

**REWARD SYSTEM WITHIN ORGANISATIONS
A CASE STUDY OF MAKERERE UNIVERSITY**

BY

NABUSANO MERCY

1173-05064-13714

**A RESEARCH DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENT OF THE AWARD OF A BACHELORS DEGREE IN HUMAN
RESOURCE MANAGEMENT OF KAMPALA INTERNATIONAL
UNIVERSITY COLLEGE OF ECONOMICS AND MANAGEMENT
DEPARTMENT OF HUMAN RESOURCE AND
SUPPLIES MANAGEMENT**

OCTOBER, 2019

DECLARATION

I **Nabusano Mercy** declare that this thesis is my own original work and that it has not been presented and will not be presented to any other University for a similar or any other degree award.



.....
Signature

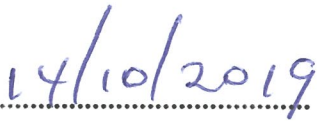
7th - Oct - 2019

.....
Date

APPROVAL

I confirm that the work reported in this research dissertation was done by the candidate under my supervision.

Sign: 

Date: 

MR. KABAGAMBE FRANCIS

DEDICATION

This study is dedicated to my parents, my mother Namukuta Violet and my dad Mr. Wafura Simon and Family members who prepared me for education since my childhood despite their low income. My second dedication should be to my friends for their tolerance of hard time during my research.

ACKNOWLEDGEMENT

First and foremost, my deepest gratitude is to God who empowered me towards successful completion of this study. The accomplishment of this thesis could not be successful without moral, physical and material support from different people who I cannot mention them all. Therefore, I request forgiveness from all who contributed to this work.

Special thanks should go to my supervisor; lecturer of Kampala International University Mr. Kabagambe Francis for his sincere, elaborative and courageous advise apart from accepting responsibility for this work.

I will be rude and selfish if I forget to thank everyone that answered and shared my survey because without them it would not have been possible to conduct this study.

Finally my sincere gratitude should go to my lecturers, students from Kampala International University and CEMs executive program for their moral and technical support throughout my study.

TABLE OF CONTENTS

DECLARATION	ii
APPROVAL.....	iii
DEDICATION	iv
ACKNOWLEDGMENT.....	v
LIST OF TABLES.....	viii
ABSTRACT.....	ix
1.1 Introduction	1
1.2 Background	1
1.3 Statement of the problem	3
1.4 Purpose of the Study.....	3
1.5 Research Objectives.....	3
1.6 Research Questions	4
1.7 Scope of the Study	4
1.7.1 Content Scope.....	4
1.7.2 Geographical Scope	4
1.8 Significance of the study	4
2.1 Introduction	6
2.2 Forms of rewards	6
2.3 Challenges for implementing reward systems.....	9
2.4 Recommendations for improving reward systems.....	13
2.5 Conclusion.....	15
3.1 Introduction	16
3.2 Research Design	16
3.3 Study Population.....	16
3.4 Sample size and sampling techniques	16
Table 1: Sample size.....	16
3.5 Data Source.....	17
3.6 Data collection methods and Instruments	17

3.7	Measurement of variables.....	17
3.8	Validity and Reliability.....	18
3.8.1	Validity	18
3.8.2	Reliability.....	18
3.9	Data processing, analysis and presentation	19
3.10	Ethical considerations	19
CHAPTER FOUR		20
PRESENTATION, INTERPRETATION AND ANALYSIS OF FINDINGS.....		20
4.1	Introduction	20
4.2	Response rate	20
4.3	Demographic characteristics.....	20
4.3	Recommendations for implementing an effective reward system	26
5.1	Introduction	28
5.2	Discussion of Findings	28
5.2.1	Forms of rewards	28
5.2.2	Challenges associated with reward system implementation	30
5.2.3	Recommendations for implementing reward systems.....	35
5.3	Conclusion.....	35
5.5	Limitation of the Study.....	36
5.6	Areas for further Study	36
References		37
Appendix i: Questionnaire Form.....		40

LIST OF TABLES

Table 1: Sample Size.....	16
Table 2: Reliability Test Results.....	19
Table 3: Gender of Respondents.....	20
Table 4: Age of Respondents.....	21
Table 5: Academic Qualification of Respondents.....	21
Table 6: Working Experience of Respondents.....	22
Table 7: Job Cartegory of Respondents.....	22
Table 8: Forms of Rewards.....	24
Table 9: Challenges for Implimenting Reward System.....	25
Table 10: Recommendations for implementing Reward System.....	27

ABSTRACT

The study aimed at identifying the different reward forms, the challenges and the possible strategies for improving reward systems. The study was guided by the objectives: To assess the forms of rewards for academic staffs; establish the challenges associated with the implementation of an effective reward system; and to investigate the strategies for implementing an effective reward system in Makerere University. The study applied a cross sectional research design along with a quantitative research approach. A sample size of 341 staff was selected using simple random sampling from a total of 3,209. The study used a structured questionnaire, and its validity was determined using expert judgment while reliability, using Cronbach Alpha Coefficient. SPSS (Version 25) was used to analyze data and the results were presented using descriptive statistics.

The study found that reward systems amalgamate both financial and nonfinancial rewards. Moreover, the study found that the most of the rewards are not being adhered to. Further, the study found that most human resource practitioners are offering more nonfinancial as compared to financial forms of rewards. The study observed numerous challenges associated with reward systems implementation and the most pressing were; some rewards to staff are not paid on time and the reward system is not consistently implemented. The study also found that the most perceived recommendations for reward systems implementation were; the university should offer both financial and non-financial rewards and the reward system should become transparent.

This study concluded that rewards are important in all businesses and should be regarded as a sensitive affair in any organizational setting. The study further concluded for a complete reward system, both financial and nonfinancial rewards are necessary. Moreover, organizations should be aware that formulating a reward system is not a simple task. The study recommended benchmarking of rewards; paying all rewards in arrears and to consistently ensure that future rewards are paid in time; providing clarity on the different reward; introduction of performance-based rewards and conducting internal surveys whenever they seek to improve employee rewards in order to improve reward systems.

CHAPTER ONE INTRODUCTION

1.1 Introduction

This study assessed reward systems within Makerere University. It provides details of background, problem statement, purpose of the study, research objectives and questions, scope, significance and the conceptualization of variables. Its preamble of the study and is significant in highlighting the theoretical issues and provides a platform for understanding what the study is all about.

1.2 Background

Rewarding employees for their productivity has been and will always be regarded a cornerstone in human resource management in both industrial and business development for centuries (Murphy, 2015). There is consensus among authors and academia that rewards are a weapon for most of the human related issues. Notably, Nyandema and Were (2014) indicate that rewards play a fundamental role in quality workmanship, performance and that it is a key attribute for employee retention. Similarly, Hamukwaya and Yazdanifard (2014) recognize rewards as a vessel through which organizations can motivate employees to get committed and go an extra mile while executing tasks and responsibilities. Therefore, the relevance of reward systems cannot be underestimated. Human resources are the life-blood of any organization no matter its size and nature (Allen, Bryant & Vardaman, 2010). Hence, to keep and retain such employees, an effective reward system is pinnacle in human resource context (Webb Day et al, 2014).

