

**THE INFLUENCE OF EXTRINSIC MOTIVATION ON EMPLOYEES'
PERFORMANCE IN PUBLIC SECTORS ORGANIZATION: A CASE OF
NATIONAL SOCIAL SECURITY FUND (NSSF) - DAR-ES-SALAAM**

LUCAS SILAUS

**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN
GOVERNANCE AND LEADERSHIP (MAGL)
DEPARTMENT OF POLITICAL SCIENCE, PUBLIC ADMINISTRATION,
HISTORY AND PHILOSOPHY (PSPAHP)
OF THE OPEN UNIVERSITY OF TANZANIA**

2025

CERTIFICATION

The undersigned certifies that he has read and hereby recommends for acceptance by the Open University of Tanzania a Dissertation titled “*The Influence of Extrinsic Motivation on Employees’ Performance in Public Sectors Organization.*” in partial fulfillment of the requirements for the degree of master of art in Governance and Leadership of the Open University of Tanzania.

.....

Dr. Chacha Matoka

(Supervisor)

.....

Date

.....

Dr. Jacob Lisakafu

(Supervisor)

.....

Date

COPYRIGHT

No part of this dissertation may be reproduced, stored in any retrieval system, or submitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission of the author or Open University of Tanzania.

DECLARATION

I, **Lucas Silaus**, declare that this dissertation is my own creation. No other university or institution has ever received it. References have been given whenever someone else's work has been used. It is in this regard that I declare this work as originally mine. It is hereby presented in partial fulfillment of the requirements for the Degree of Master of Arts in Governance and Leadership.

A handwritten signature in black ink, appearing to read 'Lucas Silaus', is written over a horizontal dotted line.

Signature

A horizontal dotted line intended for the date.

Date

DEDICATION

I dedicated this work to my family especially my Lovely Mama, Mr. Godfrey Letara and his wife Selina Letara for their love, moral and financial support to ensure I can achieve my dream and my academic achievements. What they invested on my education is highly valued.

ACKNOWLEDGEMENTS

With profound gratitude and great humility, I would like to express my thanks and appreciation to all those who have contributed in one way or another in the accomplishment of this Study. First, my thanks go to the Almighty God for helping me to successfully accomplish my studies at the Open University of Tanzania (OUT).

Second, I would like to express my sincere gratitude to my Supervisor, Dr. Chacha Matoka, for his tireless efforts, positive guidance, constructive ideas and encouragement throughout this research. Thank you so much Dr. and may the Great Lord bless you, protect you and grant you a million reasons to smile.

Third, I would like to thank and acknowledge the support I have received from the entire department and management of this program (MAGL) leading by Program Coordinator Mr. Twaha Katabaro and other instructors since the first day I joined OUT. I also extend my sincere gratitude to the Management of NSSF and its staff for providing me with research permit and cooperation that helped me to obtain enough information for my report. Thank you, thank you.

Finally, I express my appreciations and sincere thanks to my Lovely Mama, Mr. Godfrey Letara and his wife Selina Letara for their support and prayers throughout this course. Thanks to my colleagues who pursued Master of Arts in Governance and Leadership the class 2021/2023 at Open University of Tanzania for their courage during the study. It is not easy to acknowledge and mention all people who

contributed direct and indirect in accomplishment of this study in one page but receive my thanks through this note. God bless you all.

ABSTRACT

The aim of this study was to examine the influence of extrinsic motivation on performance among employee at NSSF Dar-es-Salaam Tanzania. The study employed a quantitative research approach to investigate the association between rewards, salary increments, bonuses as well as promotion and performance of the employee. A total of 267 NSSF officers from various departments were included in the sample size. The sampling of the study respondents was done through cluster sampling. A cluster of Contacted NSSF employee was chosen as study sample, meanwhile a cluster of non-staffs was excluded. The study was guided by the Maslow's Hierarchy of Needs theory and Herzberg Two-Factor Theory. The collection of data was done using self-administered questionnaires among study participants. The analysis of the data was done using descriptive and inferential analysis. The study found that, there were no significant relationship between employee performance and salary increment as well as promotion. Furthermore, the study also found that, there were a significant relationship between employee performances and bonuses as well as rewards among NSSF employees. The study concluded that, the extrinsic motivation in examined in this study, collectively provides motivation to employee in public organizations. However, some of the factors such as rewards and bonuses had immediate and strong influence of employee motivation meanwhile the remaining factors such as salary increment and promotion has limited influence of motivation. The study recommends, the NSSF should strengthen its rewards and bonuses system structures to ensure they align with the organization targets as they would ensure employee post positive performances.

Key Words: *Bonuses, Rewards, Promotions, Performance, Employee, NSSF.*

TABLE OF CONTENTS

CERTIFICATION	ii
COPY RIGHT	iii
DECLARATION.....	iv
DEDICATION.....	v
ACKNOWLEDGEMENTS.....	vi
ABSTRACT	viii
LIST OF TABLES	xiii
LIST OF FIGURES	xiv
LIST OF ABBREVIATIONS	xv
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Overview	1
1.2 Background of the Study	1
1.3 Statement of the Problem	5
1.4 General Objective	7
1.4.1 Specific Objectives	7
1.5 Research Hypothesis (H_I)	7
1.6 Significance of the Study.....	8
CHAPTER TWO	10
LITERATURE REVIEW.....	10
2.1 Overview	10
2.2 Definition of the Key Words	10
2.2.1 Extrinsic Motivation	10

2.2.2	Salary increment	10
2.2.3	Bonuses.....	11
2.2.4	Rewards	11
2.2.5	Intrinsic Motivation	11
2.2.6	Performance.....	12
2.3	Review of the Theories.....	12
2.3.1	Hierarchy of Needs Theory	12
2.3.2	Herzberg Two-Factor Theory	14
2.4	Empirical Review	16
2.4.1	Worldwide Context Review	16
2.4.2	African Context review	18
2.4.3	Tanzania Context Review.....	20
2.5	Research Gap.....	21
2.6	Conceptual Framework.....	22
CHAPTER THREE		24
RESEARCH METHODOLOGY		24
3.1	Overview	24
3.2	Research Philosophy	24
3.3	Research Approach.....	25
3.4	Research Design and Strategy	26
3.4.1	Area of the Study	27
3.5	Target Population	27
3.6	Sampling Techniques and Sample Size.....	28
3.6.1	Cluster Sampling	28

3.6.2	Sample Size	29
3.7	Data Collection Methods	29
3.7.1	Questionnaire.....	30
3.8	Variable and Measurement Procedures	30
3.8.1	Independent Variables	30
3.8.2	Dependent Variables.....	31
3.9	Data Analysis Plan	31
3.10	Data Cleaning and Processing	33
3.11	Validity and Reliability of the Study	33
3.11.1	Validity of Instruments.....	33
3.11.2	Reliability of the Study.....	33
3.12	Ethical Considerations.....	34
CHAPTER FOUR.....		35
FINDINGS, RESULTS AND DISCUSSION.....		35
4.1	Overview	35
4.2	Demographic Characteristics Results.....	35
4.3	Descriptive Statistics of Variables Results	37
4.3.1	Relationship Between Salary Increment and Employee Performance	38
4.3.1.1	Variable Descriptive Statistics and Correlation Analysis Results.....	38
4.3.1.2	Multiple Regression Analysis.....	40
4.3.1.3	The Relationship of Salary Increment on Employee's Performance	42
4.3.2	Relationship between Rewards and Employee Performance	43
4.3.2.1	Variable Descriptive Statistics and Correlation Analysis Results.....	43
4.3.2.2	Multiple Regression Analysis.....	45

4.3.2.3	The Relationship Provision of Rewards on Employee's Performance.....	47
4.3.3	Relationship between Bonuses and Employee Performance.....	49
4.3.3.1	Variable Descriptive Statistics and Correlation Analysis Results.....	49
4.3.3.2	Multiple Regression Analysis.....	51
4.3.3.3	The Relationship of Bonuses on Employee's Performance	52
4.3.4	Relationship between Promotion and employee performance	54
4.3.4.1	Variable Descriptive Statistics and Correlation Analysis Results.....	54
4.3.4.2	Multiple Regression Analysis.....	55
4.3.4.3	The Relationship of Promotions on Employee's Performance	57
4.3.5	Descriptive Statistics on Employee Performance.....	59
4.3.6	The Association between Extrinsic Motivation and Employee Performance.....	60
CHAPTER FIVE.....		61
CONCLUSION AND RECOMMENDATIONS		61
5.0	Overview	61
5.1	Summary of Key Findings.....	61
5.1.1	The Relationship of Salary Increment on Employee's Performance	61
5.1.2	The Relationship Provision of Rewards on Employee's Performance.....	62
5.1.3	The Relationship of Bonuses on Employee's Performance	62
5.1.4	The Relationship of Promotions on Employee's Performance	63
5.2	Conclusion	63
REFERENCES.....		66
APPENDICES		74

