionnaires and interviews conducted to find out the effects of rewards systems on employees' performance within Ghana Commercial Bank Ejisu Branch. The general objectives of this study was to examine the effects of rewards on employees' performance in Ghana Commercial Bank Ejisu, whereas the specific objectives were to investigate the various rewards systems, find out the administration of these reward policies and make suggestions and recommendations.

The data collected were mainly analyzed with the use of descriptive statistical techniques such as the bar graphs, and tables. Inferential statistical tools were also employed to answer some of the research questions. The data were coded and analyzed with the help of the Statistical Package for Social Sciences (SPSS) version 16 and the Microsoft Excel Spreadsheet.

It is significant to note that for purposes of uniformity in the analysis; applicable and inapplicable questions unanswered were treated as no response and were however accounted for in the computation of the relevant statistical figures.

4.1. Age of Respondents

Figure 4.1

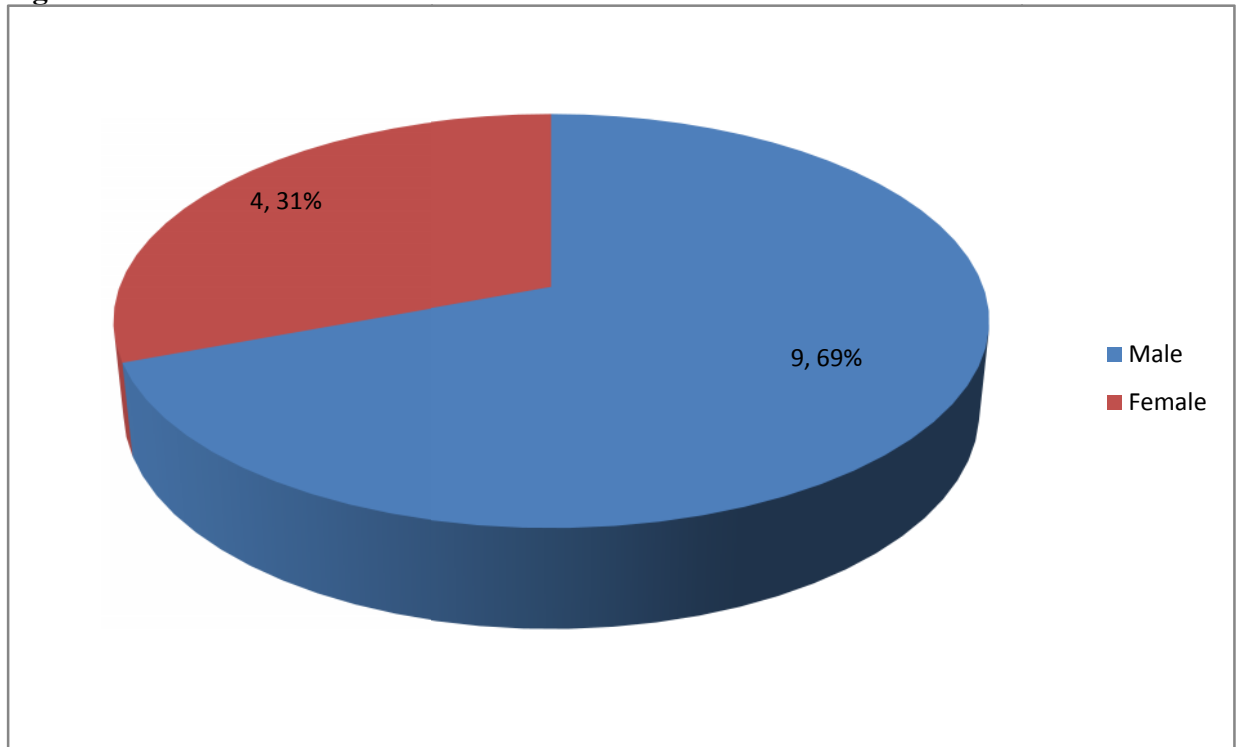


Source: Researcher's field survey, May 2013

Figure 4.1 shows the age of respondents (employees) in GCB EJISU branch. 7(53.8%) of the respondents are less than 35 years but more than 25 years. 2(15.4%) are less than 25 years. Another 2(15.4%) are less than 45 years but more than 35 years. And finally, another 2(15.4%) are less than 60 years but less than 45 years. In analyzing the data, the study revealed that the employees within the ages of 25 and 35 were in majority, followed by those within the ages of 35 and 45. And those who are less than 60 years but greater than 45 years were not many, hence the demographic characteristics of workers in GCB Ejisu branch shows a representation of young workers.

