

**STAFF PERFORMANCE AND EMPLOYEE REWARDING:
A CASE STUDY OF UGANDA CLAYS KAJJANSI LIMITED**

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**DISSERTATION SUBMITTED TO THE COLLEGE OF HUMANITIES
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DECLARATION

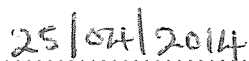
I, **Ogweng Emmy**, declare that this dissertation is my original work and has never been presented to any other university for award of any academic certificate or anything similar to such. I solemnly bear and stand to correct any inconsistency.

Signature

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OGWENG EMMY

DATE :

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APPROVAL

This dissertation has been done under my supervision and submitted to the college of humanities and social sciences with my approval as a supervisor.

MRS. MPOLA RACHAEL

(Supervisor)

Signature.....

Date.....25/04/2014.....

DEDICATION

This work is dedicated to my beloved mum Mrs. Alumu Phoebe and dad, Dr. Ogwale Tom Jack for their endless financial support and encouragement during the course of the study

ACKNOWLEDGEMENT

I acknowledge the almighty God for enabling and guiding me through this research work. Many people have contributed towards this work that I am so indebted to them and their contribution cannot go without credit.

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ABSTRACT

The main purpose of the study was to examine staff performance and employee rewarding using a cases study of Uganda Clays Kajjansi limited. The study was guided by three objectives including: To identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited. To establish the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited. To establish the relationship between employee rewarding and staff performance in Uganda clays Kajjansi limited. The study used a sample size of 45 respondents from the various departments such as Production department, marketing department, sales department, accounting department and top management through interviews and filling in questionnaires. Data was analyzed using descriptive statistics and tables. The study findings reveled that the management at Uganda clays limited is using rewarding systems such as, increased pay, Bonuses, Recognition, Profit Sharing, over time pay and Promotions. The study findings also reveled that rewarding systems have both positive and negative effects on staff performance. The positive effects included increased Job commitment; Empowerment of employees, reduced labor turns over, Job satisfaction and increased productivity. And the negative effects included increased costs of production and unfairness in the rewarding system. The study findings also reveled that there is a strong relationship between employees rewarding and staff performance .The study recommended that in designing a reward program, the management needs to separate the salary or merit pay system from the reward system. In order to reap benefits such as increased productivity, the management designing a reward program must identify company or group goals to be reached and the behaviors or performance that will contribute to this. The study further recommended that the management at Uganda clays Kajjansi has to make sure that properly measuring performance to ensure that the different programs pays off in terms of organizational goals. The study suggested further research on the different need to separate the salary or merit pay system from the reward system so as to separate financial rewards from the non financial rewards.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter comprises of the background of the study, the statement of the problem, the purpose of the study, general objectives of the study, scope of the study and the significance of the study.

1.1 Background to the Study

Employee Rewarding is one of the strategies used by Human Resource Managers for attracting and retaining suitable employees as well as facilitating them to improve their performance through motivation and to comply with employment legislation and regulation. As a result of these pressures, human resource managers seek to design reward structures that facilitate the organizations strategic goals and the goals of individual employees. Thus such Reward systems are very crucial for an organization in the pursuit of the goals and targets (Maund, 2001). Rewards include systems, programs and practices that influence the actions of people. The purpose of reward systems is to provide a systematic way to deliver positive consequences. Fundamental purpose is to provide positive consequences for contributions to desired performance (Wilson, 2003). The only way employees will fulfill the employers dream is to share in their dream (Kotelnikov, 2010). Reward systems are the mechanisms that make this happen.

According to Harvey-Beavis (2003), the system of employee rewarding in an organization consists of its integrated policies, processes, and practices for rewarding its employees in accordance with their contribution, skills, competences and market worth. This implies that performance- based reward corresponds closely with employees' actual experiences. The distinguishing feature of a performance-based scheme is that it rewards based upon some form of performance evaluation (Chamberlin, et al. 2002). Distinctions in performance-based reward programs are found in the skills assessed and the rewards provided (Armstrong, 2001). The argument is that people work well in accordance to what they regard as fair. Employees consider whether management has treated them fairly, when they look at what they receive for the effort they have made.

Employee performance involves the ability of employees to meet organizational tasks, requirements and objectives through strategic investment into organizing, executing and

accomplishing roles and duties in the minimum time possible (Adair (2005). Consequently, performance is operationally perceived as, executing defined duties, meeting deadlines, team input, and achieving departmental goals. The above should (as pointed by Armstrong 2005) lead to efficiency, specialization, effective feed back and good organizational relations. The cohesion of both employee rewarding and performance should be evident through system and approach by managers in the attempt to cause efficiency which requires specific rewarding approaches to unique performance challenges.

According to Maicibi (2003) employees expect rewards or outcomes to be broadly proportional to their effort. Thus generally Employee rewarding includes awards and other forms of recognition, promotions, reassignments, non monetary bonuses like vacations or a simple thank-you. When employees are rewarded, they get work done. Employers get more of the behavior they reward, not what they assume they will automatically get from employees. Thus when employees surpass their target or exceed their standard they should be rewarded immediately as a way of motivating them. By doing this, employees directly connect the reward with behavior and higher performance they have attained. Effective reward systems should always focus on the positive reinforcement. Positive reinforcement encourages the desired behavior in organizations. This encourages employees to take positive actions leading to rewards.

Traditionally, individual performance in organizations has centered on the evaluation of performance and the allocation of rewards. Organizations are starting to acknowledge planning and enabling individual performance have a critical effect on organizational performance. Strategic success for the organization lies in focusing attention at all levels on key business imperatives, which can be achieved. The planning process is one of the primary elements of the total reward system. It is the process that impacts performance between pay checks and provides the basis on which individuals results are measured. It is the bonding agent in programmes that direct rewards to true performance.

The primary focus of such rewarding programs is how organizations define their reward schemes and communicate this in a manner that employees clearly understand the link between reward and performance (Flynn, 1998). Rewards and recognition programmes create environments especially where jobs provide intrinsic- rewards good feelings that people get from doing the work itself. Yet in many organizations, recognition is reserved for an elite few

and rewards are defined solely in terms of wages and salaries. Effective recognition enhances employee motivation and increases employee productivity all of which contribute to improved organizational performance (Deeprrose, 1994).

According to Bashir (2009), employee rewards are very important since they have lasting impression on the employee and continue to substantiate the employees' perception of their value to the organizations they work with. Moreover, employees judge the quality of their job in the intrinsic satisfaction and the personal reward they earn from their work. Using intrinsic rewards to increase employee commitment and retention is achievable in all organizations (Sutherland2004). Reward is the basic element which indicates how much employees gain by dedicating their time and effort towards the achievements of company objectives, therefore employers have the responsibility to designing an attractive reward package to attract and retain valuable employees. It is thus important for employers to know the value employees place in their reward systems and to formulate strategies that address equitable and adequate reward for their employees.

As such, researchers and practitioners alike are interested in addressing the key issues and challenges relating to employee performance. For example reducing employee turnover is a strategic and very important issue. No business can enjoy and sustain the success until it deals with the problem of employee turnover efficiently and successfully (Ongori, 2000). This calls for a strategic approach to the management of employees in order to motivate them to stay. Turnover has negative effects on productivity, product and service quality, and profitability. The cost involved in hiring new employees is high and finding skilled employees can be difficult (Boyens, 2007). Replacing a lost valuable employee can be more expensive than employing a new one.

Employee Rewarding is essential as to be reinforced and as an incentive motivator towards achieving the organizational overall performance. Those employees with the astonishing performance will expect that their exceptional contributions will be recognized and also to be appreciated by the top management. At present, reward practice have been adopted by numerous organizations either both organizations in public or private sector (Boyens, 2007).

Uganda clays Limited is a factory that has existed for more than ten years. It's located in Kajjansi, Entebbe road and it deals in various building materials such as bricks, iron sheets,

maxpans among others. Uganda clays limited employ rewarding systems so as to increase the performance of its employees in all departments.

1.2 Statement of the Problem

Employee rewarding is one of the strategies used in organizations to improve organizational performance. Researchers, practitioners and scholars have established that there is a positive link between reward management and desired performance. At Uganda clays Kajjansi the management has established rewards in their organization and these include cash bonuses, promotions, recognitions, vacations and other rewards in pursuit of increasing employee performance so as to ensure prompt and quality service. However, the extent to which such rewards influence staff performance is not established. This study therefore aims at examining the effect of employee rewarding on staff performance at Uganda Clays Kajjansi.

1.3 Purpose of the study

The overall purpose of the study was to examine staff performance and employee rewarding in Uganda Clays Kajjansi limited.