LIST OF TABLES

Table 3.1	Target Population of the Study.....	28
Table 4.1:	Demographic Data of the Study Respondents.....	37
Table 4.2:	Participants Responses on Salary Increment.....	39
Table 4.3:	Variable Descriptive Statistics, and Correlation Analysis Results.....	40
Table 4.4:	Model Summary	40
Table 4.5:	Anova Table	41
Table 4.6:	Regression Model Results	41
Table 4.7:	Participants Responses on Rewards	44
Table 4.8:	Variable Descriptive Statistics, and Correlation Analysis Results.....	45
Table 4.9:	Model Summary	46
Table 4.10:	Anova Table	46
Table 4.11:	Regression Model Results	47
Table 4.12:	Participants Responses on Bonuses.....	49
Table 4.13:	Variable Descriptive Statistics, and Correlation Analysis Results.....	50
Table 4.14:	Model Summary	51
Table 4.15:	Anova Table	51
Table 4.16:	Regression Model Results	52
Table 4.17:	Participants Responses on Promotions.....	54
Table 4.18:	Variable Descriptive Statistics, and Correlation Analysis Results.....	55
Table 4.19:	Model Summary	56
Table 4.20:	Anova Table	56
Table 4.21:	Regression Model Results	57
Table 4.22:	Participants Responses on Performances	59

LIST OF FIGURES

Figure 2.1: Maslow's Hierarchy of Needs, 1954.	13
Figure 2.2: Conceptual Framework.....	22

LIST OF ABBREVIATIONS

ANOVA	Analysis of Variance
MAGL	Master of Arts in Governance and Leadership
MDG	Millennium Development Goals
NSSF	National Social Security Fund
OUT	Open University of Tanzania
SPSS	Statistical Package for the Social Sciences

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter presents the blue print to the assessment of influence of extrinsic motivation on employees' performance in Public Sectors Organization. The chapter provides the important introductory information on the study. It consists of background of the study, statement of the problem, research objectives, and research hypotheses, significance of the study and organization of the study.

1.2 Background of the Study

Strong employee performance is an important aspect which benefits the organization, customers, shareholders, suppliers and the society at large (Hussein Ali, Mohd Said, Abdullah, & Mat Daud, 2017; Pfajfar, Shoham, Małecka, & Zalaznik, 2022). To achieve higher level performance, employee motivation is the most realistic and widely used approach. Motivation and employee performance are strongly linked, as motivated employees tend to be more productive, engaged, and committed to achieving organizational goals (Aduma, Obi, & Okeke, 2020; Menezes, Harish, & Parija, 2015). When employees are motivated, they are more likely to put in extra effort, take on additional responsibilities, and strive to improve their performance. Motivated employees also tend to have a more positive attitude towards their work, which can lead to higher levels of job satisfaction and lower rates of absenteeism and turnover. Motivation plays a crucial role towards organization performance and productivity (Naa et al., 2021; Uka & Prendi, 2021) as it puts human resources into action, improves efficiency levels for employees, leads to achievement of

organizational goals, and builds friendly relationships, stability and growth of the organization (Forson, Ofosu-Dwamena, Opoku, & Adjavon, 2021).

It has been argued that, motivated employees tend to be more effective and efficient when their concerns relating to the needs such as bonuses, salaries and other incentive are taken into consideration. These increases their work morale and performance and ensure that the level of output obtained from employees will have great impact to the organization objectives (Öksüzoğlu-Güven, 2018; Tong, 2019). As the organization seeks to ensure better performance of the organization itself and the employees various motivation methods are employed and implemented to ensure employees are satisfied with their works and are willing to influence their expertise and experience and perform well within the organization, leading to increase performance of employee that can contribute to the achievement of organization goals and standards (Muze, 2014).

Motivating employee could be done through extrinsic and intrinsic motivation. Extrinsic motivation entails the willingness to participate in an activity for the purpose of achieving an external goal. Extrinsic motivation provided by majority of organization includes good working condition or environment, rewards, promotion, recognition bonuses, trainings and so many others just to mention few (Brooks, 2018). There is a consensus among scholars that human assets are among of the most important within an organization. The effective and efficient use of resources is determined by the level of commitment and motivation of employees within the organization.

Numerous approaches including goal setting, measurement and feedback approach, reward and recognition and bonuses have gained traction in majority of organization to ensure employee are motivated. Manzoor et al. (2021) argued that motivation (extrinsic motivation) has direct impact on the motivational level of the employee within an organization. The study further found a strong relationship between both extrinsic and intrinsic motivation and on employee performance. In similar vein, Fischer et al. (2019) also concludes that there is the need to continuously check the level of employee motivational level as it might lead to decline in their performance which could impact the performance of the entire organization.

At a global level, motivation of employee through extrinsic motivators is a concept of crucial importance among various organization and sectors. Employee motivation is a crucial aspect which ensure employee retention, commitment and work ethics. A key constraint to achieving the MDGs is the absence of a properly trained and motivated workforce (Griffin, 2012). The loss of manpower and constant turnover of employee in numerous companies has been a problem for a number of private and public organization in US (Hana & Lucie, 2011; Ruth, 2015). There have been increased efforts to ensure employee are better motivated and working environments are conducive, non-toxic, inclusive and attractive to ensure higher retention and increased productivity among organizations. In developed economies and labour markets such as in Europe, employee experience stagnation in career progress coupled with higher job demands which could lead to stress and reduced motivation primarily due to strict performance targets and higher pressure to deliver. There are poor practices of recognitions and rewards as some employee are undervalued from

the work they perform and have limited autonomy to act against organization demands. Such hostile conditions demotivate employees and presents a short- and long-term problem for the organizations.

In African countries such as Nigeria, Kenya and South Africa, motivation practices are undoubtedly among of the country priority to ensure that employee has satisfactory career trajectory, financial incentives to work hard and good working environments to ensure the retention rate among employee is higher. Motivating employee in developing countries has proven among the most challenging task among managers and administrators. Due to poor economic level, employee experiences lower salaries unable to cover the basic living costs, limited development opportunities, bureaucratic and exhaustive process which impede career progress. In extreme cases, there are inadequate compensation packages and lack of appropriate rewards for higher performing employees. Such conditions have made the employee turnover among of the most chronic problem in African labour markets as workers struggle to find better wages and improved working conditions (Muze, 2014; Noel, 2019).

Tanzania as among of the African countries has not been spared of the blunt impacts of poor motivational practices and its impacts. In Tanzania, employees from public sectors have been facing a number of challenges towards the implementation of day-to-day activities. Among of these challenges includes poor working environment, lack of recognition, lack of motivation packages and job insecurity poor motivation practices, unreliable organization and governmental policies, inconsistency and biased provision of extrinsic motivation and poor performance measurement systems

(Monaghan, 2021; Öksüzoğlu-Güven, 2018). These factors directly lead to demotivated employees and facilitate low performance of organization and increased the rate of employee turnover, absenteeism and low or little commitment of employees in execution of their duties (Noel, 2019).

Given the fact that there are obvious positive contributions of employee motivation within the organizations. Thus, numerous public sectors organizations in Tanzania facing chronic challenges of motivating their staff personnel which could lead to poor organization performance should pivot more effort to ensure employee are motivated sufficiently enough to improve performance and productivity (Magembe, 2018; Muze, 2014). It is therefore imperative for the organization to strive to attain better performance and achieving its objectives, employees need to be highly motivated. Therefore, this study examines the influence of extrinsic motivation on employee performance and provide ground explanations on how extrinsic motivation is associated with the work performance of the employees.

1.3 Statement of the Problem

The performance of the employee in public sectors has been overwhelming inconsistent in several public sectors (Joseph, 2019). The poor performance of employees in public sectors has been linked to numerous factors including lower wages, poor working conditions and slow and limited professional growth among employees (Chantal, Manyange, & Asuman, 2022; Noel, 2019). There has numerous effort which have been put in place to motivate employee in public sectors and ensure they perform admirably. Among of the most relied way to improve the

performance of the employees is extrinsic motivation. Motivated employees are happy, committed, and productive and provide good services to the organization. Public organization, provide a range of motivation to ensure employee performs better at work (Ekundayo & Babalola, 2018).

There are numerous studies which have been conducted to examine how motivation impacts employee's performance. Such studies includes Menezes et al. (2015), Bergstrom & Martinez (2019), Öksüzoğlu-Güven (2018), Tong (2019) and Aduma et al. (2020). Findings from these studies revealed that there are numerous challenges facing managers on motivating employees including lack of knowledge on motivation practices, poor organization and governmental policies on employee motivation, bad working environments, inconsistency and biasness on provision of extrinsic motivation including performance bonuses and promotion as well as inaccurate performance measurement systems. These findings were also backed up by research done by Gisela, (2014) conducted a study on "effects of motivation factors on employees' job performance" and found existence of disparity of employer rewards and employees need that affects employee's performance.