4.2. Gender of Respondents

Figure 4.2

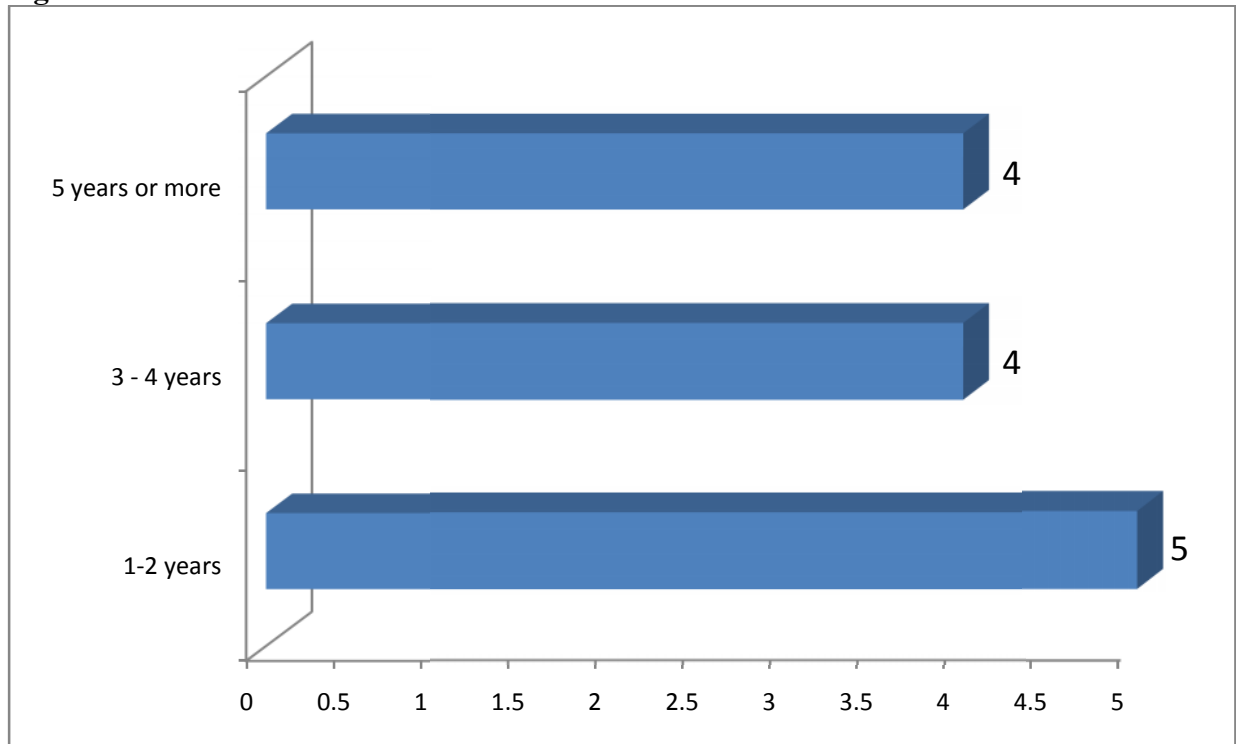


Source: Researcher's field survey, May 2013

Figure 4.2. shows the distribution of the employees of GCB branch, EJISU based on the gender characteristics. 9(69%) are male and 4(31%) are female. In analyzing the data, the study revealed that there are more male workers than the female workers in this branch of GCB.

4.3 Number of Years Employee Have Worked In GCB

Figure 4.3



Source: Researcher's field survey, May 2013

Figure 4.3 shows the distribution of employees based on the number of years they have worked in GCB. 5(38.5%) have worked with GCB for between 1 and 2 years. 4(30.8%) have worked with the Bank for 3 to 4 years, and another 4(30.8%) have worked with the bank for years and more. In analyzing the data, the study revealed that employees who have worked with the bank for 1-2 years were in the majority, followed by the employees who have worked for the bank for 3,4 and 5 years.

4.4. The Years Employees Have Been With the Bank

Table 4.1

How many years employee have been with Commercial Bank * Have you been rewarded before Cross tabulation				
Count				
		Have you been rewarded before		Total
		Yes	No	
How many years employee have been with Commercial Bank	1-2 years	2	3	5
	3 - 4 years	3	1	4
	5 years or more	2	2	4
Total		7	6	13

Source: Researcher's field survey, May 2013

Table 4.1 shows a cross tabulation based on the length of years of service in the bank and whether employees have been rewarded. 6 employees indicated that they have never been rewarded before. However, 7 indicated that they have been rewarded. Majority of the employees who indicated that they have not been rewarded before have worked within the firm for within 1 and 2 years, (3 employees).

