
**IMPACT OF REWARD SYSTEMS ON THE ORGANIZATIONS'
PERFORMANCE IN UGANDA'S SCHOOLS: A CASE STUDY OF MK. INTERNATIONAL
SCHOOLS-BUSEGA BRANCH**

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ABSTRACT

This study was set to investigate the influence of reward system on organizational performance in the schools in KCCA Zone, Uganda. The study was guided by three objectives namely: to determine the reward systems currently used in schools in KCCA, to examine the extent to which skill development to the employees affect organizational performance in schools in KCCA and finally to establish the relationship between benefits to the employees and organizational performance in schools in KCCA.in schools in KCCA Zone, Uganda. The target population was all employees at MK International school-Busega Zone, KCCA and the sample size which was determined was 35 respondents from the school. The administrators were selected purposively and the teaching and non-teaching staffs were selected randomly. Data was collected using questionnaires and the instruments were tested for reliability through split half method. Its reliability coefficient correlation after correcting to full test using spearman Prophecy formula was 0.15. From the study findings, the non-teaching staff agreed on there being more opportunities for career development that was 3(30%) of the non-teaching staff agreed with it. This implied that skills of the employees were developed to catch up with the changes in technology hence workers are able to perform changed jobs. The organization management should design a recognition programme that have a purpose of keeping employees motivated and productive. This would reinforce the organization's expectations and goals since recognition and appreciation are integral components of winning reward strategy.

Key words: reward systems, organizations, Performance and schools

Background of the study

Rewarding employees is about promoting organizing employees to achieve better performance (Mark & Jacob, 2023). However, what types of reward instruments and combinations to use can be challenging for organizations. Many studies have shown that rewards have a positive effect on employee health and workplace safety. It is one of the reasons that keeps employees connected to the workplace and is important at work (Micheal et al., 2023). Like other countries, workers in Uganda are motivated by gifts. Organizations have to reward their employees to create a competitive environment. This is one of the keys for organizations to achieve high performance (Mark et al., 2023). Some employees are motivated by positive rewards such as salary increases, promotions and bonuses, while others are motivated by positive rewards such as recognition, praise and recognition (Ntirandekura et al., 2022). However, it is not clear which award motivates Ugandan workers to improve the work of the organization, especially in schools, whether this work will matter. Employers face the challenge of choosing incentives that meet individual needs and improve the bottom line and health of the organization. Tschohi (2009:1) points out that the global economy is in recession as companies cut and freeze wages to stay afloat. Tschohi (2009: 2) also recommends other low-cost compensation strategies such as employee recognition, better job scheduling, improved communication and support methods. Therefore, researchers aim to investigate the effect of rewards on organizational performance as a product of the organization's rewards.

Problem Statement

There is a growing need for organizations to understand the rewards needed to motivate employees for higher performance (Christopher, Moses, Muhindo, & Komunda, 2022). The appropriate level of support in the current working environment makes it difficult to work in schools (Ajila & Abiola, 2004; Aktar, Sachu & Ali, 2012). Uganda uses a variety of incentives, including financial (external) and non-financial (internal) incentives. For example, in the context of financial rewards, salary increases are important for employee satisfaction (Christopher, Moses, Muhindo, & Muhammad, 2022). But little is known about the impact of other gifts on workers and employment in Uganda (Oromo et al., 2023).

These studies show that in today's environment, employees, including school employees, are motivated by rewards (internal) and rewards (external) for good work / good performance, and that these two values should not be neglected when motivating employees. for better performance. In other words, in most of these studies, all tools/values in external and internal rewards are very important to affect the performance of employees (Emmanuel et al., 2023).

However, most studies have been done outside of Uganda. In addition, these studies examine the relationship between employee management and organizational performance, and rewards are one of the effects, but they do not clarify and examine the effect of different rewards and rewards on the organization (Victoria et al., 2014).

ibid, 2023). This study aims to fill the gap. Therefore, this study will examine the impact of awards on institutional performance, particularly in the KCCA school organization in Uganda.

Research Objectives

- 1. To determine the reward systems currently used in schools in KCCA.*
- 2. To examine the extent to which skill development to the employees affect organizational performance in schools in KCCA.*

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3. To establish the relationship between benefits to the employees and organizational performance in schools in KCCA.

Research Questions

1. What are the reward systems currently used in schools in KCCA?
2. To what extent does skill development to the employees influence organizational performance in schools in KCCA?
3. What is the relationship between benefits to the employees and the organizational performance in schools in KCCA?