However, there is a paucity of knowledge on how influential are the extrinsic motivation plays on improving the performance of employees especially in public sectors organization such as NSSF. Therefore, the main objective of this study were to examine the influence of extrinsic motivation on employees' performance and the performance of organization as well. National Social Security Fund (NSSF) is one of public sector institutions which is not isolated from this phenomenon of motivation since it has employees executing day to day activities. Thus, examining the influence

of extrinsic motivation on employee performance provides invaluable knowledge on the relationship between motivation and work performances and give insights on how to approach motivation practices in public institutions including NSSF.

1.4 General Objective

The main objective of this study was to examine the influence of extrinsic motivation on employee's performance in the public sectors organization.

1.4.1 Specific Objectives

- i. To assess the relationship between provision of rewards and employee's performance at National Social Security Fund (NSSF).
- ii. To investigate the relationship of salary increments on employee's performance at National Social Security Fund (NSSF).
- iii. To find out the relationship of bonuses on employee's performance at National Social Security Fund (NSSF).
- iv. To assess the relationship between promotions and employee's performance at National Social Security Fund (NSSF).

1.5 Research Hypothesis (H₁)

- i. There is a positive relationship between provision of rewards and employee's performance at National Social Security Fund (NSSF).
- ii. There is a positive relationship between salary increment and employee's performance at National Social Security Fund (NSSF).

- iii. There is a positive relationship between bonuses and employee's performance at National Social Security Fund (NSSF).
- iv. There is a positive relationship between promotions and employee's performance at National Social Security Fund (NSSF).

1.6 Significance of the Study

Productivity is a primary goal of any organization or company. It is a fundamental purpose and ultimate goal that any organization aims to achieve. Many findings and studies indicate that an employee participates in the business when motivated. Self-content and gratitude are main inspiring factors. An organization can provide continuous career development opportunities to their employees and give them good incentives and benefits and make their tasks more accountable. This strengthens their enthusiasm for the execution of day-to-day activities which in turn led the easy implementation of organization objectives.

Based on these views, this study therefore serves as a guidance towards improvement of employee's motivation and incentives in public sectors organization. It would help to advance the entire employee motivation process within their organizations and to ensure that organization achieve its desire ultimate goals and objectives. The study will also provide the proper strategies of motivating employees from public sectors organization and how to eliminate obstructive factors that causes ineffective provision and implementation of motivation practices in public sectors organization especially at National Social Security Fund (NSSF). To a researcher, this study will

serve a purpose of acquiring a degree of Master of art in Governance and Leadership of the Open University of Tanzania.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview

This chapter presents the review of various studies conducted by numerous scholars on the research topics. The chapter presents the definitions of key terms, the review of various theories, empirical review, the conceptual framework as well as the research gap.

2.2 Definition of the Key Words

2.2.1 Extrinsic Motivation

According to Adamma et al. (2018), extrinsic motivation is a construct that pertains an activity done to attain separable and tangible outcomes. He further added that, extrinsic motivation requires an instrumentality between the activity and separable consequences such as tangible and verbal rewards. Additionally Singh (2016) argued that for extrinsically motivated employees, the satisfaction comes from external consequences to which activity leads rather than the activity itself. In this study, the definitions of extrinsic motivation given above corresponds to its use throughout the study.

2.2.2 Salary increment

Refers to a constant increase in an employee's basic salary due to job performance, experience and seniority and market conditions (Forson et al., 2021). Increments are usually given as one type increase or as a series of incremental increases over a period of time. This definition reflects the use of the terminology in this study.

2.2.3 Bonuses

Refers to the additional payment given to an employee for achieving specific goals, meeting certain performance standards, or as an incentive for motivation and productivity Singh (2016). Bonuses can be predetermined or determined by an employer's discretion. This definition reflects the actual meaning of the word as used in this study.

2.2.4 Rewards

According to Haque et al. (2018) rewards refer to all form of financial returns, tangible services and benefits that employee receives as part of an employment relationship. Ghalem et al. (2016) also added that, reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility. In this study, rewards refer to the compensation and recognition that an individual receives for their work or performance including promotions, recognition and training.

2.2.5 Intrinsic Motivation

Singh (2016) defines the term intrinsic motivation as the act of people doing an activity which they find interesting and derive spontaneous satisfaction of the activity itself. Again, Gribanova (2021) defines intrinsic motivation as the act of doing an activity for its inherent satisfactions regardless of its separable consequence. Intrinsically motivated employee act for the fun and challenge entailed within the task itself rather than external pressures and rewards. In this study, the definitions of intrinsic motivation given above corresponds to its use throughout the study.

2.2.6 Performance

This terminology can be defines as the accomplishment, execution, carrying out, working out of anything order or undertaken (Ghalem et al., 2016). According to Cole (2019) performance could be defined as the level of achievement by an individual, measured against what they would be expected to achieve. In this study, the term performance is conceptualized as the act of an employee excising assigned tasks using his/her knowledge as an extension of possessing such knowledge. A good performance is measured through the quality, cooperation, quantity, creativity and dependability of the work done.

2.3 Review of the Theories

The study was guided by two theories of motivation including the Hierarchy of needs theory by Abraham Maslow and the Two-factor theory by Frederick Herzberg.

2.3.1 Hierarchy of Needs Theory

Abraham Maslow proposed the Maslow's Hierarchy of Needs theory in 1954 to address the distinct categories of human needs. The theory has five categories which includes Physiological, Safety, Social, Esteem and Self-actualization. The first two categories i.e. Physiological and safety belong to the lower-order needs meanwhile the remaining categories belongs to the higher (McLeod, 2018). According to Maslow, none of the five needs are met unless the primary needs are fulfilled first. Only after the lower need is met, another higher need will emerge. The need which hasn't been fulfilled acts as a motivation for action and could be replaced by the

higher-order needs when fulfilled. The diagram below shows the categories of Maslow hierarchy of needs (Mawere et al., 2016).

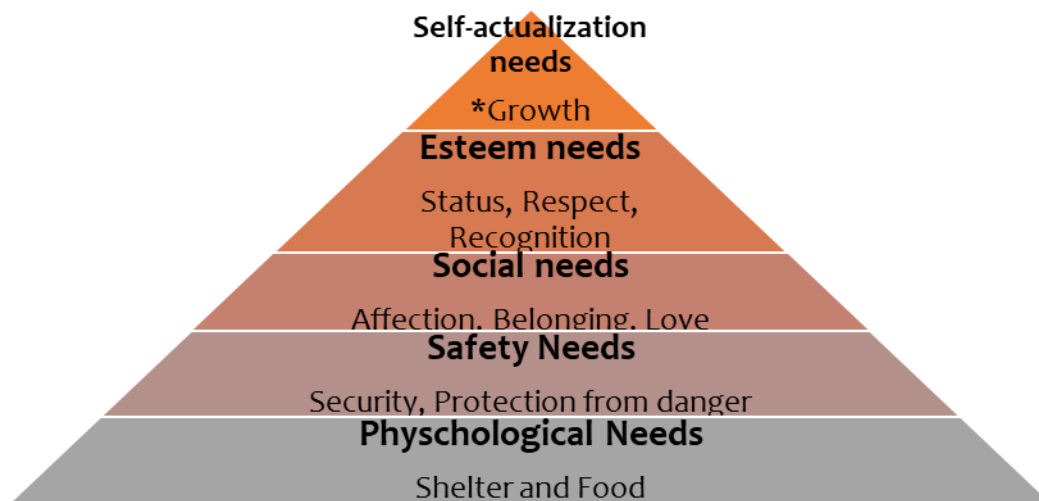


Figure 2.1: Maslow's Hierarchy of Needs, 1954

In this study, the theory provides ground explanation on how employee could be motivated. If an organization wants to motivate its employees, it needs to treat each employee as a single individual and take consideration the level of needs at which the said employee is on. For an employee who hasn't fulfilled the lower-order needs including psychological and safety needs, recognition and promotion (esteem needs) or affection and belonging (social needs) will not motivate him/her regardless of how generous the organization is. The theory also implies that, manager in public and private organization including (NSSF) needs to keep a closer look on the personal needs of their employee when attempting to motivate their employees.

The Hierarchy of Needs Theory provides a comprehensive and practical theory categorizing human needs into a hierarchical order. The theory is easy to understand

and apply in the workplace for creating effective motivation strategies. However, the theory has some weaknesses including cultural limitations and over-simplistic assumptions. Furthermore, the theory ignores individual differences in needs or preferences, which can limit its applicability. Despite these weaknesses, the theory remains to be a widely-used theory in the field of motivation and organizational behavior and provide solid foundation to examine the relationship between extrinsic motivation and employee performance in this study.