4.5 Basis of Reward

Table 4.2

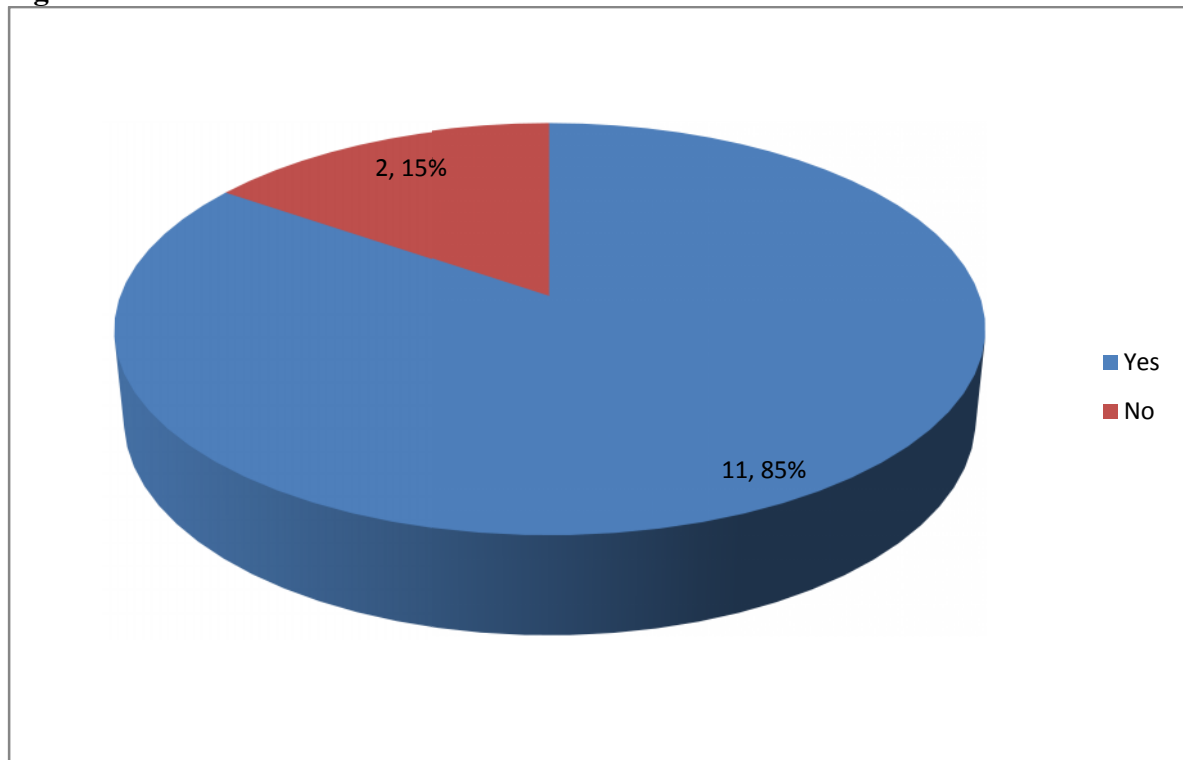
	Frequency	Percent	Valid Percent
Performance	3	23.1	42.9
Position	1	7.7	14.3
Seniority	1	7.7	14.3
Skills	2	15.4	28.6
Total	7	53.8	100.0
Missing System	6	46.2	
Total	13	100.0	

Source: Researcher's field survey, May 2013

Table 4.2 shows the responses based on the follow up question as to the basis for the rewards employees received. 3(23.1%) of the employees indicated that they were rewarded based on performance. 2(15.4%) indicated that they were rewarded based on skills, 1(7.7%) indicated that he/she was rewarded based on position, and another 1(7.7%) indicated that he was rewarded based on seniority. However 6 (46.2%) did not indicated because they already indicated that they have not been rewarded before and so do not know the basis for reward. This was captured in the analysis as missing system.