1.4 General Objective

The general objective of the study was to establish the relationship between staff performance and employee rewarding in Uganda Clays Kajjansi Limited.

1.4.1 Specific Objectives

- i. To identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited.
- ii. To establish the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited.
- iii. To establish the relationship between employee rewarding and staff performance in Uganda clays Kajjansi limited.

1.5 Research Questions

- i. What kind of rewarding systems are being used by Uganda clays Kajjansi limited?
- ii. What are the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited?
- iii. What is the relationship between employee rewarding and staff performance in Uganda clays Kajjansi limited?

1.6 Scope of the Study

1.6.1 Geographical scope.

The study was conducted at Uganda Clays Limited, located in Kajjansi, along Entebbe road. The company deals in the large scale manufacture of building materials such as bricks, maxpans, and other building materials.

1.6.2 Content scope

The study aimed at examining staff performance and employee rewarding in Uganda Clays Kajjansi limited.

1.6.3 Time Scope

The study was carried out for a period of five months from March to August 2014.

1.7 Significance of the Study

The study will be significant in widening the knowledge of the researcher as far as employee rewarding and staff performance is concerned.

The research will help other researchers to obtain more information on the available literature for further studies.

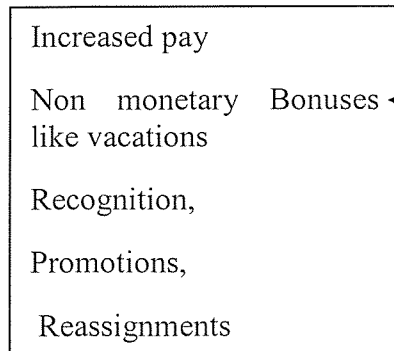
The research will help the administration at Uganda Clays Kajjansi to identify and design new mechanisms so as to improve the performance of the staff

Informed decisions in policy formulations and in the building of the institutions aimed at improving staff performance might be made basing on the findings from research.

1.8 Conceptual Framework

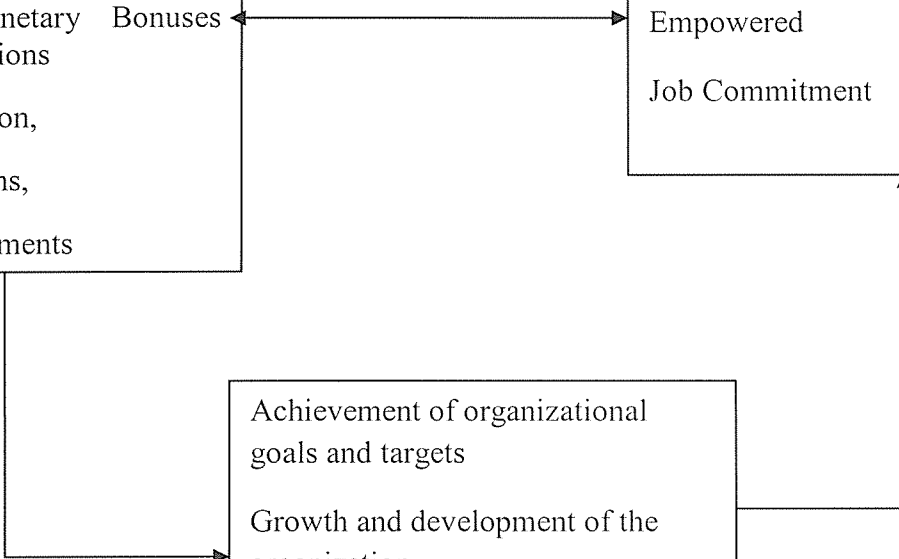
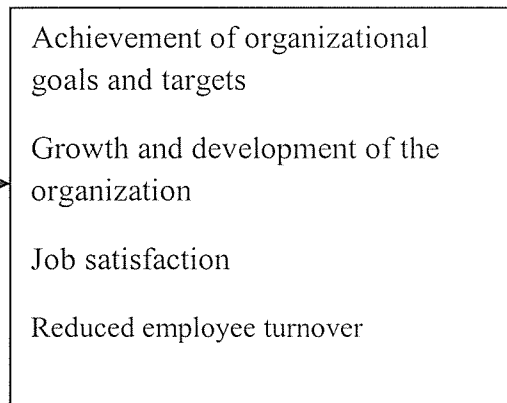
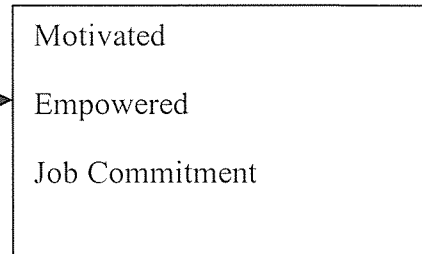
Independent variables

Employee Rewarding



Dependent variables

Staff performance



CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews literature as an account of the knowledge and ideas that have been established by accredited scholars and experts in the field of study. It is guided by the objectives of the study outlined in chapter one.

2.1 Theoretical framework on Rewarding systems

Today's organizations are operating in a very dynamic and highly competitive environment. To remain relevant in the market, they have to be able to respond quickly to ever changing customer demands. Reward management is one of the ways used by organizations for attracting and retaining suitable employees as well as facilitating them to improve their performance. Reward Systems are a critical part of any organization's design. How well they fit with the rest of the systems in an organization has an important impact on how effective the organization is and on the quality of life that people experience in the organization. Over the past decade, some new reward systems practices have become popular in order to align reward systems with the important changes that are occurring in the way organizations are designed and managed (Lawler, 1990; Schuster and Zingheim, 1992).

Employee reward systems refer to programs set up by a company to reward performance and motivate employees on individual and group levels. They are normally considered separate from salary but may be monetary in nature or otherwise have a cost to the company. While previously considered the domain of large companies, small businesses have also begun employing them as a tool to lure top employees in a competitive job market as well as to increase employee performance. Reward Systems are a critical part of any organization's design. How well they fit with the rest of the systems in an organization has an important impact on how effective the organization is and on the quality of life that people experience in the organization. Over the past decade, some new reward systems practices have become popular in order to align reward systems with the important changes that are occurring in the way organizations are designed and managed (Lawler, 1990; Schuster and Zingheim, 1992).

Reward practice is essential as to be reinforced and as an incentive motivator towards achieving the organizational overall performance. Those employees with the astonishing performance will expect that their exceptional contributions will be recognized and also to be

appreciated by the top management. At present, reward practice have been adopted by numerous organizations either both organizations in public or private sector. As stated by Bowen (2000), in a world of downsizing, doing more with less, reward recognition are vitally important to boost morale and creating goodwill between employees and managers.

The employees' perception towards the transparency of a reward practice depends on two characteristics which refer to the communication and complexity (Locke & Henne, 1986). The need for rewarding transparent system involves the preferences towards having a clear communication of how the reward are distributed and offered and also the concerns on the understanding of the methodologies, measures and targets used while introducing any rewards. The employees need to understand the connection between the company's business objectives, how they contribute, and how they are rewarded. Perceived uncertainty decreases the effectiveness of incentive compensation (Gibbons, 1998).

Performance effectiveness derives from human aspirations and human values that are invisible roots of organizational values, they determine the rational for which organizations exist. The task of a leader in the organization in this case will be too nurture the roots of organizational values, which consists of nothing but a basic human aspiration, that is the will to give (Maurik 2001). According to Nevenka reward practice must satisfied 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. The rewarding process as being transparent should be demonstrated by the clarity of the link between the extra effort and the reward being given. they was also concerns with the way rewards are administered within the reward system by suggesting that, in order to acquire positive motivational properties, the distributed incentive scheme rewards made by organizations have to be performance-dependant based (Locke & Henne, 1986).

Employees will do their highest when they feel or hope that their hard work are to be rewarded by their managers. In this regard, many factors are available that change employees performance such as worker and employer relationship, working conditions, job security, training and opportunity of development, and overall rewarding policies of the company. In addition, among the factors which impact employee performance, motivation, as a result of rewards, is the most important aspect. (Baron, 1983). Therefore, understanding its importance is very necessary for all organizations managers.

The maximum level of workers performance happens when they feel their endeavor is rewarded and compensated completely. Some other successful elements on employee's performance include work conditions, the connection between employee and employer, process of training and improvement opportunities, job security and complete policies of firm rewarding. In addition, motivation, as the result of rewarding, affects the staff's behavior and their performance directly. Actually, among all effective elements on employees performance, motivation, which is the consequence of rewarding, is the most important and essential element. This concept consists of different processes which affect employee's behavior to achieve some definite goals (Baron, 1983).