Generally speaking, organizations reward systems comprise financial and non-financial forms of rewards (Williamson *et al.*, 2009). Financial rewards are always in terms of tangible material

benefits arising from the job itself. Such forms of rewards include pay, fringe benefits and promotional opportunities while Non-financial rewards equally arise from the content of the job, although they are paid with the intent of imposing a psychological impact on employees (Williamson et al., 2009). They may include motivational characteristics of the job such as autonomy, feedback and participation in decision-making (Newman & Sheikh, 2012). The purpose reward system is to ensure that there is a systematic way that amalgamates the different reward forms for employees to deliver positive consequences, since an equitable rewards distribution system signals management's emphasis on employee valuation (Datta, 2012). An ineffective reward system results in less motivation; decreased performance; increased litigious behaviors; employee turnover; reduced perceived organizational equity; and, at the worst lead to conflict and sabotaging tendencies (Datta, 2012) as it is the case with Makerere University.

Makerere University has a talent pool of academic, administrative and Support staff Category. The University is operating at 46.4% of the total academic staff establishment; operating at 45% of the total administrative staff establishment, 42.8% of the support staff establishment; and 45% of the total staff establishment of Makerere University and hence it is heavily understaffed (Ddumba-Ssentamu, 2017). The university has been characterized by a number of strikes by academic staff geared by what is regarded as unsatisfactory rewards. In October 2016, lecturers decided to put their tools down to protest the none-payment of salary incentives for over 8 months equivalent to 32 billion (Musinguzi, 2016). This resulted in the closure of the university for a period of 4 months (Kiconco, 2016; Musinguzi, 2016). Previously, similar incidences have occurred within the university. Notably, in 2013, lecturers went on strike demanding a 100% pay rise while in 2014, they put down tools over incentives arrears of over Shs 3.2 billion arrears

(Zzziwa, 2014). Such incidences have greatly affected the education quality and forced parents to incur additional expenditures in terms of accommodation, transport, and maintenance expenses for their children. Makerere University should quickly come up with suitable strategies to improve its reward system.

1.3 Statement of the problem

Makerere University has been characterized by massive strikes (Zzziwa, 2014), such as the recent strike in 2016 among academic staff due to reward related issues (Musinguzi, 2016). Consequently, semester schedules and the operational efficiency as the date for graduation had to be extended from January to February 2017. In addition, parents have been forced to incur extra expenses to sustain their children at university in terms of accommodation, transport and meals. It is likely that academic staffs at Makerere University are dissatisfied with the current reward system (Kasozi, 2016).

1.4 Purpose of the Study

This study assessed the different forms of rewards, identified challenges associated with reward systems and strategies for implementing an effective reward system within Makerere University.

1.5 Research Objectives

- i.) To assess the forms of rewards for staff at Makerere University.
- ii.) To establish the challenges associated with the implementation of an effective reward system in Makerere University.
- iii.) To examine recommendations for implementing an effective reward system in Makerere University.

1.6 Research Questions

- i.) What are the different rewards currently used at Makerere University?
- ii.) What are the challenges faced in implementing the reward system in Makerere University?
- iii.) What are the recommendations for implementing an effective reward system in Makerere University?

1.7 Scope of the Study

1.7.1 Content Scope

The study was limited to reward systems. It focused on identifying the financial and non-financial forms of rewards offered to Makerere University staff and the challenges that institutions face when implementing these reward systems. The study also focused on establishing recommendations for implementing an effective reward system.

1.7.2 Geographical Scope

This study was conducted at Makerere University located on Makerere Hill, P.O. Box 7062, Kampala, Uganda. This university was a major focus because of the numerous strikes by staff as an expression of dissatisfaction (Musinguzi, 2016).

1.8 Significance of the study

The study findings provided information to management of Makerere University about the challenges associated with implementing an effective reward system. Such information may be adopted by the university council to formulate policies and establish strategies for an effective reward system.

These study findings also revealed to the policy makers especially the Ministry of Education and Sports, National Council for Higher Learning (NCHL) and the University Council the possible considerations to improve the reward system at Makerere University.

The study findings could be used in subsequent studies by researchers and academia as a source of reference.

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

This chapter introduces the literature reviewed to provide a theoretical ground for the study. It also identifies the research issues that are being addressed in form of debate to identify the gaps within the scholarship in line with the objectives of the study.

2.2 Forms of rewards

Rewarding of employees is a fundamental issue in human resource management. It is regarded as the foundation of the relationship between the employer and the employee in any organizational setting. According to Larkin, Pierce and Gino (2012) rewards constitute between 60 to 95 per cent of the average company costs, which explains the sensitivity of the issue in an organizational setting. There is also overwhelming evidence about the potential of rewards in boosting a number of individual and organizational outcomes. Notably, rewarding is associated with increment in job satisfaction, employee performance and motivation among others. Accordingly, the issue of employee rewards is at the center of many human resource discussions.

Mabindisa (2013) indicates that rewards are focused on attracting and retaining employees. When the pay is perceived as equitable and in relation to the performance, they employees are more likely to consider keeping within the organization for a reasonable period of time. Notwithstanding, rewards define the value an employer attaches to the employee since it provides the direct benefit an employee can receive from the organization (Eseme Gberevbie, 2010). Generally speaking, rewards are in two forms, that is; financial and non-financial

(Malhotra, Budhwar & Prowse, 2007). Reward systems for organizations envisage these forms of rewards to constitute the total reward to employees.

Financial rewards constitute one of the major and old forms of rewards that organizations use to motivate their staff (Eseme Gberevbie, 2010). This form of reward involves tangible and materialistic things that are offered to employees. Odoh (2011) indicates that financial rewards are essential motivators to employees considering that employees are rational beings. This is also consistent with earlier proposition by Malhotra *et al*, (2007) who emphasized that organizations should provide financial rewards because they stimulate efficiency among employees (Larkin *et al*, 2012). As Odoh (2011) noted, the common financial rewards offered by organizations include cash bonus, salary, incentives, fringe benefits and promotional opportunities among others. In addition, Mabindisa (2013) noted that bonuses especially performance-based bonuses as well as Christmas bonuses are increasingly being adopted forms of financial rewards that organizations adopt in their employee relations strategies.

On the other hand, Richardson (2014) identified fringe benefits as important components of the financial rewards. It is indicated that organizations can decide to offer company car, pension schemes, sickness benefits, subsidized meals and travel in addition to the basic salary paid to employees monthly. This is complemented by Pink (2011) who revealed that employees are becoming more rational and competitive on the labour market that organizations have to stretch by providing additional benefits to employees other than the basic salary to keep their talented employees. Furthermore, employees are subjected to discounts by offering them loans at a relatively lower rate than the prevailing market rate to encourage their productivity capacity

(*ibid.*). Notwithstanding, gift cards and award points are highly recognized as important financial reward types (Richardson, 2014).

Initially, organizations would concentrate on offering employees financial rewards. However, over time, it has been proved necessary that non-financial or intrinsic rewards are relevant drivers for many employees (Hafiza, Shah, Jamsheed & Zaman, 2011). This concurs with the findings obtained in a study conducted by Garlick (2009) as cited by Njanja, Maina, Kibet and Njagi (2013) among 1913 full-time employees who were asked to rank 14 potential performance incentives in order of preference. In this regard, human resource managers have derived non-financial forms of rewards within their remuneration program. As revealed by Richardson (2014), different non-financial rewards are available for organizations to exploit as they work towards keeping their employees happy.

Richardson (2014) indicates that organizations may decide to provide some level of autonomy to employees as a means of awarding employees. In the same view, Larkin *et al* (2012) noted that organizations have realized that empowering employees to enjoy some autonomy is an effective means for boosting employee performance. Autonomy has also been further emphasized by Ignore (2009) who established that empowerment enables workers to have control over their own jobs, make decisions, and implement their own ideas. On the contrary, Burton, (2012) advocated for job rotation as the ideal non-financial type. While autonomy is important, some employees misuse it by reducing on their productivity since it is associated with reduced supervision. However, offering employees an opportunity to rotate and boost their skills is important. This is consistent with Pink (2011) who postulates that job rotation allows employees to explore other

jobs within the organization, which serves as a training tool to employee can have a better understanding of all that jobs that are done in the organization.

