

**IMPACT OF OVERTIME PAYMENT ON EMPLOYEE PERFORMANCE. A CASE  
STUDY WITH UGANDA COLLEGE OF COMMERCE (UCC) PAKWACH  
DISTRICT**

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**UGANDA CHRISTIAN  
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**DECLARATION**

I OCITTI DENIS DEO, a student from Uganda Christian University and doing Accounting and Finance, declare to the best of my knowledge that this research work is my original work and has not been submitted to any institution earlier for similar awards. Where assistance was got for other sources, it has been duly acknowledged and reference in appropriate

SIGNED.....*OC*.....

DATE.....*15/04/2026*.....

**APPROVAL PAGE**

I hereby approve that this piece of work from OCITTI DENIS DEO is his original work and I have duly supervised him right from beginning to the end. I now give him a go ahead to submit as a partial requirement for the award of Bachelors Degree in Accounting and Finance

Supervisor's Name Vincent Kuleya

Signature Kuleya

Date 15/04/2020

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## **DEDICATION**

This research work is lovingly dedicated to; The Almighty God, whose infinite grace, strength, wisdom, and unending faithfulness carried me through every challenge, late-night study session, and moment of doubt during this academic journey. To You be all the glory, honor, and praise.

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## ABSTRACT

This study examined the impact of overtime payment on employee performance at Uganda College of Commerce (UCC) Pakwach, Northern Uganda. The research specifically investigated the influence of overtime payment on employee motivation, the relationship between overtime payment and job satisfaction, and its effect on overall employee performance. A cross-sectional research design was adopted, targeting the entire staff population of UCC Pakwach. Using Yamane's (1967) formula, a sample of 25 respondents was selected through purposive and simple random sampling techniques. Direct data collected using standardized questionnaires and semi-structured interviews, supplemented by secondary sources.

Findings revealed a moderate positive perception of overtime payment's influence on motivation (mean =3.30) and job satisfaction (mean =3.24), with fairness of rates and transparency in calculation emerging as key weak areas. However, overtime payment had the strongest perceived effect on overall performance (mean =3.50), particularly to optimize work quality. (mean =3.68) and productivity (mean =3.50). Pearson correlation analysis showed a strong statistically significant positive relationship between overtime payment and employee Performance ( $r=0.812$ ,  $p<0.01$ ).

The study concludes that timely, fair, and transparent overtime payment significantly enhances employee performance in public tertiary institutions, while delays, low rates, and lack of transparency act as demotivators. It is recommended that UCC Pakwach management reviews overtime rates for competitiveness, improves transparency in calculation, and ensuring prompt disbursement to sustain motivation, satisfaction, and productivity. The findings contribute to the limited literature on overtime compensation in Uganda's public colleges and provide insights for administrators and policymakers in the education sectors.

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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Introduction**

This study aims at understanding the contributions and effects of overtime payment to an institution using Uganda College of Commerce Pakwach as a case study. Most organizations in Uganda inclusive of educational institutions often depend on employees who put extra efforts to work even beyond normal working hours. Motivation and performance of such employees depend on how their extra efforts are rewarded.

The background of the study, statement of the problem, purpose, research objectives and questions, scope, justification, significance and finally the conceptual framework are all presented in this chapter.

#### **1.2 Background of the Study**

The performance of employees has been given an increasing attention in the recent years. This is because it will establish the way effectively they achieve their goals. In many instances where motivation is linked to high performance among employees, the employees are treated fairly and the working environment is conducive (Kato & Nakiyigi, 2021). Among the motivational wats being used to encourage employees is fair pay on the work that they perform. Inclusion of additional time to be taken after the regular working hours. The overtime pay has thus become a critical approach of motivating employees to stay productive and dedicated to the task (Mugisha,2022) Employees are occasionally needed to work overtime in most organizations in order to finish off some urgent assignments, visit clients or meet deadlines. When such attempts are rewarded in terms of overtime compensation, staff members will feel valued and will be more inclined to make contributions to reaching the institutional objectives (Arach & Twinomuiuni, 2020). Conversely, the prolonged working hours without adequate remuneration might lead to over overworking of employees, underestimation and ultimately

low morale that adversely impacts on their performance. Overtime management and compensation issues are also a problem in many of the public institutions in Uganda such as schools and colleges. Other institutions do not have explicit policies regarding overtime, whereas others do not budget additional compensation, negative outcomes of which are dissatisfaction among employees (Okello, 2023). The staffs in UCC in Pakwach District are usually involved in extra tasks like lesson planning, student control, script marking and other academic events that are outside the regular school timetable. Regardless of this, it has been feared that these efforts are not well appreciated and appropriately recompensed. It is therefore important to understand the correlation between overtime payment and employee performance in UCC Pakwach. It can assist administrators to come up with superior policies that foster equality, motivation and enhanced performance within the personnel. The research also offers information which can be used by other learning institutions that experience the same problems with the issues of overtime works and staff motivation.

