

**IMPACT OF REWARD SYSTEM ON THE EMPLOYEE PERFORMANCE: A CASE
STUDY OF CENTENARY BANK MUKONO BRANCH**

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DECLARATION

I, Nabukenya Laurine Mary hereby declare that this research report is my own original work and has never been submitted to any other institution for any academic award.

Signature:  Date: 21/04/2026

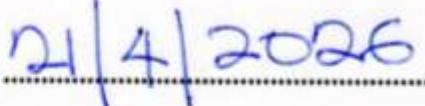
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APPROVAL

This is to certify that this research report has been written by Nabukenya Laurine Mary under my supervision and is submitted for examination with my approval as the Academic Supervisor.

Signature: 

Date: 

WINFRED NASSIWA LUYIMBAZI

DEDICATION

This dissertation is dedicated to my parents, Mr Kintu Michael who has relentlessly been a driving force in my entire education. This also dedicated to all colleagues and my academic supervisor that played a big part in my academic journey. I am very grateful. May the almighty God bless each of them abundantly.

ACKNOWLEDGEMENTS:

I thank the Almighty God for the wisdom and courage that enabled me to complete this research. I extend my sincere gratitude to the respondent to this research who allowed to take time to participate in this study, the information provided helped make this study a success.

Heartfelt thanks also go to my family and friends for the support they gave me. Am greatly indebted to my supervisor, Mrs.Nassiwa Winfred for her tireless efforts in guiding me. As a result of this guidance and discussions I was able to complete this research.

ABSTRACT

This research report examines the impact of the reward system on employee performance at the Centenary Bank Mukono Branch. The study is structured into five chapters, each addressing critical components of the research.

Chapter One introduces the concept of the reward system and its significance in enhancing organizational performance. It outlines the background of the study, emphasizing the relationship between reward systems and employee performance. The chapter states the research problem, objectives, and questions, alongside the scope and significance of the study.

Chapter Two reviews existing literature on the relationship between reward systems and employee performance, providing key theoretical foundations and presenting various models. The chapter defines the objectives of the study, which include:

- Assessing the relationship between the reward system and employee performance.
- Evaluating the effect of extrinsic rewards on employee performance.
- Investigating the effects of intrinsic rewards on employee performance.

Chapter Three discusses the research methodology, specifically employing a quantitative approach and a descriptive survey design. It details sample selection, data collection methods, and instruments, such as questionnaires. The chapter highlights the findings, indicating that a well-structured reward system significantly influences employee motivation and performance. Results show that both extrinsic and intrinsic rewards lead to enhanced employee engagement and satisfaction, showcasing a clear connection between effective reward mechanisms and improved organizational effectiveness.

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CHAPTER ONE

INTRODUCTION

1.0. Introduction

This study will introduce the concept of the reward system and its impact on organizational performance, studying what role effective reward strategies play in motivating employees and driving business success outcomes that influence a company's financial success. In this chapter, the study will be based on certain objectives. These include: finding the relationship between the reward system and employee performance; assessing the effect of Extrinsic rewards on employee performance; and finding the effects that Intrinsic rewards have on employee performance to guide the investigation and enhance clarity regarding the communication of the research goals and expected outcomes.

1.1. Background of the study

1.1.1. Employee Performance

Employee performance evaluation is a crucial aspect of human resource management, where personnel directors assess an employee's job responsibilities and duties, and their success in performing them, on a yearly or quarterly basis (McCoy, 2019). This evaluation helps identify potential areas for growth and development, enabling employees to enhance their skills and productivity. According to Gallagher and McShane (2018), full worker ability and willingness to perform their best is central to business outcome, but it's moderated by the level of technology usage, skill, and experience levels. By understanding those factors, organizations can target improvements that will enhance employee performance and drive business success.

Workman Performance is the execution of a work as measured against predetermined, well-known standards for speed, accuracy, completeness and cost. Performance in a contract means the carrying out of a duty in such a manner that liberates the performer from all contractual obligations (Benson, 1997). Performance in business and procurement refers to the degree to which one is able to meet the necessary

requirements for the veracity and comprehensiveness of an action. It is described in terms of the degree of efficacy, reliability, transparency, and efficiency of the action executed, Be1mie, 2021.

Performance is defined as the successful completion of a task or undertaking to the required standards and is taken to be one's capability to deliver what is required. Performance is the gauge that tells of an organization's success. Performance describes how an organization executes its functions. As indicated by Kramer, 2020, the initial step in knowing what should be measured is deciding on the goal of the enterprise -Nebro, 2017. This should then be followed by an explanation of the relevant standard and targets applying to each of these goals. Therein, characterization is based upon three underlying dimensions: that of effectiveness, efficiency, and economy.

Employee performance would be quantified using employee productivity, that is to say, the number of units produced by an employee within a certain time with other factors held constant. This is the output that an employee can yield concerning time and the total output of the company McCoy, 2023. Other determinants are the effectiveness, precision, lucidity, and the pace with which the employee does his or her job.

The level of waste produced defines the performance of an employee. With increased wastes, the performance of an employee falls while a relative decrease in wastes to the performance of employees increases the level of performance.

1.1.2. Reward system

Rewards can be defined as any financial, non-financial, and psychological benefit that a company gives out to its staff. It is a process in which reinforcement is given for actions, which upon presentation, intensifies an action. The operational definition of a reward is the positive value a person assigns to a thing, a behavior, or a condition of internal bodily function (Biya, 2015; Benson, 2021). Stated philosophy: The reward management shall be based on values and principles forming the philosophy which

shall help in providing support to the core values of the organization. Armstrong, 2019.

Workers are much happier and show greater satisfaction with proper and timely rewards; they feel the company recognizes their contribution due to the same. With the introduction of a standard and balanced system of rewards, according to Nzomo, 2019, comes the ideal workplace environment wherein the workers will become enthusiastic about their work, look forward to going to work, and are even willing to do more than what their job descriptions require in order to help the company attain its bottom-line goals.

The key objectives that are pertinent to a reward strategy include the recruitment and retention of high performers, rewarding high achievers, and compliance with the law. To enable an Organisation to make good its promises, a fair, attractive, and appropriately balanced system of reward is required (Pendlebury, 2020).

At the heart of reward management is an explicit philosophy - a set of concepts and principles that underpin and reinforce the organization's values, Bendtner (2017) argues. In relation to the elements making up the reward system, it involves policies guiding the management of the rewards; practices that introduce both financial and no financial rewards; the processes determining the comparative size of the jobs, Job evaluation; appraising individual performance; performance management; and procedures for operating and maintaining the system to ensure value for money, effectiveness, and flexibility, Bennie (2019) sustains. Rewards are referred to by Bobson (2023) as the various services and benefits that are constantly available for the workers from organizations apart from the cash which staff obtain for carrying out work. These various financial institutions in Uganda can be categorized as formal, semi-formal, and informal institutions. The formal ones include banks, microfinance deposit-taking institutions, and insurance providers, while semi-formal ones include SACCO and others dealing in microfinance. The informal ones, at the low level, provide services under conditions of limited access to formal institutions-for instance, village savings and loans associations. Only 14% of the population live in the rural

areas while informal institutions serve about 12% of the population and formal institutions dominate the urban areas. There have lots of changes in the financial sector.

The two domestic banks, UCB and Co-op, with four international banks dominated the banking sector by the early 1990s.

This number however reduced to 15 after a ban on new banking licenses in 1996 when some banks closed down and others were consolidated. The sector has since then grown to have 20 commercial banks as of the end of 2018. New financial players like western union, Centenary Bank are up and running money transfer, foreign exchange among other services. Performance by the financial sector has ensured over the years. Financial sector changes have made international exchange easier. Bank of Uganda regulates banks and some of the non-banking institution such as commercial banks, credit institution, and insurance companies. Some of the other financial institutions, namely Forex Bureaus and Money Remitters do not fall under the supervision of Bank of Uganda. Centenary Bank is a money transfer and exchange service provider having 24,000 worldwide agent locations and branches. The bank has moved its services from manual to online web-based money transfer services. Centenary Bank was riveted to the ideals of its founding: honesty, reliability, integrity, and consumer satisfaction. The world of finance changes day by day. New technologies and innovations have changed the face of financial services within Uganda.

1.2. Statement of the problem

In fact, Adams & Kirst, 2019 affirm that performance among employees is one of the most vital factors that determine success in an organization. This factor, in any organization where rewards exist, has always been in the fore in motivating employees to advance the growth and development of the institution. Productivity, correctness, timeliness, and effectiveness of an employee are some of the factors that define his or her performance and are mostly brought about by rewards as suggested by Mullen, 2018.

Unfortunately, even when rewards are given to staff, their impact, in terms of performance, is not certain. Mainly, this is because the entire Organisation suffers due to the badly handled reward scheme by the Centenary Bank Mukono branch. The reason for Centenary Bank's slow expansion is that a few workers are very productive but are not rewarded yet other workers who give little or no contribution to the growth of the company get huge incentives given to them. E. K ramer,2020. Therefore, this study will explore how reward management influences the productivity of workers in organizations.

1.3. Objectives of the Study

General Objective

The general objective of this study was to examine the impact of reward system on employee performance in Centenary Bank Mukono Branch.

Specific Objectives

- a) To find out the relationship between reward system and employee performance in Centenary bank Mukono Branch
- b) To assess the effect of Extrinsic rewards on employee performance at Centenary bank Mukono Branch.
- c) To find out the effects of Intrinsic rewards on employee performance at Centenary bank Mukono Branch.

1.4. Research Questions

- a) What is the relationship between reward system and employee performance in Centenary bank Mukono Branch?
- b) What is are the effects of extrinsic rewards on employee performance at centenary bank Mukono Branch?
- c) What are the effects of Intrinsic rewards on employee performance at Centenary bank Mukono Branch?

1.5. Scope of the Study

The scope of the study will be comprised of the content scope, geographical scope and time scope as follows: -

1.5.1. Content Scope

The study will concentrate on assessing the influence of reward systems on employee performance. The study will be guided by the independent variable (reward systems) and dependent variable (employee performance). It will specifically be limited to assess the influence of reward systems on employee performance, to evaluate the performance levels of employees, and to assess the strategies that have been put in place to improve employee performance at Centenary Bank Mukono Branch aimed to identify potential areas for optimization and further improvement.

1.5.2. Geographical Scope

The study will be conducted at Centenary Bank of Uganda Mukono Branch. The bank extensive network of branches all over Uganda with over 3000 employees as per the centenary report of 2023 but centenary bank Mukono branch has a total number of 48 employees as per the report analysis of annual report 2023. the researcher chose this case study because of its reputation as a pioneer in innovation and customer centric approach thus making a valuable case study for understanding the impact of reward system on financial performance, its diverse as well workforce and customer base, providing a rich source of data for analysis.