2.3.2 Herzberg Two-Factor Theory

The theory was proposed in 1959 by Frederick Herzberg when investigating the relationship between the employees' attitudes toward work and success or failure in his book named "The Motivation to Work" (Öksüzoğlu-Güven, 2018). The theory is also referred as the motivation-hygiene theory. In his theory, Herzberg argued that the factors which will increase job satisfaction are independent of those that increase job dissatisfaction. He further argued that the opposite of "satisfaction" is "no satisfaction" and not "dissatisfaction" and the opposite of "dissatisfaction" is "no dissatisfaction" and not "satisfaction" (Öksüzoğlu-Güven, 2018; Tefera, 2014a; Tong, 2019). In clarified terms, working environments could be a factor which causes job satisfaction and job dissatisfaction. However, it only good environments which causes job satisfaction and bad environments which causes job dissatisfaction. So, environments play both ways in motivating employees. Thus, eliminating factors which leads to job satisfaction does not guarantee that employees are motivated as these factors are distinct and independent of each other's. Lastly, the theory describes

others factors as hygiene factors, which creates neither job satisfaction nor job dissatisfaction (Menezes et al., 2015).

In this study, the theory helped the researcher to examine the types of motivation incentives offered at NSSF. This helps the researcher to categorize them among the job satisfaction or job dissatisfaction factors as well as find out the relationship between the motivations offered at the NSSF and the performance of the employees. The two-factor theory as provided ground basics to provide reliable explanation on how motivation factors could be attributed to performance of the workers through analyzing the numerical data. This helped the researcher to provide sufficient theoretical support to data and conclusions made in the second objective of the study.

The Herzberg Two-Factor Theory is a practical and well-supported theory that has been used to increase employee motivation and job satisfaction in the workplace. It focuses mainly on the importance of job satisfaction and recognizes that the factors that lead to job satisfaction are different from those that lead to job dissatisfaction. Further, the theory addresses individual differences in what motivates people and provides a framework for understanding and addressing these differences. However, the theory may have limited applicability to all types of jobs or organizations, as it is based on the experiences of white-collar workers. The theory has also been criticized for ignoring external factors such as organizational culture and social context, which can impact employee motivation and job satisfaction. Despite these limitations, the Herzberg Two-Factor Theory remains a valuable theory providing vital information for understanding and improving employee motivation and job satisfaction in the workplace.

2.4 Empirical Review

Numerous studies have been conducted to examine the association between extrinsic motivation and employee performance in various sectors including public sector and private sectors. This section is categorized into two parts; literatures from developed countries and literature of developing countries. The sectors provide a deep look at various studies conducted by numerous scholars and highlights the gap which needs should be further addressed.

2.4.1 Worldwide Context Review

A study conducted by Tong (2019) in China investigated the employee motivation problems and countermeasures in China. The study argues that medium and small enterprises are at risk of being pushed out of the market primarily due to their inability to motivate their employees which retrospectively causes employees to seek better employment opportunities elsewhere. The study used a quantitative research approach to collect data among 138 study informants using questionnaires as primary data collection tools. The study findings indicated that there are many problems which small and medium enterprises encounter in an effort to motivate their workforce. Such problems include enterprise problems including low profitability and higher operational costs which drain the available money and render the enterprise unable to do any activities to motivate the employees. Again, there is a managerial problem in these enterprises as most of the managers do not prioritize employee motivation rather focus solely on productivity. Furthermore, payment problems and lack of reliable performance evaluation systems which could be used to evaluate the performance of the employee at individual level and reward them accordingly.

Another study conducted in Pakistan by Shaikh, Pathan, & Khoso (2018) examined the effects of external motivational factors on employees. The study employed the Herzberg's two-factor theory to provide basic explanation and interpretation of the study findings. The study used a quantitative research approach to collect data among 765 study participants. The analysis of the data was done with the help of SPSS version 20 through which the researcher computed the Pearson correlation, Analysis of Variance (ANOVA), test and multiple regression techniques to find out the relationship among study variables. The study findings revealed that all extrinsic factors had positive and significant effects on employees, thus the findings provided reliable knowledge base to the importance of extrinsic factors for improving the employees' performance.

A study conducted in Cyprus by Öksüzoğlu-Güven (2018) examined the challenges in achieving high motivation and performance among employees. The author argued that, the current constraints create a very compelling environment to apply any kind of performance management tool to motivate employee in public sector. The study used a qualitative research approach to collect and analyze data among 62 study participants. The data were collected using structured interviews and analyzed through content and narrative analysis. The study findings indicated that, there are numerous challenges which limits the ability to motivate employees in public sectors including unreliable evaluation system that fails to accurately measure the performance of the employee and rewards them accordingly. Also, there are structural deficiencies such as shortage of resources and limitations imposed by the governance on motivating employees constrained the ability of the manager to

effectively reward its employees. Lastly, the study revealed that, lack of proper managerial skills on motivation practices among managers were posing significant setback of motivation practices in various public sectors.

2.4.2 African Context review

A study conducted in Nigeria by Ajayi (2019) examined the relationship between motivational drives and employee performances. The author argued that non-monetary and monetary rewards motivate workers in equal measures. Thus, it was imperative to examine the strength of association between motivation drives and the performance of the employees. The study used a descriptive study design to specifically examine the relationship of employee performance with achievement, autonomy, career advancement, personal development, recognition and nature of work as among of the key extrinsic motivation. The study employed a total of 447 study participants collecting data through questionnaire. Quantitative data were analyzed through descriptive and inferential analysis. The findings indicated that, extrinsic motivation variable including achievement, autonomy, career advancement, personal development and recognition and nature of work had significant association with the performance of the employee.

Another quantitative study conducted in Nigeria by Emeka, Amaka, & Ejim (2015) investigate the effect of employee motivation on organizational performance. The study sought to establish what effect employee motivation including monetary rewards such salary increases and organization performance. The study used a descriptive statistic collecting data among 103 study participants. The analysis of

data was done using Spearman Rank Correlation Coefficient. The findings of the study indicated that, there was a strong association between employee motivation and organizational performance. The findings fell in line with the equity theory which stresses on the fairness in the remuneration package tends to produce higher performance from workers. The study, further recommends the adaptation of extrinsic rewards in their various to increase productivity, thus, employers are continually challenged to develop pay policies and procedures that will enable them to attract, motivate, retain and satisfy their employees.

Moreover, a study conducted in Ethiopia by Tefera (2014) investigated the impacts of extrinsic motivation on employee performance. The study used a quantitative research approach to collect data among study participants. Questionnaires and documentary review were used to collect primary and secondary data. The study sample was selected using stratified sampling techniques to ensure proper representation of the study population. The analysis of data was done using descriptive typology and findings were presented using parameters such as frequencies, percentages and graphs. Among of the extrinsic motivators measured in this study includes by salary and benefit, working conditions, company policy, interpersonal relationship and administration & supervision. The study findings indicated that, extrinsic motivation such as salary and benefit had positive and significant association with the performance of the employee. However, variables such as performance however working condition, company policy, interpersonal relation and administration & supervision have positive but insignificant impact on the employee performance.

2.4.3 Tanzania Context Review

A study conducted by Monaghan (2021) in Tanzania examined the challenges faced by managers when attempting to motivate employees with non-monetary extrinsic motivators. The study employed a quantitative approach to collect data among 116 study participants. Further, the study a survey data collection method through which questionnaires were self-administered to all the eligible study participants. The numerical data collected were analyzed through descriptive analysis to draw conclusion on the study objectives. The study findings indicated that, majority of the study participants (90%) agreed that motivation to work comes through better payment and salary increase which could help them to afford the living costs. Again, 83% and 85% cited work enjoyment and interest in the job as among of the key motivation factors. Contrastingly, much fewer participants agreed that they work because they are requested to do it (26%), and less than half (44%) of employees stated they are motivated to work because they would feel guilty if tasks were not completed. Furthermore, the findings indicated that among of the key challenges facing managers when motivating employees were lack of reliable communication and openness on the process and irrelevance of the motivating methods as most employee are fixated on earning more money thus expect financial motivation rather than non-financial motivation.

Another study conducted by Magembe (2018) in Tanzania assessed factors hindering employee's motivation in the education sector. The study employed a qualitative research approach. A case study design was used to collect and analyze data among 96 study participants. Primary data were collected using questionnaires and

interviews, meanwhile secondary data were collected using documentary review and observation methods. The study findings indicate that, the effects of motivation included high level of commitment among employees, job satisfaction among employees and high level of productivity in the workplace. Furthermore, the findings indicated that, the challenges facing provision of motivation included shortage of financial resources that are needed to provide motivation to employees, lack of competence of among human resources personnel and poor choice of motivation packages.