4.6 Employees Who Have Been For Further Training, Workshop

Figure 4.4

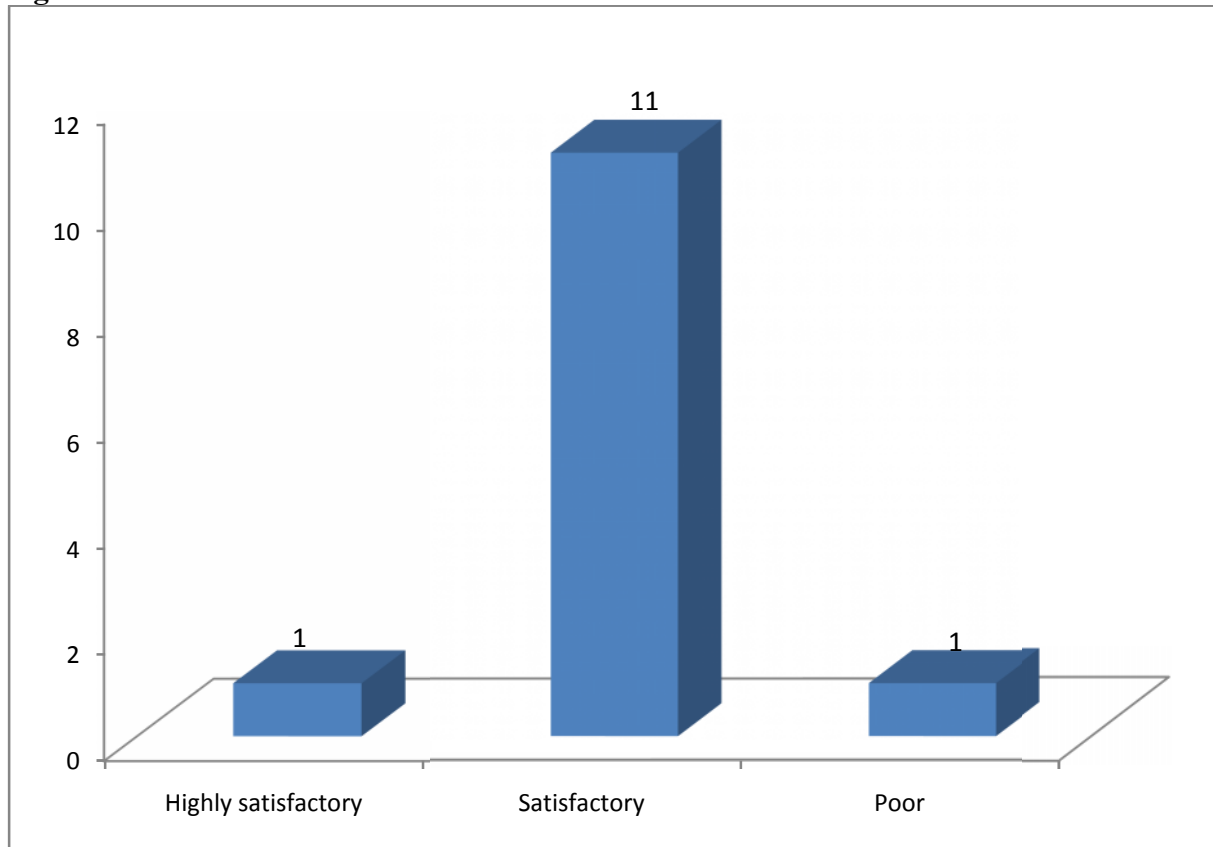


Source: Researcher's field survey, May 2013

Figure 4.4 shows the results on whether employee has ever been for any further training or workshop. 11(85%) indicated that they have ever been for further training or workshops. 2(15%) indicated that they have not been for further training or workshop.

4.7. Employees Rate in Satisfaction for Distribution of Rewards

Figure 4.5

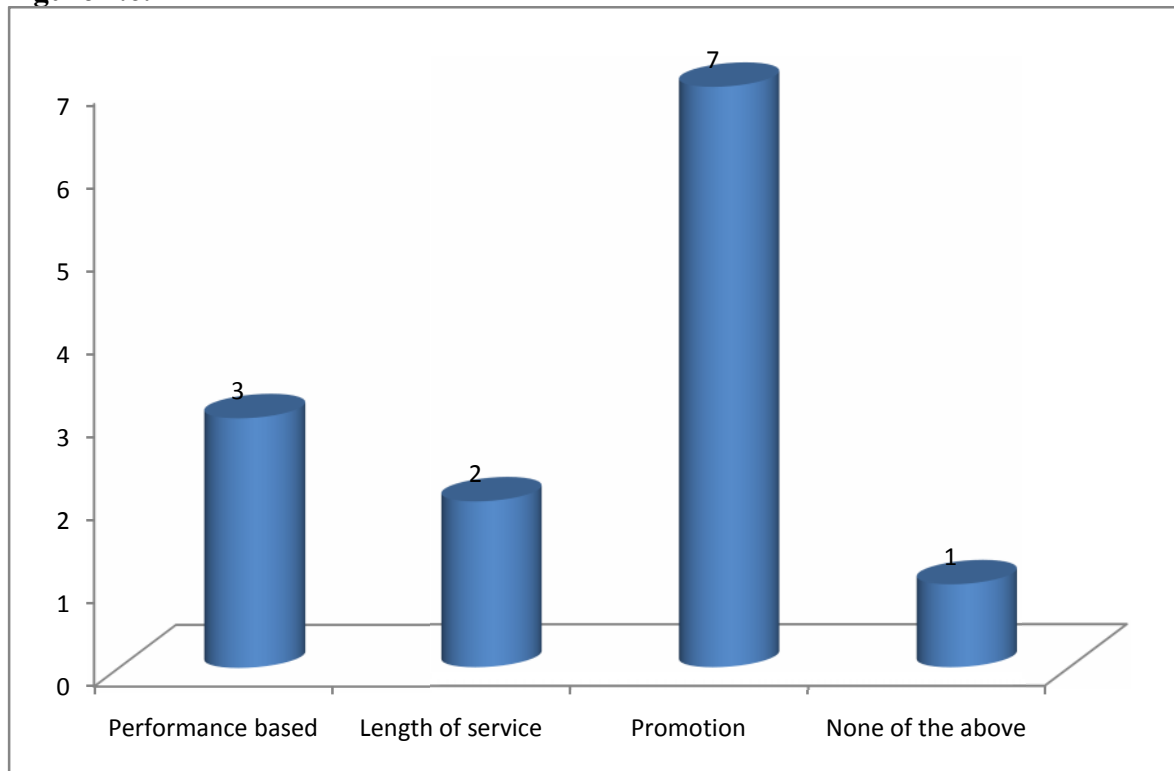


Source: Researcher's field survey, May 2013

Figure 4.5 shows the rating or satisfaction level of employees on the state of rewards distribution in Ghana Commercial Bank (Ejisu Branch). 11(84.6%) of the respondents indicated satisfactory to the question on how equitable and fair rewards distribution in the bank is. 1(7.7%) indicated highly satisfactory, and another 1(7.7%) indicated poor. In analyzing the data, the study revealed that, an employee is aggrieved at the reward distribution method of the bank.

4.8. Administrations of Salary-Based Rewards

Figure 4.6.