The task of developing a strategic rewards system for organizations is usually challenging but necessary to survive in the competitive and changing market place. The process however cannot be copied from the organizations but needs to be designed, developed and grown within the unique environment of the organization (Wilson, 2003). A well designed incentive program rewards measurable changes in behaviour that contribute to clearly defined goals. The challenge in developing such a program lies in determining what rewards are effective agents of change, what behaviors' can be changed and the cost and benefits of eliciting change (Hartman et al, 1994).

Employees should be aware of the relationship between how they perform and the rewards they get. Organizations should apply performance management programs which assist in planning employee performance, monitor performance by effecting proper measuring tools. Rewards should be used as a way of strengthening good behaviour among employees as well as productivity. Hence reward systems should focus on reinforcing positive behaviour (Locke & Henne, 1986).

Employees could be rewarded for working overtime, taking initiative, team work, reliability, exceptional attendance, outstanding customer feedback, meeting deadlines or timeliness, productivity etc. Employers and managers should then design or come up with a system to measure or quantify all these aspects so that rewards are then given accordingly. (Baron, 1983). According to Brian (2005), the unreliable reward system brings the compensatory damage that has hugely detrimental effects to the financial performance of the organization. It results in significantly reduced human productivity, increased human conflict within the

organization, and perceptions of internal unfairness. The reward program still can be doubted and questioned on its value and the fairness or equity level in its dissemination among employees (Locke & Henne, 1986).

In designing a reward program, business owner need to separate the salary or merit pay system from the reward system. Financial rewards, especially those given on a regular basis such as bonuses, profit sharing, etc., should be tied to an employee's or a group's accomplishments and should be considered pay at risk in order to distance them from salary. By doing so, a manager can avoid a sense of entitlement on the part of the employee and ensure that the reward emphasizes excellence or achievement rather than basic competency (Hartman et al, 1994).

Designing a reward system

The keys to developing a reward program are as follows:

- ❖ Identification of company or group goals that the reward program will support
- ❖ Identification of the desired employee performance or behaviors that will reinforce the company's goals
- ❖ Determination of key measurements of the performance or behavior, based on the individual or group's previous achievements
- ❖ Determination of appropriate rewards
- ❖ Communication of program to employees (Locke & Henne, 1986).

In order to reap benefits such as increased productivity, the organization designing a reward program must identify company or group goals to be reached and the behaviors or performance that will contribute to this. While this may seem obvious, companies frequently make the mistake of rewarding behaviors or achievements that either fails to further business goals or actually sabotage them. If teamwork is a business goal, a bonus system rewarding individuals who improve their productivity by themselves or at the expense of another does not make sense. Likewise, if quality is an important issue for an entrepreneur, the reward system that he or she designs should not emphasize rewarding the quantity of work accomplished by a business unit (Hartman et al, 1994).

Properly measuring performance ensures the program pays off in terms of business goals. Since rewards have a real cost in terms of time or money, small business owners need to

confirm that performance has actually improved before rewarding it. Often this requires measuring something other than financial returns: reduced defects, happier customers, more rapid deliveries, etc (Hartman et al, 1994).

When developing a rewards program, an organization should consider matching rewards to the end result for the company. Perfect attendance might merit a different reward than saving the company through improved contract negotiation. It is also important to consider rewarding both individual and group accomplishments in order to promote both individual initiative and group cooperation and performance. Thus in order for a rewards program to be successful, the specifics need to be clearly spelled out for every employee. Motivation depends on the individual's ability to understand what is being asked of her. Once this has been done, reinforce the original communication with regular meetings or memos promoting the program. Keep your communications simple but frequent to ensure staff members are kept abreast of changes to the system (Hartman et al, 1994).

2.1.1 Types of rewarding systems

Bonuses

Bonus programs have been used in many organizations for some time. They usually reward individual accomplishment and are frequently used in sales organizations to encourage salespersons to generate additional business or higher profits. They can also be used, however, to recognize group accomplishments. Indeed, increasing numbers of businesses have switched from individual bonus programs to one which rewards contributions to corporate performance at group, departmental, or company-wide levels (Wilson, 2003).

Bonuses are generally short-term motivators. By rewarding an employee's performance for the previous year, they encourage a short-term perspective rather than future-oriented accomplishments. In addition, these programs need to be carefully structured to ensure they are rewarding accomplishments above and beyond an individual or group's basic functions. Proponents, however, contend that bonuses are a perfectly legitimate means of rewarding outstanding performance, and they argue that such compensation can actually be a powerful tool to encourage future top-level efforts (Wilson, 2003).

Profit Sharing

Profit sharing refers to the strategy of creating a pool of monies to be disbursed to employees by taking a stated percentage of a company's profits. The amount given to an employee is

usually equal to a percentage of the employee's salary and is disbursed after a business closes its books for the year. The benefits can be provided either in actual cash or via contributions to employee's plans. A benefit for a company offering this type of reward is that it can keep fixed costs low. The idea behind profit sharing is to reward employees for their contributions to a company's achieved profit goal (Wilson, 2003). It encourages employees to stay put because it is usually structured to reward employees who stay with the company; most profit sharing programs require an employee to be vested in the program over a number of years before receiving any money (Locke & Henne, 1986).

Variable Pay

Variable pay or pay-for-performance is a compensation program in which a portion of a person's pay is considered at risk. Variable pay can be tied to the performance of the company, the results of a business unit, an individual's accomplishments, or any combination of these. It can take many forms, including bonus programs, stock options, and one-time awards for significant accomplishments (Baron, 1983). Some companies choose to pay their employees less than competitors but attempt to motivate and reward employees using a variable pay program instead. Good incentive pay packages provide an optimal challenge, one that stretches employees but remains in reach. If too much is required to reach the goal, the program will be ignored (Baron, 1983).

Stock Options

Stock options have become an increasingly popular method in recent years of rewarding middle management and other employees in both mature companies and start-ups. Employee stock-option programs give employees the right to buy a specified number of a company's shares at a fixed price for a specified period of time usually around ten years (Evans and Lindsay, 2003). They are generally authorized by a company's board of directors and approved by its shareholders. The number of options a company can award to employees is usually equal to a certain percentage of the company's shares outstanding. Like profit sharing plans, stock options usually reward employees for sticking around, serving as a long-term motivator (Evans and Lindsay, 2003).

Once an employee has been with a company for a certain period of time usually around four years, he or she is fully vested in the program. If the employee leaves the company prior to being fully vested, those options are canceled. After an employee becomes fully vested in the

program, he or she can purchase from the company an allotted number of shares at the strike price (Evans and Lindsay, 2003). This purchase is known as "exercising" stock options. After purchasing the stock, the employee can either retain it or sell it on the open market with the difference in strike price and market price being the employee's gain in the value of the shares.

2.1.2 Effects of employee rewarding

Rewarding provides a tool for encouraging the efforts, quality and convincing employees that the firm appreciates their attempts (Evans and Lindsay, 2003). However, today the employers waste too much money to pose the rewarding types that are not the employee's favorite. Therefore, it is logical that before investing in recognition and reward types, firms review their employees reward preferences since different people reply differently to different stimulations (Goetsch and Davis, 2003).

The reward programs are necessary in establishing an integrated strategic view to organizational motivation; and when reward system is managed poorly, the reward program makes the staff unhappy, and exhausts the firm's resources (Darling et al., 1997). The reward process should also be verified by the clear relationship between the extra attempt and the given reward to do it (Porter et al., 1975). To access positive motivational properties, the distributed rewards made by organizations must be based on performance and any divergence in this ratio leads to unfairness (Locke & Henne, 1986). In this regard, managers who provide fair reward are better than those who do not. In other words, the employees who feel equality and fair in being given reward based on their effort, will be satisfied more and will attempt to act better for the future to get the other promised employers reward (Janssen, 2001).

A good reward system that focuses on rewarding employees and their teams will serve as a driving force for employees to have higher performance hence end up accomplishing the organizational goals and objectives. An effective reward program may have three components: immediate, short-term and long term. This means immediate recognition of a good performance, short-term rewards for performance could be offered monthly or quarterly and long-term rewards are given for showing loyalty over the years (Schoeffler, 2005). Immediate rewards are given to employees repetitively so that they can be aware of their outstanding performance. Immediate rewards include being praised by an immediate supervisor or it could be a tangible reward. Short term rewards are made either monthly or

quarterly basis depending on performance. Examples of such rewards include cash benefits or special gifts for exceptional performance (Locke & Henne, 1986).

