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# **Impact of Reward on Teachers' Performance at Secondary Level**

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## ABSTRACT

The aim of this study is to find out the Impact of Reward on Teachers' performance of Secondary Schools in Islamabad. Objectives of this study were to identify different types of rewards used in schools and to find out the effect of reward on the performance of teachers of secondary schools in Islamabad. This study will provide base for later research to explore those factors that would affect teacher's performance. This study will also help to employers draw a proper performance reward system to enhance the performance of the teachers. This study was delimited to the Higher Secondary Schools of Islamabad. The data was collected through questionnaire and survey. Frequencies, percentage, mean, Pearson co-relation were used for the analysis of the data. On the basis of findings it is concluded that most of the respondents were in the favor of extrinsic reward and they were mostly disagree with intrinsic reward. It was also concluded that there was a correlation between extrinsic reward and performance, teaching

#### Introduction

This study was an investigation of impact of reward on teacher's performance at secondary schools in Islamabad. Teacher plays a vital role in education system. A teacher builds up a nation. The role of teacher is complex one. Today we are more concern about the teacher pedagogical abilities. Teachers are expected to help student and to work in complex multicultural educational settings and to provide good educational experiences for all children.

To motivate the teachers and to make their performance effective reward is very important. This study was an investigation to find out gap in knowledge on the standards employed by the school manager's on how teachers are rewarded. The theoretical foundation of this study was based on Equity theory of motivation which states that employees expect fairness when being rewarded (Adam Stacy, 1965).

Employees most obvious get reward from their organization is pay, overtime pay, packages; allowances promotions etc. these rewards are used to motivate the employees to do their task.

Therefore, if an Organization is to treat its employees as its most important quality, it has to be knowledgeable about what it is that motivates people to reach their full potential (Lynch, 2000). It is not easy though to know all the things that motivate people in life or at work but an effort has to be made.

(Zingheim and Schuster, 2000) defines rewards as "the thing that increases the frequency of an employee action". This definition leads toward a clear outcome of rewards and recognition: to improve performance. Non-monetary appreciation can be very motivating, helping to build feelings of confidence and satisfaction (Armstrong & Murlis, 1994). Another important goal is increased employee retention.

Compensation is a contractual reward provided to any employee in case of suffering loss or physical disability while performing his task.

To make the teaching effective in higher secondary school, the reward is very important. In this study researcher has found the impact of reward on teachers' performance.

# LITERATURE REVIEW

This study is an investigation regarding impact of reward on teacher's performance of secondary schools in Islamabad. Teacher plays a vital role in education system. A teacher builds up a nation. The role of teacher is complex one. Today we are more concern about the teacher instructive abilities. Teachers are expected to help student and to work in complex multicultural educational settings and to provide good educational experiences for all children (Richard I. Arends 2001).

To motivate the teachers and to make their performance effective reward is very important. Although the strong effect of the teachers can play a significant role in the personality of the student, his academic achievement, and

also on other factors such as support the family, economic and social background, his self-confidence, aptitude of the student. And his earlier instructional excellence has been found to also persuade positively or negatively on the examination scores of the student. To this end, (Blank stein, 1996) had stated that students' grades and test scores are not good indicators of the quality of teachers' instruction. Teachers criticize the use of student achievement scores as indicators of teachers' competence, performance or effectiveness. A teacher's role involves more than simply standing in front of a classroom and lecturing. They analyze test results and other data to help determine the course of their instruction and make changes in their classrooms. Teachers also design lesson plans to teach the standards and provide engaging activities, while taking into account each student's interests and instructional needs. Teachers also play the role of evaluators, constantly assessing students' abilities through formal and informal assessments, providing suggestions for improvement and assigning grades.

Now a day's certainty is that people are influenced in a multitude ways of important aspects of organizational performance. People implement and imagine the strategies of organization. Rewarding has been found to be one of the main organizations policies which can increase the performance of staff and increase the outputs of organizations (Ajila, 2004). While many of the people and system mostly firmly decides an organization's competency. To implement the strategy competencies are required. And these competencies are mostly a role of the knowledge, skills and experience of individual investment. If an organization care for its employees as an important talent, To reach their full potential it has to be knowledge about what is that which increase the motivation of the people( Lawler, 2003). To attract, retain and motivate the employees all the tools are available to the employers. In the earliest years it was the organization profession to provide reward practices. That practice was mostly based on formulas that serve up an employee population in an organization. Their structure of salary was highly controlled and inflexible. In 1970s and 1980s, it is identified that, if the benefits and rewards are strategically designed they could give them the frame in a quickly change environment. In1990s the concept of total reward was emerged as anew method of thinking, to motivate, attract and retain the employees; companies seek to think about deployment of benefit and reward combined with substantial and insubstantial ways (Bagraim, J. 2007).

To encourage the employees for good job performance rewards are the powerful method. When manager don't recognize reward and encourage the employees for their performance, then they can upset the customers, and when the manager will give reward to them they will exceed the expectations of customers (Ibbotson, 2007).