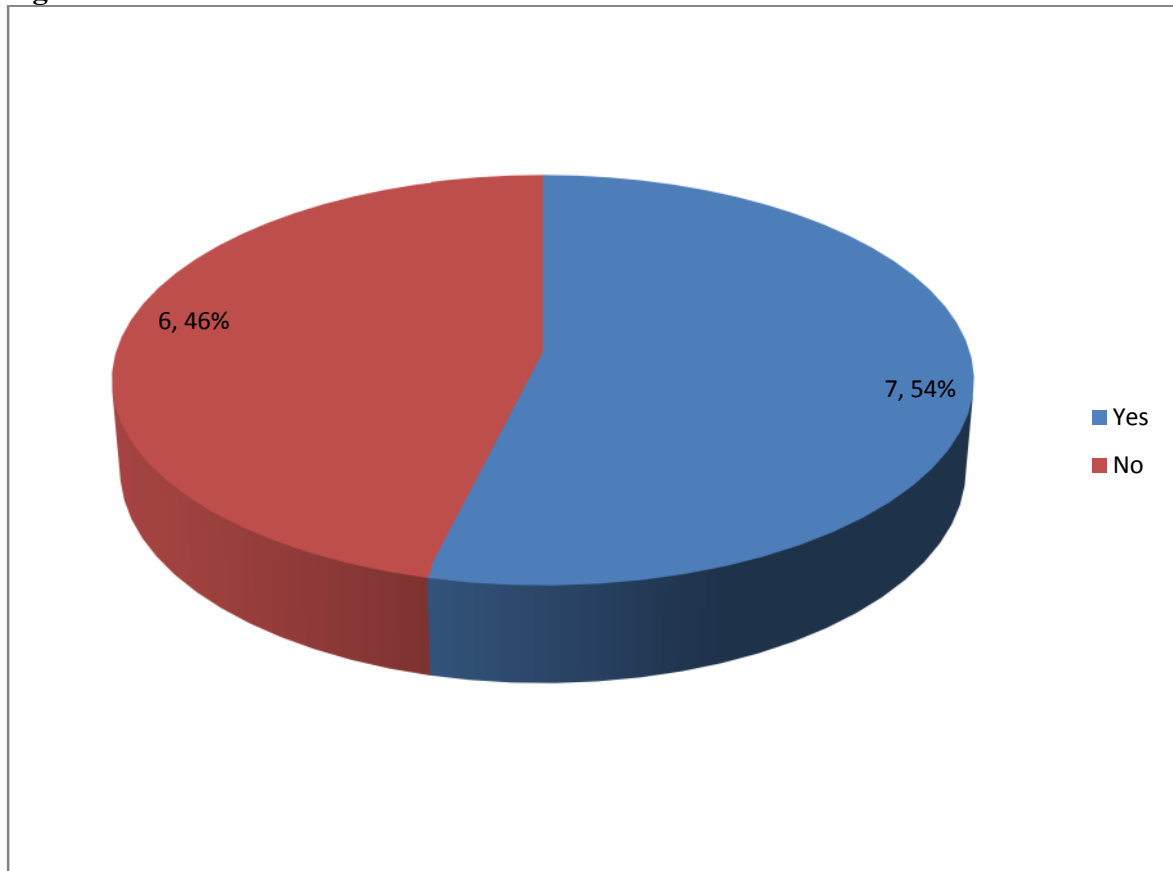


Source: Researcher's field survey, May 2013

Figure 4.6 shows respondents perception of how salary-based rewards are administered. 7(53.8%) indicated that the rewards are based on promotion. 3(23.1%) indicated that salary-based rewards are administered based on performance. 2(15.4%) indicated that it is administered based on length of service and 1(7.7%) indicated that salary-based rewards are not administered based on performance, length of service or promotion. It was also identified that rewards are not administered based on employee choice. Therefore employees will not choose any reward based on promotion, further studies, car, house or what they desire or request.

4.9. Compare Rewards with other Employees

Figure 4.7



Source: Researcher's field survey, 2013

Figure 4.7 shows responses on whether employees compare rewards with other employees. 6(46%) of the respondents indicated that they do not compare rewards with other employees. However, 7(54%) indicated that they compare their rewards with other employees. Table 4.3 indicates the basis for their comparison.

4.10 Basis of comparison

Table 4.3.