2.5 Research Gap

Numerous studies have been conducted by various scholars in and outside of Tanzania to assess the impacts of motivation on employees' performance. These studies examined various aspects of employee motivation and performance such as challenges on motivating employees in various context including public and private organizations. Studies by (Emeka et al., 2015) and (Naa et al., 2021) revealed that motivation has stronger impacts on the work performance on the employee and dictates the work ethics of the employees. They further added that managers' needs to ensure employees are highly motivated if they want to reach the goals and targets set by the organization. Furthermore, studies by Öksüzoğlu-Güven (2018), Tong (2019) and Aduma et al. (2020) revealed challenges on motivation employees including lack of knowledge on motivation practices, poor policies on employee motivation, poor working environments and inaccurate performance measurement systems. However, there are lack of sufficient literatures examining the influence of extrinsic motivation for NSSF employees in Tanzania. Thus, this study pivoted its

effort to examine how employees in NSSF are motivated and how such motivations impact their work performance.

2.6 Conceptual Framework

A conceptual framework provides a comprehensive graphic and narrative understanding of a phenomenon within the research study (Jabareen, 2016). Yamauchi, Ponte, & Ratliffe (2017) argued that a conceptual framework could be either in graphical form or narrative form, providing explanations of variables involved within the research and their relationships. In this study figure 2.1 depicts the conceptual framework of the study.

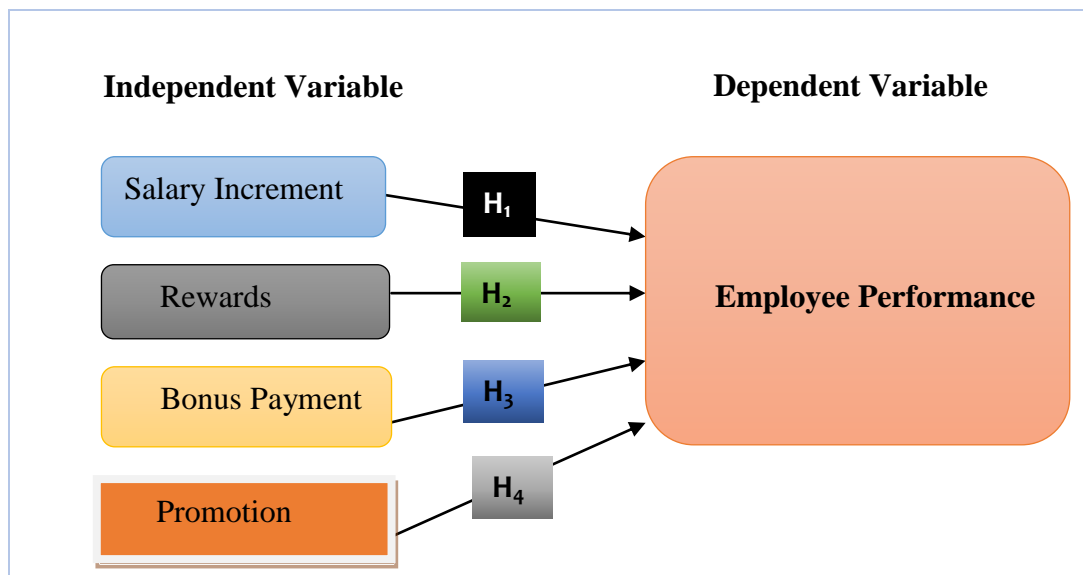


Figure 2.2: Conceptual Framework

In the figure 2.1, the independent variables include the extrinsic motivation provided to employee at NSSF. This includes salary increment, performance bonus and rewards. These factors are presumed to contribute significantly to the work

performance of the employee. The diagram also indicates the dependent variable which could be the direct result of manipulation of the independent variables. The dependent variable entails the work performance of the employees and were measured through the quality and productivity of the employee on given tasks.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Overview

This chapter presents methods which were used to collect and analyse the data throughout the research process. Also, it presents the research philosophy and approach, research design and strategy, area of the study and the target population. Furthermore, the chapter provides information on sampling techniques and sample size, data collection methods, and variable definitions and measurements. Additionally, the chapter presents the data analysis plan, validity and reliability of the study and ethical considerations.

3.2 Research Philosophy

There are basically two fundamental philosophical frameworks in research which are epistemology and ontology. Alharahsheh and Pius (2020) describe ontology as the process of seeking an answer to a research question through designating existing knowledge. Meanwhile (Hudson and Ozanne, 2008) describes epistemology as the search for answers through uncovering knowledge to reach reality. The two philosophical frameworks provide the foundation for two perspectives which are positivism and interpretivism. The positivism perspectives rely on the available information with narrowed focus that consider only pure data alongside facts without being influenced by human bias. Positivist researchers focus on the uncovering of facts that are measurable which leads credibility and meaningfulness within the data. The perspectives provide the basis for discovering the causal relationships and

themes from within the data (Ryan, 2018). As for the interpretivism, it relies on the fact that humans are different from physical phenomena. Thus, the perspective enables the researcher to gain in depth understanding by exploring the individual experiences rather than generalized measurements. This research adapted a positivism approach as the information sought already exists. The perspective helped the researcher to uncover various themes relative to the research questions and compute relationships among the study variables.

3.3 Research Approach

Research approaches can be defined as the collection of procedures and plans that decide the overall process of research. Research approach decides the methods for data collection, analysis, and interpretation. The concept of research approach is followed in the entire research process. According to Creswell (2014), research approaches comprise strategies and methods for research that extend the decisions from general assumptions to thorough methods of data gathering and reasoning. This study was based on quantitative research approach. Quantitative was used to deal with questionnaire survey.

Quantitative approach is a systematic approach that involves collecting and analyzing numerical data. The approach is mainly used to test hypotheses, establish patterns, and make predictions about phenomena. The approach typically involves a large sample size and statistical analysis techniques to interpret the data. In a quantitative research approach, researchers typically use structured research instruments, such as questionnaires, surveys, or experiments, to collect numerical data. The data collected were analyzed using statistical methods to identify patterns

and relationships between variables. The approach is often used to explore causal relationships between variables and allows the researcher to produce results that are generalizable to larger populations. In this study, the quantitative research approach helped the researcher to examine the relationship between variables of extrinsic motivation (Salary, bonuses and rewards) and the employee performance at NSSF. The quantitative approach enabled the researcher to draw conclusion of the causal relationship between the independent and dependent variable from the numerical data collected from the research field.

3.4 Research Design and Strategy

Research design is a road map used to guide the implementation of the study (David et al, 1980). Also, according to Aaker, et al., (2002), research design gives a detailed blue print of scientific inquiry which designs a strategy for finding out better result of which in this context the influence of motivation towards improving workers performance. This study employed the correlation research design. The correlational research design is a quantitative research design that examines the relationship between two or more variables without manipulating any of them. Through this design, the researcher measured the variables of interest as they naturally occur to identify the strength and direction of the relationship between the variables. The design aid the researcher to assess the relationships between variables that cannot be manipulated or controlled. In this study, the correlational design enabled the researcher to establish the strength and direction of association between the extrinsic motivation and employee performance. Through this design, the researcher was able

to collect numerical data from a large number of study participants from which statistical tests including Chi-square and regression were computed.

3.4.1 Area of the Study

The study was conducted in Dar-es-salaam Region. The choice of the region is primarily based on the availability of the study participants. The region has a total number of 760 employees among the aforementioned offices eligible for this study. The City of Dar es Salaam is located between 6.36 degrees and 7.0 degrees to the South of Equator and Longitudes 39.0 and 33.33 to the East of Greenwich. The region is boarded by the Indian Ocean on the East and by the Coast Region on the other sides.

The Dar es Salaam City has a total surface area of 1,393 square kilometers, which is about 0.15% of the entire Tanzania Mainland's area. The region has a total number of five (05) NSSF offices including HQ, Temeke, Kinondoni, Ilala and Kigamboni. According to the 2022 census, the region has a total population of 5,383,728. Moreover, it also has five (5) Municipal Councils which are Temeke Municipal Council, Kinondoni Municipal Council, Ilala Municipal Council, Ubungo Municipal Council and Kigamboni Municipal Council. Therefore, the region provides access to a large number of study participants and enabled the researcher to collect vast amount of quantitative data on the extrinsic motivation and employee performance.

3.5 Target Population

The target population of the study entails the population from which the researcher intends to collect data and draw conclusions. The total target population of this study

included full-time employees at NSSF in Dar-es-Salaam Region. The target population included directors, managers from NSSF HQ, regional manager, principal officers, senior officers and officers. The inclusion of employee from NSSF HQ helped the researcher to collect data on the types of extrinsic motivation offered at NSSF and the existing relationship between extrinsic motivation and the work performance of employees at NSSF. Additionally, the inclusion regional managers, principal officers, senior officers and officers also enabled the researcher to collect more reliable data on the researcher topic.