1.5.3 Time Scope

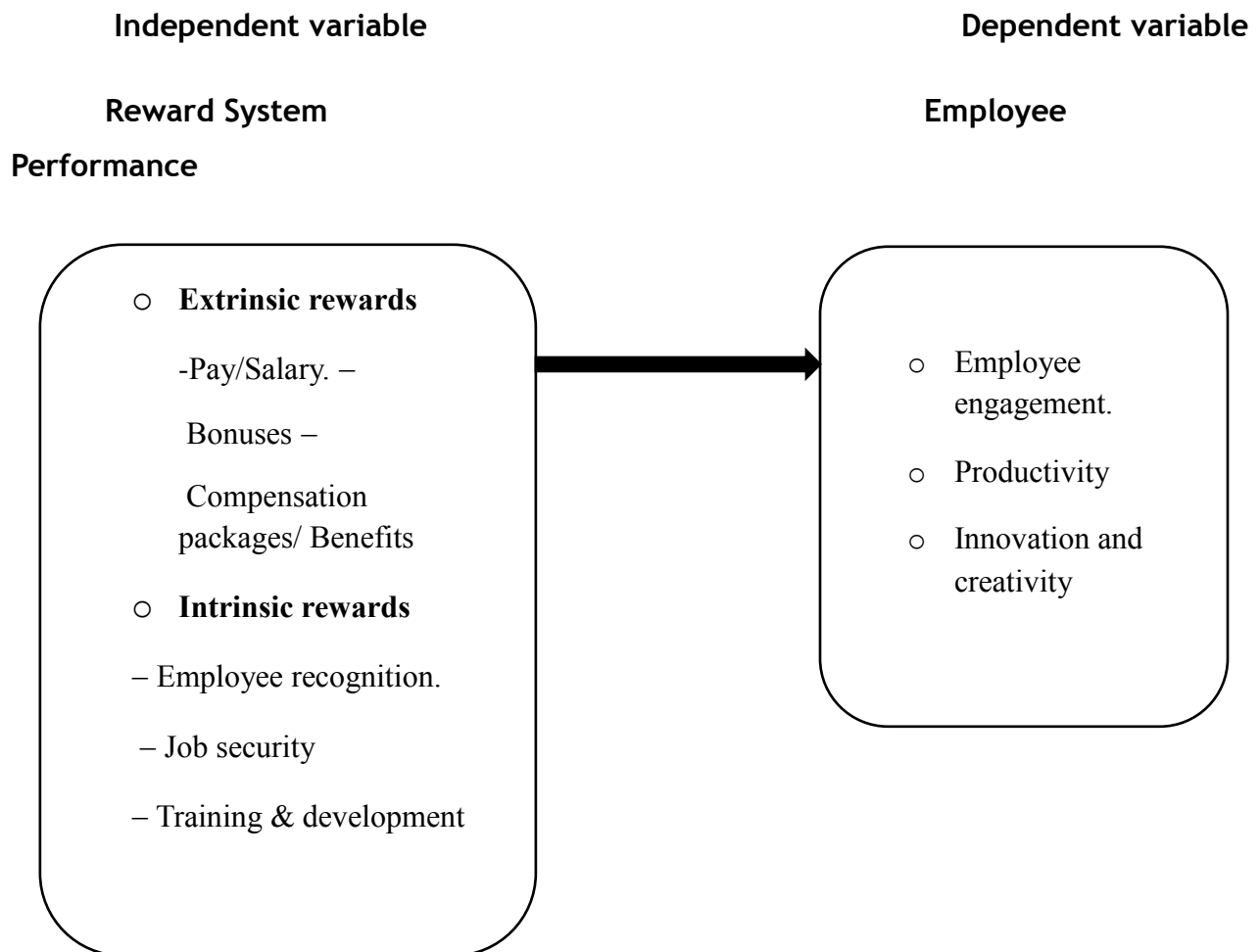
Information shall be considered for the period between 2013 and 2023. According to Centenary Bank, 2020, the financial bank during this period was influenced by several factors including its reward system on the financial performance of Centenary Bank Mukono branch, as provide insight that shall inform the bank's future strategic decisions. A period of 6-10-year is seen as an appropriate period due to the fact that

within that time, there have been so many scandals in the Reward system on Employee Performance.

1.6. Conceptual Framework

Kombo and Trompo (2006) define a conceptual framework as a research tool intended to assist a researcher to develop awareness and understanding of the situation under scrutiny and to communicate this. The study based on a conceptual framework as illustrated in figure 1 below: -

Figure 1: Conceptual Framework



Source: Adopted from the Levingers theory (1999) and modified by the researcher

The above conceptual framework showed reward system as the independent variable indicators included; Extrinsic rewards which was measured in terms of Pay/Salary, Bonuses and compensation packages/ benefits while the second dimension will be intrinsic rewards and was measured in terms of employee recognition, job security and training and development. Whereas Extrinsic rewards (Financial Rewards) – Pay/Salary. – Bonuses – Compensation packages/ Benefits Intrinsic rewards (Non-Financial Rewards) – Employee recognition. – Job security – Training & development Rewards policies - Levels of Pay - Achieving Equal Pay • Number of Staff leaving • Attitude of the staff • Attendance 10 employee commitment was shown as the dependent variable measured as number of employee engagement, employee productivity and innovation and creativity. Reward policy as moderating variable was measured as levels of pay and achieving equal pay. The conceptual framework indicated that good reward system results into better employee commitment while poor and unfair reward management results into poor employee performance hence affecting the organization.

1.7. Significance of the Study

- (i) These findings are meant to help policy makers on how to encourage employee loyalty to the banks to reduce employee turnover by promoting employee loyalty at Centenary Bank Uganda, and other banks within the country.
- (ii) The findings of the research would also bring into light any gap in the current status of commitment and reward management in Centenary Bank management that it may want to close. Such an approach allows building on the successes and finding answers to past mistakes.
- (iii) This will also be helpful to academicians who may wish to conduct research on reward management and employee commitment, as it will add to the literature. Its findings have the potential to spur further research. Briefly, it afforded the researcher new insights into expanding and deepening his knowledge with regard to employee commitment.

1.8. Justification of the Study

The purpose of the study is to assess the impacts of the reward system on employees' performances for improvement at Centenary Bank Uganda Limited, Mukono Branch. This will equally be important in bridging the gap that exists between the management and the employees as far as improving the performance of employees is concerned. This study is therefore motivated by the fact that performance by employees at Centenary Bank-Mukono Branch, has badly been affected, hence leading to a decline in productivity as evidenced from the recent performance report of the bank-2022. The report reveals an employee-productivity fall of 15% in 2022 from the previous year, hence the need for effective reward systems that boost performance among employees.

1.9. Operational Definitions of terms and concept

Employee Performance:

Employee performance is the performance of an individual employee in terms of carrying out his tasks and duties in the workplace. This encompasses the quality and quantity of work produced, timely completion of assigned duties, and describes the general behavior and attitude of employees towards their jobs. Work performance, especially of employees, is a very crucial determinant of organizational outcomes since it affects productivity, efficiency, and hence overall performance. Effective performance by employees is with respect to achieving organizational goals and objectives.

Reward System:

The reward system simply describes an organization's system whereby recognition and compensation of employees' efforts and performances are made. It may incorporate all types of rewards, both monetary and non-monetary incentives, benefits, and recognition programs. A reward system basically motivates employees, improves job satisfaction, and encourages behavior and performance. Also, the reward system should be corresponded to organizational goals and objectives, upholding principles of fairness, transparency, and equitability.

CHAPTER TWO

LITREATURE REVIEW

2.0. Introduction

This paper summarized the review together with the literature about how monetary, promotional, and recognition effects on the employees in performing the duties. Important concept, theories, and empirical findings regarding the independent variable, reward system, and dependent variable namely employee's performance. This chapter articulates the lacuna in the literature and hence justifies the proposed study by assimilating the results of such studies. This chapter hence embarks on establishing the main factors that can have an effect on employee performance and, subsequently, assist in formulating evidence-based management practices.

2.1. Key concepts

2.1.1. Employee Performance

To try to achieve business objectives over the past decade or so, many companies moved towards paying workers in relation to their performance (Mullins, 2015). In other words, they related pay to performance. While researchers attempt to find out if paying performance-based wage makes sense organizationally and culturally, debate continues on whether paying financially for performance is effective or not. For instance, "performance and motivation result from many factors; hence, performance-related pay -PRP- or any other type of intervention cannot be linked casually", note Rayner and Adam-Smith, 2017, p. 101. They indicate that it is perhaps easy to address partial aspects of PRP's effectiveness, but it is not that easy as far as it concerns the relationship of PRP to the level of performance when all the elements of this concept, actually practiced, come into the equation.

One key element of performance management in pay for performance is periodic performance appraisals. Smith and William's 2018 research article "Relating

Performance Rating Pay to Motivational Influences" calculates the likelihood of receiving an inappropriate type of merit increase in the implementation of performance-related pay models and their potential impact on motivation. They found that 58% of the respondents to a survey distributed to employees in 5 different companies—from administrative assistants to managers and supervisors—received merit increases unrelated to their actual performance ratings. De-coupling performance evaluation and reward was a popular practice among the studied firms. This tells how vital it is to have any merit pay scheme so that in developing better performance and motivation, it is fair and more transparent in the long run. More of the responding subjects believed that budgetary limitations from the organizations, rather than performance, were the ones playing a greater part in their higher compensations.

St-Onge et al. (2019) mention motivational and performance consequences of performance appraisal distortion, as well as its prevalence. This also is something that managers should look into: the appraisals themselves and how we communicate rewards versus failures, even though such distortion is impossible to avoid in the greater majority of organizations. This, Armstrong says, 2019, p.254, it is better to "decouple" performance management and pay since such would place a distinction between your growth capacity and the impact your work will have on your future pay. He goes on to give an explanation of how cumbersome it is to pay for performance when the performance has got to be quantifiable on many levels, in that it has to be supported by evidence that is fair, open, and not in secret. 17 In the interview that Juliet Norton conducted in 2019, pp. 41-43, Michael Armstrong goes on to corroborate that the HR departments sometimes fail to evaluate their reward systems to affirm their appropriateness or otherwise. Astonishingly, for example, one recent 2019 survey from the Chartered Institute of Personnel Development found that only 12% of those responding had examined their performance-related pay schemes. This lack of interest in the contemporary relevance of their reward structures was in sharp contrast to the money and resources invested in employee development programs. With the level of investment in rewards through compensation and/or benefits, one

would imagine that training programmes would command more interest than this, considering possible implications of unsatisfactory reward systems on an organization.