In recent literature, non-financial rewards have also been highlighted as including good working environment, work-life balance, appreciation and recognition of employees for work done as well as open communication between employees and the employer in boosting employee-employer relationship (Mabindisa, 2013). This is consistent with Burton (2012) who revealed that employees who praise and keep a close relationship with employees increased the perceived good working environment among employees which encourages them to work and achieve the tasks that they are expected to complete by their supervisors without any form of coercion. From the analysis of literature, one thing is clear, namely; both financial and non-financial rewards are important in the defining the total rewards rendered to employees. The position therefore is that there is need for organizations to consider both financial and non-financial rewards in the dynamic environment in which business is being conducted.

2.3 Challenges for implementing reward systems

Undeniably, every human resource manager aims at adopting a reward system that is equitable, and a reward that can address the four areas of compensation, benefits, recognition and appreciation (Chepkwony & Oloko, 2014). Human resource managers are also aware that in order to maintain a strong bond employment relationship, they must implement a reward system which is attractive for most employees. However, many organizations are facing challenges to formulate and implement reward systems. Severin and Bjerndell (2013) the challenges associated with reward systems are complex with many authors expressing a lot of concern about rewards, which is undeniably regarded as one of the fundamental variables in human resource. Jiang *et al*,

(2009) noted that the major challenge of reward systems is the versatility of rewards. There is no clear cut mechanism for designing reward systems which makes it challenging for human resource experts to come up with a satisfying system. Often, human resource managers are challenged with determining how a specific reward system will impact employees, how much reward should be paid to employees and how efficient the reward system should be like. In the same view, Severin and Bjerndell (2013) observed that formulating a reward system is one of the most sensitive but complex issues faced by organizations.

On the other hand, Saks and Rotman (2006) revealed that matching rewards in relation to the level employees' demands is practically impossible. While it is generally acknowledged that employees prefer both financial and non-financial rewards, it is impossible to adopt a reward system that would satisfy all employees. This is in line with Esemé Gberevbíe, (2010) who postulated that employees react differently to the different rewards paid by their employer. Rewards which may be perceived as motivating by one employee may not be perceived as attractive by another employee. As a consequence, it becomes challenging for the employer to identify a reward that matches the demands of all employees. In addition, Chepkwony and Oloko (2014) revealed that employee demand for increasing rewards should be something that human resource experts should expect considering that employees are react differently to the rewards adopted by the organization.

Furthermore, Burton (2012) established that matching reward systems that matches the labor market is a major obstacle for many organizations. Organizations within the same industry are expected to reward employees relatively the same. However, discrepancies faced by institutions

cause variations. More so, some organizations do not track salary levels with the industry which makes it impossible to reward employees based on labor market rates. Nevertheless, Felipe, *et al* (2012) noted that defining performance measures for basing reward systems is a challenge. While most organizations want to reward employees using a performance-based approach, they often exhibit inconsistency and high flexibility in defining performance attributes which affects the entire reward system. Besides, there is inadequate coordination among departments such as human resource, operations, and finance and accounts, resulting in untimely payment to staff leading to mounting pressure on management.

On the other hand, financial resources have proved one of the greatest impediments for implementing reward systems among organizations. Sustainability of a reward system requires adequate financial resources to cater for financial rewards (Burton, 2012). Yet most organizations are budget constrained causing delays in payment of specific benefits to employees. Indeed, Chepkwony and Oloko (2014) supplement that limited funding of the reward system is a major challenge and cause of partial payments to employees. Notwithstanding, Zhang (2012) noted that most reward systems for organizations are not understood by the employees who are supposed to benefit from the system which results in objection of reward systems. Most of the employees are unaware of the process that goes behind the plan, design and delivery because they are not involved directly in the decision making process of reward systems which increases the employee perceived unfairness of the reward system. Felipe, *et al* (2012) also supplemented by indicating that the knowledge gap is wide spread among employees regarding the mechanism that management considers to formulate rewards.

On the other hand, a study by Ngumbau (2013) found out that the major challenge for implementing reward systems among most companies is inadequate manager commitment. However, top management commitment is critical in the formulation making adjustments on rewards which can best suit the market demands. Moreover, some organizations do not have clear job description and do not carry out proper Job Evaluation System or well-designed Job Descriptions resulting into inconsistency in implementation of rewards. In the same manner Chepkwony and Oloko (2014) highlighted that most organizations formulate reward systems which they do not practically apply due to their low commitment during implementation. Some employees at lower level are made to earn relatively higher compared to those at higher levels. This makes the entire rewarding system a confusing and unreliable in the face of the employees.

Similarly, Felipe, *et al* (2012) postulates that, inadequate communication between the employees and managers regarding rewards affect the implementation of reward systems among organizations. Human resource managers do not communicate to their subordinates. Accordingly, employees are unaware of the parameters for specific benefits such as incentives, bonuses and allowances. Inadequate communication is indeed a major concern among many firms. In a study conducted by Ngumbau (2013), it was found out that most employers do not effectively communicate their total rewards strategy. Statistically, over 48 percent of employers think that their employees understand the value of their total rewards package slightly or not at all while only 33% communicate their total rewards strategy to them. Furthermore, it is further noted that in most of the organizations, the process of formulating a reward system is often overlooked by many human resource managers. Yet it is an indispensable step in the implementation of the reward program. Therefore, it is clear that the challenges of implementing

reward systems are both internally and externally manifested, although internal challenges tend to dominate the list.

2.4 Recommendations for improving reward systems

Researches have been conducted about reward systems, and one major issue is how best reward systems can be improved among organizations. One of the major components is associated to top management commitment. Farooqi (2014) indicates that commitment of top managers enables the formulation of clear rewards standards upon which rewarding of employees can be based. Commitment is also known for ensuring consistence in in rewarding which increases effectiveness of the system. This is supported by Ngumbau (2013) who explained that management commitment towards the reward system is necessary to in boosting satisfaction among employees irrespective of the size of the rewards. In addition, commitment stimulates consistence within the organization and minimizes violation of the reward structure (*ibid*)

On the other hand, Nyandema and Were (2014) recommended organizations to focus on the positive reinforcement. In addition, there is consensus among authors that aligning reward strategy in relation to the needs of employees would improve reward system within organizations (Akhtar, *et al* 2015). Hence, organizations need to determine the actual needs of their employees in order to come up with an effective reward system which is able to attract employees. This is in line with Armstrong *et al* (2009) study which revealed that less than 38 percent of employees assess employee reward preferences, although the vast majority or 90 percent base on their plans. It was further established from the same study that over 71% of companies which align rewards based on the needs employee behavior are successful compared to those that companies that align rewards based on company goals.

Rahim and Daud (2012) further emphasized accountability. This conclusion comes after a thorough investigation that revealed that organizations which are accountable and flexible are more likely to effectively communicate important attributes within the reward system irrespective of how it would be perceived by employees. Such communication builds contentment among employees to offer their best to the company. On the contrary, Claire, (2012) indicated that accountability is an obvious case but rather the most ideal move is to ensure that a flexible reward system is applied. This is in line with Saunderson (2012) who postulated that flexibility of the reward system allows human resource managers to engage their employees by seeking ideas about the possible reward forms. In addition, it is a mechanism that boosts communication between the employer and employees in issues that directly impact their wellbeing.