Table 3.1 Target Population of the Study

Location	Number of Eligible Employee
NSSF HQ in Dar-es-Salaam	400
Temeke	130
Kigamboni	40
Ilala	82
Kinondoni	108
Total	760

3.6 Sampling Techniques and Sample Size

3.6.1 Cluster Sampling

Cluster sampling allowed the researcher to sample the study participants through probability method. Each participant had equal chance of participating in research study. In this study, the researcher grouped employee in different cluster based on the type of employment including contracted NSSF employee and non-staffs such as cleaners. The study sample was drawn from the cluster containing. Further, cluster sampling ensured sufficient involvement of eligible study participants as cluster formed were based on key characteristics identifiable characteristics which provide

reliable basis for the selection on the study sample.

3.6.2 Sample Size

The total sample size of the study was determined using the Yamane Formula (1967) formula. The statistics indicates that, Dar-es-Salaam region has a total number of 760 NSSF personnel including directors, regional managers, principal officers, senior officers and officers who are eligible for the study.

From the formula

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

$$\text{Sample size (n)} = \frac{760}{1 + 760(0.05^2)}$$

$$\text{Sample size (n)} = \frac{760}{1 + 1.9}$$

$$\text{Sample size (n)} = 262$$

The study added 10% of the total sample size to counter for non-responses and unreturned questionnaires. Thus, the total sample size of the study was 288 NSSF employees. All identified study participants attempted the self-administered questionnaire during data collection phase. However, the researcher involved all participants clustered in contracted NSSF employee category and exclude those in non-staff category such as cleaners and security staff.

3.7 Data Collection Methods

The method used for data collection in this study is questionnaire

3.7.1 Questionnaire

The method was used to collect quantitative data from the research respondents. The questionnaires contained close-ended questions formulated to help the researcher gather numerical data relevant to the research study. The use of questionnaires enabled the researcher to collect data from a large number of respondents accurately. The questions contained within the questionnaire were tailored to attempt a specific research question and enable the researcher to draw conclusion on the relationship between extrinsic motivation and the performance of the workers at NSSF. The questionnaires were self-administered among NSSF employee and collected by the researcher upon completion. The tools used a non-ambiguous term to ensure the study participants capture the intended meaning in each question.

3.8 Variable and Measurement Procedures

3.8.1 Independent Variables

Salary increment: Is an increase in salary or wages that an employee receives from their employer. The variable was measured using 12 ordinal scale questions as indicated in Appendix I. The collected data were used to investigate the association between increments and performance.

Rewards: entails the compensation or recognition that an individual receives for their work or performance. In this study, rewards include promotions, recognition and training.

The variable was measured using 10 questions as indicated in Appendix I. The variable was measured using a Likert scale questionnaire where participants were asked to grade their experience per each statement on 3 point scale.

Bonuses: refers to additional financial compensation given to an employee on top of their regular salary. Bonuses are given for meeting performance goals, working overtime and an incentive to stay with the organization. In this study, the variable was measured through 10 ordinal scale questions as indicated in Appendix I, through which participants were asked to disclose the frequency to which they receive and are likely to receive bonus payment from their employee.

3.8.2 Dependent Variables

Work performance: This refers to the productivity level and quality of work done by the employee. Data collected in this section helped the researcher to establish the existing relationship between the employee performance and the extrinsic motivation provided within the NSSF. Employee performance was measured through a 3 point scale questionnaire. A total of 12 questions were used to grade employee performance history. Mean score was used to categorize employee between those with higher performance and those with lower performance.

3.9 Data Analysis Plan

Quantitative data were analyzed through descriptive analysis and inferential analysis. Data collected through questionnaires were cleaned, systematically coded and entered into SPSS version 26. The data were analyzed through a descriptive analysis

to compute several parameters including frequency, percentage, mean and standard deviation. The data were further be analyzed using regression analysis to examine any existing relationship between the variables the extrinsic motivation and the work performance of the employees. Statistical findings from the regression analysis with a p-value of >0.05 were categorized as significant. The analysis followed the regression model as indicated below

From the regression equation;

$$Y_i = f(X_i, \beta) + e_i$$

Where

Y_i = Dependent Variable

f = Function

X_i = Independent Variable

β = Intercept

ε = error term

Thus, in this study, the regression equation translates to the regression model below;

$$\text{Employee Performance} = \beta_0 + \beta_1 (\text{Reward}) + \beta_2 (\text{Bonuses}) + \beta_3 (\text{Salary Increments}) + \beta_4 (\text{Promotion}) + \varepsilon$$

Where

$\beta_1, \beta_2, \beta_3$ and β_4 = Slope coefficients for reward, bonuses, salary increments and promotion

From the model above, the study hypothesizes that employee performance is influenced by rewards, bonuses and salary increments. The regression model

provided information on the strength and direction of the relationship between reward, bonuses, salary increments, and employee performance.

3.10 Data Cleaning and Processing

The numerical data collected through self-administered questionnaires distributes among NSSF employees, were cleaned and processed using SPSS version 26. The data were entered into the SPSS program and computed for descriptive parameters including frequency, range, and percentage as well as charts (histogram). Through descriptive statistics the researcher were able to identify and rectify data entry errors and systematically address outliers within the data.

3.11 Validity and Reliability of the Study

3.11.1 Validity of Instruments

The validity of research instruments represents the ability of a tool to measure what it is intended to measure (Mohajan, 2017). There are several factors which derail the validity of a research tool categorized into systematic and random factors. In this study, the validity of the research tool was ensured through peer and expert review to ensure the tool doesn't contain ambiguous statements which could distort the meaning of the questions. The tool constructed used simple vocabulary to ensure the respondents would grasp the meaning of the questions and answer accordingly.

3.11.2 Reliability of the Study

Reliability of the study refers to the ability of a research tool to generate the same results over time and under various circumstances. In this study, a pilot study was

conducted to ensure the validity of the research tool. Furthermore, the researcher constructed research tools by adopting and modifying questions from previous studies which have been standardized. This also improved the reliability of the research tools.

3.12 Ethical Considerations

Ethics are an important part of a research study. This study took into consideration the various parameters of ethics including confidentiality, privacy and anonymity of the research respondents. The confidentiality and privacy of study respondents was ensured through reporting of collective data rather than individual-level data. Furthermore, the anonymity of the study respondents was ensured through the use of pseudo-names in report writing to protect the identity of the data sources.

The researcher explained in detail the risks involved in this study and as all participants to sign informed consent forms which signify their willingness to freely participate in this study. Fabrication, falsification and misrepresentation of data was avoided and all sources used in this study were properly cited and referenced to avoid plagiarism. Data collected through hardcopies and softcopies were closely protected to avoid any form of data breach which could compromise the confidentiality and privacy of the respondents. Lastly, all respondents gave freedom to reject the use of data recording devices such as video and audio recorders, if such act violates their beliefs and confidentiality.

CHAPTER FOUR

FINDINGS, RESULTS AND DISCUSSION

4.1 Overview

This chapter presents data on the findings of the influence of extrinsic motivation on employees' performance in public organizations. The study had four objectives which were to determine the relationship between Salary increments (i), bonuses (ii), rewards (iii), as well as promotions (iv), and employee performance. The chapter further presents the regression model and the demographic data of the study participants. The data presented in this chapter were analyzed using descriptive and inferential analysis.

4.2 Demographic Characteristics Results

Per education level, the sample included participants with varying level of education. About 65.4% of the study participants had degrees and a further 24% had Masters Level of education. The study also included respondents with diplomas and PhD at 10.1% and 0.7% respectively.

On gender distribution, the study involved a total of 149 female respondents, equivalent to 55.8% of the study sample. Meanwhile, the number of male respondents stood at 118 (44.2%). The distribution of the sample gender-wise ensured the study collected data along gender lines as male and female respondents shared their views on the extrinsic motivation and employee performance.

On age distribution, the study sample had a higher number of respondents aged between 25-34 years which accounted for 49.4% of the entire sample size. The study

also had 30% respondents with 34-44 years. The lowest percentage of respondents involved in the study age wise were 7.1% for respondents aged between 45-54 and 0.7% for above 55 years.

On marital status of the participants, the sample had a total of 191 respondents who were single accounting for 71.5 percent and a total of 76 (28.5%) of married respondents. The study questionnaire inquired for divorced respondents and the data indicated there were no any divorced among respondents.

On the basis of experience at work, majority of the study respondents had experience between 6 to 10 years at work accounting for 58.1% of the sample. Also, 25.1% of the respondents had less than five years of experience. Lastly, the sample had a combined 45 participants with experience above ten years accounting for 16.8% of the entire sample size.

Lastly, on the income generated per month, the majority of the respondents 50.6% earned between one million to two million Tanzanian shillings. They were closely followed by those who earned above 2 million per month accounting for 34.5%. Moreover, the sample also had 15% of the respondents earning less than a million per month.