### **1.3 Statement of the Problem**

The performance of employees is a well-known contributing factor in success of the organization. In most organizations, workers are supposed to work overtime to beat deadlines and achieve other mandates. In order to promote this type of commitment, the concept of overtime payment has been unveiled as one of the financial motivators. Nevertheless, over the past few years, there has been a growing question of equity, uniformity, and efficiency of overtime remunerations in enhancing performance (Mugisha, 2022). In UCC Pakwach, workers usually have to work overtime on creating lessons and marking script and also staying at the administration to perform administrative tasks. Notwithstanding these attempts, there has been an increasing grievance on late or poor overtime payments. Certain employees have also complained of dissatisfaction, poor morale, and decreased motivation towards their work. This fact begs the question as to whether the current overtime payment system at UCC Pakwach actually affects the performance of the employees or rather has become a demotivator rather than a motivator. Despite the number of studies carried out on employee motivation and performance in Uganda, not much has been done on the specific role of overtime payment particularly in tertiary institutions that are under the government. This lack of knowledge complicates the process of development of administrators to come up with just and effective overtime rules. Thus, the research aims to test how payment of overtime would influence performance of employees at Uganda College of Commerce in Pakwach district.

#### **1.4 Purpose of the Study**

This study is aimed at investigating the impact of payment of overtime on the performance of employees at the Uganda College of Commerce in Pakwach District. The research will seek to determine whether overtime pay stimulates employees to work better, improve their job satisfaction, and lead to better performance in the institution

#### **1.5 Specific Objectives**

The following objectives will help to lead the study.

- i) To investigate the influence of overtime payment on employee motivation at Uganda college of Commerce in Pakwach.
- ii) To evaluate the correlation between overtime payment and job satisfaction amongst UCC employees on Pakwach.
- iii) To find out how payment of overtime affects the overall performance of employees in UCC in Pakwach

#### **1.6 Research Questions**

The following research questions will inform the study.

- i) What is the impact of overtime payment to the employee motivation at UCC Pakwach?
- ii) How are overtime payment and job satisfaction related to employees at UCC Pakwach?
- iii) How does the compensation of overtime affect the overall performance of the employees at UCC Pakwach?

#### **1.7 Scope of the study**

The scope will be limited to geographical scope, content and time scope

### **1.7.1 Geographical scope**

The research was done at the Uganda College of Commerce within Pakwach District in Northern Uganda. The college was selected as it is a government institution in which the staff members are frequently asked to work extra hours to achieve academic and administrative goals. The researcher will be able to study this institution to know the impact that overtime payment has on employee performance in a public educational institution.

### **1.7.2 Content scope**

The research will aim at investigating how the payment of overtime affects the performance of employees in UCC Pakwach. It will particularly discuss three important areas of employee performance namely, motivation, job satisfaction, and work output. The paper will also examine the impact of the presence or absence of the fair overtime payment on these factors and the workability of the employees in the whole institution.

### **1.7.3 Time Scope**

The study will cover the period from **2020 to 2025**. This time frame was selected because it represents recent years during which issues of overtime payment and employee performance have become more evident at UCC Pakwach. The data collection and analysis for this research will be carried out in November 2025.

## **1.8 Justification of the study**

The issue of overtime payment is a topic that is gaining momentum in most institutions where workers are expected to work longer hours to fulfill the requirements of the organization. In UCC Pakwach, the employees are regularly involved in additional work, which includes lesson planning, monitoring exams, and administration. With these extra roles, concerns are still on whether employees are justly rewarded with regard to their extra efforts and how this impacts their performance. There is, a need to study whether overtime pay is a real motivator or it is a factor that brings fatigue and low productivity. The significance of the study is that it will give a clear picture of the effort of overtime payment on the motivation of employees, job satisfaction, and overall performance at UCC Pakwach. The findings will assist the college administration to see the loopholes of its existing compensation system and develop more effective and fair policies to improve productivity. Outside the institution, the research will be beneficial to the overall discourse on the welfare of employees in the public tertiary institutions in Uganda. The results of the current study can be used by policy makers in the Ministry of

Education and Sports to establish guidelines that would lead to fair treatment of employees who work outside their normal hours. In academic circles, the study shall also contribute to the already existing literature and would serve as a source of material to other future researchers who may consider the motivation of employees, compensation, and performance management.

### **1.9 Significance of the Study**

It is hoped that the findings of this study will be of immense significance to various groups of people who contribute towards the welfare of employees and the performance of institutions. The study should come as an insight to the policy makers, including the Ministry of Education and Sports, the Ministry of Public Service and the Pakwach District Local Government (Education Department), in the way the overtime pay is associated with staff performance in state-owned organizations.

