

REWARD SYSTEM AND EMPLOYEE JOB SATISFACTION

CASE STUDY INVISIBLE CHILDREN UGANDA

PRESENTED BY

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A RESEARCH REPORT SUBMITTED TO KAMPALA INTERNATIONAL
UNIVERSITY IN PARTIAL FULFILMENT OF THE REQUIREMENT
FOR THE AWARD OF A BACHELOR DEGREE IN HUMAN
RESOURCE MANAGEMENT OF KAMPALA
INTERNATIONAL UNIVERSITY

JULY

2014

DECLARATION

I ALINGA JOHN BOSCO BHR/33845/111/DU, under taking a Bachelor's Degree in Human Resource Management, declare that this research is my original work, after undertaking a field attachment at invisible children Uganda, no plagiarism has been made and this work has never been presented to any other institution for an academic award of any kind.

Signed.....

ALINGA JOHN BOSCO

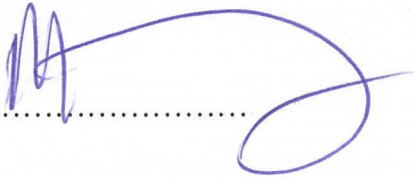
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APPROVAL

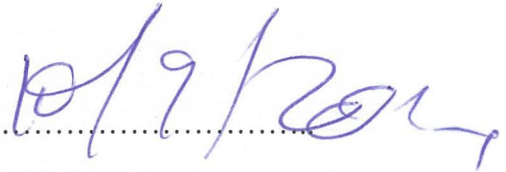
This to certify that, this research proposal report is presented by ALINGA JOHN BOSCO Reg No: BHR/33845/111/DU titled "REWARD SYSTEM AND EMPLOYEE JOB SASTISFACTION" for a case of INVISIBLE CHILDREN UGANDA. It has been under the supervision and is now ready for submission to GOLLEGE OF ECONOMICS AND MANAGEMENT.

Sign:



DR. SSENDAGI MUHAMAD

Date:



DEDICATION

I dedicate this research to almighty God who has enabled me to pass through all hardships in my course of research. I also dedicate this book to my beloved parents Amei Christine ,Mr Loram Albert Aleper, for the fatherly care and support from my childhood till up to date . My sincere gratitude goes to my brothers Lokol Lawrence My sisters Longole Joyce Aleper Christine you are very much indebted to me, to my friends Risa Emmaunel Bole Maruk Joseph Ajuji Lopeyon Richard, Qqunto Kiyonga Boniface,Teko peter, Ssire Mark Koriang Moses Jarule, Lopeyok Alfred Apau Godfrey Lokure Manfred, Akidi Mariana, Lochennng Mathias, Lokwanng Martiin and lastly to my beloved daughter Auma Valentine, I owe you all much.

ACKNOWLEDGEMENTS

First and foremost, all praise is due to God for bestowing in me good health, knowledge and patience to complete this work. The almighty, who alone made this accomplishment possible. I seek his mercy, favours and forgiveness.

Am deeply indebted to my supervisor Mr: Kanyaguabo Edward for the spectacular performance with which he supervised to my work, special thanks for him for the kinds and willingness with which he guided me through this study.

I extend my special thanks to all my lectures who have by all means endeavoured to give the best and mostly I sincerely acknowledge the continuous support, tolerance and encouragement

I am grateful to my parents, brothers and sisters for their extreme moral support, encouragement and patience during the course of my studies as well as throughout my academic career. No personal development can ever take place without the proper guidance of parents. This work is dedicated to my parents for their constant prayers and never ending love.

Thanks also to my course mates and friends: samira Hassan and Gideon longole and bosco and maryan ahmed and soluman kapour and zamu and lilly and among others for their friendly assistance, encouragement and moral support and prayers.

May almighty God richly bless in your abundantly.

ABSTRACT

This study was aimed at establishing the relationship between reward system and employee job satisfaction. The objectives of the study were to investigate the different types of reward system, determinants of pay levels, determinants of job satisfaction and the relationship between reward and employee job satisfaction.

An exploratory survey study design was used, quantitative methods was employed in the study. The data was collected using self-administered questionnaires which included reward system scale, determinants of pay level scale, determinants of job satisfaction and the relationship between rewards and job satisfaction scale which was coded in frequencies, percentages and tables were employed using excel.

The findings indicated that invisible children Uganda offers rewards to employees differently, majority of employees are paid according to how long they have served in the organisation; reward system is a critical factor in creating job satisfaction amongst workers. The findings concluded the invisible children promote rewards important that reward system is very fundamental in any organization the study recommends that invisible children should establish an efficient and effective system of reward and ensure that rewards are based on merits

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CHAPTER ONE

1.0 Introduction

This chapter consists of the background of the study, statement of the problem, purpose of the study, objective of the study, research question, and scope of the study, significance of the study and structure of the research report.

1.1 Background of the study

In many organisations, the best level of employee job satisfaction of the organizations is determined by reward system for the time and report spent by the employee in the work schedule (world at work, 2002). Therefore rewarding employees is one of the significant obligations owed to an employee by an employer or management. It is done in order to attract, retain, motivate and to attain employee job satisfaction (Stephen, 2002)

Reward typically encompasses not only traditionally quantifiable elements like salary, variable pay, and benefits but also more intangible non-cash elements such as hope to achieve and exercise responsibility, career opportunity, learning and development, the intrinsic motivation provided by the work itself and the quality of working life provided by the organisation (KH and Johnson 2002).

Job satisfaction is the positive emotional or electric reactions to one's work that results from meeting individual work, wants and needs (Peptone worldwide 2006).

Invisible children Uganda is a nongovernmental organization operating in northern part of Uganda with its head quarters in Bugolobi, Kampala. It provides sponsorships to disadvantaged children of the region in secondary, tertiary institutions and university since 2004 up to date. The organisation has 40 employees and they pay salaries from the scale of ugx. Shs 600,000/= to ugx. Shs 800,000/= to members of secondary and university respectively which has the largest number of employees that is 70%. The organisation activities are facilitated by donations from United States of America (invisible annual children's report 2010).

However the employees perceive the salaries as being low and insufficient because it's not the reflection of what the donors send which are not in terms of dollars from United States of America and the effort they put in the organizational success. As a result of this the employees have shown signs of job dissatisfaction such as absenteeism,

gossiping and late coming among others. Unless invisible children improves on the strategies of rewarding employees, the organisation will continue having dissatisfied employees

1.2 Statement of the problem

Invisible children started their operation in 2005 hoping for better performance but in 2008, the organisation experience the worst levels of employee dissatisfaction manifested through leaving the organisation.(annual performance report 2009) this was attributed to perceive low, unfair and insufficient salaries given to them comparing to what donors give.

1.3 Purpose of the study

The study was meant to establish the impact of the reward system on employee job satisfaction.

1.4 Objective of the study

- i. To determine the different reward system used in invisible children.
- ii. To find out the factors that determines pay levels at invisible children.
- iii. To find out the determinants of employee job satisfaction.
- iv. To establish the relationship between reward and employee job satisfaction.