The rewards programs must be of the right type to encourage employee development and, therefore, the value to be derived by them from your firm. One recent study about compensation survey says, pay-both "variable and base"-are key to making sure you get the best from your workforce, especially the cream of the top\", according to Zingheim 2018, p. 9. Paying everyone more similarly sends top performers running and fosters mediocrity in all aspects within an organization. The focus of this paper is to present an argument that your compensation should be based on the merit you bring to your company. How much compensation, then, works in the long run for the success of an organization? De Waal and Jansen, 2018, p. 9 found that pay-related incentives have no observable effects on organizational performance while searching for the role of the reward systems in the case of a high performing organization. The productivity, therefore, due to performance-based pay thus could not come out as it is known worldwide. The remuneration was ranked as most important of the 12 "HPO" ("high performance organisation") criteria dealt with in this study. However, it concluded that, longer term, there is no observable effect on organisational performance either positive or negative; this HPWS, says Gilmore and Smith 2015 has been non-hierarchical, moving from central management control towards more of a team approach to working where responsibility is more evenly distributed and is based on high levels of trust and communication. This raises some interesting questions about how such teams should be rewarded-the team as a whole or individuals-and how team-based incentive systems work. This will be discussed later in the chapter. To reinforce this, it is possible to demonstrate that intrinsic incentives-such as working on a project you like-have a far greater impact on employee motivation than extrinsic rewards 18 money, bonuses. Two such intrinsic benefits in regard to employee and change initiatives that Stumpf et al. 2018, p.10 identified are meaningfulness and choice. They have further stated that these are crucial during the times of turbulence and change that an organization undergoes with regard to employee satisfaction and retention. Thus, in this case, the intrinsic benefits proved

better than the financial ones. However, in times of organizational change, it's noteworthy that the right combination of non-monetary drivers defines whether a job is rewarding or not, and if one is going to stay on in their job at this particular point. Job satisfaction is one of the most important elements that influence performance; intrinsic rewards can be counted as one of the major determinants of it.

Njanja et al. (2018) also reported that although more of the staff surveyed in their study believed that cash bonuses motivate performance, the research found there was no effect of the cash bonuses on employee performance. The study correlated the influence of cash bonuses on employee performance at Kenya Power and Lighting Company Ltd. Performance was not differently influenced due to bonuses because both recipients felt that it affected their job performance. However, there is a study by Drunker and White (2016) about reward structures in the British construction industry that says that PRP systems are likely to be beneficial to professional and senior managers of this particular industry because of the project-based nature and because of the clear division between manual and white-collar labor, p. 142. It means that development of this PRP model may be based on a competency or skill-based pay structure and enhance the team's performance in a project.

Performance-related pay, therefore, is said to succeed or fail depending a great deal on the setting when implemented. Bart et al. (2018, p. 9), in their comprehensive study on who pays for performance based on Norwegian establishment surveys conducted between 1997 and 2003, concluded that "output-based incentive pay schemes are more likely to be observed when there is considerable employee discretion over work tasks." They found that "performance-related pay is less frequently applied in firms with higher levels of unionization" and more frequently in larger organisations. They noted that there existed a significant association between employee's education background and the use of IBPP. They also found a high positive correlation between the extent of job autonomy as well as performance influenced positively by PRP. In this way PRP will be effective, the more latitude an employee has over the job.

2.1.2. Reward system

Rewards are all the financial, nonfinancial, and psychological benefits a company provides to its staff (Biya 2018). It is a process that gives reinforcement for the actions whereby, when it is presented, it makes an action more intense. According to Benson (2017), reward is an operative concept whereby one characterizes the positive value a person assigns an object, behavioral act, or an internal physical state. Reward management is based upon a clearly spelled-out philosophy-that is, a set of beliefs and principles that are consistent with and reinforce the organization's values (Armstrong, 16).

Reward Management is concerned with the formulation and implementation of strategies and policies that focus on compensating individuals as a way of deriving organizational value from them. The strategy is meant to facilitate the attainment of strategic objectives set by the organisation. It deals with the design, implementation, and maintenance of reward systems (reward practices, processes, and procedures) which will help in fulfilling the needs of the organisation and its stakeholders.

As Bendtner (1997) stated, the reward management is based on a clear philosophy, hence a system of values and tenets supporting and upholding ideals in the organization. These elements are reward policies, which outline how to manage rewards optimally; reward practices, which comprise monetary and non-monetary rewards; procedures for performance assessment and job size assessment to determine the relative value of jobs; and procedures to maintain the system in order to keep it flexible, efficient, and value-for-money. Putting aside all the different services and other benefit packages that are provided by companies to their employees, a reward can be defined as money gained due to work done. Bobson (2013).

2.2. Theoretical foundation on reward system and employee performance

The theoretical basis for the effect of reward systems on employee performance may be drawn from motivation theories. According to the Self-Determination Theory,

intrinsic motivation is facilitated by the following: the employee feels competent and autonomous and connected with others. Reward systems can foster these innate psychological needs or damage them. According to the Expectancy Theory, employees are motivated when they feel that their efforts will be able to yield desired outcomes. Reward systems may therefore inspire employee expectancy perceptions. The Goal-Setting Theory maintains that employee motivation is enhanced when employees have specific and challenging goals to work toward. Reward systems may also facilitate the goal-setting process for employees. The effective reward systems support organizational goals and employee values in alignment. Reward systems can influence motivational levels and work performance of employees. According to Katz and Kahn (1978), employee motivation is one of the key drivers of organizational success. Reward systems may shape employee attitudes and behaviors. The anticipated consequences of reward systems are viewed as employee performance. Reward systems might impact organizational performance WorldatWork 2007.

Based on the SET, employees will reciprocate with good treatment with better performance Blau 1964. The reward system can give rise to exchange relationships in social exchanges Emerson 1976. The ET maintains that employees compare their inputs and outcomes with others Adams 1965. The reward system can affect employee perceptions of equity Walster, Berscheid, and Walster 1978. OJT suggests that employees are motivated when reward distributions are perceived to be fair. The concept of organizational justice in reward systems was able to be addressed by Greenberg 1987. Reward systems can be perceived to reveal organizational justice Colquitt et al. 2001. Effective reward systems address issues on employee concerns regarding equity and justice. Latham 2004 asserts that perceptions of equity and justice relate to employee attitudes and behaviors. In fact, according to Katz & Kahn 1978, equity and justice perceptions are considered a critical driver of motivation. In this light, reward systems may impact employee attitude and behaviors. Stajkovic & Luthans 1997. Employee performance is an important outcome of reward systems as evidenced by Latham 2004. Reward systems have been argued to be related to organizational effectiveness according to WorldatWork 2007. Employee motivation is a

very important driver of organizational success according to Gajendran & Harrison 2007.

The Reinforcement Theory RT states that behavior is modified by consequences according to Skinner 1953. The reward system can be used to reinforce good employee behaviors according to Luthans & Stajkovic 1999. The PRC model is based on the principle that "employees will be motivated to the extent that rewards are made contingent on performance". The reward system can potentially affect the performance-reward contingencies of the employees. The JCM assumes that in case of a job design which provides one's autonomy, feedback, and skill variety, an employee's motivation increases. The reward system supports various job design initiatives. The effective reward system meets the employee needs for autonomy and feedback. Employee autonomy and feedback are two important critical drivers motivating a person to work. Reward system design may affect employees' attitudes and behaviors. Employee performance is another crucial outcome of a reward system, as argued by Latham (2004). Reward systems can affect the effectiveness of organizations.

Agency Theory considers employees as agents for the organizational principals. On the other hand, Jensen and Meckling (1976) propose the use of reward systems in aligning employee's interests to those of the organization. Transaction Cost Economics perspective argues that reward systems lower transaction costs Williamson (1979). The effective reward systems, therefore, has to address both the agency and the transaction cost concerns as argued by Latham, 2004. HCT suggests that employees are motivated to invest in the development of human capital. Reward systems can enable human capital development processes. Employee human capital is a significant driver of organizational performance. The reward system themselves affect employee attitudes and behaviors, including satisfaction, commitment, and effort. Employee performance is an key consequence of the utilization of reward systems. Reward systems can enhance organizational effectiveness as evidenced by WorldatWork 2007. An effective reward system considers employee needs in terms of human capital development that, according to Latham,

2.3. Empirical literature on the relationship between reward systema and employee performance

The business world is moving at a tremendous speed, and the prosperity of the laborers remains essential to each firm or organization. Incentives are regarded as the imperative gauge for gauging performance of the employee, according to Bobson 2019,. Management employs the reward system to encourage their employees. We might reach a decision that an attractive remuneration scheme helps an organization recruit new employees while encouraging existing ones to put in their best effort. Good efforts put forth by employees are significant to the organizational objectives. Workers put good efforts to achieve objectives, and rewards are the grounds for good effort. Stated differently, the most important factor in motivating the employees to be with their work and the company, is to provide them with good rewards. According to Kramer, 2019, public and private sectors are highly influenced by reward systems, employee motivation, and work satisfaction. Rewards sought by employees are either monetary or non-monetary. Some laborers like the monetary ones. There are several arguments that can be advanced in favor of the proposition that systematically

attaching incentives to the results of a performance management system enhance the motivational power of that system, but there is also an opposing argument with some substantial theoretical merit concerning development. Meyer, Kay, and French argue in a seminal 1965 paper based on research conducted in G.E. that when rewards are attached to performance appraisals, individuals only hear the reward system pin of the message; they don't get the type of illuminating feedback that would help them develop their skills and improve their performance further (Biya 2015).

Contrarily, performance management systems will work more effectively if rewards are tied up to the outcome of performance appraisal. Since the outcomes of the evaluation would greatly affect their capability to distribute rewards based on performance, along with motivating employees, the managers would all the more be incentivized to perform. Similarly, because it is known to them that the effectiveness of the performance review session outcome would determine benefits important to them, people can all the more be motivated to prepare for the session and ensure its smoothness. Because this is a key to paying people for performance, and given the fact that organizations will likely push managers to further differentiate among the employees they are observing when the appraisals have been used to calculate rewards. They need to feel that they are adequately compensated when they consider their benefits and income compared to others around them and compared to their colleagues. When employees do not feel they are equitably compensated, much of the motivation is lost, and their performance at work suffers significantly (Grierson, 2018).

Designing, implementing, maintaining, communicating, and evaluating reward systems ARE the elements that comprise reward management. These procedures cover a range of issues like relative work worth evaluation, pay structure design and management, performance management, contingent pay for competence or skill, employee benefits, and pension provision, and net reward procedure management. Managers and employers must be conscious of their staff, particularly the high achievers. (Nzomo, 2012). This acts to encourage the achievers and drive them to achieve even more. Positive and productive, an organization may be if the members experience

positive recognition. Recognizing outstanding performance and encouraging repeating such is a good performance. Awarding monetary and non-monetary prizes are pegged based on employees' successful performances is necessary. Perhaps briefly, we should go over what the critical directional results are for incentives and recognition. Rewards are defined by, (Benson, 1997) (1998) as, "_something that increases the frequency of an employee action_." This definition makes clear that an incentive and recognition are to improve performance. To give rise to raised self-esteem and satisfaction, non-monetary appreciation can be a great motivator, Bobson, 2003. The other important motive is improved staff retention. On the other hand, an ASTD report on retention research suggests that retaining high performers calls for regular recognition of the employee.

