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# Do reward systems influence performance in Ghana? Perspectives from staff of local government service

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#### **Key Words**

Reward systems Performance Local Government Field workers Ghana

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#### **Abstract**

The study examined the effect of reward systems on employing performance among local government workers in Ghana. A quantitative approach with a descriptive survey design was adopted for the study. A sample of 172 respondents was drawn from a study population of 320 employees from Ho, Kpando and North Dayi districts in Ghana. Data was collected using a self-administered questionnaire, and responses were analysed with descriptive and inferential statistics. The study found that extrinsic factors—bonuses and housing loan schemes—significantly influenced performance among local government workers in Ghana. The reward systems were confronted with challenges such as lack of commitment from management, lack of funds to reward workers adequately, and lack of performance-based rewards systems. It was recommended that Municipal and District Chief Executives should use the housing loan scheme and bonuses to enhance performance among local government workers and institute a comprehensive performance-based rewards system for the local government workers in Ghana.

#### Introduction

The role of a total reward on employees' performance cannot be underestimated (Zabouj, 2015; Murphy, 2015; Kuranchie-Mensah & Amponsah-Tawiah, 2015). Employees are motivated to give their best effort to support attaining their organisation's goals if they are adequately rewarded (Segbenya, Aggrey & Peniana, 2019). Therefore, an organisation that wants to achieve its goals must have a robust and perhaps exhaustive reward structure aligned with the business strategy that mirrors the labour market's aggressive reality (Apeyusi, 2012; Zabouj, 2015).

A total reward system has the propensity to influence both individuals and organisational performance (Segbenya, Aggrey & Peniana, 2019). What workers/employees get in return for their labour or toil for carrying out their job schedules, bringing to bear creativity and ingenuity to execute their jobs is the reward obtained at the end of the pre-determined period, either daily or monthly, among others (Segbenya, Aggrey & Peniana,

2019). Total rewards, thus, encapsulate both the extrinsic and intrinsic reward systems that organisations use to compensate employees for their productive efforts. Extrinsic rewards in the form of direct financial gains such as salary, wages and commissions have been argued from the Herzberg's two-factor theory perspective to have no impact on employee performance because it does not lead to employee satisfaction (Enu-Kwesi et al., 2014). Thus, the two-factor theory only found the intrinsic rewards embedded in the job content, such as autonomy, and challenging jobs, among others, to have an impact on employee performance (Enu-Kwesi et al., 2014).

Though the literature has conceived and defined employee performance differently, it is common to find that these authors are either referring to minimising errors on the part of employees meeting expected targets or enhancing customer satisfaction (Enu-Kwesi et al., 2014). This study is of the view that the three perspectives on employee performance are very important. That is, the district assemblies need to satisfy their stakeholders, and employees in the district assemblies need to meet their targets and minimise their error margins while carrying out their activities. Thus, employee performance could be a precursor for the overall organisational growth and competitive advantage (Enu-Kwesi et al., 2014)

Meanwhile, other studies by Boehm and Lyubomirsky (2008); Torrington et al. (2009), Danish and Usman (2010), and especially Segbenya, Aggrey and Peniana (2019), have established that extrinsic rewards such as direct and indirect financial components of total rewards have a significant influence on employee performance. Thus, the debate about the relationship between tangible and intangible rewards on employee's performance has been established in the literature and is still inconclusive, suggesting further studies.

The relevance of total rewards and employee performance is equally an essential predictor for developing and attaining organisational goals in both the private and public sectors. The local government system in Ghana is not an exception. It has been argued that the lack of performance contracts in the public sector of Ghana makes it very challenging to enhance and measure employee performance in the industry. Thus, it has become challenging to achieve growth and expansion in the local government sector if the actual rewards systems to motivate employees to enhance their performance is unknown (Apeyusi, 2012).

The existing literature on the relationship between rewards and performance has been skewed towards the banking, education, manufacturing, and communication industries (Frank, 2011; Murphy, 2015; Kuranchie-Mensah & Amponsah-Tawiah, 2015; Segbenya, Aggrey & Peniana, 2019). Thus, there is a lacuna in the existing literature regarding the kind of reward systems that can influence performance among field staff of local government service in Ghana. For this reason, this study seeks to examine the effect of reward on performance among field staff of local government service in Ghana, using some selected municipals and district assemblies in the Volta Region as a case study. Thus, this study contributes to the literature on rewards and local governance systems from the developing economy's context. The study is guided by four research questions; they are:

- 1. What extrinsic and intrinsic reward systems are available for local government service field staff in the Volta Region of Ghana?
- 2. What are the determinants of employee performance among local government service field staff in the Volta Region of Ghana?
- 3. How do total reward systems influence performance among field staff of local government service in the Volta Region of Ghana?
- 4. What challenges are associated with using rewards to influence performance among field staff in the local government service in the Volta Region of Ghana?

The rest of the paper looks at the theoretical and conceptual perspectives on rewards and employee performance, conceptual framework, methodology, results and discussion, conclusion, and recommendations for policy.