Besides, organizations should ensure that rewards are paid on time. Notwithstanding, Farooqi (2014) emphasized for clarity regarding the metrics upon which rewards are based. Employees should be aware of salary scale, incentives plan and allowances such that they work as much to meet such parameters. This enables employees to personally determine their eligibility. More so, Saunderson (2012) noted that having clear metrics for determining rewards especially the financial rewards guides and complying with them encourages employees to work hard in order to meet and enjoy the metrics. However, it is fundamental to consider the corporate strategy of the business when posing such metrics.

Chapman and Kelliher (2011) revealed that it is important for organizations to ensure that employees are remunerated on merit by ensuring transparency of the reward system. Employee perception of reward transparency is a significant predictor of many human resource outcomes

attention, job satisfaction among others. This is in line with Rahm & Bromander (2012) who stated that employees should have information about the salary scale of staff to have the incentive and desire to work tirelessly in order to achieve the higher salaries through the career development plan of the company. From the above literature, there is no single strategy an organization can adopt to improve reward systems but rather a pool of factors.

Conclusion

Recent researchers and academia have affirmed that rewarding of employees is a fundamental aspect in human resource management. It is also evident that study identifies rewards as both financial and nonfinancial, and that organizations would determine whether to go for one or both rewards, and organizations should strive for effective reward systems. More so, scholars indicate that there are many impediments to formulating effective reward systems. Whereas they concur that these challenges are both internal and external, varied challenges are expressed with few scholars supporting fellow academia which makes it difficult to conclusively list these challenges other than necessitating further inquiry whenever reward systems seem not right in a given organizational setting. Like it is the case with challenges, scholars have pointed out varied strategies. But such inconsistency postulates that the strategies in one organization cannot be the same in another organization. This perhaps explains why rewarding is one of the topical issues that will always attract future assessment.

CHAPTER THREE METHODOLOGY

3.1 Introduction

This chapter describes the direction that the study applied to attain its completion. It entails the research design, the population, sample size, data collection instrument, validity and reliability, data interpretation and analysis and ethical considerations.

3.2 Research Design

The study applied a cross sectional research design and adopted a quantitative research approach. The cross sectional research design was used because it would enable the study to obtain quick data to make conclusions and recommendations. The quantitative approach was selected because it fits a large sample. Moreover, it allowed the study to determine the extent to which respondents agreed/disagreed for more realistic conclusions and recommendations

3.3 Study Population

The study population comprised of 3209 staff of Makerere University (Ddumba-Ssentamu, 2017).

3.4 Sample size and sampling techniques

Table 1: Sample size

Category	Population	Sample Size
Admin staff	333	36
Academic Staff	1,416	153
Support Staff	1,460	157
Totals	3209	346

Source: Ddumba-Ssentamu, (2017).

The study used a sample size as illustrated in table 1. The study based on the Krejcie and Morgan (1970) table to determine this sample because it is straight forward. The study used simple random sampling technique to select the sample respondents to determine the actual respondents. The method involves selecting respondents by way of picking without replacing from a pot of staff. This method was justified due to fact that it is free from bias.

3.5 Data Source

The study used primary data in the analysis and interpretation of findings. The data collection process involved obtaining information from the University staff. Primary data was used because it availed the study with recent information about the subject matter to enhance conclusions and recommendations.

3.6 Data collection methods and Instruments

Primary data was obtained using a questionnaire instrument. The questionnaire contained structured and closed-ended items. These were gauged on a 5-Point Likert Scale with defined extreme values of 5(Strongly Agree) and 1(Strongly Disagree). The questionnaire instrument was used in this study because it was appropriate for collecting quantitative data which was used in the study. In addition, the questionnaire was selected because of the enormous sample size. The researcher personally distributed the questionnaire instrument as a mechanism for boosting data accuracy because respondents that had queries were briefed before they participation, to minimize biased responses.

3.7 Measurement of variables

Reward systems were conceptualized in terms of financial and non-financial rewards (Williamson *et al.*, 2009). The study also adapted 19-items from different researchers and a

academia to operationalize the forms of rewards (Larkin *et al*, 2012; Mabindisa, 2013; and Richardson, 2014). These items were modified to fit the context of this study and subjected to a 5-Point Likert Scale upon which responses were acquired. The 12-items for challenges were adopted from Chepkwony and Oloko (2014) while Felipe *et al*, (2012)'s 9-item recommendations for improving reward systems were adopted. The study modified the challenges and recommendations, to fit the context of the study and later subjected the items to a 5-Point Likert scale for responses.

3.8 Validity and Reliability

3.8.1 Validity

Expert judgment was used to determine whether the items presented under forms of rewards, challenges of rewards and recommendations for improving reward systems were good measures. After drafting the questionnaire, it was presented to the supervisor along with other experts especially human resource managers to comment on the items. The comments obtained guided all adjustments made to the items within the questionnaire.

3.8.2 Reliability

Reliability was determined by computing the Cronbach Alpha Coefficient from the obtained results for purposes of checking consistence among responses. Conclusion was drawn based on the Cronbach Alpha coefficient under guidance of the threshold of 0.7 or better for considering results as consistent and therefore reliable (Cronbach, 1951). The reliability results are shown in Table 2.

Table 2: Reliability Test Results

Variables	Cronbach's Alpha	N of Items
Financial Rewards	0.7	9
Non-Financial Rewards	0.8	6
Challenges Of Implementing Reward System	0.7	8
Recommendations For Implementing Reward System	0.7	6

Source: Primary Data

Table 2 indicates the reliability results obtained from the responses obtained from the field. It is indicated that for each of the variables, Cronbach Alpha Coefficient values were 0.7 and above. From the 9-items for financial rewards, Cronbach Alpha of 0.7, 6-items for Nonfinancial rewards obtained .0.8, while the 8-items for challenges established 0.7. The recommendations for improving reward systems ascertained Cronbach Alpha of 0.7 from the 6-items. Therefore, the findings indicate that responses obtained from the field in relation to the subject matter were consistent and hence reliable enough for making conclusions and recommendations.

3.9 Data processing, analysis and presentation

Data obtained from the field was edited, coded and entered into the Statistical Package for Social Sciences (SPSS version 25) for analysis. The study used descriptive statistics to obtain a frequency table which summarized results in relation to the demographics of respondents. The study further obtained a descriptive table containing mean and standard deviations for each of the objectives, upon which the analysis and interpretation of findings was based.

3.10 Ethical considerations

The responses obtained from the field were strictly for academic purposes. Results were not used in any publication. To engage in this study, every respondent consented and participation was voluntary. Confidentiality was also guaranteed by ensuring that the questionnaire used in the Data collection does not contain either name or telephone number.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF FINDINGS

4.1 Introduction

This chapter provides the presentation, analysis and interpretation of findings based on the objectives of the study which aimed at assessing the forms of rewards, establishing the challenges associated with the implementation of reward systems and examining recommendations for implementing an effective reward system. The chapter further provides the demographics of for respondents who participated in this study.

4.2 Response rate

Whereas this study targeted 346 staff, 239 were able to fill and return the completed questionnaires. This gave a response rate of 69.1% which is good according to Sahidur, Kafil and Sharmin,(2008).

4.3 Demographic characteristics

The study obtained respondents' characteristics in terms of gender, age, qualification and working experience and job category.

4.3.1 Gender

The results in table 3 show gender of respondents

Table 3: Gender of respondents

		Frequency	Percent
Valid	Male	156	65.3
	Female	83	34.7
	Total	239	100.0

Source: Primary Data

Results in table 3 shows that, the majority (65.3%) of staff were male. this therefore implies that male staff could be the ones affected by the reward system in Makerere University.