Methodology

Research Design

Research design as defined by cooper et al. (2003) is the plan and structure of investigation so conceived as to obtain answer to research questions. This study adopted a descriptive research design, which according to Cooper and Schindler (2003) involves surveying people and recording their responses for analysis. Within the descriptive research design, this study incorporated both quantitative and qualitative research approaches to better understand the relationship between variables in the research problem.

Study Population

According to patterned (2003) target populations consist of the people who wish to describe using our sample. This study targeted schools' employees. In which the management of the school comprise of sixty-five employees. Table 1 shows the details of categories of study population.

Table 1: Categories of the Target Population

Category	MK. Int. Sch-Busega	
	Population	Sampling Technique
Teaching Staff Population	70	

Teaching Staff sample size	25	Purposive Sampling
Non-Teaching staff population	50	
Non-Teaching staff sampling population	18	Simple Random Sampling
TOTAL	120	

Sample Size

The sample consisted of the employees working in the school organization. Sampling method was used to collect the primary data. A sample of 65 respondents was used. The categories of respondents included management, Human resource officers and other employees (teaching and non-teaching staff).

Data Collection Instruments

Primary Data

Primary data refers to the data that is original and not yet published which is always called fresh data that one collects directly from the field. Primary data was collected using the following methods and tools;

Questionnaires

A questionnaire is a research instrument consisting of a series of questions and other prompts for the purpose of gathering information from respondents (Foddy, 1994). Questionnaire was used because it manages to collect information from a large number of people in a short period of time and in a relatively cost-effective way. This tool gave room and freedom of expression to the respondents that they expecting to get more information to capture important themes of the study on the impact of rewards on organization performance. The questionnaire was used to collect data from schools' employees, to get the impact of rewards on organization performance. A questionnaire was developed basing on the research objectives.

Data Analysis

The data was processed (both primary and secondary) manually. The processing stage involved editing, classification, coding, transcription and tabulation. In the analysis of data, descriptive analysis was employed to determine the current reward system employed in schools, Pearson's correlation coefficient and Regression was used to find the impact of rewards on organization performance. It was based on the relationship of rewards and the performance of schools. The use of computer employed SPSS version 16 (Statistical Package for Social Science) was used for this purpose (Nelson et al., 2022). After being analyzed was presented inform of tables. That clearly indicated with important variables from the major study themes related to the impact of rewards on organization performance.

RESULTS

Employee Compensation system currently used in the school.

Table 2: Employee compensation for the Teaching staff

Response	Compensation appropriateness Number %	Short term incentive pays Number %	Offered very attractive incentive Number %	Do share profits made in the organization Number %
Strongly Agree	6 (40%)	6 (40%)	6 (40%)	0 (0%)
Agree	4 (27%)	4 (27%)	4 (27%)	0 (0%)
Neutral	1 (6.34%)	1 (6.34%)	1 (6.34%)	3 (20%)
Disagree	2 (13.33%)	2 (13.33%)	2 (13.33%)	2 (13%)
Strongly Disagree	2 (13.33%)	2 (13.33%)	2 (13.33%)	10 (67%)

Total	15	100	15	15	100	15
			100			100

The study shows that 40% of the teaching staff strongly agreed that the institution compensates appropriately for what they achieve in the institution. It also shows that 67% of the respondents agree that the organization pays short term incentives for small assignments given outside the main teaching work. The findings of the study shows that 13.33% of the respondents strongly disagree that the institution offered attractive incentives and 67% of the respondents strongly disagreed that the employees have a share in the profits made from the organization. It should be noted that there were relatively high percentages of agreements with the statement that “there are short term incentive pays for assignments given outside the main work” From the above rewards mentioned by the same employees, it appears that the same rewards could be doubling as compensation. The information on the ratings of the employee compensation of the non-teaching staff is shown in the Table 3.