1.5 Research questions

- i. What is the different reward systems offered at invisible children Uganda?
- ii. What are the factors that influence pay levels at invisible children?
- iii. What are the determinants of employee job satisfaction?
- iv. What is the relationship between reward and employee job satisfaction?

1.6 Scope Of The Study

1.6.1 Area Of The Study

The study looked at the reward system and employee job satisfaction at invisible children Uganda. This was chosen because it could give the researcher more insight about the reward system and employee job satisfaction for the successful completion of the study.

1.6.2 period of study

The period of study was chosen from 1993 to 2011. This period was chosen because of several reports indicating the increase rate of job satisfaction due to the reward system.

1.7 Significance of the study

The study will help add on the pool of knowledge to managers of invisible children in respect to the reward system and how it impacts on employee job satisfaction.

To management of the organisation, the research findings will avail information on how to design effective rewards that can best induce job satisfaction.

To management of invisible children, the study will help in implementing government reward system to promote job satisfaction.

To other researchers, it will help lay foundation for life time research on reward system and employee satisfaction.

To the researcher, the study will help fulfill the requirements for the award of a bachelors Degree in Human Resource Management of Kampala international University.

1.8 Structure of the report

The report contains five chapters as explained below

Chapter one is introduction. It contains the background of the study, statement of the problem, purpose of the study, objective of the study, research question, and scope of the study, significance of the study and structure of the study.

Chapter two contains the literature review of the related literature on the different reward system used in the organization, determinants of employee job satisfaction, determinants of pay levels in the organization and relationship between reward and employee job satisfaction.

Chapter three contains introduction, research design, population, sampling techniques, and source of data, data collection instruments, measurements of variables, reliability and variability, data analysis and presentations and limitations of the study.

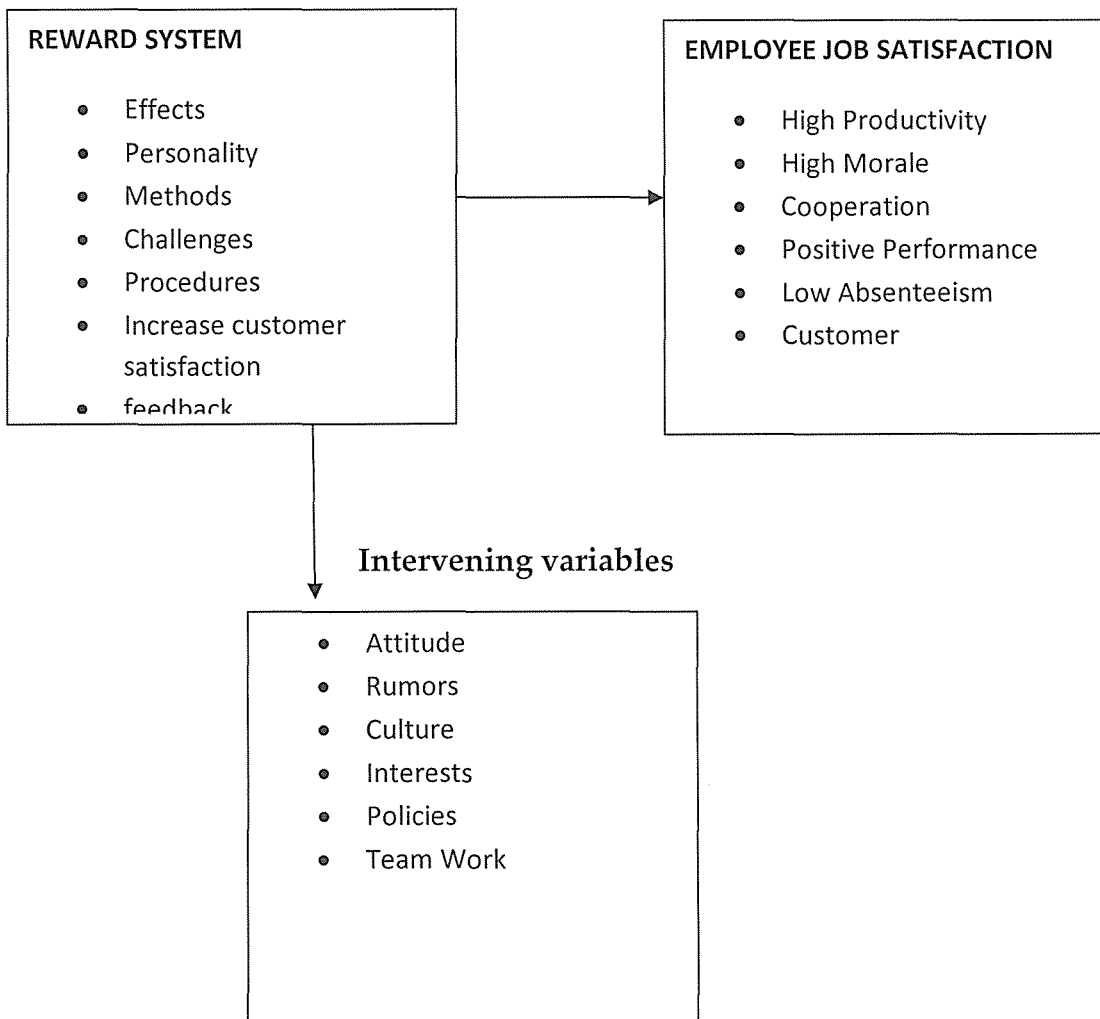
Chapter four covers the detailed interpretations, presentations and discussions of the findings.

Chapter five includes final conclusions and recommendations are finally made.

1.9 Conceptual Framework

Independent Variables (I.V)

Dependent Variables (D.V)



CHAPTER TWO

LITREASURE REVIEW

Introduction

In this chapter, the researcher reviewed literature related to reward system that exist in the organization, determinants of employee job satisfaction, determinants of pay levels in the organization and relationship between reward and employee job satisfaction that is presented by other scholars and researchers, publication documents and papers.

2.1 Reward System That Exist In the Organization

2.1.1 Definition of Rewards

According to Wellington (2006), rewards refer to both remuneration and other tangible gains of value to the employees. He further defined rewards as the monetary value of the compensation an employee receives in return for their contracted duties and responsibilities.

Accordingly rewards constitute compensation plus indirect and direct incentives such as development opportunities, study time, travel and the like.

Reward system may also be defined as the material and psychological pay offs to the employees for the work done. These pay offs are likely to have a given impact on the level of commitment a amongst employees towards the achievement of organizational goals and will also determine how and hard employees are willing to work for that particular organization (Kreiter, 1999).