4.3.2 Age

The results in table 4 show the age of respondents

Table 4: Age of respondents

	Frequency	Percent
Valid <35yrs	26	10.9
35-39	80	33.5
40-44 yrs	92	38.5
45-49yrs	38	15.9
50 and above	3	1.3
Total	239	100.0

Source: Primary Data

Results in table 4 shows that majority (38.5% & 33.5%) of the staff were in the age bracket of 40-44 and 35-39. This therefore implies that, questions were answered by responsible and mature people who could make mature decisions and this was the category of employees that were mostly affected by the reward system of Makerere University.

4.3.3 Academic Qualification

The results in table 5 show the academic qualification of respondents

Table 5: Academic Qualification of respondents

	Frequency	Percent
Valid Diploma	27	11.3
Bachelor's Degree	34	14.2
Masters	172	72.0
PhD	4	1.7
Others(specify	2	.8
Total	239	100.0

Source: Primary Data

Results in table 5 show that the majority (72.0%) of staff have Masters Qualification and this could be an indication of Staff career development in the University and this category of staff could be wanting to be rewarded basing on their level of education. This therefore implies that it

is mostly staff with high academic qualifications that are affected by the inadequate reward system.

4.3.4 Working Experience

The results in table 6 show the working experience of respondents

Table 6: Working Experience of respondents

	Frequency	Percent
Valid <2yrs	8	3.3
3-5	24	10.0
6-9	81	33.9
10 and above	126	52.7
Total	239	100.0

Source: Primary Data

Results in table 6 show that, the majority (52.7%) of staff had working experience of 10 years and above. This therefore implies that, respondents had enough experience to appropriately answer questions under study and they could be having enough experience on the reward system in Makerere University.

4.3.5 Job Category

The results in table 7 show the job category of respondents

Table 7: Job Category of respondents

	Frequency	Percent
Valid Academic Staff	144	60.3
Administrative Staff	46	19.2
Support staff	49	20.5
Total	239	100.0

Source: Primary Data

Results in table 7 show that, the majority (60%) of staff were academic staff. This therefore implies that the reward system is affecting more of the academic staff than the non-academic staff.

4.4 Descriptive Analysis for the Research objectives

The results in table 8, 9 and 10 show the descriptive of the research objectives. The following key was used to interpret the results in table 8, 9 and ten; mean from 1.0-2.9 low, mean from 3.0-3.9 moderate and mean from 4.0-5.0 high.

4.1 Forms of rewards

This first objective of the study sought to determine the rewards. The study analyzed the rewards in form of financial and non-financial which respondents agreed or disagreed with. The findings were summarized using descriptive statistics of mean and standard deviation upon which the interpretation and analysis was based. The mean close to 1 meant that respondents strongly disagree while mean close to 5 meant strongly agree. The standard deviation was used to determine the degree of variability within the responses. A small value of standard deviation means lower degree of variability of individual response away from the average mean response while a higher value of standard deviation indicates a higher degree of variability of individual response from the mean. The results obtained to that effect are indicated in Table 8.

Table 8: Forms of Rewards

	N	Min	Max	Mean	SD
Financial Rewards	239	1.00	3.11	1.83	.56
This university offers different forms of financial rewards.	239	1.00	5.00	2.30	1.54
In this university, staffs are entitled to housing allowance ever month.	239	1.00	5.00	2.20	1.43
This university provides attractive allowances.	239	1.00	5.00	2.11	1.14
The financial rewards to staff are timely.	239	1.00	5.00	2.01	1.24
This university provides me with medical insurance.	239	1.00	5.00	1.79	.96
This university offers bonuses	239	1.00	5.00	1.58	.57
This university salary offered compared with other universities is better.	239	1.00	5.00	1.54	.70
The university offers promotion to staff after a specific period.	239	1.00	5.00	1.47	.57
Once in this university, one is entitled to fringe benefits	239	1.00	3.00	1.45	.51
Non-financial rewards	239	1.00	3.67	1.98	.77
This university frequently delegates tasks to lower staff.	239	1.00	5.00	2.65	1.58
This university appreciates staff.	239	1.00	5.00	2.17	1.32
Staffs are frequently rotated in this university.	239	1.00	5.00	2.05	1.21
The working conditions in this university are good.	239	1.00	5.00	1.76	.95
This university consults staff in decision making.	239	1.00	5.00	1.72	.94
Outstanding staffs in this university are recognized.	239	1.00	3.00	1.51	.51
Grand mean and Std. Deviation				1.90	.62

Source: Primary Data

Results show that there is less attention given to reward system (both financial rewards and non-financial rewards) in the University and this is evident by the low grand mean of 1.9 with SD=.62 which shows that data was normally distributed. These financial rewards which are not given attention (mean ranging from 1.5-2.3) include; offering different forms of financial rewards, staffs being entitled to housing allowance every month, provision of attractive allowances, offering timely financial rewards to staff, provision of medical insurance, offering bonuses, offering better salary compared with other universities, offering promotion to staff after a specific period and one being entitled to fringe benefits. Non-financial rewards such as frequently delegating tasks to lower staff, appreciating staff, frequently rotating staff in the university, good working conditions in the university, consulting staff in decision making and recognizing outstanding staffs in the university were also not paid attention to (mean ranging from 1.51-2.65)

Therefore the absence of various forms of rewards demotivates staff, leading to strikes from time to time. Such scenarios could only come to an end when appropriate rewards (incentives) are implemented (both financial rewards and Non-financial rewards) since they are equally important as far as motivating staff is concerned

4.2 Challenges in implementing the reward system

The second objective of this study sought to establish the challenges associated with reward system implementation. Accordingly, respondents were provided with statements which they agreed or disagreed with. The results were summarized using descriptive statistic values of mean and standard deviation upon which the interpretation was based. The mean value close to 1 implied that majority of the responses disagreed while a mean value close to 5 implied that respondents agreed. The standard deviation value was used to check the degree of variability among responses. A small standard deviation implies a low degree of variability of individual response away from the average mean response while a bigger value of standard deviation indicates a higher degree of variability of individual response from the mean. The obtained results are shown in Table 9 below.

Table 9: Challenges for implementing Reward System

	N	Min	Max	Mean	SD
Some rewards to staff are not paid on time.	239	1.00	5.00	4.28	1.01
The reward system is not consistently implemented.	239	1.00	5.00	4.00	1.40
Inadequate communication between top management and staff regarding rewards.	239	1.00	5.00	3.99	1.20
The reward structure is inconsistently implemented.	239	1.00	5.00	3.92	1.30
Top managers are less committed towards reward implementation.	239	1.00	5.00	3.89	1.33
Staffs are excluded in the reward adjustment exercise.	239	1.00	5.00	2.48	1.41
The performance based rewards are subject to inconsistency and flexibility.	239	1.00	5.00	2.07	.93
Rewarding is a complex issue to administer.	239	1.00	5.00	1.89	.77
Grand Mean and Std. Deviation				3.31	.68

Source: Primary Data

Results in table 9 above show that, all respondents moderately agree with the challenges for implementing a Reward System in the University and this is evident by the moderate grand mean of 3.31 and a SD of .68 which shows that the data was normally distributed. Results also revealed that the majority highly (mean ranging from 4.00-4.28) agree that failure to pay some rewards to staff on time, inconsistent implementation of reward system are the most challenges that the University is experiencing in implementing a Reward System. Inadequate communication between top management and staff regarding rewards, inconsistently implementing reward structure and Top managers being less committed towards reward implementation were moderately agreed upon (mean of items ranging from 3.89-3.99).

Besides the mean for some of the suggested challenges for implementing a Reward System in the University such as Staffs being excluded in the reward adjustment exercise, performance based rewards being subjected to inconsistency and flexibility and Rewarding being a complex issue to administer were low (item mean ranging from 1.89-2.48) meaning that reward system at Makerere is not affected by some of these suggested challenges.