Between the corporate strategy and the various reward management processes, the reward management system can be seen as a set of relationship. The aim of reward management is to develop the psychological contact and to develop a positive relationship in employment. A strategic reward system is proposed by (Sarvadi ,2005)which creates a balanced offering to employees. The author supports at least four areas of reward; appreciation, recognition, benefit and compensation. It is very important to motivate the employees. It must be focus that how organizations define the reward system, to make the employees understand the connection between performance and reward (Robert, 2005). Extrinsic rewards also drive worker's morale and the distribution of these rewards always has loomed large in companies, especially in accordance with performance evaluations in present globalization eras (Chang, E., & Hahn, J.2006).

Employee has mostly different degree for recognition, influence, responsibility and personal growth. The Nonfinancial reward can be focused on these needs of the people (Frey, 1997). The employees' commitment is based on appreciation and rewards. The motivation for achievement can be increase by the companies by the process of competency related pay scheme, performance management, job design and contributing skill. The most powerful motivation is recognition (Andrew, 2004).

(Homan, G. 2000)The employees who accomplish their task or give good performance, they not only want to focus on their achievement but they want their achievement are appreciated. The third factor of Non-financial reward is Responsibility. By given the more responsibility for their own work employees can be motivated. If each person in the organization receives the good reward and remuneration like financial and non-financial rewards in the organization, it ensures that organization has good remuneration and reward system.

Extrinsic rewards are those which employee receives from his or her organization after her good performance or after accomplishing the specific task. These rewards include some gifts, promotions, salary raise and bonuses. Paying is a vital factor which affects employee's motivation (Khan et al., 2010).

Intrinsic rewards are those which are given to employee for his personal satisfaction, to make him feel better in the organization. These types of rewards include empowerment, trust, recognition, information and feedback (Ibbotson, P. 2007). If there is lack of appreciation and appreciation value the employee would be de- motivated. There should have recognition value to motivate the important workers in organization (Bowen, 2004).

Majority of the managers are struggling for the recognition system. Here is one best tip to guide and help the recognition. It will benefit the results. Managers should have made a commitment to recognize the employees, at

least recognize one employee per month. Find out that who deserve the recognition. It should be determine that what the recognition will be then deliver the recognition (Lamere,etal,1996).

The pay rate of the employees depends upon the skills of the employees that he or she has kept. It does not depend on the performance of specific job on specific day. Rewards based on competency improve the flexibility of staff. In this way they can be motivated to get different skills. They can apply those skills to different jobs where its demand need (Bowey, A. & Thorpe, R. 2000).Different studies had been conducted in different aspects and this study explored the relationship of reward and performance of teachers in Pakistan.

## DATA ANALYSIS

Data were collected through the survey. This data represents the results and findings from the research that rewards have a great impact on the performance of the teachers in secondary schools in Islamabad.

The purpose of this research is to find out that how the rewards impact on the performance of the teachers. The research is based on the findings, that the organizations can encourage and progress the use of effective tactical recognition strategy in the management system of performance. The finding of the study would influence the organization to consider a more structure approach to the recognition. The purpose of this study is to explore the role of the recognition and reward to motivate the employees. This research has investigated that, which factor has greater impact on employee performance recognition or reward.

# Table 1 : Extrinsic Reward provides by organization.

Variables	Male		Female	
Extrinsic	Yes	No	Yes	No
	80%	20%	82%	18%

Table 1 shows that organization provides 80% - 82% of Extrinsic Reward to male and female teachers of government secondary schools in Islamabad. This table shows that teachers are satisfied with the Extrinsic Rewards provided by the organization.

#### Table 2: Intrinsic Reward provides by organization.

Variables	Male		Female	
Intrinsic	Yes	No	Yes	No
	6%	94%	2%	98%

Table 2 shows that organization provides 2% - 6% of Intrinsic Reward toward male and female teachers of secondary schools in Islamabad. This table shows that 94% - 98% of the employees are not satisfied with the intrinsic rewards provided by the organization.

#### Table 3: Correlation of performance and extrinsic reward

Table 3 shows that "r" value  $.386^{***}$  is significant at a = .05 level of significant. It is indicated that there is

Variable	Mean	Std.Dv	Ν	Sig.	r
Performance	27.21	3.9	80	.01	.386***
Extrinsic	18.60	1.8	80		

relationship ( $r = .386^{***}$ ) between performance and extrinsic reward.

 Table 4: Correlation of performance and intrinsic reward

Variable	Mean	Std.Dv	Ν	Sig	r
Performance	27.21	3.9	80	00	.00
Intrinsic	12.93	2.8	80	.99	

Table 4 shows that "r" value .00 is not significant at a = .05 level of significant. It is indicated that there is no relationship (r = .00) between performance and intrinsic reward.