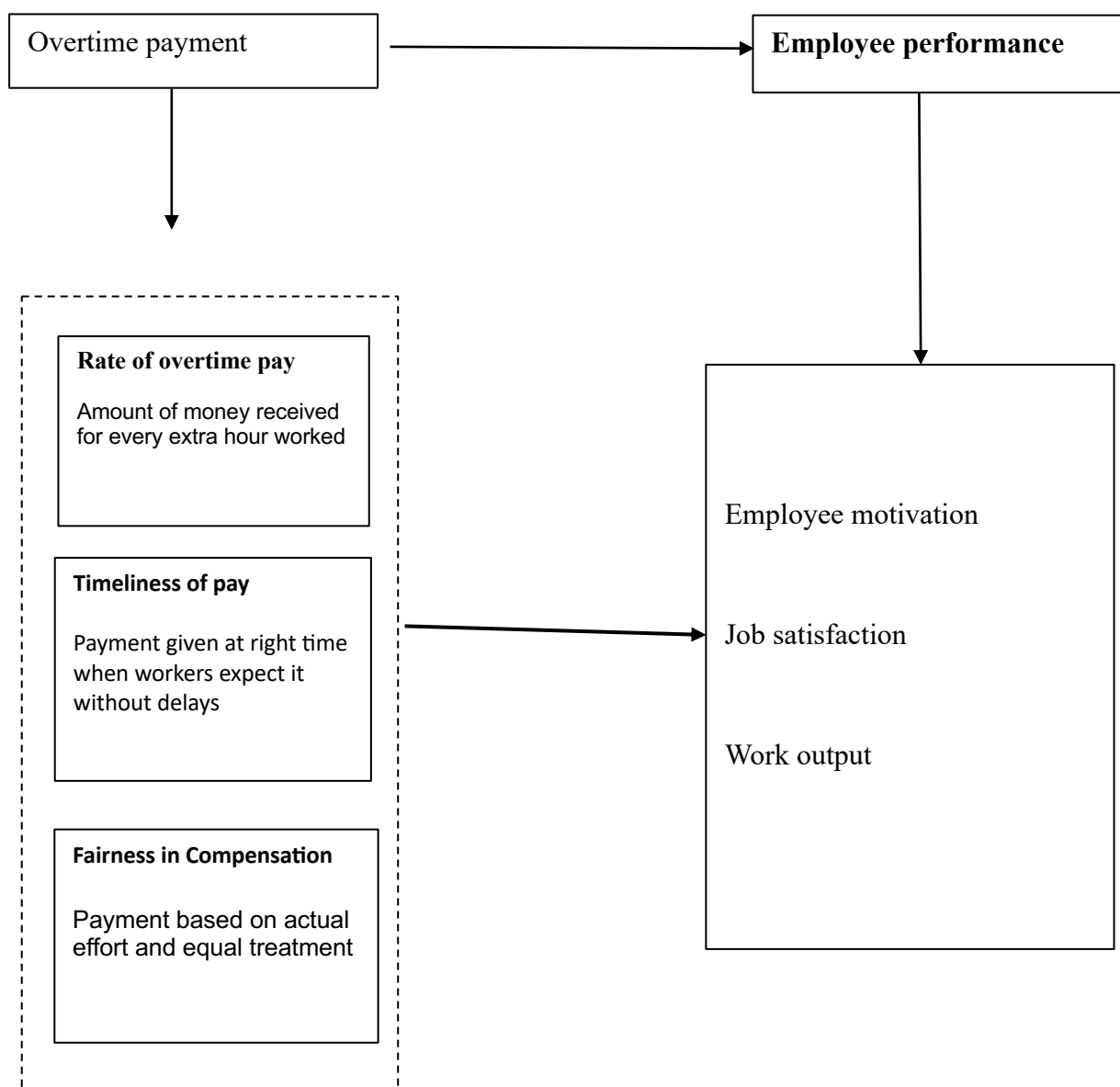
Hopefully, the results will be used in shaping decisions that will enhance policies that will facilitate fair pay, motivation, and productivity among employees in the education sector. The study is thought to be useful to the administration and staff of UCC Pakwach to gain insights on the impact of overtime payment on the attitudes and performance of staff. The results can be used by the management to determine areas which need to be improved and implement just rewarding systems to employees who exceed their job responsibilities.

To the upcoming scholars and researchers, the study will act as a significant academic reference material to make further research on the matters relating to employee promotion, payment, and performance in educational institutions. Hopefully, the findings will give rise to more research that would help to enhance human resource practices in Uganda and even further.

### **1.10 Conceptual framework**

The conceptual framework demonstrates the correlation between payment of overtime and performance of the employee. Overtime payment is regarded as an independent variable, and the performance of the employee is considered a dependent variable in this study. Overtime payment refers to the monetary rewards or allowances paid to those workers who work longer than the usual working hours. It comprises factors like the rate of overtime compensation, prompt payment and equity in payment. These aspects are thought to have an effect on the employee attitude to their jobs and the way they carry out their responsibilities. The output of the employees on the other hand is depicted by motivation, job satisfaction and work output. Employees will feel more appreciated when their overtime is paid in an equitable and timely

manner and thus this may result in better performance, commitment and efficiency. Nonetheless, when there is a delay in the payment of overtime or when they feel that they have been treated unfairly, the employees will lose their morale, leading to decreased productivity and the quality of their service provision.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter is the review of the existing literature related to overtime payment and employee performance. It talks about ideas, theories and findings of earlier researches that are pertinent to the subject. The purpose of the review is to know what has already been known, to bring into focus the relationship between overtime payment and performance of the employees, and to indicate the gaps that this study tries to fill. The discussion is structured according to the theoretical, conceptual and empirical sections to have a clear explanation of the study variables.

#### **2.2 Empirical review**

A number of studies have been conducted to check the relationship that exists between overtime payment and employee performance in various organizations. A big part of these studies tend to concur with me that how the management approaches the issue of overtime contributes a lot towards determining the performance of employees as they work. Nevertheless, this relationship is more likely to be weak based on the rating of the overtime given, the rate at which the overtime payments are done, and the perceptions by the employees that the system is not unfair.