This therefore implies that the challenges agreed upon by respondents have to be addressed in favor of implementing an appropriate Reward System in the University that will motivate staffs to perform their duties diligently.

4.3 Recommendations for implementing an effective reward system

The third objective sought to identify the recommendations for implementing effective reward systems. The study identified specific recommendations which respondents were expected to agree/disagree with and the results obtained were summarized using the mean and standard deviation. The mean close to 1 meant that respondents strongly disagree while mean close to 5

meant strongly agree. Standard deviation was used to determine the degree of variability within the responses. A small value of standard deviation means lower degree of variability of individual response away from the average mean response while a bigger value of standard deviation indicates a higher degree of variability of individual response from the mean. The results to this effect are indicated in Table 10 below.

Table 10: Recommendations for implementing Reward System

	N	Min	Max	Mean	SD
The university reward system should become transparent.	239	4.00	5.00	4.49	.50
The university should offer both financial and non-financial rewards.	239	4.00	5.00	4.48	.50
The university top managers should become committed.	239	4.00	5.00	4.44	.50
The university should provide proper accountability.	239	4.00	5.00	4.41	.49
The university should ensure flexibility.	239	1.00	5.00	4.25	1.03
The university should put into consideration the institutional strategy	239	1.00	5.00	4.20	1.05
Grand Mean and Std. Deviation				4.38	.44

Source: Primary Data

Results in table 10 show that, the level of agreement on recommendations for implementing reward system by all respondents was high and this is evident by the mean above 4.0 for all items with a grand mean=4.38 and SD=.44 which shows that the data was normally distributed. These recommendations are; providing proper accountability, top managers becoming committed, offering both financial and non-financial rewards, reward system becoming transparent, ensuring flexibility and putting into consideration the institutional strategy. This therefore implies that if these recommendations are implemented the reward system at Makerere University will improve.

CHAPTER FIVE

DISCUSSION OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a discussion, conclusions, recommendations of findings based on the objectives of the study which were to identify the different forms of rewards; identify the challenges associated with the implementation of reward systems; and examine the recommendations for improving reward system implementation. In the same chapter, the limitations of the study are highlighted and areas for further academic inquiry to guide on subsequent research studies.

5.2 Discussion of Findings

The findings of the study were compared and contrasted with previous scholarly work. The essence of the discussion was to establish the value addition of this particular study, and if any, further gaps that require future intervention.

5.2.1 Forms of rewards

Findings show that there is less attention given to reward system (both financial rewards and non-financial rewards) in the University. Particularly concerning financial rewards, the findings revealed that the University does not offer different forms of financial rewards, staffs are not entitled to housing allowance every month, there is no provision of attractive allowances, offering timely financial rewards to staff is not there, there is no provision of medical insurance, no offering bonuses, no offering better salary compared with other universities, no offering promotion to staff after a specific period and no one is being entitled to fringe benefits. In the same way, non-financial rewards such as frequently delegating tasks to lower staff, appreciating staff, frequently rotating staff in the university, good working conditions in the university,

consulting staff in decision making and recognizing outstanding staffs in the university were also not paid attention to. This kind of situation cause commotion by staffs in the university

The Statement made by Nawangwe (2018) the Vice Chancellor Makerere University revealed that in 2016, the University Management and Council communicated to members of staff that the payment of incentive was not financially sustainable. That due to the declining student numbers that led to a significant decline in the University revenue (from UGX 120Billios to UGX 90 Billions), the University was not in position to pay members of staff incentive effective 1st July 2016. He further revealed that in the report handed over by the Deputy Chairperson of the Visitation Committee, Lady Justice Keturah Katunguka to H.E President Yoweri Kaguta Museveni, the Visitation Committee recommended abolition of the salary incentive, citing the inability by the University to pay the incentive and the decision by Government to enhance staff salaries.

It is on this basis that most of the staffs were not in agreement that the university has a reward system in place and this situation led to strike by some members of staff. Pink (2011) emphasized that, financial rewards should always be provided to employees given their rational nature. Similarly, Richardson (2014) observed that financial reward is a major focus for becoming competitive on the labour market, and organizations are stretching by providing additional benefits to employees other than the basic salary to keep their talented staff.

In the same way the study revealed that for non-financial rewards, the working conditions in this university are unsatisfactory. The university does not consult staff in decision making and the outstanding staffs in this university are not recognized. Larkin et al (2012) suggest that employee

rewards vary from financial to non-financial and constitute a high percentage of any organizational operational expenditure. This study therefore suggests that human resource managers should not scale down to one form of reward but rather, embrace both financial and nonfinancial rewards when formulating their reward system. Furthermore, the findings postulate that employees are expectant of receiving both financial and nonfinancial rewards from their employer.

Therefore the absence of various forms of rewards demotivates staff, leading to strikes from time to time. Such scenarios could only come to an end when appropriate rewards (incentives) implemented (both financial rewards and Non-financial rewards) since they are equally important as far as motivating staff is concerned.

5.2.2 Challenges associated with reward system implementation

Findings show that, all respondents moderately agree with the challenges for implementing a Reward System in the University. Results also revealed that the majority highly agree that failure to pay some rewards to staff on time, inconsistent implementation of reward system are the most challenges that the University is experiencing in implementing a Reward System. Inadequate communication between top management and staff regarding rewards, inconsistently implementing reward structure and top managers being less committed towards reward implementation were moderately agreed upon.

Besides the mean for some of the suggested challenges for implementing a Reward System in the University such as Staffs being excluded in the reward adjustment exercise, performance based rewards being subjected to inconsistency and flexibility and rewarding being a complex issue to

administer their means were low in other words they were disagreed upon by the majority of the respondents. This means that reward system at Makerere is not affected by some of these suggested challenges.

This therefore this implies that the challenges agreed upon by respondents have to be addressed in favor of implementing an appropriate Reward System in the University that will motivate staffs to perform their duties diligently.

According to the study, implementing reward systems is subject to numerous challenges. This study further observed that much as the challenges are varied, their level of effect varies from one challenge to another. This is consistent with Chepkwony and Oloko (2014) who stated that every human resource manager aims at adopting a reward system that is equitable, and can address the four areas of compensation, benefits, recognition and appreciation. However, they face several encounters that impact this objective. Earlier, Severin and Bjerndell (2013) stated that human resource managers are also aware that in order to maintain a strong employment relationship, they must implement a reward system which is attractive for most employees. However, many organizations are facing challenges to formulate and implement reward systems. This presentation recognizes that rewarding is a challenging issue, much as everyone is concerned about its significance.

Notably, the findings revealed that the major challenge associated with the implementation of reward systems is that some rewards to staff are not paid on time and the reward system is not consistently implemented. In other words, the study postulates that whereas it is prominent to formulate a reward structure that is attractive for many employees, it is challenging to

incorporate the different needs of employees because each reward motivates employees differently. Concerns of variability of employee needs dominate almost all studies that seek an understanding of the challenges of rewards. Notably, Saks and Rotman (2006) revealed that matching rewards in relation to the level of employees' demands is practically impossible. While it is generally acknowledged that employees prefer both financial and non-financial rewards, it is impossible to adopt a reward system that would satisfy all employees. In the same line, Esemegbere, (2010) postulated that employees react differently to the different rewards paid by their employer. Also, Chepkwony and Oloko (2014) revealed that employee demand for increasing rewards should be something that human resource experts should expect considering that employees react differently to the rewards adopted by the organization

This is consistent with Felipe, *et al* (2012) who posed that inadequate communication and isolation between the employees and managers regarding rewards affects the implementation of reward systems among organizations. According to them, human resource managers do not communicate to their subordinates. Accordingly, employees are unaware of the parameters for specific benefits such as incentives, bonuses and allowances. Likewise, the findings observed that it is challenging to implement reward systems because of unmatched remuneration with other universities in other regions. This is in line with Burton (2012) who revealed that adopting reward systems that match the labor market is a major obstacle for many organizations. While organizations within the same industry, are expected to reward employees relatively the same, discrepancies faced by institutions cause variations. The failure to benchmark when establishing rewards increases the risk of rewarding employees below the industrial standard and this is likely to stimulate negative employee behavioral outcomes especially increased turnover, low retention

and employee engagement. In addition, the findings reveal that inadequate communication is a highly challenging the implementation of reward systems.