The concept of employee performance

The essence of employee performance involves Executing defined duties, meeting deadlines, team input, and achieving departmental goals so as to lead to efficiency, specialization, effective feed back and good organizational relations.

2.2Relationship between employee rewarding and staff performance

According to Baron (1983), there is a close relationship between rewards and job performance. It is noted that if successful performance does in fact lead to organizational rewards, such performance could be a motivational factor for employees. Under such conditions, they can see that their efforts result in rewards. Consequently, they may be motivated to exert higher levels of effort on the job. Many organizations have now recognized that human resources play an important role in gaining a competitive advantage in today's highly competitive global business environment. While all aspects of managing human resources are important, employee rewarding continues to be an essential Human Resource Management activity that helps organizations in their quest to achieve their goals and objectives. Performance-based pay is about motivating people, and developing performance-oriented cultures. Workers, who are not motivated by financial rewards, can be encouraged with non-financial rewards (Odden, 2000). These rewards can include, for example: satisfaction from high achievement, recognition, influence, learning new skills, and personal growth (Tomlinson, 2000). Thus Rewarding is one of the means of providing motivation by introducing clear goals to the whole organization, and facilitating staff achievements for both increased and improved performance (Locke & Henne, 1986).

Employees should be aware of the relationship between how they perform and the rewards they get. Organizations should apply performance management programs which assist in planning employee performance, monitor performance by effecting proper measuring tools. Rewards should be used as a way of strengthening good behaviour among employees as well as productivity. Hence reward systems should focus on reinforcing positive behaviour. Employees could be rewarded for working overtime, taking initiative, team work, reliability, exceptional attendance, outstanding customer feedback, meeting deadlines or timeliness, productivity etc. Employers and managers should then design or come up with a system to

measure or quantify all these aspects so that rewards are then given accordingly (Locke & Henne, 1986).

Performance-based pay is about motivating people, and developing performance-oriented cultures. Workers, who are not motivated by financial rewards, can be encouraged with non-financial rewards (Odden, 2000). These rewards can include, for example: satisfaction from high achievement, recognition, influence, learning new skills, and personal growth (Tomlinson, 2000). Thus Rewarding is one of the means of providing motivation by introducing clear goals to the whole organization, and facilitating staff achievements for both increased and improved performance (Locke & Henne, 1986).

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter discusses the methods the researcher used to collect data. It focused on the Research design, organization of the study, data collection, and data collection procedures and data analysis.

3.1 Research Design

This research used a descriptive case study design. This design describes in-depth the characteristics of one or a limited number of cases (Varkevisser, Pathmanathan & Brownlee, 1991, p.121). This design therefore, was selected to enable the in-depth description of Staff performance and employee rewarding, using qualitative and quantitative techniques.

3.2 Area and population target

3.2.1 Study area

The study was carried out at Uganda clays Limited, Kajjansi. The case study was selected and the researcher got information from the administration and the different employees at the company.

3.2.2 Study population

Using about 45 respondents, the researcher employed a stratified sampling technique on the staff and Administrators at the organization.

3.3 Sample size and selection

From the working staff of 50 employees of Uganda Clays at Kajjansi, a sample size 45 respondents was randomly selected to participate in the study.

3.3.1 Sample Size

A sample size of 45 respondents from the various departments comprising of administration department, marketing department, sales department, accounting department and customer care was considered respectively.

Table 1: Sample Size

Department	Total number of workers
Administration department	5
Accounting department	5
Sales department	15
Marketing department	20
Customer care	5
Total	50

Source: Primary Data

The sample size was got according to Slovenes' formula

$$n = \frac{N}{1 + N(e^2)}$$

Where N =Known population

(e²)= level of significance

n= unknown sample

N= 50

e²= 0.05²

$$n = \frac{50}{1 + 50(0.05^2)}$$

$$n = 44.44$$

Therefore the sample size is 45

3.4. Sampling Procedure

In this study a sample size of 45 respondents was selected from the survey population. There are a variety of sampling methods in use however, in this study the researcher focused on a few of which include;

Simple random sampling

The researcher randomly picked the staff from the various departments at the organization.

Purposive sampling

The researcher deliberately selected the different categories of workers from Uganda Clays Kajjansi from the various categories of respondents from the various departments at Uganda Clays Kajjansi.

3.5 Data collection sources, Methods and Instruments.

3.5.1. Sources of Data

The researcher used mainly two sources of getting data that is primary and secondary source.

Primary data

Primary data will be collected through direct interviews with top administrators as well as responses from the self administered questionnaires.

Secondary Data

The researcher used secondary data that was got from research work of other researchers, published books, magazines, newspapers, operating reports, Journals existing within the organization and other written materials. It was on this existing data that the researcher also builds his findings.

3.5.2 Data collection methods and Instruments

3.5.3 Interview Guide

Face to face questions were administered to the staff members without requiring them to note down answers. It was the researcher that wrote down where it was necessary. The interview schedule consisted of both open and closed ended questions.

3.5.4 Questionnaires

Sets of well selected questions based on the purpose and study objectives were designed and distributed to the respondents. They comprised of both closed and open ended questions that were answered by the respondents in 10-15 minutes.

3.5.5 Documentary Analysis

The researcher through already done studies sought secondary data from various acknowledged studies, research reports, journals among others in relation to the study objectives. This data was helpful in illustrating ways of designing interview schedules and the

questionnaires. Such information was relevant for filling the loopholes that were present in the primary data.

3.6 Data Processing and Analysis

3.6.1 Data processing

The researcher edited and checked the collected data for any errors, and omissions. The researcher also identified any other questions that were not answered in the field and also made follow ups so as to update them. Data was also coded and classified accordingly so as to enable the researcher come up with frequencies and percentages to obtain valid and reliable information.

3.6.2 Data analysis

After processing, data was analyzed using frequency distribution tables and percentages. The researcher also used tallies to obtain frequencies as well as contributions in percentages terms. This helped the researcher to draw conclusions in relation to the variables of the study for example; use of Pearson's rank correlation helped to determine the degree of relationship between variables.

3.7 Validity and reliability

3.7.1 Validity

All questions in the questionnaire were formulated to provide a logical link with the objectives and covered a full range of issues that were measured to ensure relevance for purposes of validity of the questionnaire.

3.7.2 Reliability

The Questionnaires were pre-tested in the field and sample results were analyzed to ascertain whether they would elicit the needed data and they were also reviewed by the researcher's supervisors to ensure reliability before being applied in the study.

3.8 Limitations of the study

The researcher faced the following challenges:

Recording, analyzing and findings related to the study might not easy. This is due to poor hand writing by some respondents which delayed the completion of the study. The researcher however dedicated enough time to editing the findings.

Some respondents might not be in position to freely respond to the questions which were asked by the researcher due to a lot fear. The researcher however employed different techniques of asking questions in order to get what was needed of the respondents.

Some data pertaining to the topic of study will not easily avail to the researcher. This is due to the bureaucratic tendencies, rules and regulations adopted by the top leadership at the Company as some of the measures taken to keep secrets of the organization.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter presents the information collected from the field, interpretation and discussion of the findings. The study aimed at examining staff performance and employee rewarding in Uganda Clays Kajjansi limited. To achieve the above objective, data was from different categories of respondents from the various departments at Uganda clays located at Kajjansi, Entebbe road through questionnaires and interviews and analyzed using frequency tables and pie charts.

4.1 Findings on demographic background of respondents

The study aimed at finding out the demographic background in order to compare their bio data's relationship with staff performance and employee rewarding. The respondent's bio data focused on finding out the respondent's gender, age, class of employment and academic qualifications as presented and analyzed here under.

4.1.1 Gender of the respondents

Both male and female respondents participated in the study and the study findings about the respondent's gender indicate that majority were male implying that Uganda Clays Limited is dominated by male staff members and general members as presented on Table 2.

Table 2: Showing Gender of the Respondents

Gender	Frequency	Percentage (%)
Male	25	56%
Female	20	44%
Total	45	100

Source: Primary Data

As indicated in Table 2 above, shows that majority, 25 (56%) of the respondents were male and women were the minority as represented by 20 (44%). There is one major finding about the respondent's gender. The first one is that majority of the employees of Uganda clays Kajjansi are men and the minority are women. By implication Uganda clays Kajjansi is an equal opportunity employer and are gender sensitive. This current study finding confirms

Katzenbach and Smith (1994) study finding that jobs are male dominated and women tend to occupy the subordinate positions. Therefore, basing on this current study finding, the researcher concludes that currently jobs are male dominated.