#### Table 5: Current benefits include:

S#	Variables	Yes	No
1.	Leave	70%	30%
2.	Pension	70%	30%
3.	Medical aid	80%	20%
4.	Vehicle, telephone, allowances	90%	10%
5.	Disability allowance	10%	90%
6.	Education assistant program	40%	60%
7.	Other welfare allowances	30%	70%

Table 5 shows the current benefits includes leave, pension, medical aid, vehicle and telephone bills, disability allowances, education assistant programs and other welfare allowances.

Majority of the teachers are receiving leave, pension, medical allowance and only vehicle allowance. They are not getting the phone bills or any other bills. 90% of the teachers mention that there is no any disability allowance but 10% of them were selecting the option "yes". The table also indicates that majority of the teachers are not receiving the benefit of "Education Assistant Program". Low frequency is receiving this benefit. Majority of the teachers are also not receiving the other welfare allowances, but they have a view of some other new welfare allowances and benefit packages to enhance the level of performance and increase the motivation.

## **FINDINGS:**

The results show that organization provides 80% - 82% of Extrinsic Reward to male and female teachers of government secondary schools in Islamabad. This table shows that teachers are satisfied with the Extrinsic Rewards provided by the organization (Table 1). This study is supported by Bretz et al, 1992, Filipkowski & Johnson, 2008.

The results show that organization provides 2% - 6% of Intrinsic Reward toward male and female teachers of secondary schools in Islamabad. This table shows that 94% - 98% of the employees are not satisfied with the intrinsic rewards provided by the organization (Table 2). Frey (1997) stated that both extrinsic and intrinsic rewards have an initial impact on employee's performance.

The results shows that "r" value  $.386^{***}$  is significant at a = .05 level of significant. It is indicated that there is relationship ( $r = .386^{***}$ ) between performance and extrinsic reward. (Table 3)

The results shows that "r" value .000 is not significant at a = .05 level of significant. It is indicated that there is no relationship (r = .000) between performance and intrinsic reward. (Table 4)

The results shows the current benefits includes leave, pension, medical aid, vehicle and telephone bills, disability allowances, education assistant programs and other welfare allowances. Majority of the teachers are receiving leave, pension, medical allowance and only vehicle allowance. They are not getting the phone bills or any other bills. 90% of the teachers mention that there is no any disability allowance but 10% of them were selecting the option "yes". The table also indicates that majority of the teachers are not receiving the benefit of "Education Assistant Program". Low frequency is receiving this benefit. Majority of the teachers are also not receiving the other welfare allowances, but they have a view of some other new welfare allowances and benefit packages to enhance the level of performance and increase the motivation. (Table 5)

#### CONCLUSION

Different aspects of the conclusion can be made on the bases of the results find through this research. The facts and figures in this conclusion show that why the performance of the teachers decreasing in the secondary schools. Most of the principals of the schools are not taking interest in the professional growth of the teachers. This thing reduces the motivation level of the teachers. Teachers are satisfied with the extrinsic rewards provided from the organization like: pay, bonuses, allowances, but mostly they do not get intrinsic reward from the organization. Their effort to create knowledge is rewarded in the schools. It is found that they have the material and equipment they need to job well, it means organization provide them all the equipment for teaching. Teachers are also asked to make decisions regarding rewards. Most of the teachers were agree with this statement but some of them did not give any response on this statement. It is found that some of the schools follow this strategy to involve their teachers in making decisions, but in some another schools they do not give them the option to take the decision for reward. The head of the school made them aware of that how they should perform and how their job will be evaluated. So most of the people were agree with this statement that how their job will be evaluated and how should they perform on the job.

As for as concerning with the extrinsic reward the organization pay them well as compare to the other organizations. Majority of the respondents were agreeing with this statement. They were satisfied with the salary package offered by the organization. They were also satisfied with the benefit packages offered by them.

Teachers are also satisfied with the welfare allowances which are provided by the organization. But they also have a view that there should be some new in packages of benefits to satisfy and motivate them. They also get salary increment after their good performance. As we know that intrinsic reward based on recognition appreciation, gratitude, acknowledgement etc. if the employee gets the regular appreciation from the manager or supervisor, it plays a vital role in the performance and motivation of the employees. But in this research the results indicates that the teachers do not get the regular appreciation from their head. It decreases the performance level of the teachers. They do not recognized or acknowledge for the contribution they make for the organization.

# **RECOMMENDATIONS:**

Upper level management should take interest in the professional growth to increase the performance level of the teachers. They also should consider the new ideas of the teachers and they should ask them the option of reward for their motivation. Head of the institute should develop a sense of responsibility among the teachers; it will lead the institutes toward success. The head of the institute should increase the level of intrinsic motivation. It will be a great source of good performance. Like for a specific job well done the Head may personally thank the teacher. He should mention that what was good and why you are appreciated. Put a thank you note to praise him or her. It means you are valuing the specific person. This praise would be very meaningful. Majority of the teachers are also not receiving the education assistant programs. Head may take interest to give them education assistant program. Most of the teachers like to learn and want to enhance their abilities. Head of the institute may consider them. It is recommended that they may include all the intrinsic reward to motivate the teachers; like sense of meaningfulness, sense of choice, sense of competence and sense of progress.

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