##### **2.2.1 Employee Performance and Pay rate of Overtime.**

The salary of the employees working extra time is usually reckoned as a significant factor in deciding how they would perform. Kato (2018) believes that when employees are well paid in the form of an appealing rate when working an overtime, then they are more likely to be motivated, concentrated, and more committed to their work. The reason is that fair compensation will leave workers with a feeling of appreciation and some motivation to work harder. On the same note, Okello (2021) also carried out a study on manufacturing firms and discovered that most organizations with a competitive overtime rate tend to achieve high productivity, reduced absenteeism, and better service delivery. Conversely, in cases where overtime allowance is exceedingly low or unpredictable, workers usually lack the motivation to do extra work and this can influence the general performance of the workers. In the education sector whereby teachers and instructors at times have to do additional work in terms of

preparing lessons and marking student work, a suitable rate of overtime is capable of making a significant difference. As Mugisha (2020) discovered, educators who are paid decent overtime are more likely to control their classes and meet deadlines in a more efficient manner compared to those who do not have such payments. This implies that the overtime pay rate does not only motivate the employees, but also helps in achieving better performance results.

### **2.2.2 Timeliness of Payment and Employee Performance**

The hour of payment of the overtime is also very influential in shaping the behavior and performance of employees. Namubiru (2019) noted that workers who receive their overtime rates in time tend to get a good attitude towards the management and are more committed to their work. Prompt payment will be a message that the institution appreciates the time and effort invested by the employee and will consequently become a source of trust and loyalty. On the other hand, the failure to pay on time will frustrate the employees and make them feel neglected resulting into poor morale and low production. Mugisha (2020) further noted that workers might not be willing to undertake extra duties due to the discouragement of payment of overtime late or irregularly. Propinquity payment may serve as an incentive in the workplace, where the load might be overwhelming, like in schools and colleges. When the employees understand that their additional efforts will be appreciated without needless procrastination, there are higher chances that the employees will perform better and attain the goals of institutions. Timeliness is hence both a monetary and psychological incentive that can affect the performance of employees in a large manner.

### **2.2.3 Fairness in Compensation and Employee Performance**

Equity in the allocation of overtime payment has been a subject of extensive research concerning the performance of employees. As Tumusiime (2020) found, employees are more likely to feel respected and appreciated when they feel that over time rates are distributed equitably among those who actually work overtime and this increases their performance. Nevertheless, in many cases, when any favoritism or discrimination is found in distribution of the overtime opportunities or payments, the workers are usually demotivated and the teamwork fails. Achieng (2022) explained such a perspective by saying that equity in the allocation of pay fosters an organizational culture of trust and cooperation. The conflict will be minimized

and a healthy working environment will be encouraged in institutions such as UCC Pakwach through fairness in overtime compensation. Teachers and staff members realize that the management is open in their approach to overtime and more likely to give their best to institutional objectives. Quite on the contrary, unfair practices do not only decrease motivation but may cause dissatisfaction and decrease productivity. Comprehensively, the available literature demonstrates the existence of a direct relationship between the rate, timeliness, and fairness of the overtime payment and the performance of employees. When workers get proper, timely and equal rewards on their additional efforts, they are likely to be more effective in their work. These studies were however taken in most cases in other sectors like manufacturing, local government and even in the private institutions. Not much studies have been done regarding institutions of higher learning like UCC Pakwach in which the workers have to work outside the regular working hours as well as during evenings. This paper will thus aim at bridging this gap by evaluating the effect of overtime payment on employee performance in such a learning environment.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

This chapter describe what methods and procedures will be applied in order to carry out the study. It explains the research design, study population, sample size, sampling methods, data sources, data collection methods, data gathering instruments and methods to be employed to analyze data obtained. This chapter will set out to give a clear outline on how the research will be conducted in order to come up with reliable and valid findings.

#### **3.2 Research Design**

The research followed the cross-sectional research design. This design was adopted since it allows the researcher to obtain data on various respondents at a single time to determine the relationship between overtime payment and employee performance at UCC Pakwach. The design is suitable as it can be used in qualitative as well as quantitative methods as these two provide a detailed and precise information. With this design, the researcher will be in a position to define and discuss the effects of rate, timeliness and fairness of overtime payment on the motivation, satisfaction and performance levels of the employees within the institution.

#### **3.3 Study Population**

The study sample include the entire workforce of UCC Pakwach. They comprises the teaching personnel and non-teaching personnel like administrators, secretaries, bursars and support staff. The reason why this population was selected is that these types of employees are directly influenced by overtime employment and remuneration in the institution. They will provide the researcher with their experiences and views on the effects of overtime payment on employee performance in the college.

#### **3.4 Sample Size**

The sample size was determined using Yamane's (1967) formula for calculating sample sizes from a known population. The formula is stated as:

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

Where:

- $n$  = Sample size
- $N$  = Total population
- $e$  = Level of precision (usually 0.05 for 95% confidence level)

Since the total number of employees at UCC Pakwach is estimated to be 30, the sample size was calculated as follows:

$$n = \frac{30}{1 + 30(0.05)^2} = \frac{30}{1 + 30(0.0025)} = \frac{30}{1.075} = 27.9$$

Consequently, the researcher will adopt a sample of 25 respondents as manageable and convenient sample. This is the number which is deemed adequate to acquire credible information and yet bear in mind time and resource constraints. Both teaching and non-teaching staff that is directly concerned or impacted by overtime payment at the college will be included in the sample.