A wide range of economic and non economic programs also exist to supplement on an organization complete program. Some firing reward their employees with contingent time off for exemplary performance, others allow employees to earn "comp time" for hours worked but not paid for many times provide a wide away of other benefits for their employees such as on site. The number of options and costs to employees has risen drastically and are often as much as 35 to 40 percent of total company compensation (NewstromDavies, 2002)

2.1.2 Types of rewards

2.1.3 Financial rewards

According to the traditional view of motivation by Fredrick Taylor workers in order to be motivated have to be given money rewards because according to the traditional theory, few wants to work hence they need to be coerced. Armstrong (2003) argues that

financial rewards consist of fixed variables such as pay and employee benefits which together compute total remuneration extrinsic rewards include money and fringe benefits and they are external to the job (Dcenzo and Robins 2004), Fillipo (2001) asset that financial rewards are concerned with the employees well being and according to him they include wages, bonuses and profit sharing. Financial rewards include;

Performance Bonuses

Cole (1997) suggested that a bonus is payment in addition to basic pay usually given for result achieved beyond an agreed standard and can apply both to management and subordinates. Applibaum (1994) asserts that bonuses are arrangements were by the employees receive period payment for example weekly or annually based upon a number of factors like reduction in labour costs, bonus programs have been used in many organisations for some time and are usually on an individual basis for the tasks accomplishment especially to the sales representatives to encourage them to generate more profits (Parker and Owen, 2001)

Employee Benefits

Employee benefits are additional compensation s given to organizational membership and performance. (Sara and Berry, 2002) They are usually provided as a package of items like pension, subsidized meals and medical allowances. There benefits vary in importance to individual (Cole, 2002). Armstrong (2006), states that benefits comprise elements of remuneration additional to the various forms of cash payments and also include provision for employees that are not in cash like annual holiday.

Wages

The payment of wages is an employer's legal requirements or obligation to his employees. How much is to be paid and in what manner is the judgment or negotiations. In theory if an employer were free to pay what they like, they would probably pay the minimum (Cole, 2002). Beared well (2002) also argues that wage earners are simply paid for the work and not personal characteristics or potential they bring to the employment relationship. According to Fillipo (2001) wage is among the financial reward that are commonly used in organizations.

Salaries

Salaries refer to the weekly or monthly remuneration or work paid at a fixed rate (Cole, 2002); Davar (1995) argues that salaries involve money paid periodically to persons whose output cannot be easily measured like clerical staffs. Cole contends that a salary system is a mechanism by which an organization plans how to attract, retain and motivates its employees. Wehrich and Kppntz (2000) remarked that salaries paid directly to the production workers have been found out to be less than those paid to persons whose output cannot easily be measured like the clerical staffs, supervision as well as the managerial staff.

Profit Gain Sharing

This type of reward is usually given to employees who stay in the organisation for a long period of years as recognition for their contribution to the company's success. Such rewards take a certain percentage of the company's profit (Shawn, 1993). still Fillipo (2001) asserts that profit sharing as a way of rewarding employee's outcomes especially the company realizes increase in profit and marked with reduced cost of production.

Incentive Schemes

Incentives refer to payments offered to employees as a way of stimulating increased performance or output that is rewarding up to and beyond performance expectations.

Employee incentive scheme is a designed plan that can best be classified according to the level at which they are applied that is individual or group. Individual incentives remain the most popular where each person, output is measured and subsequent rewards are based on output (Schuler, 1995)

Merit Increase

Employees are given an increase to recognize consistently meritorious performance or successful compensation of a task or profit that has a significant impact on an organization. The reward may amount to 5% of the employee's basic salary to encourage them to work harder (Cole, 2002).

2.1.4 Non Financial Rewards

The human resource model by Abraham Maslow states that people's needs are in hierarchy and that each level has to be satisfied before one strives for higher level needs.

These needs include physiological, safety needs like for property or jobs, social needs, self esteem that is need for status and recognition and self actualization (stoner, 2002), and Stacey (1998) argues that non financial rewards help an employee to be more productive to the organization in achieving its goals. He identified non financial rewards as promotion, career development, job achievement and job enrichment. The various forms of non financial rewards include the following;

Employee Participation and Involvement

Cole (2002) defined employee participation as the participation of non-managerial employees in the decision making process of an organization. Pylee (1999) states that workers feel valued and satisfied with their work when they are allowed to participate in issues concerning what they do. They like active participation rather than being recipients. Employees should be allowed in educational programs or other activities that aim at expanding their knowledge and skills which will benefit both the employee and the organization through increased productivity.

Job Security

Mc Nerney (1995) states that job security are that method used by organizations to retain and win the employees loyalty. Security is a good compensation strategy to encourage employee satisfaction, team work, increased performance and productivity. Schuler (2002) advanced his views that job security has become important in this over retrenchment by organization.

Recognition

Recognition is the way of appreciating work done by employees. This may be done through praising good work. Recognition is consistently acknowledged by different organizations as an important motivational and morale-boosting tool for effective performance since employees fell valued when their contribution are noticed by the organization (Cascio, 1995).

Promotion and Status

This is an assignment to an employee of a lower position to the greater responsibilities. It normally involvers ascending in the management hierarchy or at recruitment source for high position, this provides a motivational environment which increases employee satisfaction. (Cole, 2002) promotion may also be a long term reward that recognizes

employees' professional growth expertise and capacity to contribute to the institution to the new roles

Challenging Work Assignment

This is another mechanism used to reward good performance. Such assignments can provide employee's opportunities to develop new skills, expand their knowledge and increase their visibility within the organization; they also send an important message to employees that their contributions are recognized and valued. Management should consult employees about the types of assignments that would be most valued to ensure that they are able to handle the new tasks (Armstrong, 2002).

2.2 Factors That Determine Pay Levels In the Organization

Ability to Pay

Organizations vary in their ability to meet the wage and salary commitment. There are profitable and which enjoy a cash flow with other things being equal find it easier to be generous to the employees. Those which are struggling for survival will find it difficult to meet even their minimum obligation (Cole, 2001).

Comparability

Most employers' trade union is bound to consider what comparable jobs are being paid elsewhere. Affirm will look at us underlying to see what rates is being paid. Unions tend to look at rated jobs. The public sector tends to look at private sector comparisons especially in terms of occupation group such as senior, clerical, top management among others. Comparability is also important when considering equal pay chain (porter, 1995).

Labor Market Condition

The important point for organization is the state of the particular labour market that they are drawing upon. Certain skills are always in short supply, even when labour in general is plentiful and organization seeking to recruit this scarce skills will have he to pay premium price where the skills sort are in surplus, however, there is the recruiting organization is of an advantageous situation (winner, 19995)

Cost Of Living

When cost of living is high that is when inflation rises there is enormous pressure on employers to raise wages and salaries by the rate of inflation (timothy, 2004).

Productivity

Alternatively, so long as there are markets (buyers) to goods and services which it is efficient with which these items are produced that determines whether productivity can be recovered. Wage negotiations can inerrably make progress in seeking high pay (Martins, 2001)

Rewards can be used to encourage employees to work productively and alternative to the quality of their work (Cole, 2002). They serve as a motivation for employees' further performance that is if goal attainment is recognized by payments, workers are likely to be stimulated to work harder in future. A good and well designed reward system usually aims at attractively and retaining high qualified employees (Spitzer, 1996)

2.3 Job Satisfaction

2.3.1 Job Satisfaction Defined

It is a set of favorable or unfavorable feelings and emotions with which employees view their work. It is an effective attitude, a feeling of relative like or dislikes towards something for example "enjoy having a variety of tasks to do". Attitude consists of feelings, thoughts and intention to act (Newstrom, 2002).