4.1.2 Age of the respondents

The respondent's age was categorized as less than 25 years, 26-33 years, 34-41 years, 42-49 years, 50-57 years and 58+ years. Majority of the respondents fell in age bracket of 34-41 years implying that Uganda Clays Kajjansi has employees and members who are still in a youthful age and therefore still young, energetic and active to carry out productive income generating activities and this can enhance the company's success . The study findings about the respondent's age are as presented in Table 3 below.

Table 3: Showing the age of the respondents

Response	Frequency	Percentage (%)
Less than 25 years	0	0%
26-33 years	8	18%
34-41 years	12	27%
42-49 years	5	11%
50-57 years	10	22%
58 years and above	10	22%
Total	45	100

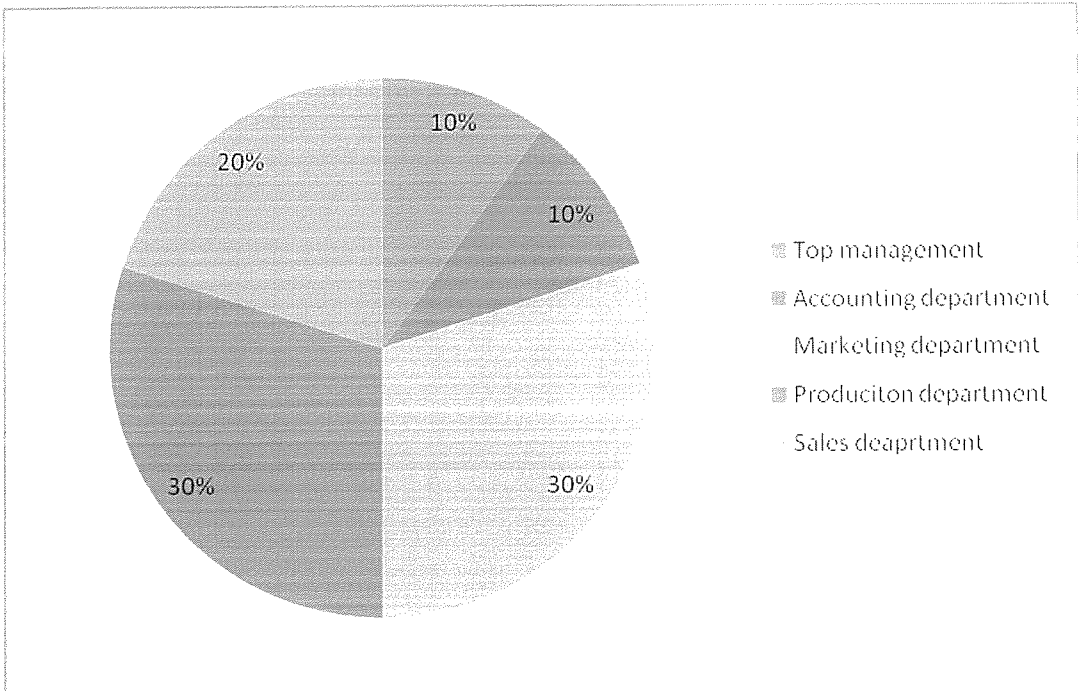
Source: Primary Data

From the findings in the table 2 above, the results revealed that 18% of the respondents were in the age bracket of 26-33 years, 27% were between 34-41 years, 11% were between 42-49 years, 22% were between 50-57 years and also 22% were above 58 years.

The major finding here is that majority of the respondents fell in the age bracket of 34-41 as represented by 27%. Staff members in this age bracket are so active and strong to deliver to their expectations and enable their institutions achieve their set objectives and work targets.

4.1.3 Class or department of the respondents

Figure 1: Showing departments respondents



Source: Primary Data

From the findings in figure 1 above, the results revealed that majority of the respondents were from the production and marketing department represented by 30% respectively, 20% were from the sales department, 10% from the accounting department and 10% also from the top management.

This implies that majority of the respondents were from the production, accounting and sales departments that have experienced rewarding systems and thus such departments understood the operation of rewarding systems aimed at improving the performance of employees.

4.1.4 Academic qualifications of the respondents

The researcher sought to establish the education levels attained by the respondents to determine their ability to understand the operation of rewarding systems and employee performance and their responses can be illustrated in table below.

Table 4: Showing Academic qualifications respondents

Response	Frequency	Percentage (%)
Above degree	03	7%
Degree level	22	49%
Diploma level	08	18%
Below diploma level	12	26%
Total	45	100

Source: primary data

From the findings in the table 3 above, it was revealed that majority had attained degree level represented by 49%, 7% attained above degree level , 18% attained diploma level , and 26% attained below the diploma level of education.

This implied that majority of the respondents know and understand the questionnaires and can also easily understand the operation of rewarding systems and the performance of employees.

Table 5: Showing the Period of employment with Uganda clays limited

Response	Frequency	Percentage (%)
Over 5 years	20	45%
3-5	15	33%
1-3	05	11%
Less than one year	05	11%
Total	45	100

Source: primary data

From table 4 above, 45 % of the respondents had spent over 5 years, 33% had spent 3-5 years, 11% had spent 1-3 and 11% also had spent less than one year in the organization.

This imply that majority of the respondents surely understood the affairs of the company due to being employed for such a bigger period of employment of over 5 years.

4.2 Findings about employee rewarding systems

The researcher sought to establish the details concerning the current rewarding system used by the company so as to establish the main reason and ideology behind the increasing labor turn over in the company and the following were the responses.

4.2.1 Response about whether Effective rewarding systems are in place

The researcher sought to establish whether rewarding systems were in place and the following were the responses

Table 6: Showing whether the company has effective and efficient rewarding systems

Response	Frequency	Percentage (%)
Strongly agree	07	14%
Agree	01	02%
Not sure	07	14%
Disagree	10	30%
Strongly disagree	20	40%
Total	45	100

Source: primary data

From the findings in table 5 above, 16% (02% +14%) of the respondents agreed that the company has effective and efficient rewarding systems , 14% were not sure, while 70% (30%+40%) disagreed that the company doesn't have efficient and effective rewarding systems. Implying that the majority 70% were sure the company doesn't have effective rewarding systems in place to motivate the staff towards attaining the organizational goals and objectives. The disagreeing of majority of the respondents imply that the company has been suffering such greater employee turnover and poor employee performance due to the absence of efficient and effective controls rewarding systems to motivate employees towards attaining the organizational goals and objectives.

Objective one: To identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited.

4.2.2Response about rewarding systems promoting employee performance

The researcher sought to establish whether rewarding systems promote operational efficiency and effectiveness especially as far as employee performance is concerned .The following was the data obtained.

Table 7: Showing whether rewarding systems can promote the performance of employees

Response	Frequency	Percentage (%)
Strongly agree	21	47%
Agree	16	36%
Not sure	06	13%
Disagree	01	2%
Strongly disagree	01	2%
Total	45	100

Source: primary data

From the table 6 above, 83% (47%+36%) of the respondents agreed that rewarding systems can effectively promote the performance of employees , while 13% of the respondents were not sure, and only 4% (2%+2%) disagreed. The agreeing of the respondents implies that rewarding systems when well used to motivate employees in an organization can greatly promote and influence their overall commitment to the organization and thereby increasing the relative performance.

The different types of rewarding systems being used by Uganda clays Kajjansi Limited

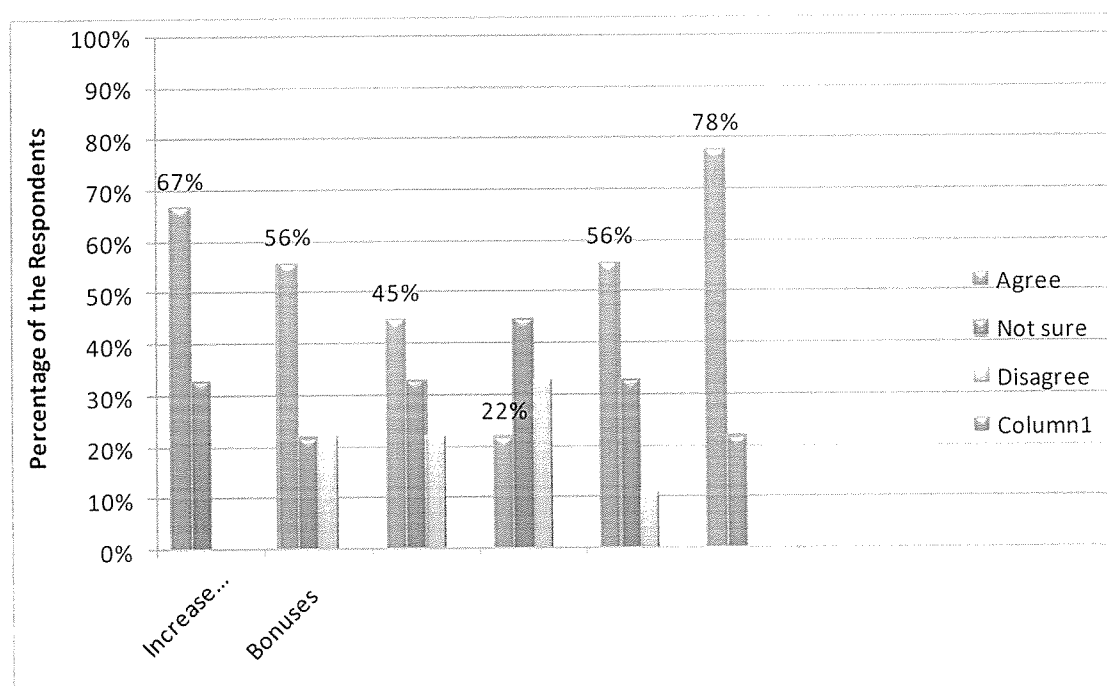
Further, the respondents were requested to rate their degree of agreement about the different types of rewarding systems being used by Uganda clays Kajjansi Limited to raise the performance of its employees.