#### **Literature Review**

This study is grounded in Herzberg's two-factor theory. The Herzberg's two-factor theory—hygiene factors and motivators—was used to explain both the job content and context of the local government staff working conditions. The theory argues that hygiene or maintenance factors in the job context serve to prevent dissatisfaction among workers, but it could lead to dissatisfaction if absent. These factors are pay and security, company policy, supervision, interpersonal relationship, and relationship with peers (Enu-Kwesi et al., 2014). On the other hand, the growth and motivators (other factors) are related to the job content (Mullins, 2010). These factors are growth, achievement, responsibility, recognition, advancement opportunities, and exciting work.

In terms of conceptual discussion, the paper reviews the literature on extrinsic and intrinsic reward systems. From the extrinsic perspective, Tsai (2005) showed that outward rewards, involving financial rewards, are used to fuel individual workers' wishes together. He also used the concept of pay for performance and differentiated it as the best motivating force method to increase employee productivity. Danish and Usman (2010) contended comparatively that the viability of a reward structure is reflected in how it perceives the organisation's superior employees and elevates and promotes officials to increase their profitability just as usually speaking performance.

An organisation ensures by reward structure that the staff has a point of perspective that they are essential to the organisation, and the administration acknowledges the role they are playing in the organisation's development. Along these lines, the spirit of the workforce is supported. It will generally increase its profitability at the individual and at the hierarchical stage.

Yousaf et al. (2012) opined that workers at an individual level continually take an interest in social trades and related procedures and give their very own contribution to building up the point of view about the remuneration framework. Mendonca (2002) believed that the framework for reward and remuneration should be based on the rule that staff have the greater inspiration to increase performance on the off chance of seeing that the present reward structure is linked to performance and effectiveness.

Guest (2002) inferred comparable results, which presume that the reward structure is the main inspiration for officials to fulfil the administration's performance wishes. Carraher et al. (2006) established that the association must have a reasonable reward structure to retain high-performing staff that can fulfil the superior staff's wishes. According to Andrew and Kent (2007), staff are deeply conscious of the remuneration structure as an acknowledgement of performance and are, therefore, significant job satisfaction variables. Boehm and Lyubomirsky (2008) believed that it would be possible for awards to promote employment. Focus on the intrinsic and alien nature of remuneration differentiated that they are determinants of job fulfilment. Thus, the specific extrinsic reward components captured in this study are salary enhancement, employee housing loans, allowances or fringe benefits, bonuses, and others.

In the case of intrinsic reward systems and employee performance, Torrington et al. (2009) used an alternative word for non-material benefits. Non-cash rewards will, in general, increase activity fulfilment, especially for representatives that show high efficiency, when contrasted with different employees. In such a manner, they utilised two classes of nature compensates in the rewards framework, that is, extraneous with characteristic benefits. Outward benefits are ordinarily identified with monetary benefits, though likewise incorporate official open acknowledgement, such as gratefulness letters, expanding advantages of representatives, and motivating force-based instalments, for example, deals and advancement.

Instinctive nature rewards are mostly non-financial or non-cash rewards that involve sharing examples of overcoming adversity, perceiving monthly or year-end employee achievement, and providing skilled opportunities in preparation. The investigation likewise proposed mixing extraneous and natural rewards to empower the reward framework to sufficiently address the inspiration issues of workers and further prompts streamlining of duty, inspiration, and occupation fulfilment of representatives. These variables, when enhanced, lead to a boost of representative performance, and, eventually, a hierarchical arrangement is augmented (Khan et al., 2013).

Additionally, Serwar and Abugre (2013) proved that officials have a favourable link between the awards and the satisfaction of the occupation. They implied that chiefs could use the beneficial connection to increase job performance among representatives through a satisfying prize

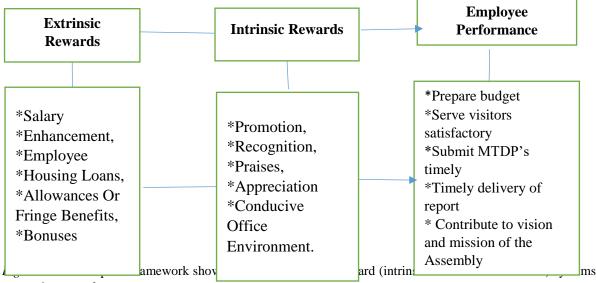
agreement. Expanded occupation fulfilment propels representatives to endeavour to build profitability with an abnormal state of productivity and adequacy. Pratheepkanth (2011), along

these lines, finished up a great connection among the representative structure of inspiration and reward. Moreover, Gong et al. (2010) found a solid positive relationship between monetary and non-budgetary rewards and the inspiration of representatives.