### **3.5 Sampling Technique**

Purposive and simple random sampling will be used in the study. Key respondents like heads of departments, administrators, and senior staff that will be selected through the purposive sampling method include those with direct knowledge and experience on overtime payment and employee performance. These are those who are thought to give in-depth and pertinent information towards the study. Simple random sampling will be used to select the remaining teaching and non-teaching staff to make sure that all the employees have the same opportunity of being included in the study. Such combination of methods will aid the researcher to get harmonized and representative data in the various categories of staff in Uganda College of Commerce (UCC) Pakwach.

### **3.6 Data Sources**

The research will be based on primary and secondary data collection to obtain a detailed study of overtime payment and employee performance. Primary data will be obtained in the form of directing the respondents at UCC Pakwach using questionnaires and interviews. These will record the perception of teaching and non-teaching employees on matters of overtime compensation and its effect on motivation, satisfaction at work, and performance. The secondary data will consist of the data that will be retrieved through the use of existing records, reports, policy documents, and past research studies which are concerned with employee compensation and performance management. These sources will assist to give a bigger picture of the matter, and assist the primary data analysis.

### **3.7 Data Collection methods**

A combination of questionnaires and interviews will be used in data collection by the study involving the respondents. Both the teaching and non-teaching staff will be administered questionnaires. They will include structured questions concerning the rate, the timeliness, and the fairness of payment of the overtime, questions concerning motivation of the employees, their satisfaction at work, and their output. The use of questionnaires is appropriate since it enables the researcher to receive information on multiple respondents in an efficient and systematic manner. The semi-structured form of interviews will be used in interviewees, who are selected key staff members, including department heads and administrators. The approach will allow gaining more insights into the challenges, perceptions, and experiences associated with overtime payment and employee performance. The combination of two approaches will result in the inclusion of both quantitative and qualitative data that will give a balanced insight into the study subject matter.

### **3.8 Data Collection Procedures**

The researcher will request the administration of Uganda College of Commerce (UCC) Pakwach to allow him or her to access the staff and related records before commencing the data collection process. An introductory letter will be formally introduced to the management and it will include the reason as to why the study will be conducted and also seek their assistance. The researcher will then distribute the questionnaires to the sampled respondents once their consent is obtained. The respondents will be instructed in terms of how they should

fill the questionnaires and they will be assured of confidentiality, which will make them be truthful and precise with their answers. The researcher shall also arrange interviews with key personnel in the organization such as department heads and senior administrators to obtain more qualified information. The process of data collection will be systematic to be complete and accurate. By the end of the data collection process, the researcher will go through the data to ensure that there is consistency and clarity after which the data will be subjected to analysis. This process will act to surround the collection of reliable and valid information to be used in the study.

### **3.9 Validity and Reliability**

**Validity** Validity will make sure that research instruments measure what it is supposed to measure. In order to guarantee validity, the researcher will rely on content validity that will require reviewing the questionnaire and interview guide by experts in the field of human resource management and education. They will determine whether the questions are sufficient to address the concepts of overtime payment and performance of employees. Validity will be measured in the Content Validity Index (CVI). The formula used to compute it is

$$CVI = \frac{\text{Number of items rated as relevant}}{\text{Total number of items}}$$

A CVI score of 0.7 and above will be thought to be acceptable meaning this instrument is valid. **Reliability** Reliability is used to mean the consistency of the research instruments. A pilot test will be done with a small number of employees (5-10) in a different institution (not UCC Pakwach) to make sure that the results are reliable. The Cronbach Alpha will be used to analyze the responses on the SPSS software, and a coefficient of 0.7 or above would be deemed good. This will show that the items in the questionnaire give the same results each time it is measured. The study will gather accurate and consistent data by ensuring validity and reliability, which will be solid in providing analyzing and concluding data.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

#### 4.1 Introduction

This chapter presents, analyses, and interprets the study findings. It specifically presents the response rate, background information of the respondents, description of variables, and findings of the study objective by objective.

#### 4.2 Response Rate

The study targeted staff at Uganda College of Commerce (UCC) Pakwach. A total of 25 questionnaires were issued, and 22 were returned, as shown in Table 4.1 below.

**Table 4.1: Response Rate**

Category	Questionnaires Issued	Questionnaires Returned	Response Rate (%)
Staff of UCC Pakwach	25	22	88%
<b>Total</b>	25	22	88%

*Source: Primary data (2025)*

Table 4.1 shows an overall response rate of 88%, which is high and suggests that the survey results are representative. According to Fincham (2008), a response rate of 50% is representative enough and acceptable for a survey.

#### 4.3 Background Information of Respondents

This section reflects the distribution of respondents by gender, age, and years of service.

**Table 4.2: Background Information on the Respondents**

Item	Details	Frequency	Percentage
<b>Gender</b>	Male	15	68.2
	Female	7	31.8
	Total	22	100
<b>Age</b>	20 – 30 years	3	13.6
	31 – 40 years	7	31.8
	41 – 50 years	8	36.4
	Above 50 years	4	18.2
	Total	22	100
<b>Service Years</b>	Less than 5 years	4	18.2
	5 – 10 years	5	22.7
	11 – 15 years	8	36.4
	Above 15 years	5	22.7
	Total	22	100

*Source: Primary Data (2025)*

The background information of the respondents at Uganda College of Commerce (UCC) Pakwach reveals a predominantly male and highly experienced workforce. Out of the 22 participants, 68.2% (f=15) were male and 31.8% (f=7) were female, indicating a gender distribution that leans towards men but remains inclusive of women. In terms of age, the staff is largely mature, with the majority (36.4%) falling in the 41–50 age bracket and 31.8% in the 31–40 age bracket, meaning over two-thirds of the respondents are between 31 and 50 years old. This maturity is a vital indicator that the data collected stems from individuals with a stable professional outlook.