Table 8: The different types of rewarding systems being used by Uganda clays Kajjansi Limited.

Types of rewarding systems	Agree		Not sure		Disagree	
	F	%	F	%	F	%
Increased pay	30	67%	15	33%	0	0%
Bonuses	25	56%	10	22%	10	22%
Recognition	20	45%	15	33%	10	22%
Profit sharing	10	22%	20	45%	15	33%
Reassignments	25	56%	15	33%	5	11%
Promotions	35	78%	10	22%	0	0%

Source: primary data

Figure 2: Role of corporate social Responsibility on image building



Source: Primary Data

As indicated in Table 8 and Figure 2 above, the study found out that Uganda Clays Limited has some rewarding systems in place though not effectively implemented. These roles include:

Increased pay

According to the research findings, increased pay is one of the strategies being used by the management to motivate the staff so as to raise their performance as revealed by 67% of the respondents who agreed. Once an employee has been with a company for a certain period of time usually around two years, he or she receives an increase in pay packages as a tool of motivating him to work more and more to attain the organizational goals and objectives.

Bonuses

Bonuses are one way of motivating the staff in the various departments to raise their performance as revealed by 56% of the respondents who agreed. Indeed bonuses are usually used to reward individual accomplishment and are frequently used in sales department to encourage salespersons to generate additional business or higher profits. They can also be used, however, to recognize group accomplishments. Bonuses are a perfectly legitimate means of rewarding outstanding performance and to such compensation can actually be a powerful tool to encourage future top-level efforts.

Recognition

Recognition is one way of rewarding employees to raise their performance as revealed by 45% of the respondents who agreed. According to the study findings Recognition can take a variety of forms. Structured programs can include regular recognition events such as banquets or breakfasts, employee of the month or year recognition, an annual report or yearbook which features the accomplishments of employees, and department or company recognition boards. A job well done can also be recognized by providing additional support or empowering the employee in ways such as greater choice of assignments, increased authority, or naming the employee as an internal consultant to other staff. Symbolic recognition such as plaques or coffee mugs with inscriptions can also be effective, provided they reflect sincere appreciation for hard work.

Profit Sharing

Further more it was established from the study findings, that profit sharing is another rewarding systems being used by Uganda Clays Limited as revealed by 22% of the respondents. Indeed Profit sharing aims at creating a pool of monies to be disbursed to employees by taking a stated percentage of a company's profits. The amount given to an employee is usually equal to a percentage of the employee's salary and is disbursed after a

business closes its books for the year. The benefits can be provided either in actual cash or via contributions to employee's plans. A benefit for a company offering this type of reward is that it can keep fixed costs low. The idea behind profit sharing is to reward employees for their contributions to a company's achieved profit goal. This further encourages employees to stay put because it is usually structured to reward employees who stay with the company.

Over time pay

According to the research findings, rewarding over time pay is one of the rewarding systems that being used by Uganda Clays Kajjansi, as reveled by 56% of the respondents who agreed. Indeed this involves paying the staff for each extra hour worked and other extra assignments at the company. This is greatly important since it motivates the staff to further work hard so as to accomplish the organizational goals and objectives.

Promotions

According to the research findings promotion is another rewarding system being used by Uganda Clays Limited ton induce its employees to work hard as reveled by 78% of the respondents who agreed .Under most current systems of a salary scale, employees are promoted for the number of years spent working and the number of tertiary degrees held . Such promotions are important to motivate the employees so as to work hard and attain the organizational goals and objectives.

Objective 2: To examine the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited.

Further, the respondents were requested to rate their degree of agreement about the effects of rewarding systems on employee performance and it was established as follows:

Response about whether rewarding systems has an effect on employee performance

The researcher sought to establish whether rewarding systems has an effect on employee performance .The following was the data obtained.

Table 9: Showing Response about the effects of Rewarding systems on employee performance

Response	Frequency	Percentage (%)
Strongly agree	30	67%
Agree	10	22%
Not sure	05	11%
Disagree	00	00%
Strongly disagree	0	00%
Total	45	100

Source: primary data

From the table above, 89% (67%+22%) of the respondents agreed that rewarding systems has a greater effect on employee performance while 20% of the respondents were not sure, and only 10% (5%+5%) disagreed. The agreeing of the respondents implies that rewarding systems has such effect on employee performance and commitment towards attaining organizational goals. It's upon this point that many firms have recognized the importance of rewarding systems and contributed in a significant way to improved organizational performance that will be interpreted through attainment of organizational goals and will influence the perception of employees towards their whole commitment to the organization.

Response the effects of employee rewarding on staff performance

Further, the respondents were requested to rate their degree of agreement about the effects of rewarding systems on employee performance and it was established as shown on Table and Figure below **where; F=Frequency,%=Percentage, CF=Cumulative Frequency and C%=Cumulative percentage.**

Table 10: Effects of rewarding systems on Employee performance

Relationship	Agree		Not sure		Disagree	
	F	%	F	%	F	%
Positive effect						
Job commitment	35	78%	05	11%	05	11%
Empowerment of employees	20	45%	20	45%	05	11%
Reduced turn over	24	53%	20	44%	01	3%
Achievement of organization goals and objectives	30	67%	10	22%	05	11%
Job satisfaction	25	56%	10	22%	10	22%
Increased productivity	20	45%	15	33%	10	22%
Negative effect						
Exhaustion of the firm's resources	30	67%	15	33%	0	0%
Increased costs of production	20	45%	10	22%	15	33%

Source: Primary Data (2013)