Its designers also acknowledged a favourable connection and argued that an unusual state of inspiration among representatives prompts an unusual state of occupation satisfaction. At the stage where occupation satisfaction extends, the workers' point of view ends up being optimistic regarding the success or even organisational achievement. Their examination showed how an unusual job satisfaction favourably impacts the workers' efficiency and their hierarchical obligation towards authoritative citizenship. Thus, the actual

components of intrinsic rewards considered in this study were *promotion*, *recognition*, *praises*, *appreciation*, and a conducive office environment.

Based on the review of literature and theory, a conceptual framework has been constructed to guide the study, which can be seen in Figure 1. Figure 1, thus, shows a relationship and effect of total reward systems, comprising intrinsic and extrinsic reward systems on employee performance.



on employee performance.

Source: Author's construct (2021)

#### Methods

The study used the descriptive survey design from the quantitative and positivists approach. The descriptive survey design was adopted for this study because it enabled large data gathering from a large population. Though very expensive, the quality outcomes associated with it compensate for the cost involved. A sample of 172 administrative heads and line staff of the selected Municipal and District Assemblies in the Volta Region was drawn for the study. Krejcie and Morgan's (1970) sample determination table, as cited in Segbenya et al. (2021) (and can be found in Appendix A of this paper) was used to select the 172 sample from a study population of 320 employees of selected Municipal and District Assemblies in the Volta.

The selected districts were Ho Municipal, Kpando, and North Dayi districts. These districts were purposefully selected due to their regional contribution and performance. The District League Table published by the National Development Planning Commission (NDPC) and UNICEF Ghana (2021) revealed that Ho Municipal and Kpando Municipal were among the top three, while North Dayi districts were among the least-performing Municipal Assemblies in the Volta Region for 2020. The simple random and stratified sampling techniques were used to ensure that all respondents had an equal chance of being selected and taking care of all the strata in the study population. The instrument for data collection was a self-developed and administered questionnaire, which covered the demographic characteristics and the research questions that guided the study. The instrument was pretested, and all sections of the instrument had a Cronbach alpha value above the 0.70 thresholds. All ethical considerations such as informed consent, anonymity, freedom to withdraw, and confidentiality, among others, were ensured in the data collection process. In all, 166 copies of the questionnaire were returned, indicating a 97 per cent response rate. Data collected was analysed with both descriptive and inferential statistics. Frequencies and percentages were used to analyse research questions one and four, while chi-square statistics and binary regressions were also used to analyse research questions two and three.

#### **Results and Discussions**

The findings of the study are presented in this section based on the research questions guiding the study. Table 1 and Table 2 present results for research question one, which was on the types of extrinsic and intrinsic reward systems at the selected municipal and district assemblies in the Volta Region of Ghana.

Table 1: Extrinsic Rewards received by Local Government employees in the Volta Region

Variables			Municipal and	l Districts Asso	emblies	
_			Но	Kpando	North Dayi	Total
Salary Enhancement	Yes	f(%)	49(34.0%)	48(33.3%)	27(18.8%)	124(86.1%)
	No	f (%)	9(6.3%)	8(5.6%)	3(2.1%)	20(13.9%)
Employees car loan	Yes	f (%)	19(13.2%)	9(6.3%)	6(4.2%)	34(23.7%)
scheme	No	f(%)	39(27.1%)	47(32.7%)	24(16.5%)	110(76.3%)
Employee housing	Yes	f(%)	14(9.9%)	10(7.0%)	6(4.2%)	30(21.1%)
loan scheme	No	f(%)	44(31.0%)	44(31.0%)	26(16.9%)	114(78.9%)
Fringe benefits	Yes	f(%)	36(25.0%)	30(20.8%)	20(13.9%)	86(59.7%)
(Allowances)	No	f(%)	22(15.3%)	26(18.1%)	10(6.9%)	58(40.3%)
Bonuses	Yes	f (%)	41(28.5%)	36(25.0%)	19(13.2%)	96(66.7%)
	No	f (%)	17(11.8%)	20(13.9%)	11(7.6%)	48(33.3%)
Other	Yes	f(%)	39(27.1%)	28(19.4%)	14(9.7%)	81(56.3%)

Source: Field survey (2018)

The findings from Table 1 show that there exist various types of extrinsic reward systems for Municipal and District Assembly's employees. The majority (86.1%) of the respondents (field officers/staff) indicated that they had enhanced salaries, whereas 13.9% disputed that their salaries improved/increased. Similarly, 78.9% of the respondents indicated that they were motivated through employee housing and mortgages. Also, 76.3% of the respondents affirmed that they did not enjoy car loan schemes as extrinsic rewards as a minority (23.7%) indicated that they received car loans. In the same vein, over sixty per cent (66.7%) of the respondents indicated that they were rewarded with bonuses. Specifically, Ho Municipal dominated with the number of respondents who received salary enhancement (34%) and bonuses (28.5%). Additionally, Ho Municipal and Kpando District recorded more respondents who did not benefit from housing loans, while Ho Municipal had more respondents for the category of staff who did not benefit from car loans (27%).

Table 2 presents findings on intrinsic rewards received by employees from their employers at the various study areas (Ho, Kpando, and North Dayi).