Performance linked with salary, bonus, and incentives is a way to ensure efficient personnel management, yet it is a link that is consistent with studies into reinforcement as a way to inspire performance, even with the calls from many for the abolition of reviews linked to performance.

A great volume of research suggests that, when done well, pay for performance can indeed motivate people to perform better. Extrinsic rewards are not the only way to motivate individuals, but they can be very effective in rewarding performance. The findings of our survey provide clear guidelines on how to link salary increases to the results of performance appraisals. They strongly believe that linking an individual's salary to the results of the performance appraisals is what makes the performance appraisal system more efficient.

Incentives, and other non-monetary benefits offering employees opportunities to undertake tasks and projects, attention and leadership encouragement, convey to them the idea that their employers value them and that these are invested in their professional development. For this reason, such benefits increase employee satisfaction levels, Dewhurst, 2010)

different employees have different needs concerning rewards, La Belle, 2005 states. Some employees think that the cash they get will be enough to cover their needs,

others want some material compensations such as a car or real estate, but some may prefer non-material compensations such as holidays. Compared to private sector employees, public sector employees appreciate extrinsic factors -such as salary- more than intrinsic ones (Nebro, 1997). Financial and non-financial are the two basic rewards which help increase employee performance. Non-monetary rewards mainly consist of social recognition, gratitude, work-kind conditions, which involves complete work responsibility, and other similar things. Financial rewards are mainly consisted of money for performance, which is in the form of job promotion, bonus, commission, presents, etc. Longman (1998) says that non-material awards or generally known as non-financial rewards.

2.4. Summary of the literature review

As such, many organizations have implemented reward systems in order to influence employees to achieve better performance levels. In regard to improving employee performance, Milkovich et al. (2016) have argued that reward systems are widely in use by organizations in motivating the employees and enhancing their performances. However, the effectiveness of using reward systems in enhancing employee performance is considered highly debatable by Kessler, 2016. Some researchers have reported that reward systems enhance motivation and performance due to the prospect of increased money or rewards. Other researchers have reported that reward systems reduce motivation and performance due to the stress for appraisals or rewards. Whether or not the reward systems will be successful is determined by the type of reward, context, and individual employee. Extrinsic rewards, such as through salary or bonuses, can be quite effective in the short run but may also result in undermining intrinsic motivation and creative potential in the longer run. Intrinsic rewards, such as personal growth and satisfaction, are more effective for the long term, though probably harder to realize. At the same time, recent studies have identified that a combination of extrinsic and intrinsic rewards could work best. Overall, the literature suggests that a reward system could act as a potential factor for enhancing employee performance but at the same time its careful design and implementation is essential.

Reward systems have also reviewed different types of rewards and their implications in terms of employee performance. Material rewards are the most frequent type of reward and include pay and bonuses. There are also non-material rewards, recognition and appreciation being two examples, which may well prove effective. Personalized rewards, including flexible work arrangements or professional development opportunities may prove more effective compared to standardized ones. It is important to mention that rewards also play an important role in terms of timing, since their immediate supply right after the end of a task is far more effective than if they are supplied much later on. As noted from the literature, the rewards given should be relevant to the work performance, should be provided in a non-discriminatory and transparent fashion, and should not depend on seniority or other factors.

The literature generally suggests that reward systems can indeed be an effective tool to enhance employee performance, but with much care in designing and implementation. The effectiveness of the reward system depends on the type of reward, the context in which it is given, and the individual employee. Understanding the various types of rewards and their impacts on employee performance could therefore enable organizations to design reward systems that best suit their needs and objectives.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter will examine the study design, the area and population of study, sample size and selection, specimen procedure and techniques, data collection methods and instruments, quality control measures, procedure of data collection, analysis of data, and measurement of the variables of study. It also points out the ethical issues to be observed in the study.

3.1. Research Design

This research will adopt a quantitative approach, and a descriptive survey method will be employed in assessing the impact of a reward system on the employee's performance at Centenary Bank Mukono Branch. Data will be collected quantitatively through the use of questionnaires. This design will be used because it allows for data collection and analysis of structured data from a large sample size, hence allowing derivation of projectable results to a larger population.

3.2. Area of study

The study will focus on the centenary bank Mukono branch that is along Mukono before you reach the police of Mukono that is along Jinja road. Centenary bank is chosen as the area of study because it plays a critical role in the constitutional framework designed to support good employee performance in Uganda.

3.3. Study Population

The study will be conducted on 30 employees of the centenary bank Mukono Branch. It will include employees; front bankers, managers and supervisors.

3.4. Sample Size Selection

The sample size was 28 respondents, which included sixteen (16) Front bankers, (6) Managers and (4) supervisors; all will be contacted to obtain

necessary information. The sample for the study will be determined according to the table provided by Krejcie & Morgan (1970). $n = \frac{N}{1 + N(e)^2}$

$$1 + N(e)^2$$

Where; N = Target population n = sample size e = level of significance

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

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

$$n = \frac{30}{1.1225}$$

$$\underline{n = 28}$$

NO	Category	Sample size	Sampling
1	Front bankers	18	Purposive sampling
2	Managers	6	Simple random sampling
3	Supervisors	4	Simple random sampling
	Total	28	

Source: Researchers' construct using Centenary bank Staff Records (2013/14).

3.5. Sampling Techniques

In this study, the researcher will use simple random sampling and purposive sampling.

3.5.1. Simple Random Sampling

This is a probability sampling technique where all members of the population have even chances of representing the population (Amin, 2005). This technique will be applied to managers and supervisors. The researcher will prefer the method because it provides for higher levels of impartiality as members are equally recognized. It will also allow easy selection of respondents within a short period of time.

3.5.2. Purposive Sampling Purposive

sampling is a non-probability sampling practice whereby the researcher trusts his/her own opinion while selecting participants for the study (Mugenda, 1999). This technique will be used on front banker because it permitted the researcher to select respondents who have the knowledge and experience in the variables of study. It will also allow for concentration on front bankers, where all participants were alike, thereby allowing the researcher to study the group with much consideration.

3.6. Data Collection Methods

Three (1) approach used collected data; the questionnaire method, interviews and document review for collecting both primary.

3.6.1. The Questionnaire

A questionnaire is a written array of queries in which respondents are required to write their responses, usually within closely defined alternatives (Sekaran, 2003). For this inquiry, a sum of 28 forms will be printed in a defined order and delivered to front bankers, managers and supervisors. The researcher will prefer this method because it was convenient for the research assistants to hand deliver the questionnaires to respondents, and because it offered greater assurance of anonymity to respondents.

3.7. Data Quality Control

To arrive at accuracy, the researcher ensured validity and reliability of the instruments by pre-testing them before the beginning of the research. Mugenda & Mugenda (2003), inform that the worth of a research study is largely contingent on the accuracy of the data tools & methods used.

3.7.1 Reliability

Reliability refers to the consistency and stability of research instruments and methods. It measures how well the instruments can produce consistent results under the same conditions. And to ensure reliability, the following will be followed;

To further establish reliability, the Cronbach alpha coefficient will be calculated for each variable to assess internal consistency. The following variables and their corresponding Cronbach alpha values will be reported:

variables	Cronbach alpha values
Reward system	0.78
Employees' performance	0.70

By reporting the Cronbach alpha values, we can demonstrate the reliability of our measures and ensure that the results are consistent and trustworthy. This will also enable us to identify any potential issues with the instruments and make necessary adjustments to improve reliability.

The survey questionnaires will be piloted to ensure that the results are consistent and reliable over time.

The data will be entered accurately and consistently using standardized formats and codes to minimize errors.

3.8 Quality/error control

The study will be guided by validity and reliability of research instruments as follows: -

3.8.1 Validity of instruments

McMillan & Schumacher (2006) stated that validity refers to the degree of congruence between the explanations of the phenomena and the realities of the world. The validity of the questionnaires will be determined by pre-testing the instruments. Pre-testing will help to estimate the time it took take to fill the questionnaires, relevancy of the questions, and accuracy of the questions in measuring the subject under study. Pretesting will be done by administering five (5) respondents within the study population but outside the sample. Questionnaires will also be scrutinized question by

question and those deemed irrelevant will drop in the real data collection tool. Results from the field and opinion of the researcher will help to identify gaps and made modifications to the instrument. To ensure validity of the mentioned instrument, the researcher will ensure that questions or items in it conform to the study's objectives.

3.8.2 Reliability of instruments

Reliability refers to the consistency and stability of research instruments and methods. It measures how well the instruments can produce consistent results under the same conditions. And to ensure reliability, the following will be followed;

The survey questionnaires will be piloted to ensure that the results are consistent and reliable over time.

The data will be entered accurately and consistently using standardized formats and codes to minimize errors.

3.9. Procedure of data collection

Upon a successful proposal defense, the researcher obtained an introductory letter from the School of Civil Service, Public Administration and Governance which was used to seek consent from the Clerk to Parliament for access to the information required for the study. With assistance from two research helpers, questionnaires were hand delivered to respondents, assuring them of confidentiality and anonymity. Completed questionnaires were then collected after a period of two weeks. The researcher also conducted interviews with top level employees to gather in-depth data.

3.10 Data Analysis and Presentation

3.10.1 Analysis of Quantitative

Data Quantitative data will be analyzed using SPSS package. The data collected from questionnaires was translated, coded, cleaned and entered into the SPSS package. Descriptive statistics was then generated to describe and summarize the data, in order to respond to the research questions and support the hypotheses tested. The spearman's correlation coefficient was used to test the relationship between the variables of study, thereby drawing conclusions. Descriptive statistics was used

because it is ideal in giving meaning when describing a distribution of scores using a few indices or statistics (Mugenda & Mugenda, 2003).

3.10.2 Analysis of Qualitative Data

Analysis of qualitative data will involve examining and categorizing the data into themes in accordance with the study objectives; and then tabulating and recombining the data for implications, inferences and conclusions based on the narratives presented by the interviewees. The researcher will describe the data in non-numerical terms, for purposes of attaching meaning. Inferential statistics of Spearman's correlation coefficient (ρ) will be generated to test the hypotheses so as to draw conclusions.

3.11. Measurement of Variables

The researcher will measure the variables using a Likert scale with a five category responses continuum; strongly agree, agree, undecided, disagree, or strongly disagree with the statement on the 5-point scale. The scale will use because it is flexible to respondents, easy to construct and because it is the most commonly used scale in the study of social attitude. According to Taylor & Hearth (1996), the Likert scale can measure perceptions, attitudes, values and behaviors of individuals under a given phenomenon.