Job satisfaction refers to an individual general attitude towards his or her job. A person with a high level of job satisfaction holds appositve attitude while a person of a low level of job satisfaction holds a negative attitude (stephen, 2002)

Job satisfaction is the extent to which people like or dislike their jobs. It suggests the job satisfaction is a general or global effective reaction that individuals hold about their jobs (Spector, 1997).

Fisher (2002) employee satisfaction is not just optional to an organization but an important tool and foundation for growth. It is amassing that only few organizations have made job satisfaction their overall strategy. Jensen (2002), argue that transformed organization must create a positive work place for their work to increase satisfaction on the job.

2.3.2 Determinants of Job Satisfaction

Evidence indicate that the most important factor conducive to job satisfaction are mentally challenging work, equitable reward, supportive working conditions and colleagues (Robbins, 2002)

Rewards

John (2006) agrees that employees are more satisfied if they are rewarded or compensated fairly for the work done, the effort and their demands. Abraham noticed that the most basic theory regarding job satisfaction is that workers are satisfied if their jobs provide what they desire and certainly the amounts and perceived adequacy of financial remuneration. Martin (1998) argues that smart employees know the value of using employee rewards if a person is rewarded for high performance or stand long aim a reward for doing the work, he/she may find the job satisfying. Rewards range from improved work environment, high security and more responsibility.

Team Work

Lim and Ployhart (2004) observed that large autonomous groups are intruded in the organization. Cohesiveness probably affects output most when help and corporation is needed and very important, group increases job satisfaction because of improvement in the employee attitude, safety and equity at work plus drop in cost and absenteeism.

However, Cole (2002) argues that majority of the employees in organizations are employed in groups of the kind or another, group working is critical activity for the management. Garrido et al (2005) argues that team work promotes job satisfaction in an organization. This was proved from a research done in Spanish industrial firms.

Communication System

Communication barriers may lead to job satisfaction .it is easy to misunderstand another person therefore communication should be effective in order to inform employees of new expansion programs and their performance among others (Armstrong, 2003). Through communication, employees are linked to achieve a common goal. Knootz (2000) superior subordinate communication is an important influence on job satisfaction in the work place. The way in which employees perceive the superior communication can be positively or negatively influence job satisfaction

(Morgan, 2002). Organizations that use open communication are more likely to receive positive feedback and high job satisfaction of their employees (Saari, 2004).

Adequate Authority

This is the power to exercise influence over others. Employees should be allowed to take part in the decision making and set goals for maintaining the organization budget by this way employees are more satisfied when they have freedom and authority to their jobs. (Robbins and Coulter, 1999) Employees are more satisfied when the entire group takes pride in the quality of work aside from obvious impact of pay and promotion.

Satisfaction is also directly linked to other less tangible material influence (Mathias and Jackson, 1999).

According to Lee and Ho (1989) asserts participation of employees and having adequate authority in decision making process adds positively in employees' job satisfaction.

Recognition of Employees

Wright (2005) observed that when employees are assured that response an effort are treated as confidential and recognized their attitudes towards their job will be stimulated. Briton (1999), recognition motivates employees by increasing their levels of commitment to achieve organizational goal as well as employee job satisfaction.

Jacobson (2004) as employees develop and given more responsibilities that make them develop the self confidence as well as increasing their job satisfaction. Cono and Castille (2004) concur with Wright (2005) that managers who prioritize employee recognition understand the power of recognition. Employee recognition is a communication tool that reinforces and rewards the most important outcomes people create for an organization.

Leadership

This is the ability or power to influence and inspire the behaviors of other people to carry out activities effectively. As a good leader, one should build trust among employees be a good communicator, provide feedback and provide direction all of which provide job satisfaction. (Rode, 2004) Leadership involves unequal distribution of power between leaders and group members (stoner, 2000). Leadership is an important factor in an organization. An organization change with change in leadership (Balunywa,

2005) to increase levels of job satisfaction, management focuses on improving leadership styles through job training and other learning opportunities. Organizations that use autocratic leadership styles are always embarrassed by employees (Kathy and David. 2008).

Career Development Schemes through Training and Development

Training is the process of acquiring knowledge, skills and attitude in order to improve on job performance hence job satisfaction. Development is the improving of skills, knowledge and attitude for career improvement, the above improve employee skills and knowledge when enhances job satisfaction (Robbins, 2003). Organizations have provided well defined career paths in order to facilitate employee growth and filling future position through promotion. Employee's careers can be developed through training which help the organisation to ensure job satisfaction (Coest see, 2003).

Job Enrichment

Patton (2001) noted that job enrichment provides many opportunities to employee's development; participate in how their work is done and most likely to enjoy an increased sense of personal responsibility for their tasks. The central focus of job enrichment is giving people more control over their work. Management should let employees take on tasks that are done by their supervisors. Bono (2001) in enriched jobs, employees have more influence over planning, executing and evaluating their jobs. Employees compute their activities with increased freedom, responsibility and with a lot of satisfaction.

Management by Objective

Castellano (2004) asserts that management by objectives is achieved using set targets. They must be SMART, they need quantifying and monitoring. Reliable management systems are needed to establish relevant objectives and monitor them. According to Ben (2003) the objectives need to be carefully aligned within the culture of the organization engagement of employees with the objective setting process is seen as a strategic advantage that satisfies them as they focus to achieve the strategic objective.

Equity

Armstrong (2006) argues that employees who are served equally with equal job opportunities derive high level of job satisfaction. Organizations that treat their

employees at the same levels are likely going to attain better performance hence increasing productivity. Patton (2002) explains that organizations should consider things like training employees at all levels prompting the right people appreciating them for their hard work, giving them bonuses as well as considering the lower cadres as important goals. Equity motivate employee performance and this enhancing job satisfaction

2.4 Relationships between Rewards System and Employee Job Satisfaction

Organizations use rewards to attract employees to join the organization to retain and motivate those who are already in the organization (Robbins, 2002).job satisfaction consist of work related to factors like attitude, interaction with colleagues and management, pay levels and ability to meet expectations. If employees receive rewards, they feel they are equitable; they will be satisfied resulting to greater performance (Luthan, 1998).

Donnelly (1990), financial rewards are equitable with status and recognition, employees tend to be sensitive about the amount of pay they get. Employees who are equally compensated are satisfied.

Oliver (2002) argues the degree of fairness of new and old compensation determines employees' productivity and satisfaction at work place. Equity is viewed as the ratio of input by the employee and output ratio that brings satisfaction.

Employees want pay system and promotion policies that they perceive as being just unambiguous and in line with expectations. If it is seen as fair based on job demand, individual skills,, satisfaction is likely to secure linking pay too satisfaction is not the absolute amount one is paid rather than the perception of fairness. Promotion opportunities increase several status and likely to experience job satisfaction (Stephen, 2002).