Figure 3: Positive effects of rewarding systems on employee performance

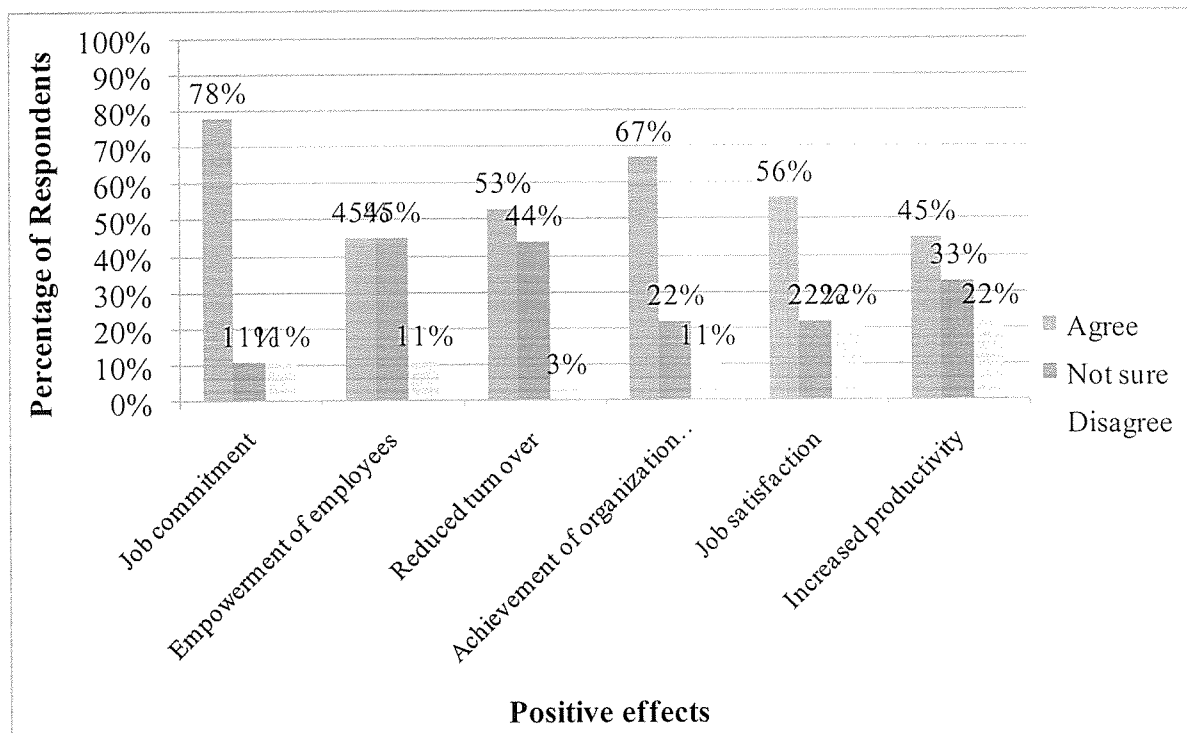
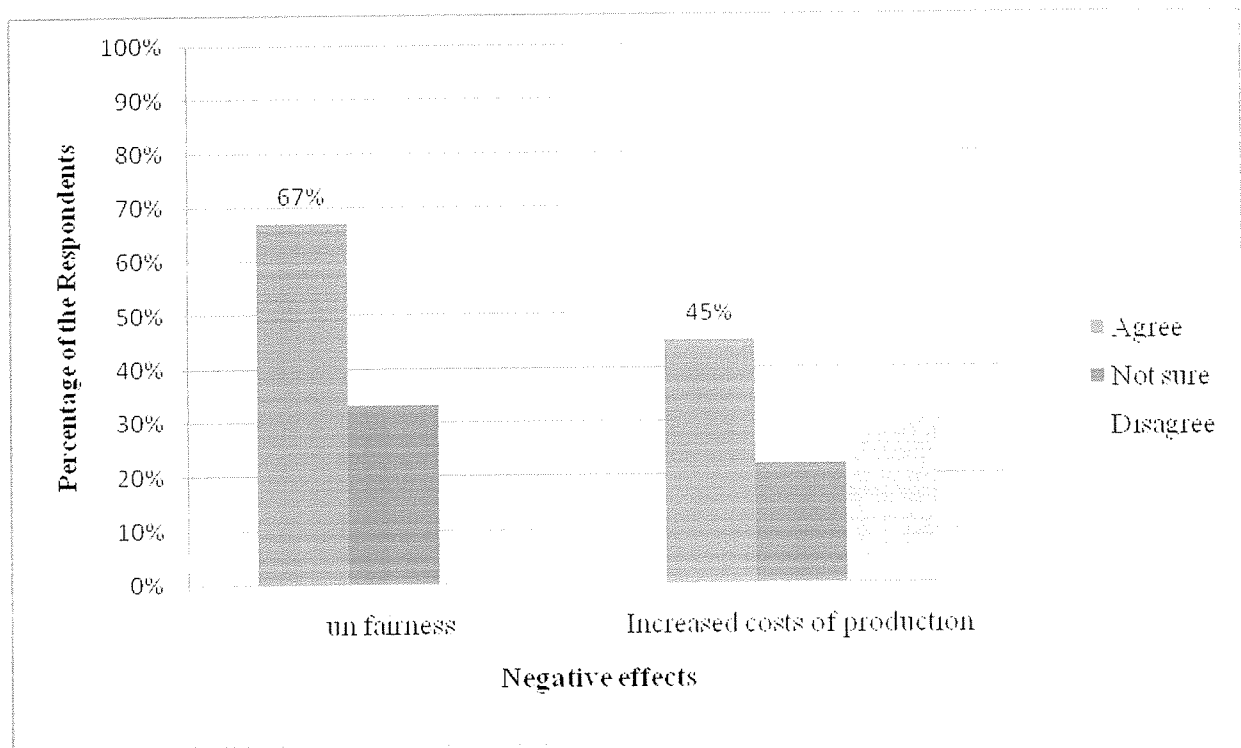


Figure 4: Negative effects of rewarding systems on employee performance



Source: Primary Data (2013)

As indicated in Table 10 and Figure 3 and 4 above, the study found out those rewarding systems have both positive and negative effects on the performance of employees. The positive effects include:

Job commitment

Rewarding systems improve the job commitment of employee as reveled by 78% of the respondents who agreed. Here Organizational commitment is generally believed to result from the acceptance of organizational goals and values. People get committed when their views have been taken into account. Work environment is also closely aligned to organizational commitment. If the work environment is not seen as friendly or co-operative, and the relationship between employees is generally not amicable, then individuals are unlikely to feel committed to the organization. Thus rewarding systems always boost the commitment of employees to the organization thus attainment of its objectives.

Empowerment of employees

Further more it was established that rewarding systems always lead to empowerment of employees as reveled by 45% of the respondents who agreed. The Fundamental purpose of

the rewarding systems is to provide positive consequences for contributions to desired employee performance. The only way employees will fulfill the employers dream is to share in their dream and thus reward systems are the mechanisms that make this happen. Thus through the rewarding systems employees will feel empowered and work hard towards the attainment of organizational goals and objectives.

Reduced labor turns over

According to the study findings rewarding systems have an effect in reducing labor turn over in an organization as reveled by 53% of the respondents who agreed. In this rewarding systems always put a sense of belonging to the organization since it appreciates their service People get committed when their views have been taken into account. With such a good working Work environment that is also closely aligned to organizational commitment. Thus such commitment reduces labor turn over in the organization leading to its growth.

Job satisfaction

Further more it was established that rewarding systems always lead to job satisfaction as reveled by 56% of the respondents who agreed. Ounce an organization puts in place rewarding systems, employees can always feel satisfied with their jobs, which motivates them to work hard towards attaining the organizational goals and objectives.

Increased productivity

According to the research findings, it was established by that rewarding systems can lead to increased productivity and performance of employees as reveled by 45% of the respondents that agreed. The establishment of rewarding systems leads to increased productivity since such rewards induce the staff to work towards attaining such performance rewards. This leads to increased productivity leading to attainment of organizational goals and objectives.

The negative effects are as follows:

Unfairness

Further more it was established from the research findings, that rewarding systems have a negative effect in unfairness in the rewarding system as reveled by 67% of the respondents who agreed. Such unfairness is realized by lack of an appropriate rewarding system that can best identify the best perfumers to be rewarded. In most cases it's realized that the rewarding

system is not done on merit which demotivates the other employees leading to unfairness in the rewarding system used.

Increased costs of production

From the research findings it was established that rewarding systems have a negative effect of increasing the costs of production as revealed by 45% of the respondents that agreed. Such increased cost of production is realized through increased financial costs in funding the rewarding system which worsens the costs of production.

Objective three: To establish the relationship between rewarding systems and employee performance in Uganda clays limited

Table 11: Showing whether Good and effective rewarding systems have increased the performance of employees.

Response	Frequency	Percentage (%)
Strongly agree	21	47%
Agree	16	36%
Not sure	06	13%
Disagree	01	2%
Strongly disagree	01	2%
Total	45	100

Source: primary data

From the table 6 above, 83% (47%+36%) of the respondents agreed that Good and effective rewarding systems have increased the performance of employees, while 13% of the respondents were not sure, and only 4% (2%+2%) disagreed. The agreeing of the respondents implies that employee rewarding can strongly boost the performance of employees. This implies that rewarding systems such as promotions, increased pay can strongly boost and motivate the staff which makes them feel motivated and committed to the organization leading to attainment of its goals and objectives.

4.4.3 Relationship between rewarding systems and employee performance

The researcher sought to establish relationship between rewarding systems and employee performance and the responses were as shown below

Table 12: Showing Response about the relationship between rewarding systems and employee performance

Response	Frequency	Percentage (%)
Strongly agree	39	86%
Agree	03	07%
Not sure	03	07%
Disagree	00	00%
Strongly disagree	00	00%
Total	45	100

Source: primary data

Findings in the table 10 above 86% of the respondents strongly agreed that there is a strong relationship between rewarding systems and employee performance 7% agreed, and 7% were not sure.

This shows that there is a high positive relationship between rewarding systems and employee performance. It implies that there is high relationship between rewarding systems and employee performance and can be the best way through which the high labor turnover can be reduced and the best way to boost the performance of employees. This also implies that the establishment of effective rewarding systems in Uganda clays limited can be the best way to raise the commitment of the staff towards the organization their by attaining the organizational goals and objectives .