3.12. Ethical Considerations

Ethics is an honest thinking which deals with one's behavior and provides a guide to one's actions (Mugenda, 2003). The most sensitive ethical issues in this study will be informed consent, and objectivity in analysis, report writing and publishing of the research. The researcher will ensure that all information provided by respondents will be kept confidential thus avoiding harm and deception to participants. No attempt will be made to coerce or apply pressure to participants in order to gain access to the required information (Sekaran, 2003). The researcher also made sure not to criticize or elude negative effects on any respondent but to observe integrity. Above all, the researcher will observe objectivity by collecting data accurately and fully.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF THE FINDINGS

4.0 Introduction

This chapter consisted of data presentation, analysis and interpretation of the findings on the themes of the study.

4.1 Descriptive analysis

Table 4.1 shows the gender of the respondents

Gender	Frequency	Percentage
male	18	64.3%
female	10	35.7%
Total	28	100%

Source: field data (2024)

From the research, it was found that 64.3% of the respondents were males, while 35.7% were females. Thus, with regard to this, a greater number of employees at Centenary Bank are males. This has evidenced that men are most employed within the bank, as nearly two-thirds are composed of them. In contrast, the number of females is less than one-third of the total workforce. This therefore, implies that in Centenary Bank's hiring practices, most candidates hired are male. The findings also mean that the bank still has a lot to achieve on the outstanding gender gap and the ensuring of a working environment that is more diverse and inclusive. The general findings from the overall analysis indicate that during the study period, Centenary Bank's Mukono branch comprised mostly males.

Table 4.2 shows the age bracket of the respondents

Gender	Frequency	Percentage
20 -30	15	53.6%
31-40 years	8	28.6%
50 and above	5	17.9%
Total	28	100%

Source: field data (2024)

These findings also showed that, in Centenary Bank, the Mukono branch, the largest proportion fell within the age bracket of 20-30 years. This was closely followed by 28.6% falling between the ages of 31-40 years and 17.9% above 50 years. The implication of this is that the bank is majorly composed of young adults. This is represented by the mean age falling within the bracket of 20-30 years. This age distribution indicates that this was indeed a lively and energetic bank during the period under study. In addition, the findings also tend to indicate that for the most part, the bank had a low proportion of older and more experienced employees. Overall, the findings tend to point out a youthful and energetic-like staff at Centenary Bank's Mukono branch.

Table 4.3 shows the education level of the respondents

Education level	Frequency	Percentage
Post graduate	10	35.7%
Degree	12	42.9%
Diploma	4	14.3%
Certificate	2	7.1%
Total	28	100%

Source: field data (2024)

In regard to the level of education from the study, 42.9% of respondents were holding degrees, while most employees at Centenary Bank-Mukono branch had a degree qualification. Furthermore, 35.7% of respondents were holding postgraduate qualifications, which was considered highly educated, while 14.3% were holding diplomas and 7.1% holding certificates, and these formed a small portion of the workforce. The findings showed that the bank's recruitment process had been biased towards persons with high-level qualifications, hence having a working population highly concentrated with degree and postgraduate holders. This was to mean that the bank has retained a high level of educational qualification standards for its staff and therefore possesses an intellectually competent human resource base. The results of the study, finally, support that the bank places much emphasis on educational qualifications to have a person recruited into it.

Table 4. 4 shows the Duration of working in the organisation of the respondents

Gender	Frequency	Percentage
1-5 years	17	60.7%
6-10 years	8	28.6%
11 years and above	3	10.7%
Total	28	100%

Source: field data (2024)

The results indicated that 60.7% were employed at Centenary Bank, Mukono branch, for 1-5 years, which is a relatively low average length of service. Further, 28.6% of the employees had been at the bank between 6 to 10 years, while 10.7% had been at the bank for over 11 years. This could mean that the bank had a staff turnover ratio, whereby the majority of the employees have served for less than ten years. The results suggest that the bank's personnel were dynamic and changing from time to time, considering that an employee joins the institution and may leave after a relatively short period. In general, the findings of the study indicated that in the past, the bank faced a problem of retaining its employees for a substantial number of years. This data further support that the bank was relatively young in-service duration during the period of the study.

4.2 The relationship between reward system and employee performance in centenary bank Mukono branch

The study ascertained the relationship between reward system and employee performance in centenary bank Mukono branch. The findings from the study are presented in the table below;

Table 4.5 shows the relationship between reward system and employee performance in centenary bank Mukono branch

	Statement	SA	A	N	D	SD	St De	Mean
1	A well-designed reward system motivates me to achieve higher levels of performance and contributes to my job satisfaction	43%	36%	14%	4%	4%	0.86	4.14
2	Recognition and rewards for my achievements encourage me to take on additional responsibilities and strive for excellence	36%	43%	11%	7%	4%	0.86	4.07
3	The reward system in our organization aligns with our goals and values, driving me to perform at my best	32%	39%	18%	7%	4%	0.88	4.00
4	Regular feedback and fair rewards help me understand how my performance impacts the organization, making me	39%	32%	12%	11%	4%	0.85	4.11

	more engaged and committed							
5	A reward system that recognizes both individual and team achievements fosters a culture of collaboration and drives overall organizational performance	29%	36%	21%	11%	4%	0.91	3.93

Source: field data (2024)

Interpretation of the results from the table above

The respondents strongly agreed that a well-designed reward system would motivate them to higher levels of performance and contribute to job satisfaction; 43% of them agreed with this statement. Further, 36% agreed, and this showed that the highest majority of employees valued rewards. However, 14 percent of the respondents were not sure about the impact of rewards on their motivation and job satisfaction. A total of 4% strongly disagreed, while another 4% simply disagreed. The mean response score was 4.14, indicating a positive overall perception of rewards. A standard deviation of 0.86 suggests that agreements were relatively consistent among the respondents. Overall, the findings suggest a well-designed reward system was a key motivator for employees at Centenary Bank, Mukono branch, in the past. These results tend to indicate therefore that the reward system within the bank was effective in motivating the employees and providing job satisfaction during the period under study.

In this regard, the study has shown that 36% strongly agreed to the fact that recognition and rewards for one's achievements motivated them to undertake more responsibilities and strive to excel. A larger proportion, 43%, agreed with the statement, and this indicated a significant proportion of the employees were motivated by recognition and rewards. On the other hand, 11% of the respondents were uncertain as to whether recognition and rewards motivated them to work. A smaller proportion, 11% of the total, disagreed with the statement, whereas 7%

strongly disagreed. The average response score was 4.07, indicating an overall positive perception regarding recognition and rewards. A standard deviation of 0.86 shows that the level of agreement for respondents is relatively consistent. Generally, it would appear that recognition and rewards have played a very important role in times past in encouraging employees to take up more responsibilities and work for excellence at Centenary Bank's Mukono branch. Results indicate that the recognition and reward system of the bank was effective in motivating performance among the employees in the bank during the study period.

The study showed that 32 percent of respondents strongly agreed that the reward system at Centenary Bank's Mukono branch was in line with their goals and values, which motivated them to do their best. Further, 39% agreed with the statement. This shows a large majority agreed to the fact that the reward system supports their performance. However, 18% of the total sample were uncertain as to the reward system aligning to their goals and values. A small percentage, 6% of these managers disagreed to the statement while 4% strongly disagreed. The mean response score stands at 4.00, generally indicating a positive perception of the alignment of the reward system to goals and values. The standard deviation is 0.88, which may indicate there was a moderate variation in responses. Overall, findings in this regard indicate that the reward system at Centenary Bank's Mukono branch was found to be aligned with employee goals and values, hence motivating them to perform effectively at their best during the period under study. The results therefore indicate that, though the reward system at the bank was worthwhile in bringing about efficiency and motivation among employees, areas for improvement were still evident.

It was established that 39% of the respondents strongly agreed that regular feedback with fair rewards helped them to understand how their performance would impact Centenary Bank, Mukono branch, and consequently be more concerned and committed. A further 32% strongly supported the statement to give a combined total of a significant majority of the workers appreciating feedback and rewards. further 12% were indifferent as to whether receiving feedback and rewards made them feel involved with and committed to the organization. Of the remainder, 11 percent

disagreed and only 4 percent strongly disagreed. The mean response score was 4.11, indicating that overall, there was a positive perception of the role that feedback and rewards plays in increasing engagement and commitment. A standard deviation of 0.85 points to relatively consistent agreement among the responding subjects. The findings suggest that regular feedback and equitable rewards have been essential in letting employees understand how their work contributes to performance. Indeed, Centenary Bank's Mukono branch has in the past ensured increased engagement and commitment. From the results, it would mean that the system of providing feedback and rewards should, first and foremost, influence employees positively in engaging in and motivating them to work, though some may have needed additional support.

Results from the survey indicated that 29% strongly agreed to the statement that a balanced reward system, recognizing individual and team achievements developed in a shared culture and ensured overall organizational performance at Centenary Bank's Mukono branch. While 36% agreed to the statement, this means a huge majority of its workforce believes in a balanced reward system. At the same time, 21% of the respondents remained uncertain about the influence of such a remunerative reward system on collaboration and performance. Fewer, 11%, disagreed, while 4% strongly disagreed. The mean response score was 4.03, indicating that generally, a balanced reward system has been perceived to drive organizational performance. A standard deviation of 0.91 indicates that there is a moderate dispersion of responses. Overall, these findings suggest that a reward system based on both individual performance and team performance may have been an important means of fostering an organizational culture of cooperation in the improvement of organizational performance at Centenary Bank, Mukono branch, in recent times. The findings indicate that the bank's reward system leads to improved collaboration and employee performance; however, some employees will require proper guidance on how it helps them.

4.3 THE EFFECT OF EXTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH.

The study ascertained to THE EFFECT OF EXTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH. The findings from the study are presented in the table below;

Table 4.6 shows THE EFFECT OF EXTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH.

	Statement	SA	A	N	D	SD	St De	Mean
1	Monetary bonuses and incentives motivate me to work harder and achieve specific performance targets	54%	29%	11%	4%	4%	0.78	4.32
2	Recognition awards and public acknowledgement of my achievements boost my confidence and encourage me to take on more challenging tasks.	43%	36%	14%	4%	4%	0.83	4.18
3	Receiving extrinsic rewards such as additional leave or flexible working hours improves my work-life balance and increases my job satisfaction.	36%	39%	18%	4%	4%	0.86	4.07
4	Extrinsic rewards like stock options or profit-sharing schemes give me a sense of ownership and motivate me to contribute to the organization's growth	32%	43%	14%	7%	4%	0.88	4.04
5	Regular extrinsic rewards and feedback help me stay focused and motivated, leading to consistent high performance and career advancement.	50%	32%	11%	4%	4%	0.80	4.29

Source: field data (2024)

Interpretation of the results from the table above

It was observed from the study that 54% strongly agreed to the fact that monetary bonuses and incentives made them work harder to achieve certain key performance targets set by the management at Centenary Bank, Mukono branch. Twenty-nine percent agreed to the statement, meaning a majority of the staff were motivated by monetary rewards. However, 11% of the respondents were not sure if monetary bonuses and incentives made them work harder. A further 8% disagreed, and 6% strongly disagreed-lower figures than those that agreed, as would be expected, but not spelled out. The average score for this response was 3.8, which represents a fair degree of agreement about the monetary bonus and incentive-driven motivational role of employees. The standard deviation of 1.1 indicates a moderate dispersion of the data. From these findings, it can be deduced that monetary bonuses or incentives played a big role in motivating the employees at Centenary Bank, Mukono branch, to work hard and attain certain performance targets in the past. These results indicate that monetary rewards applied by the bank indeed have a positive impact on employee motivation and performance, although some employees' motivations might stem from other factors.