Newstrom and Davis(2002) argues that if rewards are seen as fair and equitable, then improved satisfaction develop because employees still feel that they are receiving rewards in proportion to performance.

Good management increases high morals, productivity and a sense of purpose and meaning to the organization and its employees are sensitive to the amount of pay they get and if they are equally compensated them will be job satisfaction.

Employees prefer pay system that they perceive as being fair, just unambiguous and which are in line with their expectations. Pay system that is based on community pay standards and fairness amount to job satisfaction (Ting, 1997). Failure to meet employee expectations result into job dissatisfaction which adversely affects the productivity.

2.5 Summary of Key Issues

Concept of Reward

Rewards refer to both financial and non-financial benefits that employees are entitled to get from their employers as their value for the activities they have performed. It can either be direct or indirect and they include; performance bonuses, wages. Salaries, employee's benefits, profit gain sharing, incentive schemes, merit increase, employee participation and involvement, job security, recognition, promotion and status, challenging work assignments.

Concept of Job Satisfaction

Job satisfaction is a set of favorable or unfavorable feelings that employees perceive their work. It also means pleasure derived from the job by the employees which can be positive, emotional or effective reaction of like or dislike forward a task

Financial Rewards

These are tangible rewards given in return for the gone by the employees to the employers. They include financial benefits, bonuses, base pay, wages, salaries, profits sharing and others.

Non-Financial Rewards

These are rewards that do not involve direct payment and often arise from work itself or it is an intangible reward that stems itself from the working of self. They include employee participation and involvement, job security and status challenging work assignments, job enrichment.

CHAPTER THREE

METHODOLOGY

Introduction

This chapter covers the research design, sampling techniques, sources of data, data collection instruments, measurements of variables, reliability and validity, data analysis and presentation and limitation of the study

3.1 Research Design

The researcher employed an exploratory survey design that enabled him collect data from the respondents.

3.2 Population Sample

The study covered invisible children Uganda and a total of 40 employees were used.

3.3 Sampling Technique

The researcher used a simple random sampling technique of 36 employees which helped to give all respondents an equal chance of being part of the study

3.4 Sampling Size.

The sample size was calculated mathematically using the formula below;

Where; n = the sample size

N = total population of respondents, that is 70.

α = the level of significance, that is 0.05

$$n = 40$$

$$1 + 40 (0.05) \quad n = 40$$

$$1 + 57 * 0.0025$$

$$n = \frac{40}{0.9756}$$

N= 35.93

n = 36

3.5 Sources of Data

The source of the data was both primary and secondary. The data was sourced from invisible children text books, internet, journals and news papers plus questionnaires were used to gather primary data.

3.6 Data Collection Instruments

The researcher used questionnaires to gather the information and the questionnaires were closed ended which enabled the respondents to respond freely.

3.7 Measurements of Variables

A five point liker scale questionnaire was used to measure the reward system and employee job satisfactions basing on strongly disagree, disagree, not sure, agree and strongly agree.

3.8 Reliability and Viability

The validity and reliability of the questionnaires was established through pretesting it on fellow students of Kampala international university (KIU) before issuing to the employees of invisible children Uganda

3.9 Data Analysis and Presentation

A simple quantitative method of analysis was used where respondents from questionnaires will be edited, organized and coded in to the computer.

4.0 Limitations

Financial constraints; The researcher encountered financial problems arising from expenses involved in typing, stationary, transport costs and internet surfing.

Time limit; the available time provided was not adequate for the researcher to utilize all the materials for the study since other activities were also being done at the same time.

Limited accesses to information especially from the internet were subscription was needed before accessing the data

CHAPTER FOUR

RESULTS AND DISCUSSIONS OF THE FINDINGS

Introduction

This chapter presents the results and presentations of the findings obtained from the field in the chapter, the main objective is to compare held by contrast the different views held by the different scholars with different views held by different field respondents such that meaningful information can be drawn for further decisions and interpretation have been presented in respect to the research objectives and research questions availed in chapter one of the topic under research.

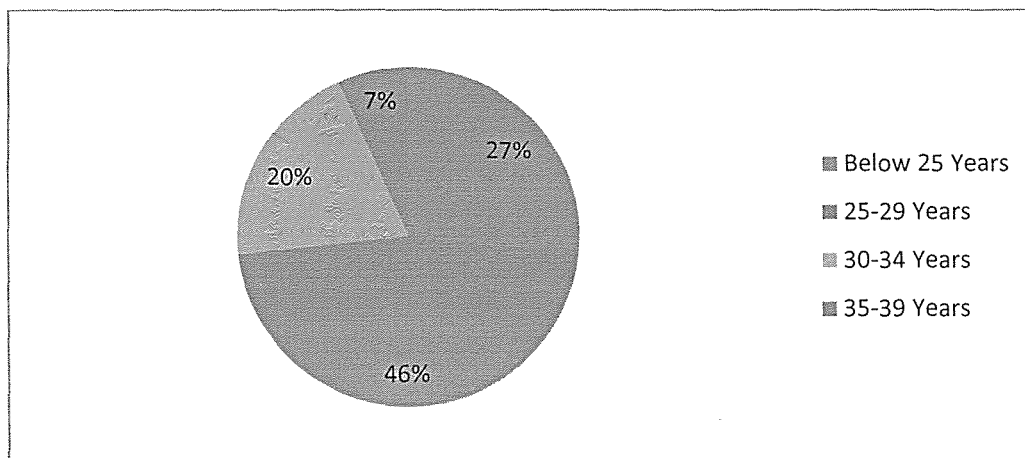
3.0 background information of the respondents of invisible children Uganda

Table 1 showing the background of the respondents

Age group	Frequency	Percentage%
Below 25 years	8	26.7
25-29 years	14	46.7
30-34 years	6	20.0
35-39 years	2	6.7
Total	30	100

Source; primary data

A pie chart showing the percentage of employee according to their brackets.



The above table shows that most of the respondents were in the age bracket of 25-29 years and a few were ;in the bracket of 35-39 years meaning that the young age group was much more preferred than the old persons in the organization because of the need to shape and make them acquainted with the organization.

A Table showing gender in the organization

Gender	Frequency	Percentage %
Male	18	60
female	12	40
Total	30	100

The findings further reveals that most of the respondents were male constituting of 60% from 30 respondents while females constituted only 40%.this was because females are fractionally discriminated and also due to a limited number of educated females in the country.