Table 4.1: Demographic Data of the Study Respondents

Category	Frequency	%	Mean	Std. Dev.
Age (Years)			2.34	.817
18-24	34	12.7		
25-34	132	49.4		
35-44	80	30.0		
45-54	19	7.1		
>55	2	.7		
Gender			1.56	.498
Male	118	44.2		
Female	149	55.8		
Education Level			2.15	.590
Diploma	27	10.1		
Degree	174	65.2		
Master's	64	24.0		
PhD	2	.7		
Marital Status			1.28	.452
Single	191	71.5		
Married	76	28.5		
Divorced	-	-		
Widow / widower	-	-		
Experience			1.69	.979
<5 Years	155	58.1		
6-10 Years	67	25.1		
11-15 Years	18	6.7		
>16 Years	27	10.1		
Income per Month			2.19	.677
<1000000 TZS	40	15.0		
100,0000 - 135	135	50.6		
100,0000 TZS				
>2000000 TZS	92	34.5		

Source: Field data (2023)

4.3 Descriptive Statistics of Variables Results

In this section, the descriptive statistics for salary increments, bonuses, rewards, promotions and employee performances were computed and presented in Tables. The

Mean value and standard deviation were reported and interpreted accordingly, the cutoff points were as follows, Unsatisfied (Mean = 1 to 2.4), Moderately satisfied (Mean = 2.5 to 3.4), Satisfied (Mean = 3.5 to 5.0). Similar cutoff point were used in a study on the role of motivation on employees performance in Strategies Insurance Tanzania Limited (SITL) (Noel, 2019)

4.3.1 Relationship Between Salary Increment and Employee Performance

4.3.1.1 Variable Descriptive Statistics and Correlation Analysis Results

The descriptive statistics on salary increment among employee at NSSF indicates that, majority of the participants agreed on the facts that salary increments is a strong motivation for better performance ($M= 2.7$, $SD= 0.513$), also the data indicates that employee retention is effectively done through periodic salary increment ($M= 2.64$, $SD= 0.0487$). Likewise, the data indicates that, tying salary increment to performance evaluations garnered support among the study participants, however, a majority of the participants ($M=2.42$, $SD= 0.787$) disagreed with attaching salary increment to performance evaluation. Moreover, the data collected from the field indicates that, majority of the study participants had positive views ($M= 2.48$, $SD= 0.657$) on salary increment at NSSF and its spiraling effect on employee performance.

Table 4.2: Participants Responses on Salary Increment

S/N	Statements	Maximum	Minimum	Mean	SD
SI1	Did your most recent salary increment meet your expectations?	1.00	5.00	2.11	0.737
SI2	Do you think salary increments motivate you to perform better at work?	1.00	5.00	2.70	0.513
SI3	Should salary increments be tied to performance evaluations?	1.00	5.00	2.42	0.787
SI4	Would you leave your current organization for a job with better salary?	1.00	5.00	2.44	0.761
SI5	Do you think salary increments are an effective way to retain employees?	1.00	5.00	2.64	0.487
SI6	Does a better work performance lead to salary increments?	1.00	5.00	2.58	0.658
Average Mean				2.48	0.657

Source: Field data (2023)

The correlation analysis was computed for the independent variables related to salary increments and the performance level of the employees at NSSF, the data indicated that, there were no significant associations between the employee performance and the items related to increment in salaries among NSSF employees. Also, the data indicated that, there were strong and positive correlation between the employee performance and tying salary increment to performance evaluation ($r= 0.787$). This implies that, if the employee are aware that, their performances evaluation is closely ties to salary increment, they would perform better.

Table 4.3: Variable Descriptive Statistics, and Correlation Analysis Results

		MEAN	SD						
SI1	Pearson Correlation	2.11	.737	0.460					
SI2	Pearson Correlation	2.70	.513	2.38	0.244				
SI3	Pearson Correlation	2.42	.787	-.262**	-.053	.403			
SI4	Pearson Correlation	2.44	.761	.119	-.257**	-.113	.893		
SI5	Pearson Correlation	2.64	.487	-.160**	.128*	.142*	-.071	.719	
SI6	Pearson Correlation	2.58	.658	.114	.258**	.000	.045	.244**	.527
PL	Pearson Correlation	0.76	.428	-.045	-.072	.051	-.008	.022	.039

Source: Field data (2023)

4.3.1.2 Multiple Regression Analysis

The Model Summary provides an overview of the multiple regression analysis. The R-squared value (R^2) is 0.012, indicating that approximately 1.2% of the variance in employee performance is explained by the predictor variables. The adjusted R-squared is negative (-0.011), which indicate that the model doesn't fit the data well. The standard error of the estimate is 0.430, representing the average error in predicting performance.

Table 4.4: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.110 ^a	.012	-.011	.430

a. Predictors: (Constant), SI6, SI3, SI4, SI5, SI1, SI2

Source: Field data (2023)

The ANOVA table presents the results of the analysis of variance. In this case, the F-statistic is 0.527, and its associated p-value (Sig.) is 0.788. This indicates that the model as a whole is not statistically significant, indicating that the predictor variables (salary increments) does not have a significant influence on employee performance.

Table 4.5: Anova Table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.584	6	.097	.527	.788b
	Residual	48.075	260	.185		
	Total	48.659	266			

a. Dependent Variable: Performance Level

b. Predictors: (Constant), SI6, SI3, SI4, SI5, SI1, SI2

Source: Field data (2023)

Furthermore, the study conducted a multiple linear regression. The Coefficients table provides detailed information about the regression model's coefficients. The findings indicate that, there were no significant association between the various aspects of rewards and employee performance.

Table 4.6: Regression Model Results

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
		B	Std. Error	Beta	t		Tolerance	VIF
1	(Constant)	.846	.256		3.309	.001		
	SI1	-.010	.039	-.017	-.246	.806	.828	1.208
	SI2	-.075	.058	-.090	-	.195	.793	1.261
					1.299			
	SI3	.021	.035	.038	.589	.556	.914	1.094
	SI4	-.015	.037	-.027	-.415	.678	.881	1.135
	SI5	.007	.058	.008	.126	.900	.883	1.133
	SI6	.041	.043	.063	.955	.341	.867	1.153

a. Dependent Variable: Performance Level

Source: Field data (2023)

4.3.1.3 The Relationship of Salary Increment on Employee's Performance

The findings indicated that, majority of the study participants were satisfied with the salary increment practices at NSSF. Also, the findings indicated that, there were a significant association between salary increments and demographic data including age, education level, experience at work and level of income. This implies that, older participants with higher education level and those with experience at work as well as higher income level were more likely to be satisfied with salary increments at NSSF compared to others.

The findings in this section complements the findings from a study by Cheboi, (2014) which indicated that, salary had varying level of impacts among employee in line with their demographic data. Employee with stable income were less likely to be motivated with salary increments. Also, such findings were found in a studies by Akanbi, (2007) and Solong, Wekke, Aras, & Makbul, (2021) which indicated that, the increments in salaries was a string motivator among inexperience and employee on lower payment scale compared to those with higher wages.

The data further indicated that, there were no significant association between salary increments and performance of the employees. This implies that increment in salary had nothing to do the performance of the employee. The findings in this study concurs with findings from a study by Albeiti, (2015) which revealed that, employee were motivated to work harder as direct results of increments in salaries. Also, the findings of the study revealed that, the increments in salaries has proved to be a highly tangible method of recognizing their worth and a reliable means to improve the performance of the employees.

The findings ran contrary to findings from a study by Ezekiel, (2019) which indicated that, among of the measured extrinsic motivations, salary increments had significant impacts on employee performance. Such findings were also found in studies by (Ige, 2017) and (Joseph, 2019) which indicated a significant association between employee performance and increments in their salaries/wage. The contrasting findings from these studies and others studies could be attributed to the salary increment systems which does not provide such increments to all employee in at once rather on years basis and at different times. Thus, employee aren't overall motivate to work on the basis of increments which they do not know when and how much they was eligible for.

4.3.2 Relationship between Rewards and Employee Performance

4.3.2.1 Variable Descriptive Statistics and Correlation Analysis Results

The data indicates that, majority (Mean =2.74, SD=0.552) of the participants agreed that, they felt motivated when receiving rewards. The data also indicated that, majority of employees do not view rewards as a necessary package to keep them working, (Mean =1.27, SD=0.445) and majority (Mean =1.45, SD= 0.582) would not consider leaving NSSF for an organization with better reward packages. The data also indicates participants had the willingness to work overtime with the promise of significant rewards is prevalent among respondents (Mean =2.77, SD= 0.606). The overall average mean for this dataset indicates a moderately positive perception of rewards, with a mean score of 2.08 and a standard deviation of 0.554.