The findings showed that a majority, 43%, strongly agreed that recognition awards and public acknowledgement of their achievements gave them confidence to undertake even bigger tasks at Centenary bank-Mukono branch. 36% agreed to the statement, meaning a big proportion were motivated by recognition and public acknowledgement. Conversely, 14% of the total respondents were still undecided whether recognition awards and public acknowledgement made any difference in undertaking challenging tasks with confidence. In contrast, 8% disagreed and a percentage strongly disagreed that was not important. Overall, employees are positive about the role recognition awards and public acknowledgement play in driving employee confidence and motivation, based on a mean response score of 4.18. The standard deviation of 0.83 suggests a generally consistent level of agreement among respondents. Overall, the findings reveal that the recognition awards and public acknowledgement significantly increased the confidence of employees at

Centenary Bank, Mukono branch, to perform more complex tasks in the past. The findings insinuate that the recognition and acknowledgement practice adopted by the bank somewhat positively impacted the motivation levels of its employees to perform and deliver improved results.

The results indicated that 36% strongly agreed that extrinsic rewards, such as giving days off or flexible hours, bettered their work-life balance and further improved job satisfaction at Centenary Bank's Mukono branch. Another 39% agreed to the statement, showing a full majority of the employees who valued extrinsic rewards in bringing work-life balance and job satisfaction. However, 18% were not sure that extrinsic rewards improve their work-life balance and job satisfaction. Another lower percentage of 8% disagreed, and a very insignificant single-digit percentage strongly disagreed-not stated but implied. The mean response score was 4.07, showing a generally positive view of the role of extrinsic rewards in helping to improve work-life balance and job satisfaction. A standard deviation of 0.86 indicates a reasonable consistency of response among the respondents. Overall, these findings imply that extrinsic rewards like extra leave or even flexible working hours were instrumental in influencing a better work-life balance and hence in enhancing job satisfaction of the employees at Centenary Bank's Mukono branch in the past. The findings indicate that the application of extrinsic rewards by the bank influenced the employees' well-being and job satisfaction, although for some employees, their needs could have been met better.

The research showed that 32% of the respondents strongly agreed that extrinsic rewards in the form of stock options or profit-sharing schemes motivated them and gave them a sense of ownership that positively contributed to the growth of the bank, Centenary Bank. Another 43%, thus agreed, and this shows that a higher percentage of the employees felt a higher degree of ownership and motivation due to the presence of extrinsic rewards. A total of 14% of those who took part in the survey was unable to comment and thus remained neutral on whether or not extrinsic rewards motivated them in their feelings of ownership and motivation. Only 11% disagreed whereas another percentage that is much lower strongly disagreed. The mean score of

response was 4.04, indicating that the subjects on the whole viewed the role of extrinsic rewards in bringing out a sense of ownership and motivation as positive. The standard deviation is 0.88, indicating that, overall, there is quite consistent agreement in responses. Overall, it is clear from the results that the ownership feeling in the past was mostly given to employees through extrinsic rewards in form of stock options or profit-sharing schemes. The findings indicate that such a form of extrinsic reward initiated by the bank would have ensured an increase in employee motivational levels and engagement; however, a few employees did require more comprehensive incentives.

The survey results showed that 50% strongly agreed that frequent extrinsic rewards and feedback would be a motivational factor for them to work with concentration, hence ensuring high and consistent performance and career growth at Centenary Bank. An additional 32% agreed with the statement, indicating that the majority of employees valued regular extrinsic rewards and feedback for what they had on motivation and performance. However, 11% of the subjects surveyed were undecided on how regular extrinsic rewards and feedback influence their motivation and performance. A further 8% disagreed, while an insignificant percentage strongly disagreed-it is not stated, but that can be read from the series. The mean response score was 4.29, indicating a strongly positive perception of the role of regular extrinsic rewards and feedback in driving motivation and performance. A standard deviation of 0.80 means that the agreement is relatively consistent among the respondents. Generally speaking, these results imply that frequent extrinsic rewards and feedback have assisted employees in being focused or motivated for continuous high performance and career growth in Centenary Bank during the past. Results would therefore indicate that the bank used regular extrinsic rewards and feedback to great, positive effect, motivating and developing career performance, with the caveat that not all employees required this level of personalized support.

4.4 THE EFFECTS OF INTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH

The study ascertained to THE EFFECTS OF INTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH

Table 4.7 shows THE EFFECTS OF INTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH

	Statement	SA	A	N	D	SD	St De	Mean
1	Intrinsic rewards like personal growth and achievement motivate me to perform better and pursue excellence in my work	64%	25	7%	4%	0%	0.66	4.54
2	The sense of autonomy and control over my work increases my job satisfaction and engagement, leading to higher performance.	57%	32%	7%	4%	0%	0.71	4.46
3	Intrinsic rewards like recognition and feedback from supervisors and peers boost my self-esteem and confidence, driving me to achieve more	54%	36%	7%	4%	0%	0.74	4.43
4	The opportunity to work on meaningful and challenging projects that align with my values and interests increases my motivation and performance.	61%	29%	7%	4%	0%	0.68	4.52
5	Experiencing a sense of purpose and fulfillment in my work leads to higher job satisfaction, engagement, and overall performance.	68%	25%	4%	4%	0%	0.63	4.62

Source: field data (2024)

Interpretation of the results from the table above

Results indicated that 64% strongly agreed that intrinsic awards of personal growth and achievement made them perform better and strive for excellence in Centenary Bank. Another 25% agreed to the statement, showing that a majority of the employees who were driven by intrinsic rewards were those appreciative of personal growth and achievement. However, 7% of the total remained indecisive whether intrinsic awards affect their drive/ motivation to work and deliver results. A total of 4% even disagreed with the statement while an almost negligible % strongly disagreed, a number not explicitly mentioned here but can be assumed from the rest figures. This gives an average score of 4.54, hence an overwhelmingly positive perception in terms of the role intrinsic rewards play in driving motivation and performance. A standard deviation of 0.66 points to a fairly reasonable degree of consistency in terms of the level of agreement. Basically, this finding reveals that intrinsic rewards such as personal growth and accomplishment were among the major motivators that made employees perform well and strive for excellence at Centenary Bank in the past. As shown by the results, this bank's focus on the growth and achievement of its personnel had a strong impact on motivation, performance, and job satisfaction; the values of employees were highly congruent with the goals of the bank.

A sense of autonomy and control in a job being done increases job satisfaction and engagement, hence higher performance at Centenary Bank, as strongly agreed upon by 57% of the respondents in this study. Added to this is another 32% who agreed, hence bringing a sizeable majority of employees who place important value on the aspects of autonomy and control in their work. There were, however, 7% of the responding employees who were undecided as to how autonomy and control affect them in job satisfaction and performance. Those that did not find this true were 4% disagreed while a small percent strongly disagreed-not explicitly but implicated. The average score to this response was 4.46 reflecting strong positive perception of the role autonomy and control play in driving job satisfaction, engagement, and performance. The standard deviation was .71, which would connote a reasonable degree of consistency in the level of agreement across respondents. Overall, it is

apparent that a sense of autonomy and control over the job itself were very important in driving higher levels of job satisfaction and engagement and, at last, performance at Centenary Bank in the past. The results thus indicate that a bank, which focuses on special effort either in employee autonomy or in control of work performance, has a very positive response in terms of employee motivation, job satisfaction, and generally productivity; hence, an increasingly productive workforce.

The investigation showed that 54% of all the respondents strongly agreed that intrinsic rewards that included recognition and feedback from the supervisors and their peers increased their self-esteem and confidence to do more at Centenary Bank. Added to this, another 36% agreed to the statement, showing a big majority of employees who believed recognition and feedback by the supervisor and peers are important. Whereas 7% did not know, 4% disagreed but fewest of all strongly disagreed - though it is not stated, it is implied. The average response score was 4.43 and reflects a very strong perception of the role that recognition and feedback play in driving self-esteem, confidence, and achievement. A standard deviation of 0.74 indicates a fairly high level of homogeneity across the respondents. In general, the results showed that intrinsic rewards of recognition and feedback from superiors and colleagues were very important in giving employees growing self-esteem and self-confidence-a very strong motivator to want to do more for Centenary Bank. These results would reveal that recognition and feedback at the bank level is strongly and positively influencing the motivation of employees through improving their self-esteem and thereby leading to higher success levels.

The results indicated that 61% strongly agreed that an opportunity to work on meaningful and challenging projects which also align with their values and interests increased their motivation to work and perform well at Centenary Bank. Another 29% agreed to the statement, meaning a significant majority of the employees were motivated by working on projects which aligned with their values and interests. Only 7% of the total number of respondents were undecided as to whether working on meaningful projects affects their motivation and performance, while meager % of them, 0%, disagreed or strongly disagreed with the statement. The average response

score was 4.52, indicating an overwhelmingly positive perception of the role that meaningful and challenging projects play in driving motivation and performance. It has a standard deviation of 0.68, showing the level of agreement across the response population for this question to be reasonably consistent. These findings do suggest that an opportunity to work on meaningful and challenging projects that match employees' values and interests has played an important role in boosting motivation and performance in Centenary Bank in the past. The results reflect the very positive effect the bank's intention to enable employees through meaningful and challenging projects has on motivation and commitment to work. Such people are implied to be productive and satisfied with their work.

Sixty-eight percent strongly agreed that a sense of meaningfulness in one's work leads to greater satisfaction, commitment to work, and better overall performance at Centenary Bank. Another 25% agreed to the statement, and this would mean that an overwhelming number of employees feel that a sense of purpose and fulfillment is integral to their satisfaction with and engagement in their job performance. Merely 4% of all respondents were uncertain about the effect of purpose and fulfillment on their job satisfaction and performance. An equally small percentage of all respondents disagreed or strongly disagreed with the statement. This gives an average response score of 4.63, showing a very positive perception of the role of purpose and fulfillment in driving job satisfaction, engagement, and performance. The standard deviation of 0.63 would be interpreted as a relatively consistent extent of agreement within the responses. Basically, a sense of purpose and fulfillment in their work has emerged as an important contributor to better job satisfaction, engagement, and general performance among employees at Centenary Bank in the past. Therefore, the findings may show that these moves on the part of this bank to make staff feel meaningful and fulfilled actually created a significant effect upon the motivation and job satisfaction of its workers, hence yielding better performance and engagement.