Table 2: Intrinsic Rewards received by employees in the study areas

			N	Iunicipal and dis	stricts assemblies	3
Variables			Но	Kpando	North Dayi	Total
Promotion	Yes	f(%)	44(34.1%)	40(31.0%)	22(17.1%)	106(82.29
	No	f(%)	12(9.3%)	5(3.9%)	6(4.7%)	23(17.89
Recognition	Yes	f(%)	42(29.2%)	37(25.7%)	18(12.5%)	97(67.49
	No	f(%)	16(11.1%)	19(13.2%)	12(8.3%)	47(32.69
Appreciation	Yes	f(%)	45(31.3%)	38(26.4%)	19(13.2%)	102(70.89
• •	No	f(%)	13(9.0%)	18(12.5%)	11(7.6%)	42(29.29
Praises	Yes	f(%)	42(29.2%)	44(30.6%)	22(15.3%)	108(75.09
	No	f(%)	16(11.1%)	12(8.3%)	8(5.6%)	36(25.0%
Conduciveness of the office environment	Yes	f(%)	7(4.9%)	3(2.1%)	2(1.4%)	12(8.3%
	No	f(%)	51(35.4%)	53(36.8%)	28(19.4%)	132(91.7

Source: Field Survey (2018)

The results, as shown in Table 2, suggest that majority of the respondents agreed that they have benefited from intrinsic reward systems in the form of promotion (82.2%), recognition (67.4%), appreciation (70,8%), and praises (75.0%). However, most of the respondents disagreed that there was a conducive office

environment in their workplaces (91.7%). In all cases, respondents from North Dayi were the least of staff who indicated that they benefited from promotion (17.1%), Recognition (12%), Appreciation (13%) and praise (15%) as compared to respondents from Ho Municipal and Kpando District.

### Determinants of employee performance among local government service field staff in the Volta Region of Ghana

The results for research question two on the determinants of employee performance (key performance indicators) among local government employees in the Volta Region (Ho, Kpando and North Dayi) can be found in Table 3.

Table 3: Accomplishment of tasks by employees (field officers) in the last two years

			M	unicipal and dist	tricts assembli	es
Variables		-			North	
Variables			Но	Kpando	Dayi	To
Able to prepare/submit the MTDPs at the required time	Yes	f(%)	37(25.7%)	38(26.3%)	23(16.0%)	98(6
	No	f(%)	21(14.6%)	18(12.5%)	7(4.9%)	46(3
Able to complete projects within the stipulated time	Yes	f(%)	44(30.6%)	35(24.2%)	26(18.1%)	105(72
given available resources	No	f(%)	14(9.7%)	21(14.6%)	4(2.8%)	39(27
Able to prepare and deliver reports on time	Yes	f(%)	49(34.0%)	54(37.5%)	28(19.4%)	131(9
	No	f(%)	9(6.3%)	2(1.4%)	2(1.4%)	13(9
Able to prepare budgets and	Yes	f(%)	42(29.2%)	43(29.9%)	26(18.1%)	111(7'
submit as required	No	f(%)	16(11.1%)	13(9.0%)	4(2.8%)	33(22
Able to complete the required number of field visits in a	Yes	f(%)	42(29.2%)	42(29.2%)	21(14.6%)	105(7)
Month	No	f(%)	16(11.1%)	14(9.7%)	9(6.3%)	39(27
Able to serve visitors	Yes	f(%)	44(30.6%)	44(30.6%)	23(16.0%)	111(7
Satisfactorily	No	f(%)	14(9.7%)	12(8.3%)	7(4.9%)	33(22
Able to contribute significantly	Yes	f(%)	33(22.9%)	34(23.6%)	15(10.4%)	82(56
in meeting the vision and mission of the Assembly	No	f(%)	25(17.4%)	22(15.3%)	15(10.4%)	62(43
Other(s)	Yes	f(%)	32(26.7%)	38(31.7%)	10(8.3%)	80(66
(~)	No	f(%)	15(12.5%)	18(15.0%)	7(5.8%)	40(33

Source: Field survey (2018)

From Table 3, it is clear that the majority of the respondents from the three study areas agreed that they were able to complete projects within the stipulated time given available resources (72.9%); able to prepare/submit the Medium Term Development Plans (MTDPs) at the required time (68%); able to prepare and deliver reports on time (91.0%); and able to contribute significantly in meeting the vision and mission of the Assemblies (56.9%), among others. Kpando District Assembly dominated the number of respondents who consented that the various indicators used to measure performance were carried out in the selected areas. The results demonstrate a high level of performance among local government employees from the selected Municipal and District Assemblies in the Volta Region of Ghana.