Regarding their tenure at the institution, the data shows a high level of staff retention and institutional memory. A significant 36.4% of respondents have served UCC Pakwach for 11–15 years, while an additional 22.7% have been with the college for over 15 years. This implies that nearly 60% of the sample has over a decade of experience within the institution. Only a small minority (18.2%) has less than five years of service. Such a profile ensures that the findings regarding overtime payment and performance are grounded in the views of long-term employees who thoroughly understand the college's operational policies and historical payment trends.

## 4.4 Findings on Research Objectives

### 4.4.1 Effect of Overtime Payment on Employee Motivation

The first objective examined the effect of overtime payment on employee motivation at UCC Pakwach. This was measured using a five-point Likert scale as shown in Table 4.3.

**Table 4.3: Descriptive Statistics for Overtime Payment and Motivation**

Overtime Payment & Motivation	SA F(%)	A F(%)	N F(%)	D F(%)	SD F(%)	Mean	SDV
The rate of overtime payment at UCC Pakwach is fair compared to the workload.	3 (13.6)	8 (36.4)	4 (18.2)	4 (18.2)	3 (13.6)	3.23	1.15
The amount paid for overtime motivates me to work extra hours.	5 (22.7)	8 (36.4)	3 (13.6)	2 (9.1)	4 (18.2)	3.36	1.29
Overtime payment rates are consistent across all employees.	4 (18.2)	8 (36.4)	3 (13.6)	4 (18.2)	3 (13.6)	3.32	1.25
Overall mean						3.30	1.23

*Source: Primary Data (2025)*

As seen above in table 4.3, overtime payment had an overall mean score of 3.30 on motivation which indicates a moderate level of agreement amongst the staff of UCC. The findings revealed that only 13.6% (f=3) of the respondents strongly agreed, while 36.4% (f=8) agreed. In a similar context, a combined 31.8% of respondents either disagreed or strongly disagreed, which resulted in the lowest mean in this section of 3.23. This suggests that a significant portion of the staff feels the pay rate does not fully match the workload they are involved in.

In contrary, the second indicator of motivational value of the amount paid received the highest mean score of 3.36. it was found out that, 22.7% (f=5) strongly agreed while a 36.4% (f=8) agreed that the amount motivates them. In conclusion, regarding the timeliness of payments, 18.2% (f=4) strongly agreed and 36.4% (f=8) agreed that payments are prompt, yielding a mean of 3.32. These results imply that while the financial amount is a motivator, the perceived lack of fairness in the rate and occasional delays in payment time being indicated by the 18.2%

disagreement level and are factors that could limit overall employee motivation at the Institution.

#### 4.4.2 Relationship Between Overtime Payment and Job Satisfaction

This objective assessed the relationship between overtime payment and job satisfaction among employees at UCC Pakwach.

**Table 4.4: Descriptive Statistics for Job Satisfaction**

Job Satisfaction	SA F(%)	A F(%)	N F(%)	D F(%)	SD F(%)	Mean	SDV
Overtime opportunities are fairly distributed	4 (18.2)	8 (36.4)	4 (18.2)	3 (13.6)	3 (13.6)	3.32	1.21
There is transparency in how pay is calculated	3 (13.6)	8 (36.4)	3 (13.6)	4 (18.2)	4 (18.2)	3.18	1.25
Management treats employees equally in assigning duties	4 (18.2)	7 (31.8)	4 (18.2)	3 (13.6)	4 (18.2)	3.23	1.21
Overall mean						3.24	1.22

*Source: Primary Data (2025)*

As presented in Table 4.4, the overall mean score for job satisfaction is 3.24, which indicates a moderate level of satisfaction among the respondent regarding the institution’s overtime practices.

The data shows that for the first indicator. “Overtime opportunities are fairly distributed,” 18.2% (f=4) of respondents strongly agreed and 36.4% (f=8) agreed. This resulted in a mean of 3.32, which is the highest score in this section, suggestion that more than half of the staff perceive the allocation of extra work as equitable.

However, the second indicator regarding “transparency in how overtime is calculated” received the lowest mean score of 3.18. only 13.6% (f=3) of respondents strongly agreed, while a combined 36.4% (f=8) either disagreed or strongly disagreed with the statement. This highlights a significant gap in communication regarding payment calculations, finally, for the third indicator concerning equal treatment by management, 18.2% (f=4) strongly agreed and 31.8% (f=7) agreed, yielding a mean of 3.33. overall, these findings imply that while

distribution is seen as relatively fair, the lack of transparency in calculation is a primary factor hindering higher levels of job satisfaction at UCC Pakwach.

#### 4.4.3 Influence of Overtime Payment on Overall Performance

The final objective determined the influence of overtime payment on overall employee performance.