Cones showing the percentage of women and men working with invisible children Uganda

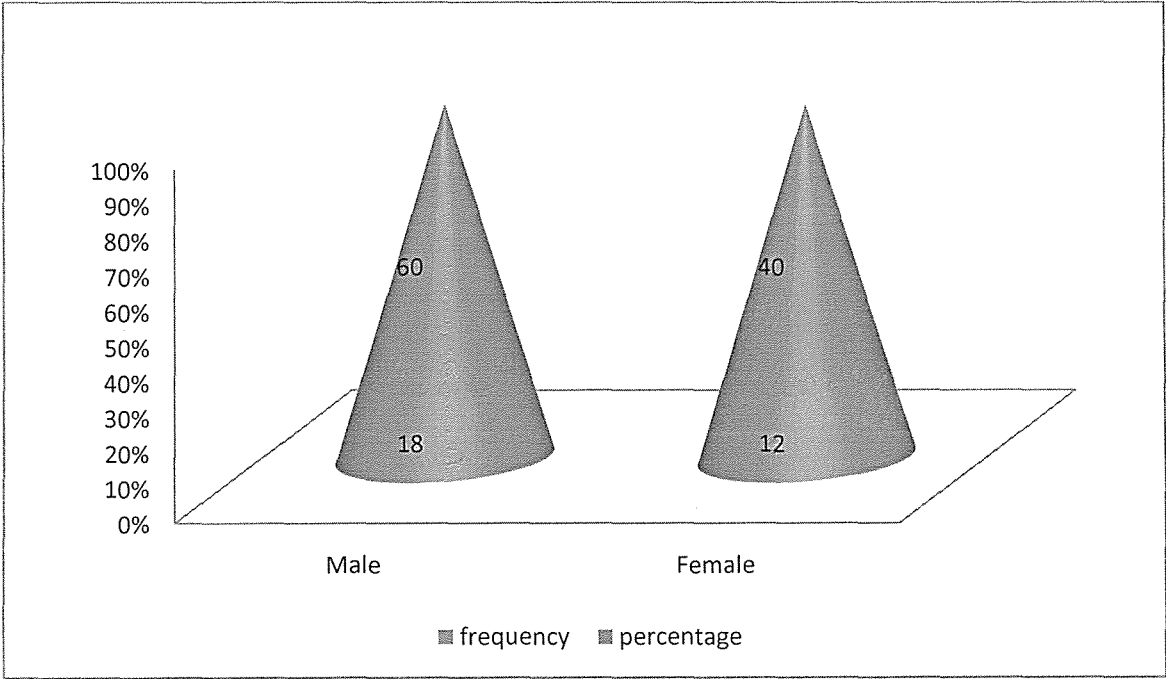


Table showing marital status of the employees

Marital status	frequency	Percentage
Single	14	46.7
married	16	53.3
Total	30	100

Source: primary data

The findings further indicate that the majority of the respondents were married amounting to 53.3% while 46.7% were single

Chart showing marital status of employees

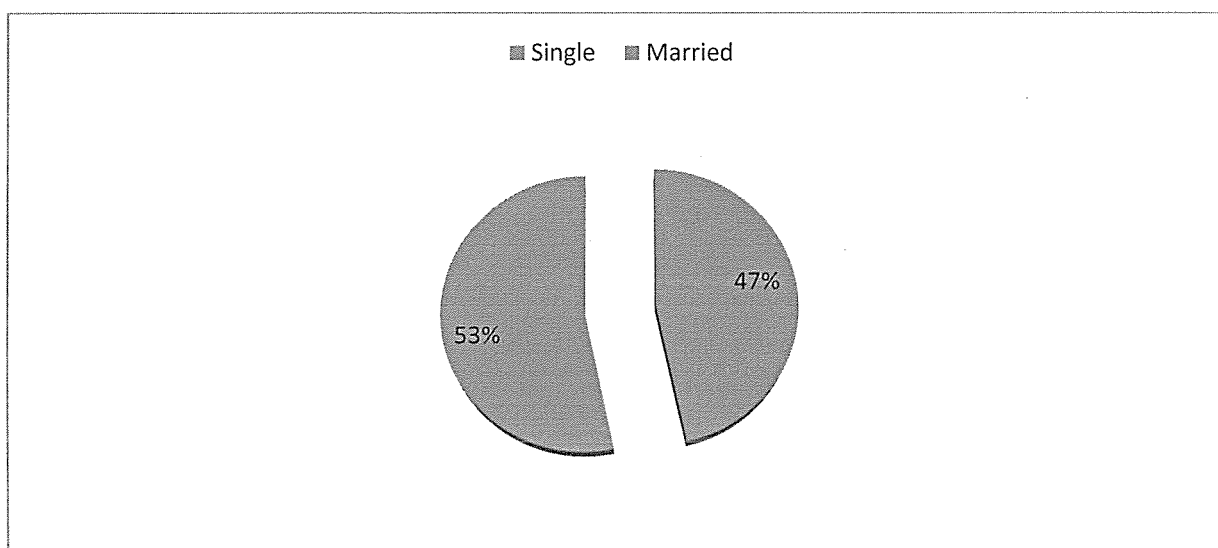


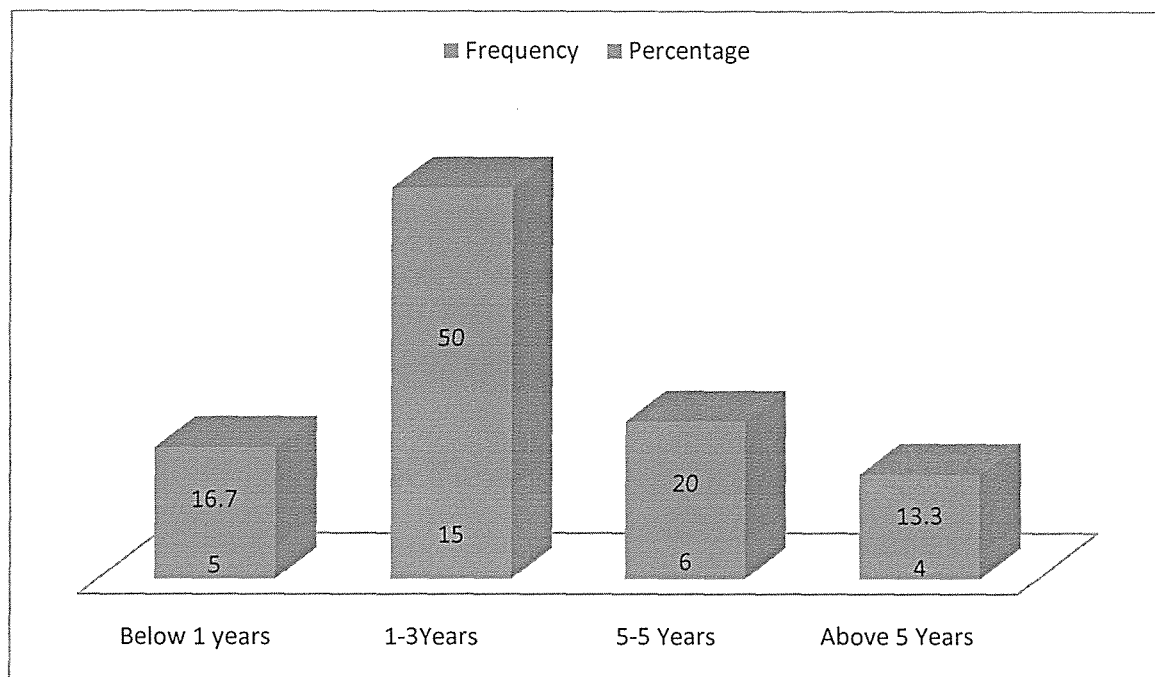
Table showing the level of service

Level of service	frequency	Percentage
Below 1 year	5	16.7
1-3 years	15	50.0
3-5 years	6	20.0
Above 5 years	4	13.3
Total	30	100

Source: primary data

As seen in the table, it also reveals that the majority of the respondents the researcher interacted with had served for 1-3 years constituting to 50% of the respondents. This was followed by those employees who had served for 3-5 years constituting of 20% of the total number of respondents.