## How total reward systems influence performance among field staff of local government service in the Volta Region of Ghana

Table 4 shows the bivariate result for the association of reward systems and local government employees' performance in the Volta Region of Ghana. The results show that five out of the ten intrinsic and extrinsic components of reward systems had a statistically significant association with employee performance among local government employees in the Volta Region of Ghana. There was an association between bonuses and performance,  $X^2$  (3, N = 166) = 24.54, p = .000\*\*; appreciation and performance,  $X^2$  (3, X = 166) = 8.34, X = 1660 = 7.08, X = 1661 = 7.08, X = 1662 = 7.08, X = 1663 = 7.08, X = 166

Table 4: Bivariate Analysis of Rewards and Performance

Employees car loan scheme  Employee housing loan	Low           No         9           'es         66           No         61           'es         14	High 11 58 45	0.46 4.81	0.494
Employees car loan scheme  Employee housing loan	Yes 66 No 61	58		
Employees car loan scheme Y Employee housing loan	No 61		4 81	
Employee housing loan N		45	4.81	
Employee housing loan N	es 14		7.01	0.028*
1 5		24		
1 / .	lo 65	49	5.33	0.021*
scheme/mortgages Y	es 10	20		
Fringe benefits (Allowances)	Io 25	33	3.13	0.076
Y	es 50	36		
N N	To 11	37	24.54	0.000**
Bonuses	res 32	64		
n .	To 18	20	0.46	0.498
Promotion Y	res 57	49		
	Io 17	30	7.08	0.008**
Recognition	res 58	39		
	To 14	28	8.35	0.004**
Appreciation	res 61	41		
N	Io 16	20	1.12	0.289
Praises Y	res 59	49		
Frequency of giving rewards	No 32	35	0.93	0.333
Y	res 43	34		

**Key:** \*\*= 1% (P<0.01) and \* = 5% (P<0.05)

Source: Field Survey (2018)

The actual results for the influence of reward systems on employee performance can be seen in Table 5. The results revealed that only three factors statistically influence employee performance at the local governance level in the Volta Region of Ghana. There were bonus (B=1.605, Sig=0.002, p<0.05); housing scheme (B=1.482, Sig=0.042, P<0.05 and experience (S=0.169, Sig=0.048, P<0.05). All other remaining factors, such as frequency of rewards, salary enhancement, fringe benefits, promotion, praises, and education, did not statistically and significantly affect the performance of local government employees in the Volta Region of Ghana.

In terms of the individual contribution of the three independent variables of the study, bonus contributed the highest beta value, suggesting its overall importance over all the study variables. The collective contribution of all the variables of the study indicated by the  $R^2 = 0.17$  suggests that all the study's dependent variables explained approximately 17 per cent variance in employee performance. The results also mean that other

variables are not included in the model that is excluded in the reward system that could explain 83 per cent of the variances in the performance of local government employees in the Volta region of Ghana.

Table 5: Binary Logistic Regression Estimates of the Determinants of Performance

Performance	Beta	Std. Err.	Sig.	Conf. Interva	al (95%)	Marginal Effect
				LB	UP	
GEN	0.025	0.477	0.958	-0.910	0.961	0.006
EDU	-0.311	0.482	0.519	-1.257	0.635	-0. 078
EXPERIENCE**	0.169	0.096	0.048	-0.019	0.357	0.042
ENHANCE	-0.676	0.634	0.286	-1.918	0.566	-0.165
CAR_LOAN	-0.305	0.562	0.587	-1.407	0.797	-0.076
HSE_SCHME**	1.482	0.793	0.042	-0.071	3.036	0.338
FBENEFIT	0.009	0.468	0.985	-0.909	0.926	0.002
BONUS***	1.605	0.516	0.002	-2.616	0.594	0.375
PRMTION	-0.015	0.660	0.982	-1.308	1.278	-0.004
RECGTN	-0.654	0.608	0.282	-1.847	0.538	-0.161
APPCTN	-0.305	0.661	0.645	-1.601	0.991	-0.076
PRAISS	-0.004	0.638	0.995	-1.255	1.247	-0.001
FRQCY	0.188	0.441	0.67	-0.677	1.053	0.047
Constant	1.138	0.926	0.219	-0.677	2.953	
N = 144, LR Chi2(13) =	30.87; Prob > Chi	2 = 0.003; Log	likelihood = -	73.97;		

R2 = 0.17

**Key:** \*\*= 1% (P<0.01) and \* = 5% (P<0.05)

Source: Field Survey (2018)

### Challenges associated with using reward systems to influence performance among employees of local government service in the Volta Region of Ghana

Challenges about rewarding employees in the Civil Service (local government service) in Ghana are inevitable. Therefore, the third research question of the study sought to assess the challenges associated with **using reward systems to influence performance among local government employees** in selected Municipal and District Assemblies (MDAs) in the Volta Region of Ghana, and the results can be seen in Table 6. The results suggest that the key challenges associated with rewarding performance, as indicated by most of the respondents in the form of agreement and strongly agreement, were lack of management commitment to rewarding employees (35.4% and 34.0%); lack of funds to adequately reward employees (33.3% and 41.7%); and absence of reward for performance (62.5% and 22.2%). The rest were lack of reward policy ((19.4%, 44.4%)) and Unfair reward schemes (25.7%, and 40.3%)).