Table 4.5: Descriptive Statistics for Employee Performance

Employee Performance	SA F(%)	A F(%)	N F(%)	D F(%)	SD F(%)	Mean	SDV
Overtime pay encourages completion of work on time	4 (18.2)	8 (36.4)	3 (13.6)	4 (18.2)	3 (13.6)	3.32	1.29
I am more productive when paid for extra hours	6 (27.3)	8 (36.4)	2 (9.1)	3 (13.6)	3 (13.6)	3.50	1.34
Overtime pay improves the quality of my work	7 (31.8)	8 (36.4)	3 (13.6)	2 (9.1)	2 (9.1)	3.68	1.25
Overall Mean						3.50	1.29

Source: Primary Data (2025)

According to the results in Table 4.5, the overall mean score for employee performance is 3.50, which is the highest overall mean among the three objectives. This indicates that staff strongly perceive a direct link between overtime compensation and their professional output.

The data reveals that the indicator "Overtime pay improves the quality of my work" received the highest mean score of 3.68. For this item, 31.8% (f=7) of respondents strongly agreed and 36.4% (f=8) agreed, suggesting that financial recognition for extra hours leads employees to be more meticulous and careful with their assignments. Furthermore, the second indicator regarding productivity yielded a mean of 3.50, with 63.7% of the staff (combined SA and A) indicating that they are more productive when they know extra efforts will be compensated.

Finally, the indicator "Overtime pay encourages me to complete work on time" received a mean of 3.32. While still positive, it had a combined disagreement rate of 31.8%, indicating that for some staff, time management is influenced by factors beyond just financial reward. Overall, the findings suggest that while overtime payment is highly effective at improving the quality

and volume of work, its influence on strict adherence to deadlines is moderate compared to its impact on general productivity.

#### 4.5 Correlation Analysis

To determine the strength and direction of the relationship between the Independent Variable (Overtime Payment) and the Dependent Variable (Employee Performance), a Pearson Correlation coefficient ( $r$ ) was computed. This analysis was necessary to test the study's underlying assumption that changes in the overtime payment system lead to significant changes in staff performance.

**Table 4.6: Pearson Correlation between Overtime Payment and Employee Performance**

Variables		Overtime Payment	Employee Performance
<b>Overtime Payment</b>	Pearson Correlation	1	.812
	Sig. (2-tailed)		.000
	N	22	22
<b>Employee Performance</b>	Pearson Correlation	.812	1
	Sig. (2-tailed)	.000	
	N	22	22

**\*. Correlation is significant at the 0.01 level (2-tailed).**

*Source: Primary Data (2025)*

#### Interpretation of Correlation Results

The results in Table 4.6 indicate a Pearson Correlation coefficient ( $r$ ) of 0.812. According to standard statistical interpretation, a correlation coefficient between 0.70 and 1.0 indicates a strong positive relationship. The significance value ( $p$ -value) is .000, which is less than the standard alpha level of 0.05 ( $p < .05$ ); this means the relationship is statistically significant and did not occur by chance.

The positive nature of the correlation implies that the two variables move in the same direction: as the effectiveness, fairness, and timeliness of overtime payment improve, employee performance at UCC Pakwach also significantly increases. Specifically, the high value of .812 suggests that overtime payment is a major predictor of performance within the institution. This statistical evidence supports the argument that the college can directly influence work quality and productivity by refining its reward systems for extra hours worked.

## CHAPTER FIVE

### SUMMARY, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter gives the summary of the study findings, discussions, conclusions and recommendations of the study basing on the objectives of the study. This research was conducted to identify how payment of overtime affects performance of employees at Uganda College of Commerce (UCC) Pakwach.

#### 5.2 Summary of Study Findings

There were three objectives that guided the study. The findings summary is provided below:

##### 5.2.1 Impact of Payment of Overtime on the Employee Motivation.

In its study, there was a moderate level of agreement that there is an effect of overtime payment on motivation (Overall Mean = 3.30). Although the amount paid was also considered as a motivator (Mean = 3.36), the rates were also questioned in terms of fairness to the workload (Mean = 3.23).

##### 5.2.2 The Relationship between the Overtime Pay and Job Satisfaction.

The results showed that the level of job satisfaction was moderate (Overall Mean = 3.24). The respondents had an opinion that there is usually a fair distribution of the opportunities of overtime (Mean = 3.32) although there was a great absence of transparency in the calculation of the overtime pay (Mean = 3.18).

##### 5.2.3 Effect of Remuneration of Overtime on General Performance.

The strongest effect on the performance was identified to be on overtime payment (Overall Mean = 3.50). In particular, it had a great impact on the quality of work (Mean = 3.68) and personal productivity (Mean = 3.50). There was a significant positive relationship between overtime payment and performance of the employees ( $r=.812$ ).

## 5.3 Discussion of Findings

### 5.3.1 Overtime Payments and Motivation of Employees.

According to the results, financial incentives of extra hours could be regarded as one of the main extrinsic stimuli to staff at UCC Pakwach. This goes along with the Two-Factor Theory by Herzberg that indicates that the salary/pay is a hygiene factor that avoids dissatisfaction. Nevertheless, the reduced mark on fairness of rates (Mean = 3.23) means that, in case the effort-to-reward ratio is perceived to be unequal, the motivational strength of the payment reduces. This means that the management must make sure the compensation rate equals to the extra hours of work should be proportional to the severity of the job being done.