Bar chart showing the levels of service at invisible children Uganda



4.2 findings about the different types of reward system used at invisible children Uganda

Table 2 showing different types of reward system

Determinants	mean	%	N=30
I always receive salary	3.27	45	30
In some occasions the organization give wages	4.56	67	30
We receive benefits in the organization	4.28	83	30
Bonuses are always given and Gain sharing is implemented	3.50	72	30
In the organization promotion is done every year	3.00	65	30
At the end of the year, party gifts are given to the best performer	4.63	63	30
Our supervisors always say thank you for the work well done	4.96	47	30

I always participate and get involved in decision making	4.37	44	30
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Source: primary data

The first objective of the study was to examine the different types of reward system used at invisible children Uganda, the findings obtained revealed that invisible children Uganda offer rewards to its employees differently. As seen in the above table, it was revealed that employees of the organization strongly agree with the view that the supervisors always say thank you for the work well done which is a clear indication of Requisition of employees' efforts towards job accomplishment. This view was reflected with a higher mean of 4.96 from the 30 respondents out of the total of 40 employees in the organization. It was further discovered that employees of invisible children Uganda earn bonus for extra time worked after accomplishment of their daily activities and this was reflected by mean of 3.50 out of the 30 respondents sampled in the organisation other than bonuses offered to employees through recognition, programs, profit sharing, provision of morning allowances and overtime payments, allowing employees participate in decision making, provision of gifts at the end of every year among others as explored above. However despite that fact that employees of invisible children Uganda are blessed with such motivating rewards, some respondents revealed that the organization tend to delay their rewards while at times demotivated them and therefore affect performance in the organisation.

4.3 findings about the determinants of pay levels at invisible children Uganda

Table 3 showing determinants of pay levels

Determinants	Agree (%)	Disagree (%)	Total (%)	N=30
Rewards are determined by the strength of the trade unions	48.0	52.0	100	30
I am paid based on my value	50.0	50.0	100	30
Payment is given based on the government policy	62.5	37.5	100	30
Human resource demand and supply determines my payment	50.0	50.0	100	30
Employees with knowledge, experience and skills are paid more	55.5	44.5	100	30

The value of the job internally influences pay	44.7	55.3	100	30
The organisations pay according to their ability	70.0	30.0	100	30
How long an employee has been with the organisation also influences pay levels	78.2	21.8	100	30

Source: primary data

Findings established revealed that the different employees at invisible children Uganda are paid differently. It was revealed that the majority of employees are paid according to the time they have served the organization and this constituted of 78.2% from the 30 respondents. Findings also indicated that regardless of the period of service, invisible children pay its employees according to the ability and financial strength of the organization; this employs the second majority with 70.0% of the respondents, besides 48.0% agree that pay levels are determined by the strength of trade unions while 52.0% disagree. Similarly 62.5% of the respondents aimed at their pay being influenced by the government regulations while 37.5 disagree with the view

4.4 findings about the determinants of job satisfaction

Table 4 showing determinants of job satisfaction

Determinants	Agree (%)	Disagree (&)	Total (&)	N=30
Rewards in the organisation satisfies me	54.5	45.5	100	30
Team work promotes job satisfaction	59.1	40.9	100	30
Good and transparent communication in the organisation satisfies me	54.3	55.7	100	30
Taking part in the decision making makes me satisfied in my job	50.0	50.0	100	30
A moment am recognised I become satisfied	51.0	49.0	100	30
Participative leadership style makes me satisfied	32.0	68.0	100	30
The career development and training	59.1	40.9	100	30

plus development makes me satisfied on my job				
Job enrichment always satisfies me	40.1	59.9	100	30
I am satisfied if they emphasize on objective	58.0	42.0	100	30
Promotion of equity satisfies me on the job	61.2	38.8	100	30

Source primary data

Findings established revealed that job satisfaction in invisible children Uganda are determined more by promotions having 61.2% of the respondents agree and 38.8% disagreeing from 30 respondents of the organisation. It was found out that most employees are satisfied if the organisation is managed by objective having 58.0% and 42% nit in support from the 30 respondents of the organisation.

Besides, 54.4% of employees agree with rewards as the determinants of job satisfaction, 45.6% disagreed with their argument. Team work had 54.1% agree, and 45.9 are not in support of it. Findings also that good communications and transparency also determines job satisfaction with 54.3% while 45.7% of the employees out of 30 disagreed.

At invisible children Uganda, employees believe that recognition is also important with 51.0% even though 49.0% did not agree from the 30 respondents. Findings also show that participation indecision making is very crucial with equal percentage of 50.0% agreeing and 50.0% disagreeing respectively from the 30 respondents of the organisation, participative leadership was not appointed by the employees with few employees of 32.0% compared to those disagreeing with 68.0%.

4.5. Findings about the relationship between reward system and employee job satisfaction at invisible children Uganda

Table 5 showing the relationship between reward and employee job satisfaction

Items	Agree (%)	Disagree (%)	Total (%)	N=30
If I am on time, I exhibit job satisfaction	77.8	22.2	100	30
My pay and benefits I get do affect my performance	55.9	44.1	100	30

In case am compensated equally as others, I feel satisfied	85.0	15.0	100	30
Good promotion policies which can just make performance well	90.0	10.0	100	30
If I am managed well, increase my morale and productivity	66.5	33.3	100	30
A mount I am paid fairly depending on my effort and then I am satisfied	73.6	26.4	100	30
Psychologically I feel satisfied on my job	50.0	50.0	100	30
I am always contributed if my values and decisions are not taken limits organisation	50.0	50.0	100	30

Source: primary data

Findings collected reveal that there is a strong relationship between reward system and employee job satisfaction. Research findings indicate that 90% of the respondents revealed that reward for example good promotions which are just make employees perform well on the job. It was also revealed that employee participate decision making is equally important in ensuring that employees are satisfied on the job.

Employee participation make them feel part of the organization and more so if their decisions are considered in the organizations. In general, findings established that reward system is very fundamental in any organisation from the views of the respondents it has found out that employees who are paid on time exhibit job satisfaction and 77.8% of the respondents reported this view, 85.0% of them revealed that if they are equally compensated, then they feel satisfied with the job and therefore obtain satisfactions within the organisation.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMENDATIONS

INTRODUCTION

This chapter presents a summary of the findings explained interpreted and discussed in chapter four. Conclusions pertaining to the findings and the policy recommendations for managerial support as well as for further research

3.1 summary of the findings

The study was undertaken with the aim of establishing the prevalence of reward system offered by invisible children Uganda. It was found out that the invisible children Uganda offer different types of rewards to its staffs. Findings established that the organization financial rewards in terms of salaries, wages, performance bonuses and profit sharing are some of the common forms of rewards offered to employees in the organization. Findings further indicated that other than financial rewards, non financial rewards like promotions, career development, recognition, job security and job enrichment among others are major supplements to the reward structure of invisible children Uganda.