Table 6: Challenges with Rewarding Employees

3(2.1%)

28(19.4%) 64(44.4%)

38(26.4%) 14(9.7%)

37(25.7%)

58(40.3%)

32(22.2%)

17(11.8%)

Variables

Management

commitment to

rewarding employees

reward employees

No reward for

performance

Lack of funds adequately

Lack of reward policy

Unfair reward schemes

Strongly disagr.

Strongly agree

Strongly disagr

Strongly agree

Strongly disagr.

Agree

Agree

Disagree

Disagree

Lack of

to

				North	
		Но	Kpando	Dayi	Total
Strongly agree	f(%)	24(16.7%)	19(13.2%)	8(5.6%)	51(35.4%)
Agree	f(%)	22(15.3%)	18(12.5%)	9(6.3%)	49(34.0%)
Disagree	f(%)	9(6.3%)	14(9.7%)	9(6.3%)	32(22.2%)
Strongly disagr.	f(%)	3(2.1%)	5(3.5%)	4(2.8%)	12(8.3%)
Strongly agree	f(%)	15(10.4%)	20(13.9%)	13(9.0%)	48(33.3%)
Agree	f(%)	30(20.8%)	22(15.3%)	8(5.6%)	60(41.7%)
Disagree	f(%)	10(6.9%)	14(9.7%)	8(5.6%)	32(22.2%)
Strongly disagr.	f(%)	3(2.1%)	0(0.0%)	1(0.7%)	4(2.85)
Strongly agree	f(%)	34(23.6%)	34(23.6%)	22(15.3%)	90(62.5%)
Agree	f(%)	13(9.0%)	15(10.4%)	4(2.8%)	32(22.2%)
Disagree	f(%)	10(6.9%)	5(3.5%)	4(2.8%)	19(13.2%)

2(1.4%)

12(8.3%)

24(16.7%)

16(11.1%)

4(2.8%)

13(9.0%)

27(18.8%)

9(6.3%)

7(4.9%)

Municipal and districts assemblies

0(0.0%)

6(4.2%)

10(6.9%)

12(8.3%)

2(1.4%)

9(6.3%)

7(4.9%)

8(5.6%)

6(4.2%)

Source: Field Survey (2018)

The study sought to examine the effect of total reward on the performance of field staff of local government service in Ghana. The study found for the first objective of the study that there were both extrinsic and intrinsic reward systems in local government service in Ghana, and particularly in the Volta Region of Ghana. Specific extrinsic factors found were salary enhancement, fringe benefits and bonuses. According to Herzberg's two-factor theory, the presence of these extrinsic variables could only adduce no dissatisfaction but not satisfaction (Enu-Kwesi et al., 2014). Thus, organisations seeking the better performance of their workers should consider more potent factors beyond the extrinsic reward factors within the job context. The results based on the two-factor theory imply that these extrinsic factors are not enough to achieve satisfaction among local government workers in the Volta Region of Ghana (Enu-Kwesi et al., 2014).

f(%)

f(%)

f(%

f(%

f(%)

f(%)

f(%)

f(%)

f(%)

1(0.7%)

10(6.9%)

30(20.8%)

10(6.9%)

8(5.6%)

15(10.4%)

24(16.7%)

15(10.4%)

4(2.8%)

The local government sector in Ghana is very much aware of the inadequacy of the extrinsic rewards system and, for that matter, has instituted intrinsic rewards for its workers (Apeyusi, 2012). Intrinsic rewards found by this study were promotion, recognition, appreciation and praises. The institution of the latter category of rewards compensates for the job content factors that, according to the Herzberg two factor theory, lead to job satisfaction among workers (Torrington et al., 2009). Thus, the presence of both extrinsic and intrinsic reward systems at the local governance level in Ghana suggests that management is keen in ensuring job satisfaction among its field workers in the Volta Region of Ghana. The findings further agree with Lyubomirsky (2008), that the presence of a total reward system (extrinsic and intrinsic) caters to both the job content and context needs of workers.

Some factors could induce the study's findings that there was a high-performance level among local government workers in the Volta Region. Key determinants of the high performance among local government workers included meeting the district assembly's vision and mission, completing the required

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number of visits, achieving customer or clientele satisfaction, timely completion of projects in the districts, and preparing reports and budgets. Though measuring performance in the service sector is sometimes challenging, these key indicators related to the activities of the district assemblies, and the needs of their clientele were constructive in determining performance indicators in the local governance in Ghana.

The findings for the influence of reward systems on employee performance in the local government sector have several implications. The study found three factors or variables responsible for high employee performance among local government field staff in the Volta Region of Ghana. These factors were bonuses, housing loan schemes and experiences among workers. The most outstanding first two factors influencing performance (i.e., bonuses and housing loan schemes) were all found in the job context. Bonus and housing loan schemes are all extrinsic reward factors and could not have influenced performance, according to Herzberg's two-factor theory (Enu-Kwesi et al. 2014). However, in terms of local government workers in the Volta Region of Ghana, the results disagree with the theory that factors in the job context or from the extrinsic reward perspective cannot lead to satisfaction and influence performance among workers in Ghana.