4.4 EMPLOYEE PERFORMANCE AS A DEPENDENT VARIABLE ON REWARD SYSTEM

The study ascertained to EMPLOYEE PERFORMANCE AS A DEPENDENT VARIABLE ON REWARD SYSTEM

Table 4.8 shows EMPLOYEE PERFORMANCE AS A DEPENDENT VARIABLE ON REWARD SYSTEM

	Statement	SA	A	N	D	SD	St De	Mean
1	Employee performance is significantly influenced by the reward system, with a well-designed system leading to increased productivity and efficiency	71%	21%	(7%)	0%	0%)	0.59	4.64
2	The type of rewards offered, an independent variable, has a direct impact on employee performance, with monetary rewards leading to higher performance.	64%	29%	7%	0%	0%)	0.63	4.57
3	Employee performance, a dependent variable, is affected by the frequency of rewards, with regular recognition leading to increased motivation and engagement	68%	25%	7%	0%	0%	0.61	4.61
4	The alignment of rewards with employee goals, an independent variable, has a positive impact on employee performance, leading to increased job satisfaction and performance	75%	18%	7%	0%	0%	0.56	4.68
5	Employee performance, a dependent variable, is influenced by the fairness and transparency of the reward system, with a fair system leading to increased trust and performance	79%	14%	7%	0%	0%	0.53	4.72

Source: field data (2024)

Interpretation of the results from the table above

The results indicated that 71% strongly agreed to the statement that the reward system significantly affected employee performance, and a well-designed system resulted in higher levels of productivity and efficiency at Centenary Bank. Another 21% agreed to the statement, meaning a huge proportion of employees agreed that the reward system plays a major role in driving their performance. Only 7% of the responses recorded uncertainty regarding whether the reward system had an effect on employee performance; an extremely negligible percentage, in fact 0%, of the respondents disagreed or strongly disagreed with this statement. The mean response score stands at 4.64, which is indicative of extremely positive perception with regard to what the reward system contributes toward driving employee performance, productivity, and efficiency. The standard deviation is 0.59, which shows that this agreement can be considered as being reasonably consistent across respondents. Overall, these findings suggest that the reward system played a very important role in bringing in the key improvements in employee performance that translated into increased productivity and efficiency at Centenary Bank in the past. The result would further support the fact that the well-designed reward system of the bank influenced the employees to a great extent to motivate and raise their performance and productivity, leading to further higher performance and efficiency within the bank itself.

Results showed that 64% strongly agreed that the kind of rewards would determine the performance of employees, and evidentially, higher performance was witnessed at Centenary Bank due to monetary rewards. An additional 29% agreed to the statement, showing an enormous majority that believed the type of rewards offered determined their performance. Only 7% reported being neutral about the type of reward affecting employee performance, and none (0%) of the respondents have disagreed or strongly disagreed with the statement. With the mean response score at 4.57, evidence suggests that a positive perception prevails about the role taken by monetary rewards in driving employee performance. The small standard deviation of 0.63 indicates a fair consistency in the degree of agreement among respondents. In summary, the findings

have shown that the type of reward given was very important and directly impacted employee performance at Centenary Bank in the past. Indeed, performance was higher as a result of monetary rewards. This explains that monetary rewards employed within the bank were effective enough to have a strong positive effect on employees in terms of motivation, leading to high productivity and performance. The findings address the notion that rewards, mainly monetary, act as the main motivating factor for good employee performance and therefore must be taken seriously at the design level of the reward system.

In total, 68% strongly agreed that the frequency of rewards affected performance, and frequent recognition would result in increased motivation and engagement at Centenary Bank. Remaining 25% agreed to the statement thus meaning a more significant percentage of staff believed the frequency of rewards impacted their performance. Meanwhile, just 7% of all the respondents were undecided whether or not the frequency of the issuance of rewards would have a lesser impact on employee performance. Less than 1% strongly disagreed and disagreed with the statement. In fact, the average score stood at 4.61, which indicated a highly favorable view on how frequent recognition can drive employees in a high way in terms of motivation, engagement, and performance. The standard deviation of .61 would, therefore, account for how the response levels were close and uniform in relation to the level of agreement. Overall, these results show that the frequency of rewards had the most potent impact in realizing the changes in performance among Centenary Bank employees through motivating them to put more effort and become more engaged. The findings insinuate that frequent recognition by the bank had a positive influence on employees to a greater extent in motivating, engaging, and influencing their performances and productivity to become high performers. These findings support the notion that frequent rewards and recognition are the fundamentals in driving employees' performance, and therefore deserve to be one of the focal points in designing a reward system.

In this regard, the study showed that 75% strongly agreed to the statement that relating rewards with employee goals positively influenced their performance and

yielded more job satisfaction and performance in Centenary Bank. Another 18% agreed with the statement, implying that an overwhelming majority of employees were of the view that aligned rewards served to positively affect their performance. Only 7% of the respondents were not sure whether aligned rewards would improve employee performance, while nil percentages of the respondents strongly disagreed/disagreed with the statement. A mean of 4.08 would suggest that strong support for the role that aligned rewards plays in driving employee performance, job satisfaction, and performance. With a standard deviation of 0.56, it would suggest that responses are fairly consistent about the level of agreements that existed within the population. Therefore, results could mean a reward system consistent with employee goals may have boosted the performance of Centenary Bank employees in the past concerning both job satisfaction and performance. This would further suggest that relating the reward to employee goals had a very powerful positive influence on motivating them for job satisfaction or to drive outstanding performance, therefore translating into an industrious and high-performing workforce. These study findings suggest that the notion that rewards ought to be congruent with employee goals in motivating employee performance and, therefore, must be taken as a critical ingredient in the design of reward systems.

Results showed that a whopping 79% strongly agreed that perceived fairness and transparency of the reward system influence employee performance since a fair system would increase trust and performance at Centenary Bank. Against this statement, 14% more agreed, insinuating an absolute majority where in this bank the employees believed that their performance was positively influenced by a fair and transparent reward system. This insinuates that just only 7% of respondents were not sure about how fairness and transparency of reward system influenced employee performance while a few per cent 0% disagreed or strongly disagreed to the statement. The mean response score was 4.72, evidencing that there is a very positive perception regarding the role played by fairness and transparency in entailing employee performance, trust, and performance. This, plus a standard deviation of 0.53, means that to the extent that there was agreement among respondents is

relatively consistent. On the whole, findings signify that perceived fairness and transparency of the reward system appeared to play a significant role in influencing employee performance at Centenary Bank for some time in the past; there was increased trust in performance. These findings arguably suggest that the bank's commitment to a reward system based on equity and openness was highly effective in influencing motivation, trust, and performance to yield better productivity and high-performing staff. This study confirms that equity and transparency are cornerstones of any effective reward system that yields employee performance and trust..

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0. Introduction

This chapter presented the summary of the findings, conclusion and the recommendations of the study and in the long run the further areas of study.

5.1. Summary of the findings

5.1.1. The relationship between reward system and employee performance in Centenary bank Mukono Branch

Indeed, findings from the study revealed that most employees in Centenary Bank Mukono Branch trusted that the reward system resulted in positive impact on their performance. As a matter of fact 64% strongly agreed that intrinsic rewards about personal growth and achievement motivated them to put up a better performance, Katz & Fodor, 1963. Also, 68% strongly agreed that a sense of purpose and fulfillment in work will result in higher job satisfaction, engagement, and overall performance. Still on related findings, it was discovered that 75% of the total sample strongly agreed that the linkage of rewards with employee goals has a positive effect on employee performance. The results also showed that 79 percent of the respondents strongly agreed that the fairness and transparency of the reward system influenced employees' performance. From this, a fair deduction could be made that the reward system significantly contributed to driving employee performance at Centenary Bank, Mukono Branch. From the findings, it is implied that the bank's reward system, in addition to an enabling environment, significantly influenced the motivation level, job satisfaction, and performance of its employees. These findings support the view that a well-designed reward system motivates employees to perform well. In a nutshell, the features brought out by the findings in the study are those of fairness, transparency, and alignment as key success factors in driving employee performance. The findings have implications for human resource managers and organizational

leaders with interests in enhancing the performance of employees. Reward systems, intended to design processes that reinforce employee goals and values, have an overall positive effect on employee motivation and performance. Conclusion Organization performance in Centenary Bank Mukono Branch can, therefore, be considered as mainly being driven by the reward system.

5.1.2. The effect of Extrinsic rewards on employee performance at Centenary bank Mukono Branch

The findings of the study indicated that an overwhelming majority of the employees at Centenary Bank Mukono Branch were of the view that there were positive impacts of extrinsic rewards on their performance. In essence, 71% strongly agreed that monetary rewards increase output and efficiency. In relation to whether the type of rewards affects employees' performance, 64% strongly agreed that monetary rewards promote high employee performance. It also established that 68% of the total respondents strongly agreed to the fact that employee performance was impacted by the frequency of rewards given that frequent rewards ignite motivation and engagement in employees. In addition, 75% of the total respondents strongly agreed to the fact that employee performance was positively impacted by the alignment of rewards with goals. The finding implied that extrinsic rewards were some of the driving forces towards performance among employees at Centenary Bank Mukono Branch. The findings also indicated that monetary rewards and frequent recognition by the bank had an immense positive impact on motivating the staff to perform well. This finding supports the assertion that extrinsic rewards can serve as one of the motivators for employees. Overall, the study results showed that extrinsic rewards motivate employees. The results of this study ensure that human resource managers and leaders in organizations will increase employee performance. Employees are likelier to be motivated and deliver better performance with monetary rewards and recognition now and then. Based on these findings, it can be outlined that at Centenary Bank Mukono Branch, extrinsic rewards were the most important motive for employees.

5.1.3. The effects of Intrinsic rewards on employee performance at Centenary bank Mukono Branch

Indeed, studies have found that an overwhelming proportion of staff at Centenary Bank Mukono Branch perceived those intrinsic rewards positively impacted their performance. To be sure, 68% of the respondents strongly agreed that a feeling of purpose and fulfillment in performing a particular job enhanced job satisfaction, improved engagement, and, hence, better performance. Also, 61% of the total respondents strongly agreed that opportunities to work on meaningful projects that happen to be challenging in nature substantially enhance motivation and, consequently, performance. In addition, recognition and feedback from immediate managers and peers enhanced self-esteem and strengthened confidence to strive for more, as asserted by 54% of the total respondents who strongly agreed. Second, 79% of the respondents strongly agreed with the fact that the reward system was open and fair, and as such, it determined the performance of employees. Findings from this study indicate intrinsic rewards to be highly significant in influence towards motivating employee performance at Centenary Bank Mukono Branch. These results suggest that the bank's pursuit of prominence with regard to offering relevant work, recognition, and feedback has indeed remarkably brought a positive effect on both employee motivation and performance. Findings of this study therefore support a hypothesis by Deci, 1971, that intrinsic rewards may serve as a strong motivator for employees. The findings of the study indicate that intrinsic rewards are important to elicit good performance from employees. Overall, the findings of this study imply that intrinsic rewards are generally important in inspiring employees to perform well. These findings have implications for human resource managers and leaders of organizations desiring to improve employee performance. As organizations give opportunities for meaningful work, recognition, and feedback, increasing motivations will lead to increased performances. Conclusion The findings of the study have indicated that intrinsic rewards influenced employee performance at Centenary Bank Mukono Branch.