This study also revealed that some of the challenges associated with implementation of reward systems have moderate impact; for instance, top managers being less committed towards enhancing reward systems. However, the decision to make changes to any rewards vests in the decisions made by top managers. Once less committed, institutions are more likely to continue offering the same rewards whether attractive and appropriate or not. Because of this, this study suggests that human resource managers along with other parties should improve their commitment levels for a more attractive reward system. This challenge had also been mentioned by Chepkwony and Oloko (2014) who revealed that most organizations formulate reward systems which they do not practically apply due to their low commitment during implementation. Some employees at lower level are made to earn relatively higher compared to those at higher levels.

In a nutshell, the findings observe that most of the challenges that employers are facing in relation to reward systems are both internally and externally driven.

5.3 Conclusion

Based on the findings of this study, the following conclusions were made:

The study was able to identify that there was less attention paid to reward system (both financial rewards and non-financial rewards) in the University.

The findings revealed that failure to pay some rewards to staff on time, inconsistent implementation of reward system are the most challenges that the University was experiencing in implementing a Reward System, followed by inadequate communication between top management and staff regarding rewards, inconsistently implementing reward structure and top managers being less committed towards reward implementation.

The study also revealed that recommendations for implementing reward system were highly accepted and these recommendations are; providing proper accountability, top managers becoming committed, offering both financial and non-financial rewards, reward system becoming transparent, ensuring flexibility and putting into consideration the institutional strategy.

5.2.3 Recommendations for implementing reward systems

Findings show that, the level of agreement on recommendations for implementing reward system by all respondents was high. These recommendations are;

1. The university should offer both financial and non-financial rewards. This is so because different people are motivated differently for example some may be motivated by financial and other may be motivated by non-financial. Therefore the university has to design a reward system that is appropriate in other words a reward system that suits the individual staffs
2. The university top managers should become committed. When top managers are committed, issues concerning rewards can be promptly handled without waiting for staffs to demonstrate because this hinders productivity and bad public image. Therefore managers are encouraged to always revisit reward system to avoid disruptions.
3. The university should provide proper accountability. This increases satisfaction by staff in a way that the distribution of incentives is clear
4. The university should ensure flexibility. The reward system has to be adjustable depending on the level of demand, achievement and or economic situation.
5. The university should put into consideration the institutional strategy. Reward system need to be designed to fit in the university strategic plan.

5.5 Limitation of the Study

This study faced the following limitation;

The adoption of closed-ended questions retarded the study from obtaining views and opinions about the subject matter. Consequently, the conclusions and recommendations were not as elaborative.

5.6 Areas for further Study

The following areas are suggested for further academic inquiry;

- i.) Further researchers should seek an understanding of the factors influencing reward system at Makerere University
- ii.) A comparative analysis of reward systems across public and private universities in Uganda

References

- Akhtar, C. S., Aamir, A., Khurshid, M. A., Abro, M. M. Q., & Hussain, J. (2015). Total Rewards and Retention: Case Study of Higher Education Institutions in Pakistan. *Procedia-Social and Behavioral Sciences*, 210, 251-259.
- Allen, D. G., Bryant, P. C., & Vardaman, J. M. (2010). Retaining talent: Replacing misconceptions with evidence-based strategies. *The Academy of Management Perspectives*, 24(2), 48-64.
- Amadi, E. C., & Precious, U. (2015). Effects of Strike Actions on Educational Management Planning of Universities in Rivers State, Nigeria-Africa. *Nigerian Chapter of Arabian Journal of Business and Management Review*, 3(11), 28-36.
- Armstrong, M., Brown, D., & Reilly, P. (2009). Increasing the effectiveness of reward management. In *European reward management conference* (Vol. 2).
- Burton, K. (2012). A study of motivation: How to get your employees moving. *Management*, 3(2), 232-234.
- Chapman, J., & Kelliher, C. (2011). Influences on reward mix determination: reward consultants' perspectives. *Employee Relations*, 33(2), 121-139.
- Chepkwony, C. C., & Oloko, M. (2014). The relationship between rewards systems and job satisfaction: A case study at teachers' service Commission-Kenya. *European Journal of Business and Social Science*, 3(1), 59-70.
- Claire, L. K. S. (2012). *Managing Organizational Reward Systems to Increase Retention: The Gender Factor*. University of Maryland University College.
- Cronbach, L. J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16(3), 297-334.
- Datta, P. (2012). An applied organizational rewards distribution system. *Management Decision*, 50(3), 479-501.
- Ddumba-Ssentamu, J. (2017). Makerere University handover report to the in-coming Vice Chancellor
- Eseme Gberevbie, D. (2010). Organizational retention strategies and employee performance of Zenith Bank in Nigeria. *African Journal of Economic and Management Studies*, 1(1), 61-74.
- Farooqi, I. S. (2014). Impact of Office Design and Reward System on Employee's Performance and Motivation. *International Journal of Multidisciplinary Sciences and Engineering*.
- Hafiza, N. S., Shah, S. S., Jamsheed, H., & Zaman, K. (2011). Relationship between rewards and employee's Motivation in the non-profit organizations of Pakistan. *Business Intelligence Journal*, 4(2), 327-334.
- Hamukwaya, S. I., & Yazdanifard, R. (2014). How a proper performance related reward system can contribute to work performance excellence? *Open Journal of Business and Management*, 2(03), 189.
- Ignore, H. (2009). Managing behind the scenes: A view point on employee empowerment. *African Journal of Business Management*, 3(1), 9.