This means that over time, and per contextual differences, the argument and position of the two-factor theory could be flawed or challenged. The results mean that, for local government workers to continue to hold on to the high level of performance in the local governance in Ghana, key attention should be paid to paying them bonuses for extra work done or timely achievement of targets (Segbenya, Aggrey & Peniana, 2019). Additionally, local government workers in Ghana have a high need and value for housing loan schemes to either enable them to build their own houses or rent a befitting one to accommodate their families.

The need to get a housing loan to build a house by these workers could be associated with several present and future benefits. Currently, the local government does not have enough government accommodation for its workers. Local government workers and their families would have to vacate any government facility or facilities when the worker retires, die in service, or is transferred. Thus, getting their own homes is necessary for these workers to cater for pre- and post-retirement accommodation-related challenges. Thus, the housing loan scheme could help workers own houses, get peace of mind to work, and ensure high performance among local government workers in Ghana.

Meanwhile, management's ability to continue to sustain the high performance of employees with the extrinsic factors calls for the resolution of identified challenges, as also earlier found by Apeyusi (2012). Management needs to be more committed to the rewarding process, and management needs more funds to be accrued and managed to remunerate these workers and pay overheads. Thus, the need for beneficiaries of the housing loan scheme to pay the loan on time is urgent than before. Another important challenge found was the lack of reward for performance, questioning the modalities of rewarding workers in the local government in Ghana. The challenge suggests that both hardworking and non-hardworking workers could be rewarded the same. It is also possible that non-performers could even be rewarded higher than performing employees. The approach could also stifle performance, since it tends to demotivate high-performing workers in the local government of Ghana.

#### **Conclusion and Recommendations**

The study examined the influence of total reward on the performance of field staff of local government service in Ghana and found that there were both extrinsic and intrinsic reward systems at the local governance level in the Volta Region of Ghana. Performance indicators found for the high-performance level among local government workers in Ghana were achieving customer or clientele satisfaction, timely completion of projects in the districts, and preparing reports and budgets. The key statistically significant reward-related variables influencing performance were extrinsic factors, such as bonuses and housing loan schemes. Reward systems among local government workers in Ghana were confronted with challenges, such as lack of commitment from management, lack of funds to reward workers adequately, and lack of performance-based rewards systems.

The conclusion warrants recommendations to enhance and sustain performance among local government workers in the Volta Region of Ghana. Therefore, it is recommended that local government services providers, such as Municipal and District Chief Executives, use the housing loan scheme and bonuses to enhance performance among local government workers. There should be structures in place to ensure that beneficiaries of the housing loan will repay the loan timely for sustainability and the benefit of other workers. This will afford workers to be able to build their own houses for pre- and post-retirement usage. Owning a house among this category of workers, thus, gives them peace of mind to be punctual, regular and productive at the workplace.

It is also recommended that Municipal and District Chief Executives should institute a performance-based reward system for the local government workers in Ghana. This should be based on a basic flat rate for all, and other forms of reward based on performance and contribution to the attainment of organisational goals. And emphasis should be placed on meeting the needs of the clientele of the district and municipal assemblies in the Volta Region of Ghana. This will help avoid rewarding non-performance and spurring the performing workers to continue giving out their best to the districts and the municipals.

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APPENDIX A

ample Determination Tab

	Sample Determination Table						
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		

Source: Krejcie and Morgan (1970)

#### **APPENDIX B**

#### QUESTIONNAIRE FOR FIELD STAFF OF MUNICAPAL AND DISTRICT ASSEMBLIES

Instruction: Please, for each statement tick  $[\ \ \ ]$  the appropriate box that corresponds to your choice and provides extra information where necessary.

#### SECTION A: BACKGROUND INFORMATION OF RESPONDENTS

- 1. What is your sex? Male [ ] Female [ ]
- 2. What is your highest qualification? SSCE/WASSCE [ ] certificate [ ]
- 3. Diploma/HND [ ] Bachelors [ ] Masters [ ] PhD [ ]
- 4. What is your work schedule? Secretary [ ] Planning Officer [ ] Budget Officer [ ] Accounts Officer [ ] Engineer [ ] Technical/Field Officer [ ]
- 5. Other, specify.....
- 6. How long have you been working with the Assembly? < 1 yr [ ] 1-2 yrs [ ] 3-4 yrs [ ]
  - a. 5-6 yrs [ ] 7-8 yrs [ ] 9-10 yrs [ ] > 10 yrs [ ]

#### SECTION B: VARIOUS REWARD SYSTEM FOR EMPLOYEES

Please indicate the specific type of reward package you enjoy/benefit as an employee of the Assembly? (Tick ( $\sqrt{}$ ) in

the appropriate box

S/N	Extrinsic reward	Response		
		Yes	No	
5	Enhance Salaries			
6	Employee car loan scheme			
7	Employee housing loan scheme/mortgages			
8	Fringe benefits (i.e., allowances)			
9	Bonuses			
10	Other, specify:			
	Intrinsic reward			
11	Promotion			
12	Recognition			
13	Appreciation			
14	Praises			
15	Other, specify:			