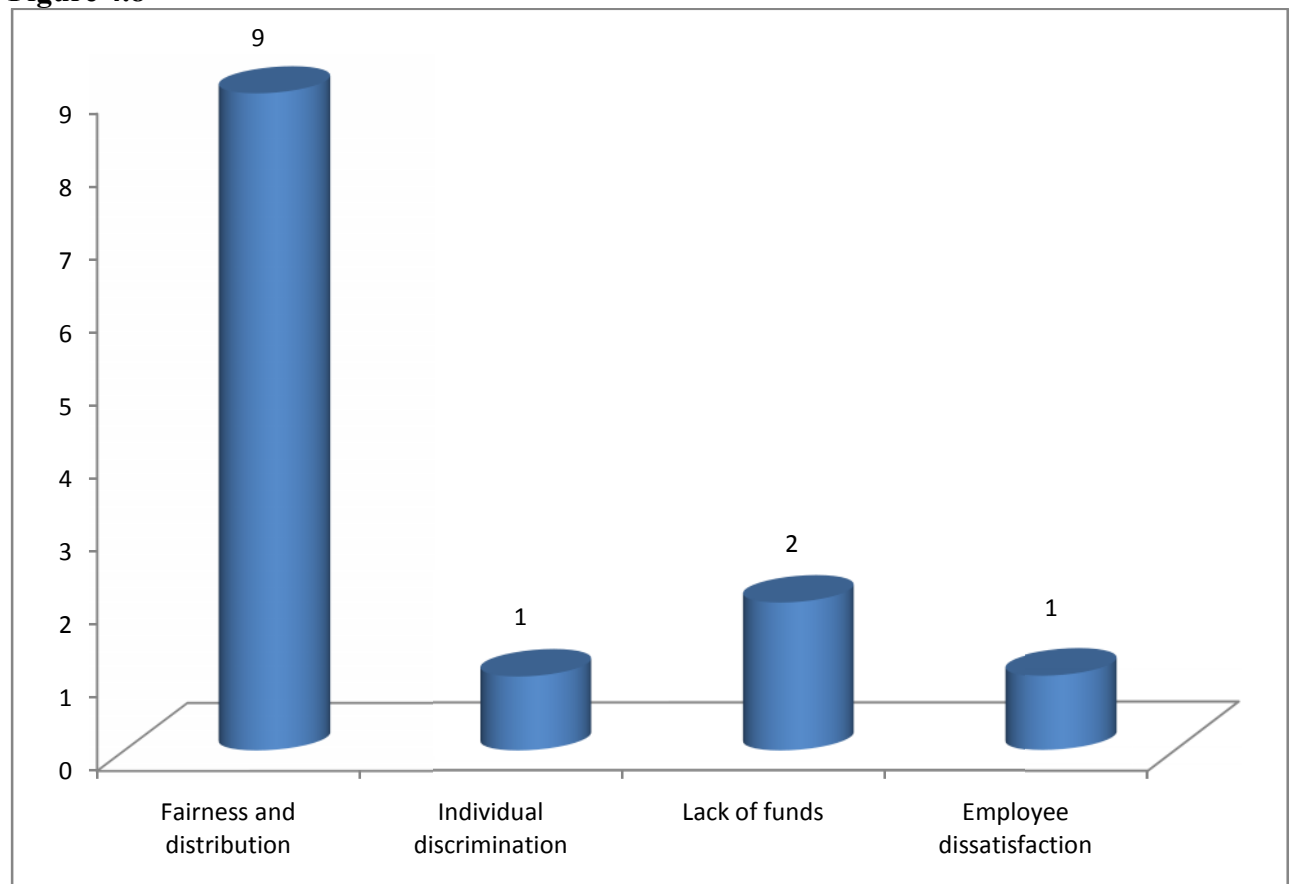
	Frequency	Percent	Valid Percent
Skills	1	7.7	12.5
Seniority	1	7.7	12.5
Performance	5	38.5	75,0
Total	7	61.5	100.0
Missing System	6	46.2	
Total	13	100.0	

Source: Researcher's field survey, May 2013

Table 4.3 shows the basis for comparison by employees. 5(38.5%) indicated that they compare based on performance. 1(7.7) indicated that he/she compares based on seniority, and another 1 (7.7%) indicated that he/she compares based on skills.

4.11Major Barrier in Allocation of Rewards in GCB

Figure 4.8



Source: Researcher's field survey, May 2013

Figure 4.8 shows distribution based on responses of employees as to the major barriers in allocation of rewards in GCB, Ejisu branch. 9(69.2%) indicated that the major barrier is fairness and distribution. The next major barrier indicated by 2(15.4%) is the lack of funds, 1(7.7%) indicated individual discrimination and another 1(7.7%) indicated employee dissatisfaction.