From the overall research findings, findings indicate that the nature of rewards system bears a significant and positive impact on the performance of employees in the organisation.

Findings revealed that rewards for examples recognition programmes promotion and employee participation in decision making make employee perform well in the organisation.

Findings indicated that employee job satisfaction is determined by a number of factors which include recognition of employees, participative management style, strong team work and good communication system and such factors are key drivers of the organisational success.

3.2 Conclusion

Depending on the facts of findings, it can be concluded that good reward structure coupled with both financial and non financial rewards is an indicator of better employee job satisfaction in any organisation. Employees join organisations in

anticipation of obtaining the best out of their effort and the ability of the organisation to meet their needs is a good indicator of job satisfaction and commitment. Rewards make employees more sensitive and adjust quickly to the demands of the job. There is need by the organisation to design the reward system that can match with both organisational and individual needs

3.3 recommendations to invisible children Uganda

The following are the recommendations available based on the research findings.

The management of invisible children Uganda should design the reward structure that ensures employee retention and employee job satisfaction in the organisation. When employees are satisfied, involvement becomes the top priority and thus productivity increases alongside other benefits like better public image and higher profitability.

On the other hand, invisible children should realize the need to offer non financial rewards which are key motivators for employee job satisfaction in the organisation. Non financial rewards for examples promotions, career development and job security play a vital role in creating satisfaction among workers in the organisation.

Managers should realize that job satisfaction is determined by a number of factors for example better rewards offered by the organisation, presence of team spirit, good communication, participative leadership style among others. Such factors should be given priority by managers if they are to achieve their goals and objectives of the organisation.

3.4 Areas of further research

Future researchers should look at the following areas in order to cope with the increasing competence and management needs of the organization.

The impact of reward system on employee motivation

The role of reward system on employee retention

The effect of reward system on employee turnover

The impact of reward system on employee performance

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APPENDIX 1

KAMPALA INTERNATIONAL UNIVERSITY

COLLEGE OF ECONOMICS AND MANAGEMENT

REWARD SYSTEM AND EMPLOYEE JOB SATISFACTION

QUESTIONNAIRE (INVISIBLE CHILDREN UGANDA)

Dear sir/ madam,

Please I kindly spare some of your valuable time to the following questions. The questionnaire items address the topic of “reward system and employee job satisfaction” among employees of invisible children Uganda; your contribution will lead to the successful completion of the study. The information provided will be purely for academic purpose

Thank you.

SECTION A: BACK GROUND INFORMATION

Please tick/circle or fill in the required information in the spaces provided below

1. Sex

a. Male ☐ b) female ☐

2. Marital status

3. Single ☐ b) Married ☐

a. Below 25 ☐ b) 25-29 ☐ c) 30-34 ☐

b. 35-39 ☐

4. Length of service

- a. Below 1 year ☐ b) Between 1 and 3 years ☐
- d. 3-5 years ☐ d) Above 5 years ☐

SECTION B: REWARD SYSTEM USED

SN	Items	responses				
1	I always receive salary	1	2	3	4	5
2	In some occasions the organization give wages	1	2	3	4	5
3	We receive benefits in the organization	1	2	3	4	5
4	Bonuses are always given	1	2	3	4	5
5	Gain sharing is implemented	1	2	3	4	5
6	In the organisation promotion is done every year	1	2	3	4	5
7	At the end of the year, party gifts are given to the best performer	1	2	3	4	5
8	Our supervisors always say thank you for the work well done	1	2	3	4	5
9	We are given recognition letters for the excellent work done	1	2	3	4	5
10	I always participate and get involved in decision making	1	2	3	4	5

Please indicate the degree to which you agree with each statement using the scale given below

Strongly disagree	Disagree	Not sure	Agree	Strongly agree
1	2	3	4	5

SECTION C: DETERMINANTS OF PAY LEVELS

Please rate yourself by ticking the number that you think is the most appropriate using the scale given below.

Strongly disagree	Disagree	Not sure	Agree	Strongly agree
1	2	3	4	5

SN	Items	Responses				
1	Rewards are determined by the strength of the trade unions	1	2	3	4	5
2	I am paid based on my value	1	2	3	4	5
3	Payment is given based on the government policy	1	2	3	4	5
4	Human resource demand and supply determines my payment	1	2	3	4	5
5	Employees with knowledge, experience and skills are paid more	1	2	3	4	5
6	The value of the job internally influences pay	1	2	3	4	5
7	The organisations pay according to their ability	1	2	3	4	5
8	How long an employee has been with the organisation also influences pay levels	1	2	3	4	5

SECTION D: JOB SATISFCTION

Please indicate the degree to which you agree with each statement using the scale given below

Strongly disagree	Disagree	Not sure	Agree	Strongly agree
1	2	3	4	5

SN	Items	Responses				
1	Rewards in the organisation satisfies me	1	2	3	4	5
2	Team work promotes job satisfaction	1	2	3	4	5
3	Good and transparent communication in the organisation satisfies me	1	2	3	4	5
4	Taking part in the decision making makes me satisfied in my job	1	2	3	4	5
5	A moment am recognised I become satisfied	1	2	3	4	5
6	Participative leadership style makes me satisfies	1	2	3	4	5
7	The career development and training plus development makes me satisfied on my job	1	2	3	4	5
8	Job enrichment always satisfies me	1	2	3	4	5
9	I am satisfied if they emphasise on objective	1	2	3	4	5
10	Promotion of equity satisfies me on the job	1	2	3	4	5

SECTION E: RELATIONSHIP BETWEEN REWARD AND EMPLOYEE JOB SATISFACTION

Please rate yourself by ticking the number that you think is the most appropriate using the scale given below.

Strongly disagree	Disagree	Not sure	Agree	Strongly agree
1	2	3	4	5

SN	Items	Responses				
1	If I am on time, I exhibit job satisfaction	1	2	3	4	5
2	My pay and benefits I get do affect my performance	1	2	3	4	5
3	In case am compensated equally as others, I feel satisfied	1	2	3	4	5
4	Good promotion policies which can just make performance well	1	2	3	4	5
5	If I am managed well, increase my morale and productivity	1	2	3	4	5
6	A mount I am paid fairly depending on my effort and then I am satisfied	1	2	3	4	5
7	Psychologically I feel satisfied on my job	1	2	3	4	5
8	Am always disturbed if my value and decision are not taken in the organisation	1	2	3	4	5

APPENDIX 11

BUDGET FOR THE EXPENDITURE OF THIS RESEARCH

ITEMS (WORK DONE)	COSTS
Typing	57,000
Internet surfing	11,000
Printing	28,000
Editing	17,000
Binding	43,000
Transport	120,000
Grand total	276,000

Thank you.