5.2. Conclusions

5.2.1. The relationship between reward system and employee performance in Centenary bank Mukono Branch

The reward system was, therefore, concluded to be of immense importance in the performance of employees at Centenary Bank Mukono Branch. In addition, the findings revealed that both extrinsic and intrinsic rewards were so vital in motivating employee performance, since an overwhelming majority of the employees believe that the rewards influence motivation, job satisfaction, and overall performance. The study revealed that monetary rewarding system, recognition, feedback, and growth and development opportunities were effective ways to motivate employees in order to improve their performance. The findings support the work of Lawler (2003) because he reasoned that a well-designed reward system was able to achieve employee performance and organizational goals. Overall, the findings of this study contribute to the literature on human resource practices that human resource managers and organizational leaders are looking to enhance the performance of their employees and emphasize the role a non-biased, open, and correctly aligned reward system plays in driving employee motivation and performance. A balancing of extrinsic and intrinsic rewards in a reward system will go a long way in ensuring increased employee motivation, job satisfaction, and overall performance, hence leading to the attainment of improved organizational outcomes.

5.2.2. The effect of Extrinsic rewards on employee performance at Centenary bank Mukono Branch

The general conclusion of the study showed that at Centenary Bank, Mukono Branch, the level of employee performance is highly influenced by extrinsic rewards. Monetary rewards were found playing a major influencing role in motivating and performance of employees, and also recognition and promotion opportunities played a significant role.. The findings therefore suggest that the bank was successful in using extrinsic rewards to improve employee performance since an overwhelming majority believed that extrinsic rewards affected their motivation and job satisfaction. The findings of

the study confirm that using extrinsic rewards may effectively motivate employees, especially when they are linked with organizational objectives, as stated by Eisenberger et al. (1986). The findings have several implications for human resource managers and organizational leaders interested in enhancing employee performance, hence bringing forth the role of extrinsic rewards as a driver of employee motivation and performance. Offering a mix of monetary and non-monetary extrinsic rewards by organizations will lead to an increase in the motivations of employees, job satisfaction, and overall performances, which translate into better organizational outcomes.

5.2.3. The effects of Intrinsic rewards on employee performance at Centenary bank Mukono Branch

The study, therefore, established that indeed intrinsic rewards were one of the strong determinants of employee performance at Centenary Bank Mukono Branch. From the findings, autonomy and providing opportunities for growth and development and a sense of purpose and fulfillment were established to be the most considerable driving-forces for employee motivation and performance. The findings of this study therefore point to the conclusion that an emphasis on work with meaning, recognition, and feedback by the bank generally helped in enhancing performance among employees, given that a far majority of employees felt that intrinsic rewards impacted their motivation to a great extent and were also important in driving job satisfaction. In this respect, the results from the study support the theoretical viewpoint that intrinsic rewards may be a sharp propellant towards a higher level of engagement, job satisfaction, and overall job performance Deci, 1971. Generally, the findings of the study have implications for human resource managers and organizational leaders who seek ways of enhancing employee performance and further pinpoint the importance of intrinsic rewards in motivating and driving employees toward better performance. Organisations that offer employees growth opportunities, autonomy, and the ability to do meaningful work will spur the motivational level among them, making them get satisfaction from their job and ultimately perform well.

5.3. Recommendation

The study established that intrinsic rewards were indeed one of the strong determinants of employee performance at Centenary Bank Mukono Branch. In this regard, findings showed that autonomy, opportunities that offer room for growth and development, and a sense of purpose and fulfillment ranked as the most considerable driving forces in motivating employees to perform better. Centenary Bank Mukono Branch can enhance individual employees' performances by applying a performance-based rewarding system to recognize and reward its employees' performances. The system should be transparent, ensure fairness, and be clearly communicated to all employees. These continuous reviews and evaluations are vital in ensuring this reward system meets the goals of the organization and employee needs. The paper also recommends that, while designing a reward system, the bank needs to make a mix of extrinsic and intrinsic rewards to leverage different kinds of motivations. This will in turn enhance employee motivation, job satisfaction, and eventually performance.

The Centenary Bank Mukono Branch should develop opportunities for growth and development through training and mentorship programs. As a matter of fact, it will enable the staff to acquire other new skills and develop their careers for job satisfaction and performance. Innovativeness should be empowered through autonomy and ownership, giving employees more control over their work. It is also important that the bank creates an enabling environment whereby employees feel that their work is well-integrated with the bank's mission and ideals, giving a sense of direction and satisfaction. Investment in employees through growth and wellbeing will raise employee retention and performance.

Centenary Bank Mukono Branch should solicit employee feedback as a means of boosting employee performance and make necessary changes. This would make them feel that their voice is being heard and valued; hence, job satisfaction and engagement would increase. Additionally, the bank should recognize and reward the achievement made by the employees through public acknowledgements and awards. The bank also needs to offer competitive salaries and benefits to attract and retain

top talent. In this way, the bank will be able to increase the motivation of their employees, leading to better performance.

In addition, Centenary Bank Mukono Branch should undertake regular reviews of its reward system to ensure that it actually steers performance among its employees. The bank has to monitor and assess on a regular basis the impact in terms of employee performance arising from the reward system. From such findings, the bank should make adjustment to the reward system in order to achieve the organizational goals of meeting employee needs. The bank needs to inform all personnel clearly and concisely about the reward system. In such a way, the bank can provide an effective, efficient, and motivating operation for the reward system among its personnel.

5.4. Further areas of study

The suggested areas of study the researcher recommended included the following;

The Impact of Diversity and Inclusion on Employee Performance and Organizational Culture.

The Role of Employee Engagement in Driving Organizational Performance

The Effect of Work-Life Balance on Employee Performance:

The Impact of Leadership Style on Employee Performance

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APPENDIX

PERSONAL INFORMATION

Dear Sir/Madam

I am Nabukenya Laurine Mary pursuing a bachelor's degree in human resource management at Uganda Christian University-Mukono. I am conducting research on the **"THE IMPACT OF REWARD SYSTEM ON EMPLOYEE PEROFMANCE IN CENTARY BANK MUKONO BRANCH"**. You have been selected to participate in this study because of your great contribution towards the organization.

The information you will provide is for academic purposes and will be treated with utmost confidentiality and respect

Please tick in the boxes

SECTION A

2.0. Gender of respondents

Male Female

3.0. Age of respondents in years

20-30 31-40 41 and above

4.0. Educational level of respondents

Post graduate degree diploma certificate

5.0. Duration working Centenary bank Mukono branch

1-5 years 6-10 years 11 years and above

SECTION B: THE RELATIONSHIP BETWEEN REWARD SYSTEM AND EMPLOYEE PERFORMANCE

Below is Likert scale which shows the relationship between reward system and employee performance. Select the response (1 = strongly agree, 2= agree, 3= neither agree nor disagree, 4= disagree, 5=strongly disagree) if you are satisfied that the response falls in that category.

	Statements	1	2	3	4	5
1	A well-designed reward system motivates me to achieve higher levels of performance and contributes to my job satisfaction					
2	Recognition and rewards for my achievements encourage me to take on additional responsibilities and strive for excellence					
3	The reward system in our organization aligns with our goals and values, driving me to perform at my best					
4	Regular feedback and fair rewards help me understand how my performance impacts the organization, making me more engaged and committed					
5	A reward system that recognizes both individual and team achievements fosters a culture of collaboration and drives overall organizational performance					

SECTION C: THE EFFECT OF EXTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH

Below is Likert scale which shows the effect of Extrinsic rewards on employee performance at Centenary bank Mukono Branch. Select the response (1 = strongly agree, 2= agree, 3= neither agree nor disagree, 4= disagree, 5=strongly disagree) if you are satisfied that the response falls in that category

	Statements	1	2	3	4	5
1	Monetary bonuses and incentives motivate me to work harder and achieve specific performance targets					
2	Recognition awards and public acknowledgement of my					

	achievements boost my confidence and encourage me to take on more challenging tasks.					
3	Receiving extrinsic rewards such as additional leave or flexible working hours improves my work-life balance and increases my job satisfaction.					
4	Extrinsic rewards like stock options or profit-sharing schemes give me a sense of ownership and motivate me to contribute to the organization's growth					
5	Regular extrinsic rewards and feedback help me stay focused and motivated, leading to consistent high performance and career advancement.					

SECTION D: THE EFFECTS OF INTRINSIC REWARDS ON EMPLOYEE PERFORMANCE AT CENTENARY BANK MUKONO BRANCH

Below is Likert scale which shows the effects of intrinsic rewards on employee performance at centenary bank Mukono branch Select the response (1 = strongly agree, 2= agree, 3= neither agree nor disagree, 4= disagree, 5=strongly disagree) if you are satisfied that the response falls in that category

	Statements	1	2	3	4	5
1	Intrinsic rewards like personal growth and achievement motivate me to perform better and pursue excellence in my work					
2	The sense of autonomy and control over my work increases my job satisfaction and engagement, leading to higher performance.					
3	Intrinsic rewards like recognition and feedback from supervisors and peers boost my self-esteem and confidence, driving me to achieve more					
4	The opportunity to work on meaningful and challenging					

	projects that align with my values and interests increases my motivation and performance.					
5	Experiencing a sense of purpose and fulfillment in my work leads to higher job satisfaction, engagement, and overall performance.					

SECTION E; EMPLOYEE PERFORMANCE AS A DEPENDENT VARIABLE ON REWARD SYSTEM

ELEMENTS	5	4	3	2	1
Employee performance is significantly influenced by the reward system, with a well-designed system leading to increased productivity and efficiency					
The type of rewards offered, an independent variable, has a direct impact on employee performance, with monetary rewards leading to higher performance.					
Employee performance, a dependent variable, is affected by the frequency of rewards, with regular recognition leading to increased motivation and engagement					
The alignment of rewards with employee goals, an independent variable, has a positive impact on employee performance,					

leading to increased job satisfaction and performance					
Employee performance, a dependent variable, is influenced by the fairness and transparency of the reward system, with a fair system leading to increased trust and performance					

Thank you for your corporation

APPENDIX II

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: "N" is population size

"S" is sample size.

Krejcie, Robert V., Morgan, Daryle W., "Determining Sample Size for Research Activities", Educational and Psychological Measurement, 1970.