Table 3: Compensation for the non-teaching staff

Responses	Compensate d appropriately y by organization	Short term incentive pays	Offered very attractive incentives	Share profit made in the organization
	Number %	Number %	Number %	Number %
Strongly Agree	0 (0%)	3 (30%)	0 (0%)	1 (10%)
Agree	1 (10%)	4 (40%)	1 (10%)	2 (20%)
Neutral	4 (40%)	2 (20%)	3 (30%)	0 (0%)
Disagree	2 (20%)	1 (10%)	2 (20%)	3 (30%)

Strongly Disagree	3 (30%)	0 (0%)	4 (40%)	4 (40%)
Total	10 100	10 100	10 100	10 100

Looking at the trend of responses for the non-teaching staff seems to either be neutral or disagree with the statement “The people are compensated appropriately for what they achieve in the institution” i.e., 40% of the respondents were neutral while 30% were strongly disagreeing. It should be noted that there were relatively high percentages of agreements with the statement that “There are short term incentive pays for assignments given outside the main work”. There is a high percentage of the respondents (40%) who strongly disagree with the statement that the organization offers very attractive incentives to employees. (40%) of the respondents strongly disagrees that the employees have a share in the profits made from the organization. From the above rewards mentioned by the same employees, it appears that the same rewards could be doubling as compensation.

Extent to which the Skill Development to employees affect organizational performance in the school.

Non-teaching staff was asked to state whether they have gained qualifications in the institutions since they started working for it. 3(30%) of the non-teaching staff had gained any further qualifications since started working while 6(60%) had not. Of those who had gained qualifications, 3(30%) had sponsored themselves and 4(40%) had been sponsored by the school.

Information on the employees’ promotion in the recent past was given where respondents said that promotions had been received in the school in the recent past. Both non-teaching and teaching staff agree that there has been promotion that is 5(50%) of the non-teaching staff and 9(60%) of the teaching staff. The two percentages are fairly close meaning that there is an agreement about promotions.

Of those who had been promoted, it was so due to merit or further qualifications. Other reason cited by teaching staff included, attending interviews, attending seminars on ISO, having stayed too long in the same grade and some said circumstances were not clear. Members of the non-teaching staff did not respond to this question but one member cited corruption as the basis of promotion.

Table 4: Skill development for the non-teaching staff

	Opportunities for skill development provided	Departmental training programmes given	Leadership training provided	Introduction in new ICT applications done	Job advancement clearly defined
Responses	Number %	Number %	Number %	Number %	Number %
Strongly Agree	2 (20%)	3 (30%)	2 (20%)	3 (30%)	3 (30%)
Agree	1 (10%)	0 (0%)	3 (30%)	1 (10%)	2 (20%)
Neutral	1 (10%)	3 (30%)	2 (20%)	2 (20%)	3 (30%)
Disagree	2 (20%)	1 (10%)	2 (20%)	1 (10%)	2 (20%)
Strongly Disagree	4 (40%)	3 (30%)	1 (10%)	3 (30%)	0 (0%)
Total	10 100	10 100	10 100	10 100	10 100

From the study findings, the non-teaching staff agree on there being more opportunities for career development that is 3(30%) of the non-teaching staff agrees with it as shown in the Table above. This implies that skills of the employees are

developed to catch up with the changes in technology hence workers are able to perform changed jobs.

Table 5: Skill development for the teaching staff

	Opportunities for skill development provided	Departmental training programmes given	Leadership training provided	Introduction in new ICT applications done	Job advancement clearly defined
Responses	Number %	Number %	Number %	Number %	Number %
<i>Strongly Agree</i>	9 (60%)	9 (60%)	3 (20%)	0 (0%)	9 (60%)
<i>Agree</i>	0 (0%)	0 (0%)	3 (20%)	3 (20%)	0 (0%)
<i>Neutral</i>	3 (20%)	0 (0%)	3 (20%)	3 (20%)	3 (20%)
<i>Disagree</i>	3 (20%)	3 (20%)	3 (20%)	0 (0%)	3 (20%)
<i>Strongly Disagree</i>	0 (0%)	3 (20%)	3 (20%)	9 (60%)	0 (0%)
Total	15 100	15 100	15 100	15 100	15 100

From the study findings, the teaching staff agree on there being more opportunities for career development that is 9(60%) of the teaching staff. There is need to find out more why this is so. They also agree that they are involved in departmental training programme 9(60%) of the teaching staff and as we compare the findings for the non-teaching staff in the Table 4.8, 3(30%) of the non-teaching staff agreed on the same fact thus there is a disparity. This can be excused, since the teaching staff is the ones charged with training in the school it is part of their everyday work unlike the

non-teaching staff. On seminars and workshops, both groups were in agreement that they were not being held frequently that is 40% non-teaching staff against 60% teaching staff. There is near equal proportion of job advancement and training being clearly defined in the school by both groups with 50% non-teaching and 60% teaching staff all this is shown on the Table 4 and 5 respectively.