4.12 Types of rewards system that motivates

Table 4.4

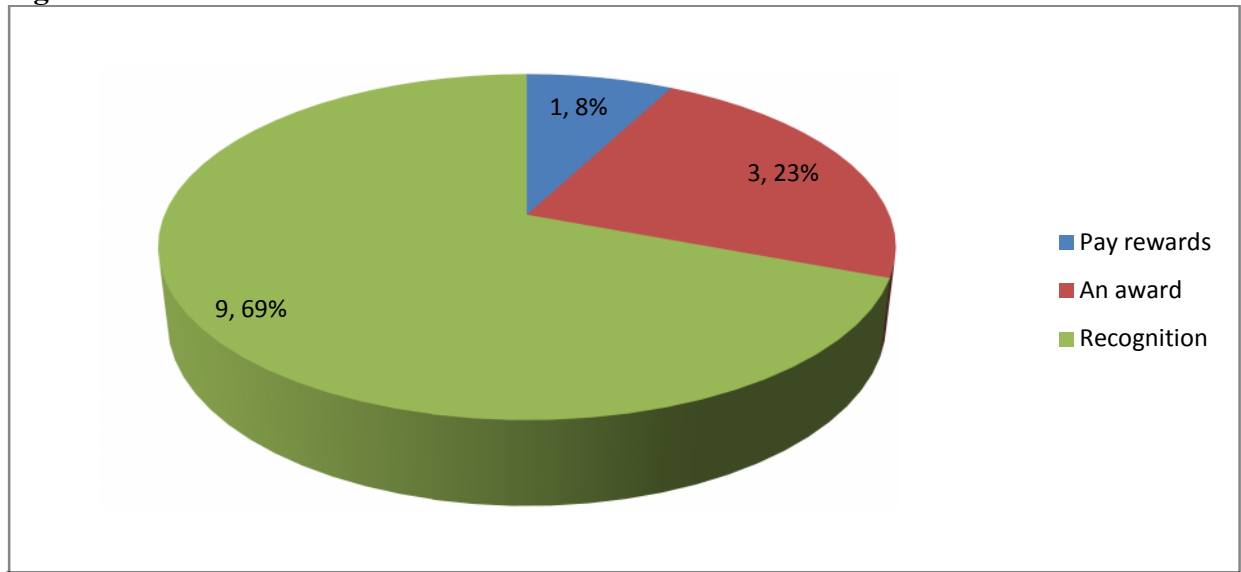
	Frequency	Percent
Achievement of a challenging goal or task	3	23.1
Having autonomy to operate without supervision	1	7.7
Completion of task within time set	4	30.8
All of the above	5	38.5
Total	13	100.0

Source: Researcher's field survey, 2013

Table 4.4 shows the distribution on the types of reward systems that motivates the employees. Majority, 5(38.5%) indicated that all the above-listed issues (achievement of a challenging goal or task, autonomy to operate without supervision and completion of task within set time) motivates them. 4(30.8%) indicated that completion of task within set time motivates them, 3(23.1%) indicated that achievement of a challenging goal or task motivates them. Finally, 1(7.7%) indicated that having autonomy to operate without supervision motivates him/her.

4.13 What Employees Appreciate After the Performance of a Difficult Task

Figure 4.9



Source: Researcher's field survey, May 2013

Figure 4.9 shows the responses of employees on what they perceive motivates them after performance of a difficult task. Majority of the employees, 9(69%) indicated that recognition motivates them after they have performed a difficult task, 3(23%) indicated that they get motivated when they are given awards. Finally 1(7.7%) person indicated that he/she gets motivated when he/ she receive pay rewards after performing a difficult task. It is therefore identified that employees of GCB, Ejisu branch are more motivated with recognition than any other form of recognition; therefore management should seek to do this more.

Individual suggestions of employees on kind of reward they would like management to introduce.

The following are suggestions put forward by employees:

A system that will recognise employees when they achieve set targets. Awarded with citations or promoted for attaining a target. Motivate workers though bonuses. Employer should provide car maintenance allowance and also employees' children with scholarship

schemes. Introduce a performance-based reward system. Provision of house rent allowances to employees. Transfer employees to zones of their choice during transfers.

Effect of rewards systems on employees' performance at Ghana Commercial Bank.

Some of the effects we gathered at Ghana Commercial Bank are as followed:

- High employee morale
- Employees perform better
- Employees were willing to work because hard work leads to high rewards
- Attraction and retention of employees

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter is developed to provide the general overview of the research findings and make significant conclusions and suggest practicable recommendations from the analysis of the study. Findings will add as emphasis to prompt various policy stakeholders on pragmatic steps to ensure that reward systems within the Ghana Commercial Bank, Ejisu branch are improved to increase employees' performance.

Results from the data gathered revealed as per the demographic characteristics of the survey group that; there are more males to female in the bank, and majority of the workers within the ages less than 35 years but more than 25 years. This indicates that the employee population of the organization comprises of energetic and potentially productive people. Most of the workers within the bank have worked with the bank for between one and two years.

5.1 Summary of Findings

The study aimed at assessing the effects of reward management systems on employees' performance, a case study of Ghana Commercial Bank, Ejisu Branch. Reward systems are a vital aspect of any organization since it serves as a motivating factor to improve upon employees' efficiency, effectiveness and loyalty to organizational goals and targets. It can either be extrinsic or intrinsic.

This study shall be of great importance to corporate entities and stakeholders within organizations since it will serve as an eye-opener to recognize employees as a vital human resource that needs to be harnessed and developed. To further progress with the study

questionnaires designed which was comprehensive enough to address the various objectives of the researchers. From the analysis it was established that GCB, Ejisu branch had some reward practices like promotion and the provision of bonuses to the employees, however majority of the employees are of the perception that they should be motivated by recognition.

5.1.1. Identify the effects of rewards on employee's performance

On the response whether employees have been rewarded before, a little less than half the population of employees indicated that they have not been rewarded before. The majority of employees who indicated that that they have not been rewarded before had been in the organization for between one and two years. This indicates that the longer you stay with the organization, the higher the propensity to be rewarded by the bank. Also the results shows that the bank rewards mostly based on performance rather than skills, position or seniority basis. Generally, employees indicated that when they are rewarded, they perform better.