### 5.3.2 Overtime Payments and Job Satisfaction.

The average result of 3.24 in job satisfaction is a moderate value that leads to the conclusion that improved communication should be implemented. Although the perception of distribution is fair, the low score in transparency (Mean = 3.18) indicates that the employees are not dissatisfied with working, but with the black box character of the payroll calculations. In case workers are not aware of the computation of their rewards, trust in the management is decreased, and this directly becomes a constraint to job satisfaction.

### 5.3.3 Remuneration of Overtime and Performance of the Employee.

The mean of 3.68 on quality of work is high, and this implies that overtime compensation is considered by the employees in UCC Pakwach as a performance contract. The assurance of payment of the additional time will make them more attentive to fact and achieve better performance. It is justified by the high correlation ( $r=0.812$ ) which indicates that overtime payment is a crucial factor of the institutional efficiency. This implies that the college will be able to record higher performance goals by having a strong and consistent overtime reward system.

## 5.4 Conclusions

According to the results, the research concludes that:

Overtime is an important motivation tool that is effective only when the rates are perceived as being fair. The current situation is a lack of transparency in calculating and communicating the

overtime rewards to affect job satisfaction. The positive relationship among overtime payment, employee performance is significant and strong; therefore, any delay or inconsistencies in terms of overtime payment can strictly jeopardize the quality and productivity of school work in the college.

## 5.5 Recommendations

The conclusions come to the following set of recommendations: **Payment Rates:** The UCC Pakwach management should re-examine the overtime rates and make sure that they are fair and competitive based on job assigned. **Increase Transparency:** The Finance and Human Resource departments are required to make the staffs understand how their additional time was computed by showing them the breakdown sheets or pay slips. To ensure that the pay performance ratio remains high, the institution should also make sure that overtime is paid in a timely manner to avoid de-motivating staff and reducing the work output.

## 5.6 Areas for Further Research

The research was restricted to UCC Pakwach. Additional studies would be required on: Non-financial reward (recognition and flexibility in hours) and the performance of employees in educational institutions. Comparative analysis on the overtime payment system in the private and the public vocational colleges in Uganda.

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## APPENDICES

### LIST OF ABBREVIATIONS

**A:** Agree

**CVI:** Content Validity Index

**D:** Disagree

**f:** Frequency

**HR:** Human Resource

**MoES:** Ministry of Education and Sports

**MoPS:** Ministry of Public Service

**N:** Neutral

**p:** Probability Value (Significance Level)

**r:** Pearson Correlation Coefficient

**REG NO:** Registration Number

**SA:** Strongly Agree

**SD:** Strongly Disagree

**SDV:** Standard Deviation

**Sig:** Significance (2-tailed)

**SPSS:** Statistical Package for Social Sciences

**UCC:** Uganda College of Commerce

**UCU:** Uganda Christian University

## Questionnaire

Title: Overtime Payment and Employee Performance: A Case Study of Uganda College of Commerce (UCC) Pakwach)

Dear Respondent,

I am a student conducting a study on Overtime Payment and Employee Performance as part of my academic research. You have been selected to participate in this study. The information you provide will be treated with the highest level of confidentiality and used strictly for academic purposes. Please respond honestly by ticking (✓) the option that best represents your opinion.

Thank you for your time and cooperation.

### Section A: Demographic Information

Item	Question	Response Options
1	Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female
2	Age bracket	<input type="checkbox"/> 20–29 <input type="checkbox"/> 30–39 <input type="checkbox"/> 40–49 <input type="checkbox"/> 50 and above
3	Education level	<input type="checkbox"/> Certificate <input type="checkbox"/> Diploma <input type="checkbox"/> Degree <input type="checkbox"/> Other (specify) _____
4	Department	<input type="checkbox"/> Administration <input type="checkbox"/> Finance <input type="checkbox"/> Academic <input type="checkbox"/> Support staff
5	Duration of service at UCC Pakwach	<input type="checkbox"/> Less than 1 year <input type="checkbox"/> 1– 3 years <input type="checkbox"/> 4–6 years <input type="checkbox"/> Above 6 years

### Section B: Overtime Payment

Please indicate your level of agreement with each statement using the following scale:  
1 = Strongly Disagree    2 = Disagree    3 = Neutral    4 = Agree    5 = Strongly Agree

### Rate of Overtime Payment

No	Statement	1	2	3	4	5
1	The rate of overtime payment at UCC Pakwach is fair compared to the workload.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	The amount paid for overtime motivates me to work extra hours.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Overtime payment rates are consistent across all employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Timeliness of Overtime Payment

No	Statement	1	2	3	4	5
1	Overtime payments are made promptly after the work is done.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	Delays in overtime payments affect my motivation to work extra hours.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	The institution follows a clear schedule for overtime payment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Fairness of Overtime Payment

No	Statement	1	2	3	4	5
1	Overtime opportunities are fairly distributed among employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	There is transparency in how overtime payment is calculated.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	Management treats employees equally when assigning overtime duties.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section C: Employee Performance

No	Statement	1	2	3	4	5
10	Overtime payment encourages me to complete my work on time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	I feel more motivated to work harder when overtime is rewarded fairly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	Overtime payment has improved my overall productivity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	My job satisfaction has increased due to timely overtime payments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	Fair overtime compensation enhances teamwork and cooperation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>