The researcher further used Pearson's correlation coefficient to test the hypothesis below: -

H0: To a smaller extent, there is no significant relationship between employees' skill development and organizational performance in schools in KCCA, Uganda.

H1: To a larger extent, there is a significant relationship between employees' skill development on organizational performance in schools in KCCA, Uganda. The results were shown on the Table 6

Table 6: Relationship between employees' skill development and organizational performance

		Employees' skill development	Organizational performance
Employees' skill development	Pearson Correlation	1	0.83
	Sig. (2-tailed)		0.064
	N	15	15
Organizational performance	Pearson Correlation	0.3	1
	Sig. (2-tailed)	0.064	
	N	15	15

The relationship between benefits to employees and organizational performance in the school.

Table 7: Employees' benefits of the non-teaching staff in the institution

	<i>Have an attractive benefit package</i>		<i>Have adequate medical allowances</i>		<i>I'm happy with leave arrangements</i>	
<i>Responses</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>	<i>Number</i>	<i>%</i>
<i>Strongly Agree</i>	1	(10%)	0	(0%)	1	(10%)
<i>Agree</i>	1	(10%)	1	(10%)	2	(20%)
<i>Neutral</i>	2	(20%)	3	(30%)	1	(10%)
<i>Disagree</i>	3	(30%)	2	(20%)	3	(30%)
<i>Strongly Disagree</i>	3	(30%)	4	(40%)	3	(30%)
Total	10	100	10	100	10	100

From the study findings, the non-teaching staffs generally do not agree with facts that, they enjoy benefits in the institution. Majority, that is 3(30%) disagree and 3(30%) strongly disagree that they have an attractive benefit package. On the same question some of them 2(20%) were neutral they neither agree nor disagree that they have an attractive benefit package. 2(20%) disagree and 4(40%) strongly disagree that the medical cover is adequate. 2(20%) agree that they are happy with the leave arrangements while 3(30%) disagree and 3(30%) strongly disagree on the same. This is displayed on the table above, and at the same time combining those who strongly agree with those who agree. 3(30%) disagree and 3(30%) strongly disagree the fact that the pension scheme is satisfactory and a few of them agree that the pension scheme is satisfactory. From the same table, 2(20%) are neutral with the pension scheme showing that they didn't agree neither disagree on the same may because they were not sure. The information on the employee benefits for the teaching staff is shown in Table 8

Table 8: Teaching staff -employee benefits from staff welfare

Responses	Number	Percentage%
Yes	10	67
No	2	13.33
No response	3	19.67
Total	15	100

According to the teaching staff, (67%), the school has staff welfare (see table above). 13.33% negate this fact and 19.67% did not respond to this statement.

Other benefits that were cited by the teaching staff, included, helping bereaved families, financial support like offering loans to staff, assistance when in hospital, parties and trips outside the school.

Furthermore, the researcher tested the hypothesis below.

H0: There is no significant relationship between benefit to employees and organizational performance in schools in KCCA, Uganda.

H1: There is a significant relationship between benefit to employees and organizational performance in schools in KCCA, Uganda. The results were shown and presented on Table 9.

Table 9: Relationship between benefit to employees and organizational performance

		Employees Benefits	Organizational Performance
Employees Benefits	Pearson Correlation	1	0.65
	Sig. (2-tailed)		0.060
	N	15	15
Organizational Performance	Pearson Correlation	0.65	1

	<i>Sig. (2-tailed)</i>	0.060	
	<i>N</i>	15	15

Table 10 shows that there is a strong positive correlation (+ 0.65) between employees benefit and organizational performance. We do therefore reject the hypothesis and conclude that there is a significant relationship between employees benefit and organizational performance

Conclusions of the Study

Reward system is an important aspect in schools as it influences organizational performance. The employees are not compensated appropriately for what they achieve in their institutions. The schools recognize excellent performers however the institutions did not carry out promotions frequently for high achievers. There also exists uneven distribution of recognition awards in the organizations.

Recommendations

The top management in organizations should design a compensation system which would drive, reinforce and sometimes alter the culture in a way that the organization's goals are supported and have different types of pay systems which relate to performance.

The organization management should design a recognition programme that have a purpose of keeping employees motivated and productive. This would reinforce the organization's expectations and goals since recognition and appreciation are integral components of winning reward strategy.

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