One of the reward systems that they prefer is recognition after accomplishing tasks and achieving targeted goals. However, they indicated that they will be motivated when they achieve challenging goals and tasks, they are given autonomy to operate without supervision, and they complete a given task within set time. One interesting issue identified was that the employees indicated that they compare their rewards with that of other employees.

5.1.2. Identify the types of reward system in Ghana Commercial Bank, Ejisu branch

Although there are variegated systems of rewarding employees across various organizations, Ghana Commercial bank also have their systems. One of the obvious ways of rewarding employees is the salary-based reward and Ghana Commercial bank, Ejisu branch operates this system. The bank also has training workshop for employees since most of the employees

indicated that they have been for further training or workshop under the auspices of the bank. Therefore, the bank motivates the employees using the extrinsic method largely; however it can be identified from the submission of the employees that they also desire the intrinsic method of motivation also.

5.1.3. Identify the methods/ strategies used in implementing rewards at Ghana Commercial Bank, Ejisu branch

The strategies and methods used in implementing rewards at Ghana Commercial bank, Ejisu branch are performance based methods and promotion based method, largely the extrinsic strategy. However, the employees would want management to also consider the intrinsic method/strategy. Largely, employees indicated satisfactory to their ratings for rewards distribution within the bank. One major barrier as indicated by respondents to the allocation of rewards in the bank is fairness and distribution.

5.2 Conclusion

Reward systems are the planned activities that organizations implement in order to motivate their employees or individuals to achieve the set goals of the company. Managing human resources which is the most valued asset of an organization, has received much attention recently a lot could be gained from a better handling of human resource within organization. Most organizations view their systems of rewarding employees as an additional cost of doing business which should not be so because it is very salient to reward employees and the outcome is that it motivates them to put in more efforts, skills and ability which at the long run increases productivity.

Nevertheless, in an increasing knowledge and service based economy, where remuneration can constitute 75% of total operation cost, progressive organizations are beginning to regard reward systems as a source of competitive advantage. An effective organizational reward system will help create a skilled, committed, competent and well-motivated workforce, one that ensures that the organization stays ahead of its competitors (Carter, 2002).

5.3 Recommendations

The study made a study into the reward systems of Ghana Commercial Bank, Ejisu branch and the effect of the reward systems on the employees' performances. Based on the findings of the study, the following are the researchers' recommendations.

1. The managers should develop the habit of verbally recognizing/ appreciating the achievement of the employees when they accomplish outstanding tasks and targets.
2. The bank should continue and even improve upon training and workshops for the employees.
3. The employees also suggested the following;
 - A system that will recognize employees when they achieve set targets.
 - Awarded with citations or promoted for attaining a target.
 - Motivate workers through bonuses.
 - Employer should provide car maintenance allowance and also employees' children with scholarship schemes.
 - Provision of house rent allowances to employees.

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APPENDIX

TOPIC: EFFECTS OF REWARD MANAGEMENT SYSTEMS ON EMPLOYEE'S PERFORMANCE (A CASE STUDY ON GHANA COMMERCIAL BANK EJISU BRANCH) QUESTIONNAIRE

Please tick ☒ the appropriate response in the space provided.

1. Age.

a. Less than 25 ☐

b. Less than 35 ☐

c. Less than 45 ☐

d. Less than 60 ☐

e. Above 60 ☐

2. Sex

Male ☐

Female ☐

3. How many years have you been with commercial Bank?

a. 1 – 2 years ☐

b. 3 – 4 years ☐

c. 5 years or more ☐

4. Have you been rewarded before?

a. Yes ☐

b. No ☐

5. If Yes, on what basis?

a. Performance ☐

b. Position ☐

c. Seniority ☐

d. Skills ☐

6. Have you ever gone for further training, workshop etc?

a. Yes ☐

b. No ☐

7. How equitable or fair are rewards distributed in Ghana Commercial Bank. (Ejisu Branch)

a. Highly Satisfactory ☐

b. Satisfactory ☐

c. Unsatisfactory ☐

d. Poor ☐

8. In terms of Salary – based rewards, how is it administered?

a. Performance based ☐

b. length of service ☐

c. Promotion ☐

d. None of the above ☐

9. Are rewards administered based on employees' choice?

a. Yes ☐

b. No ☐

10. If Yes, what kinds of reward will you choose?

a. Promotion ☐

b. Further studies ☐

c. Car ☐

d. House ☐

e. Other ☐

11. Do you compare your rewards with other employees?

a. Yes ☐

b. No ☐

12. If Yes, on which of the following basis?

a. Skills ☐

b. Seniority ☐

c. Performance ☐

13. Which of the following acts as a major barrier in the allocation of rewards?

a. Fairness and distribution ☐

b. Individual discrimination ☐

c. Lack of funds ☐

d. Employee dissatisfaction ☐

14. As an employee, which of these types of reward system motivates you to perform?

a. Achievement of a challenging goal or task ☐

b. Having autonomy to operate without supervision ☐

c. Completion of task within time set ☐

d. All of the above ☐

15. Which of the following would you appreciate or value after the performance of a difficult task?

a. A simple "thank you" ☐

b. Pay rewards ☐

c. An award ☐

d. Recognition ☐

16. What kind of reward would you like management to introduce to employees, if there isn't any?

Comment:

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