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter gives concise summary of major findings of the study, conclusion recommendations and suggestions. These were based on the researcher's findings while others were drawn from the past studies.

The purpose of the study was to examine staff performance and employee rewarding in Uganda Clays Kajjansi limited. The study was guided by three objectives including: To identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited. To examine the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited. To examine the relationship between employee rewarding and staff performance in Uganda clays Kajjansi limited. The study ably achieved its objectives and the researcher proudly summarizes as follows.

Objective one: to identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited

The first objective of the study aimed at identifying the different types of rewarding systems being used by Uganda clays Kajjansi Limited. It was established that the different types of rewarding systems being used by Uganda Clays Kajjansi according to the research findings included, increased pay, Bonuses, Recognition, Profit Sharing, Over time pay and Promotions , such rewards are aimed at motivating the staff to work hard towards attaining the goals and targets set by the management. Such strategies can directly install a sense of belonging and commitment in employees, thus working hard towards archiving the goals of the organization.

Objective two: To examine the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited.

The second objective of the study aimed at examining the effects of employee rewarding on staff performance as indicated in table and figure above, it was established that employee rewarding has both positive and negative effects on staff performance. The positive effects according to the research findings include increased Job commitment; Empowerment of

employees, reduced labor turns over, Job satisfaction and increased productivity. All these are the likely outcomes from employing a strong rewarding system that motivates the staff to work towards attaining the goals and objectives set by the organization. Such aspects create a sense of belonging in the minds of the employees who then feel committed to work towards archiving the set strategies.

However it was also reveled according to the research findings that rewarding systems have got as well negative effects on the organization and some of the negative effects include unfairness by the rewarding system and increased costs of production due bigger amounts of financial resources put in rewarding the employees.

Objective three: to establish the relationship between employees rewarding and staff performance in Uganda clays Kajjansi limited.

The third objective of the study aimed at establishing the relationship between employee rewarding and staff performance as indicated in Table and Figure above, it was established that there is a high positive relationship between rewarding systems and employee performance. It was reveled that rewarding systems can be one of the best ways through which the management can boost the performance of employees to work hard so as to archive the set goals and objectives.

5.1 Conclusion from the study findings

Right from the onset, the purpose of the study was to examine staff performance and employee rewarding in Uganda Clays Kajjansi limited. The study was guided by three objectives including: To identify the different types of rewarding systems being used by Uganda clays Kajjansi Limited. To examine the effects of employee rewarding on staff performance in Uganda clays Kajjansi limited. To examine the relationship between employee rewarding and staff performance in Uganda clays Kajjansi limited. The study ably achieved its objectives and the researcher can ably conclude that, Employee reward and recognition programs are one method of motivating employees to change work habits and key behaviors to benefit an organization to archive its goals.

5.2 Recommendations from the study findings

Generally, the use of rewarding systems from the management acts as a pipeline to motivate the staff to work hard towards attaining the goals of the organization. However the researcher recommends the following strategies to further motivate its staff.

In designing a reward program, the management needs to separate the salary or merit pay system from the reward system. Financial rewards, especially those given on a regular basis such as bonuses, profit sharing, etc., should be tied to an employee's or a group's accomplishments and should be considered pay at risk in order to distance them from salary. By doing so, the management can avoid a sense of entitlement on the part of the employee and ensure that the reward emphasizes excellence or achievement rather than basic competency.

In order to reap benefits such as increased productivity, the management designing a reward program must identify company or group goals to be reached and the behaviors or performance that will contribute to this. While this may seem obvious, the management frequently makes the mistake of rewarding behaviors or achievements that either fails to further the organizational goals or actually sabotage them. If teamwork is a goal, a bonus system rewarding individuals who improve their productivity by themselves or at the expense of another does not make sense. Likewise, if quality is an important issue for the management, the reward system that he or she designs should not emphasize rewarding the quantity of work accomplished by an organizational department.

The management at Uganda clays Kajjansi has to make sure that properly measuring performance to ensure that the different programs pays off in terms of organizational goals. Since rewards have a real cost in terms of time or money, organizational owners need to confirm that performance has actually improved before rewarding it. Often this requires measuring something other than financial returns: reduced defects, happier customers, more rapid deliveries, etc.

When developing a rewards program, an entrepreneur should consider matching rewards to the end result for the company. Perfect attendance might merit a different reward than saving the company through improved contract negotiation. It is also important to consider

rewarding both individual and group accomplishments in order to promote both individual initiative and group cooperation and performance.

Lastly, in order for a rewards program to be successful, the specifics need to be clearly spelled out for every employee. Motivation depends on the individual's ability to understand what is being asked of her. Once this has been done, reinforce the original communication with regular meetings or memos promoting the program. The management to keep that the communications is simple but frequent to ensure staff members are kept abreast of changes to the system.

5.3 Suggestions for further research

The rate of employee turn over is high on in the company therefore further research need to be carried on the different need to separate the salary or merit pay system from the reward system so as to separate financial rewards from the non financial rewards.

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APPENDICES

QUESTIONNAIRE TO THE RESPONDENTS OF UGANDA CLAYS LIMITED, KAJJANSI

Dear respondent,

This is a questionnaire on staff performance and employee rewarding. You have been scientifically selected to participate in the study that is for pure academic purposes. You are even assured of the utmost good faith as far as the confidentiality of the information provided is concerned. Please assist and answer the following questions to the best of your knowledge.

Use: Strongly agreed (SA), Slightly Agree, (SLA) Uncertain (UC), Slightly Disagree (SLD) Strongly Disagree (SD), where applicable, otherwise tick in the box provided or fill in the lines provided.

SECTION A: BACKGROUND INFORMATION

1) State your sex

a) Male ☐

b) Female ☐

2) Age of respondent

18-25 ☐

26-33 ☐

34-41 ☐

42-49 ☐

50-57 ☐

58 and above ☐

3) Which class of Company staff do you belong to?

a) Top level Management ☐

b) Marketing Department ☐

c) Accounting and Finance Department ☐

D) Production department ☐

4. State your academic qualification

a) Above Degree level ☐

b).Degree level ☐

c).Diploma level ☐

D).Below Diploma ☐

5. For how long have you been working with Uganda Clays Limited, Kajjansi?

a). Over 5 years

b). 3 – 5 years

c). 1 – 3 years

d). Less than a year

SECTION B: ABOUT EMPLOYEE REWARDING

6. Does this company have effective and efficient rewarding systems?

Strongly agree	agree	Not sure	Not agree	Strongly disagree

7. To what extent do you agree that effective rewarding systems if put in place can raise the performance of employees

Strongly Disagree	disagree	Not sure	agree	Strongly agree

8. To what extent do you agree that the following rewarding systems are being used by the management to reward its employees?

Rate your degree of agreement about the following type's employee rewarding systems being used by the management. **Where; SD=strongly disagree, D=Disagree, NS=Not Sure, A=Agree, SA= strongly agree.**

	SD	D	NS	A	SA
Increased pay					
Bonuses					
Recognition					
Profit sharing					
Reassignments					
Promotions					
Others specify.....					

List down any other form of rewarding systems rather than those listed above used by the company to reward its employees

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.....

.....

9. How effective are these rewards?

.....

.....

.....

SECTION 3: EFFECTS OF EMPLOYEE REWARDING ON STAFF PERFORMANCE IN UGANDA CLAYS KAJJANSI LIMITED.

10. Is there any effect of using such rewarding systems to increase performance of employees?

Strongly Disagree	disagree	Not sure	agree	Strongly agree

11. If yes to what extent do you agree that employee rewarding can have the following effects on staff performance. Rate your degree of agreement about the following effects employee rewarding on staff performance. **Where; SD=strongly disagree, D=Disagree, NS=Not Sure, A=Agree, SA= strongly agree.**

Effect of employee rewarding on staff performance	SD	D	NS	A	SA
Positive effects					
Motivation of the staff					
Job commitment					
Empowerment of employees					
Reduced turn over					
Achievement of organization goals and objectives					

Job satisfaction					
Increased productivity					
Negative effects					
Exhaustion of the firm's resources					
unfairness					
Others specify.....					

SECTION 4: RELATIONSHIP BETWEEN EMPLOYEE REWARDING AND STAFF PERFORMANCE IN UGANDA CLAYS KAJJANSI LIMITED?

12. Good and effective rewarding systems have increased the performance of employees.

Strongly Disagree	disagree	Not sure	agree	Strongly agree

13. Is there a relationship between employee rewarding and staff performance

Strongly Disagree	disagree	Not sure	agree	Strongly agree

OGWENG EMMY

Sign.....

END.

Thank you very much for your co-operation