- Jiang, Z., Xiao, Q., Qi, H., & Xiao, L. (2009). Total reward strategy: A human resources management strategy going with the trend of the times. *International Journal of Business and Management*, 4(11), 177.
- Kasozi, A. B. K. (2016). How to solve strikes in public universities: new vision, Thursday, comment november 3rd
- Kiconco L. (2016). Makerere university academic staff to strike over delayed salary, the Compass times, Online: <http://www.campustimesug.com/2016/07/makerere-university-academic-staff-to-strike-over-delayed-salary/> (Accessed: 22nd May 2017).
- Larkin, I., Pierce, L., & Gino, F. (2012). The psychological costs of pay-for-performance: Implications for the strategic compensation of employees. *Strategic Management Journal*, 33(10), 1194-1214.
- Mabindisa, V. (2014). *Impact of staff turnover on organizational effectiveness and employee performance at the Department of Home Affairs in the Eastern Cape Province*. (Doctoral dissertation).
- Malhotra, N., Budhwar, P., & Prowse, P. (2007). Linking rewards to commitment: an empirical investigation of four UK call centres. *The International Journal of Human Resource Management*, 18(12), 2095-2128.
- Márcio Tavares Thomé, A., Felipe Scavarda, L., Sucilla Fernandez, N., & José Scavarda, A. (2012). Sales and operations planning and the firm performance. *International Journal of Productivity and Performance Management*, 61(4), 359-381.
- Mikander, C. (2010). The impact of a reward system on employee motivation.
- Murphy, B. (2015). *The impact of reward systems on employee performance* (Doctoral dissertation, Dublin Business School).
- Musinguzi, B. (2016. October 26), Makerere University lecturers over arrears, *Daily Monitor*, p.1.
- Musinguzi, B., (2016). Makerere University closure looms as students join lecturers' strike, Daily Monitor, Online: <http://www.monitor.co.ug/News/National/688334-3437116-opmstl/index.html> (Accessed: 22nd May 2017).
- Nawangwe, B. (2018). Makerere University Vice Chancellor's Media Briefing
- Newman, A., & Sheikh, A. Z. (2012). Organizational rewards and employee commitment: a Chinese study. *Journal of Managerial Psychology*, 27(1), 71-89.
- Ngumbau, M. D. (2013). *challenges of implementing performance management system at the kenya electricity generating company (kengen) limited* (doctoral dissertation, school of business, university of Nairobi).
- Njanja, L. W., Maina, R. N., Kibet, L. K., & Njagi, K. (2013). Effect of reward on employee performance: A case of Kenya Power and Lighting Company Ltd., Nakuru, Kenya. *International Journal of Business and Management*, 8(21), 41.
- Nyandema, C. O., & Were, S. (2014). Role of Reward Systems in Employee Motivation in Kenyan Deposit Taking Micro Finance Institutions, A Case Study of Faulu Kenya. *International Journal of Social Sciences Management and Entrepreneurship*, 1(2), 203-220.
- Odoh, F. A. (2011). the effects of wage incentives and frings benefits on the productivity of Nigeria workers: a study of Enugu state local government service commission. (1999-2007).
- Pink, D. H. (2011). *Drive: The surprising truth about what motivates us*. Penguin.

- Rahim, M. A., & Daud, W. N. W. (2012). A proposed conceptual framework for rewards and motivation among administrators of higher educational provider in Malaysia. *International Journal of Business and Commerce*, 1(9), 67-78.
- Rahm, T., & Bromander, B. (2012). Reward and compensation in Swedish companies—what linkages are there to other management control systems? Master thesis in Accounting and Management Control. Lund University School of Economics and management.
- Richardson, F. W. (2014). *Enhancing strategies to improve workplace performance* (Doctoral dissertation, Walden University).
- Sahidur, R., Kafil, U. & Sharmin, A. (2008). Investigating the Reasons of Employee Turnover in Bangladesh: A Factor Analysis: The Chittagong University Journal of Business Administration. Volume 23, ISSN 2219-4843
- Saks, A. M. (2006). Antecedents and consequences of employee engagement. *Journal of managerial psychology*, 21(7), 600-619.
- Saunderson, R. (2012). Top 10 Ways to Improve Your Incentive Programs, <http://www.incentivemag.com/Strategy/Ask-the-Experts/Roy-Saunderson/Top-10-Ways-to-Improve-Your-Incentive-Programs/> (Accessed 15th May 2017).
- Severin, P., & Bjerrndell, E. (2013). The Challenges of Designing and Using Reward Systems in Small Professional Service Firms—a case study of a small consulting firm.
- Webb Day, J., L. Holladay, C., K. Johnson, S., & G. Barron, L. (2014). Organizational rewards: considering employee need in allocation. *Personnel Review*, 43(1), 74-95.
- Williamson, I. O., Burnett, M. F., & Bartol, K. M. (2009). The interactive effect of collectivism and organizational rewards on affective organizational commitment. *Cross Cultural Management: An International Journal*, 16(1), 28-43.
- Zhang, Y. (2012). *The impact of performance management system on employee performance—Analysis with WERS 2004* (Master's thesis, University of Twente).
- Zzziwa, H., (2014). Lecturers withhold results over pay, The Citizen, Online: <http://www.thecitizen.co.tz/News/Lecturers-withhold-results-over-pay/1840360-2284274-d8ay4c/index.html> (Accessed: 22nd May 2017).

SECTION B: FORMS OF REWARDS

Under this section, the researcher is interested in ascertaining the forms of rewards; challenges in implementing the reward system; and strategies of implementing an effective reward system. You are requested to tick by following the key provided below.

1=Strongly Disagree (SD), 2=Disagree (D), 3=Not Sure (NS), 4=Agree (A) and 5=Strongly Agree (SA).

	Statement	SD	D	NS	A	SA
	FORMS OF REWARDS					
	<i>Financial</i>					
FR1	This university offers different forms of financial rewards.	1	2	3	4	5
FR2	In this university, staffs are entitled to housing allowance ever month.	1	2	3	4	5
FR3	This university provides me with medical insurance.	1	2	3	4	5
FR4	This university provides attractive allowances.	1	2	3	4	5
FR5	This university offers bonuses (e.g. Christmas bonus, performance bonus etc.)	1	2	3	4	5
FR6	Once in this university, one is entitled to fringe benefits (e.g. company car, lunch etc.)	1	2	3	4	5
FR7	This university salary offered compared with other universities is better.	1	2	3	4	5
FR8	The university offers promotion to staff after a specific period.	1	2	3	4	5
FR9	The financial rewards to staff are timely.	1	2	3	4	5
	<i>Non-Financial</i>					
NF1	This university consults staff in decision making.	1	2	3	4	5
NF2	Outstanding staffs in this university are recognized.	1	2	3	4	5
NF3	The working conditions in this university are good.	1	2	3	4	5
NF4	This university appreciates staff.	1	2	3	4	5
NF5	This university frequently delegates tasks to lower staff.	1	2	3	4	5
NF6	Staffs are frequently rotated in this university.	1	2	3	4	5

SECTION C: CHALLENGES OF IMPLEMENTING REWARD SYSTEM

Under this section, the researcher is interested in ascertaining the challenges of implementing reward systems. You are requested to tick by following the key provided below.

1=Strongly Disagree (SD), 2=Disagree (D), 3=Not Sure (NS), 4=Agree (A) and 5=Strongly Agree (SA).

<i>is a challenging for Makerere University to implement an equitable reward systems because;</i>						
	STATEMENTS	SD	D	NS	A	SA
1	Top managers are less committed towards reward implementation.	1	2	3	4	5
2	Rewarding is a complex issue to administer.	1	2	3	4	5
3	There is inadequate communication between top management and staff regarding rewards.	1	2	3	4	5
4	The reward structure is inconsistently implemented.	1	2	3	4	5
5	The performance based rewards are subject to inconsistency and flexibility.	1	2	3	4	5
6	Staffs are excluded in the reward adjustment exercise.	1	2	3	4	5
7	Some rewards to staff are not paid on time.	1	2	3	4	5
8	The reward system is not consistently implemented.	1	2	3	4	5

SECTION D: RECOMMENDATION FOR IMPLEMENTING REWARD SYSTEM

Under this section, the researcher is interested in ascertaining the strategies for improving reward systems. You are requested to tick by following the key provided below.

1=Strongly Disagree (SD), 2=Disagree (D), 3=Not Sure (NS), 4=Agree (A) and 5=Strongly Agree (SA).

<i>in order for Makerere University to improve employee rewards;</i>						
	STATEMENTS	SD	D	NS	A	SA
1	The university should provide proper accountability.	1	2	3	4	5
2	The university top managers should become committed.	1	2	3	4	5
3	The university should offer both financial and non-financial rewards.	1	2	3	4	5
4	The university reward system should become transparent.	1	2	3	4	5
5	The university should ensure flexibility.	1	2	3	4	5
6	The university should put into consideration the institutional strategy	1	2	3	4	5

Thank you so much!

Appendix II: Krejcie and Morgan (1970) Sample Size Determination

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

Note.—N is population size and S is sample size.