16	How ofter	do vou	got those	/thic	roward/c	9
IO.	How one	i ao you	get these	/tnis	reward/s	′

Monthly [ ] Quarterly [ ] Bi-annually [ ] annually [ ] Once in a blue moon [ ]

By ranking them in order of priority which package is most important to you? (Please tick ( $\sqrt{}$ ) **ONLY ONE** in the

appropriate box) (Please only one response)

S/N	Type of reward	Most Important
17	Enhance Salaries	
18	Employee car loan scheme	
19	Employee housing loan scheme/mortgages	
20	Fringe benefits (i.e., allowances)	
21	Bonuses	
22	Promotion	
23	Recognition	
24	Appreciation	
25	Praises	
26	Other, specify:	

27. Are your views incorporated in these rewards? Yes [ ] No [ ]	
28. Do you think these reward packages are adequate enough to motivate you to give out your best? Yes [ ]	No [

#### SECTION C: REWARD SYSTEM AND EMPLOYEES PERFORMANCE

In which ways do these rewards influence your ability to achieve set targets? (Please tick ( $\sqrt{}$ ) in the appropriate box) (Multiple responses) *Please, tick the response that fits your position.* 

S/N	Performance indicator	Response		
		Yes	No	
29	Able to prepare and submit the medium-term plans at the required time			
30	Able to complete projects within the stipulated time			
31	Able to prepare and deliver reports on time			
32	Able to prepare budgets and submit as required			
33	Able to complete the required number of field visits in a month			
34	Able to serve visitors satisfactorily on daily basis			
35	Able to contribute significantly to meeting the vision and mission of the			
	Assembly			
36	Other specify:			

37. How will you rate your overall performance resulting from the rewards?	
Excellent [ ] Good [ ] Satisfactory [ ] Unsatisfactory [ ]	
38. Would you be able to achieve the same level of output if these rewards were not	introduced or were withdrawr
by management? Yes [ ] No [ ]	

Please rate the overall effect of the rewards you enjoyed on the performance of the Assembly in the following areas

S/N	Area of performance	Ratings					
		Excellent	Good	Satisfactory	Unsatisfactory		
39	Preparation of medium-term plans						
40	Completion of projects						
41	Submission of reports						
42	Preparation of budgets						
43	Client/beneficiary satisfaction						

#### SECTION D: CHALLENGES ASSOCIATED WITH REWARDS

To what extent do you agree with the following or otherwise as challenges regarding rewards in your District/Municipal Assembly

S/N	Statement	Ratings			
		Strongly Agree	Agree	Disagree	Strongly Disagree
44	Management are committed to rewarding employees				
45	The Assembly has enough funds to adequately reward employees				
46	Our output deserves rewards				
47	We have a reward policy				
48	Employees who are deserved to be rewarded are rewarded				

#### APPENDIX C

# INTERVIEW SCHEDULE FOR COORDINATING DIRECTORS/FINANCE OFFICERS/HEADS OF DECENTRALISED DEPRTMENTS

I		ION A: VARIOUS REWARD SYSTEM ere rewards packages for your employees?						
2.	Are there rewards packages for your employees? Yes [ ] No [ ] If there are, could you mention the specific rewards that your employees enjoy.							
I			•		•			
II	[							
III								
IV								
3.		at basis do you reward your employees?						
				•••••		•••••		
1.		ften are these rewards given to employees						
	SECT	ION B: REWARD SYSTEM AND EMI	PLOYEES PE	RFORMAN	 C <b>E</b>			
5.		ur assessment, are employees able to mee	t/exceed their j	ob specific ta	rgets based on the ki	nd of rewards they		
		e? Yes [ ] No [ ]						
6. If yes, could you indicate the specific job targets they have been able to meet/exceed.								
I			• • • • • • • • • • • • • • • • • • • •					
III			• • • • • • • • • • • • • • • • • • • •					
IV			• • • • • • • • • • • • • • • • • • • •					
		vill you rate the overall performance of you				sived?		
	110W W	Excellent [ ] Good [ ] Satisfactory [ ]			the rewards they rece	avea:		
		Ziromeni [ ] Coou [ ] Summinoriy [ ]	o nouron uo con y					
	Could	you please rate the overall effect of the rev	wards on the pe	rformance of	employees in the following	lowing areas?		
	S/N	Area of performance	Ratings					
			Excellent	Good	Satisfactory	Unsatisfactory		
	8	Preparation of medium-term plans						
	9	Completion of projects						
	10	Submission of reports						
	11	Preparation of budgets						
	12	Client/beneficiary satisfaction						
		ION D: CHALLENGES ASSOCIATED						
			allenges con	fronting re	wards of emplo	oyees in you		
	Depart	tment/Administration/Assembly?						

.....

.....