Table 4.7: Participants Responses on Rewards

	Statements	Maximum	Minimum	Mean	SD
RE1	Do you often receive rewards for good performance?	1.00	3.00	2.28	0.608
RE2	Do you feel motivated when you receive a reward for good performance?	1.00	3.00	2.74	0.552
RE3	Are rewards a necessary package to keep you working?	1.00	2.00	1.46	0.5
RE4	Would you leave NSSF for an organization with better rewards packages?	1.00	2.00	1.27	0.445
RE5	Do you believe that rewards help to retain employees?	1.00	3.00	2.43	0.599
RE6	If promised significant rewards would you work overtime?	1.00	3.00	2.77	0.606
RE7	Without sufficient rewards would you consider quitting NSSF?	1.00	3.00	1.45	0.582
RE8	Are the reward offered by NSSF fair compared to the work you perform?	1.00	3.00	2.23	0.538
	Average mean			2.08	0.554

Source: Field data (2023).

The correlation analysis was conducted to assess the relationships between of rewards and employee performance at NSSF. The data revealed that, there was a moderate positive correlation observed between rewards and motivation to work among employees ($r = 0.477$ $p = 0.889$), indicating that rewards significantly contribute to employee motivation. However, the necessity to receive rewards exhibited a negative correlation with both leaving NSSF for better rewards ($r = -0.204$) and quitting NSSF due to poor rewards ($r = -0.190$), implying that employees who do not view rewards as a necessity are less likely to consider leaving the organization due to reward-related concerns. Additionally, rewards for retaining employees demonstrated a positive correlation with working overtime for rewards (r

= 0.667), indicating that such rewards play a significant role in retaining employees who are willing to put in extra effort.

Table 4.8: Variable Descriptive Statistics, and Correlation Analysis Results

		MEAN	SD							
RE1	Pearson Correlation	2.28	.608	0.32						
RE2	Pearson Correlation	2.74	.552	.477**	.889					
RE3	Pearson Correlation	1.46	.500	.152*	.204**	.130				
RE4	Pearson Correlation	1.27	.445	.174**	.162**	.128*	.378			
RE5	Pearson Correlation	2.43	.599	.150*	.062	.667**	.187**	.523		
RE6	Pearson Correlation	2.77	.606	.292**	.348**	-.052	-.199**	.223**	.614	
RE7	Pearson Correlation	1.45	.582	-.031	.190**	.592**	-.045	.391**	-.015	.5431
RE8	Pearson Correlation	2.23	.538	.111	.098	.233**	.071	.373**	-.160**	-.110 .3691
PL	Pearson Correlation	.76	.428	.061	-.009	-.093	-.054	-.039	.031	-.037 -.055

Source: Field data (2023)

4.3.2.2 Multiple Regression Analysis

The Model Summary provides an overview of the multiple regression analysis. The R-squared value (R^2) is 0.019, indicating that approximately 1.9% of the variance in employee performance can be explained by the predictor variables. The adjusted R-squared is negative (-0.011), which indicates that the model doesn't fit the data well. The standard error of the estimate is 0.430, representing the average error in predicting performance.

Table 4.9: Model Summary

Model Summary				
Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.139 ^a	.019	-.011	.430

a. Predictors: (Constant), RE8, RE4, RE7, RE1, RE6, RE2, RE5, RE3

Source: Field data (2023)

The ANOVA table presents the results of the analysis of variance. In this case, the F-statistic is 0.631, and its associated p-value (Sig.) is 0.751. This indicates that the model as a whole is not statistically significant, indicating that the predictor variables (rewards) does not have a significant influence on employee performance.

Table 4.10: Anova Table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.934	8	.117	.631	.751 ^b
	Residual	47.725	258	.185		
	Total	48.659	266			

a. Dependent Variable: Performance Level

b. Predictors: (Constant), RE8, RE4, RE7, RE1, RE6, RE2, RE5, RE3

Source: Field data (2023)

The Coefficients table provides detailed information about the regression model's coefficients. The findings indicates that, there were no significant association between the various aspects of rewards and employee performance. The collinearity Statistics section checks for multicollinearity among the independent variables, showing tolerance and variance inflation factor (VIF) values. In this case, the values are within an acceptable range, indicating that multicollinearity is not a concern.

Table 4.11: Regression Model Results**Coefficients^a**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.988	.237		4.176	.000		
	RE1	.058	.053	.083	1.102	.272	.671	1.491
	RE2	-.044	.059	-.056	-.744	.458	.659	1.518
	RE3	-.088	.089	-.102	-.984	.326	.352	2.841
	RE4	-.056	.068	-.058	-.822	.412	.772	1.295
	RE5	.045	.072	.063	.632	.528	.378	2.645
	RE6	-.010	.056	-.014	-.180	.857	.612	1.635
	RE7	-.014	.062	-.019	-.228	.820	.536	1.866
	RE8	-.047	.061	-.059	-.770	.442	.650	1.539

a. Dependent Variable: Performance Level

Source: Field data (2023)

4.3.2.3 The Relationship Provision of Rewards on Employee's Performance

The findings of the study indicated that, majority of the study participants were satisfied with rewards offered at NSSF. The findings of the study indicates that, rewards have tangible impacts towards the performance of the employees. A consistent rewarding system provided employee with motivation to actively participate in work activities as well as work overtime to accomplish the tasks.

The findings in this study concurs with findings from a study by Makhija & Akbar, (2019) which revealed that, rewards improve the performance of employee, however, the findings also indicated that, there should be a balance between the tangible and intangible rewards, because both rewards have been considered as the best predictor in the creative performance of employees.

Also, the findings concurs with findings from a study by Al-Nsour, (2012) which revealed that, only tangible reward which has a significant effect on creative performance because employees expect to be recognized on a daily basis, in this way they feel that they are a part of the organization and being valued as a high achieving member of the company. Furthermore, findings from a study by Hafiza, Shah, Jamsheed, & Zaman, (2011) which found that that tangible rewards also increase the creative performance of employees, but the offered tangible rewards must be aligned with the employee's productivity. Also, according to Yoon, Sung, Choi, Lee, & Kim, (2015) intangible rewards increase the employees' motivation which leads to encourage the employees to work creatively and use their full efforts to achieve the assigned task efficiently and effectively. As described by (Shaikh et al., 2018) and (Noel, 2019) employee are better motivated and increase their performance when they feel that the assigned task is enjoyable and challenging and rewarding as well.

The study findings also revealed that, there were no significant association between rewards and demographic information of the study participants. Likewise, the findings revealed that, there were no significant association between rewards and employee performance. These findings contrast with findings from a study by Gyamfi, (2016) indicated that, there were a significant association between factors such as rewards and job security (extrinsic factors) and employee performance. Furthermore, the coefficient of determination indicated, $R^2 = 72.2$, which implied that 72.2% of the employee performance could be attributed to the motivation of the employees and the remaining 27.8% could be attributed to other factors than motivation.

4.3.3 Relationship between Bonuses and Employee Performance

4.3.3.1 Variable Descriptive Statistics and Correlation Analysis Results

The majority of the study participants firmly agreed that bonuses serve as significant motivators to enhance their work performance (Mean = 2.77, SD = 0.510). Also, if offered bonuses majority of them (Mean= 2.69, SD=0.666) would consider working overtime. The data also indicates that, employees felt overwhelmed and valued when presented with bonuses at work (Mean= 2.73, SD=0.461). The data also indicates that, majority of the employees would not quit NSSF even if offered no bonuses (Mean= 1.83, SD=0.0.827). The overall average mean (2.30, 0.643) for this data shows a moderately positive perception of bonuses among NSSF employee.

Table 4.12: Participants Responses on Bonuses

S/N	Statements	Maximum	Minimum	Mean	SD
BE1	Do you often receive bonuses for good performance?	1.00	3.00	1.88	0.887
BE2	How do you feel when you receive a bonus for good performance?	1.00	3.00	2.73	0.461
BE3	Do you believe that bonuses motivate you to perform better at work?	1.00	3.00	2.77	0.51
BE4	Would you consider leaving NSSF for an organization with better bonuses?	1.00	3.00	1.83	0.827
BE5	Would poor bonuses package leads to employee exodus?	1.00	3.00	2.19	0.666
BE6	Given enough bonuses would you consider working overtime?	1.00	3.00	2.69	0.501
BE7	Does the quality of your work depends on the bonuses you're promised?	1.00	3.00	1.99	0.649
Average Mean				2.30	0.643

Source: Field data (2023)

The correlation analysis examined the relationships between bonuses and employee-related factors at NSSF. The data indicates that, the frequency of bonuses exhibited a very weak positive correlation with the feeling for receiving bonuses ($r = 0.028$), indicating that the frequency of bonuses is minimally related to employees' emotional response to receiving them. Bonuses showed a weak negative correlation with motivation to work ($r = -0.092$), implying that bonuses does not be strong motivators for employees. However, leaving NSSF for better bonuses had a strong positive correlation with this variable ($r = 0.449$), indicating that better bonuses entice employees to consider leaving. Bonuses also had positive correlations with working overtime due to bonuses ($r = 0.210$) and bonuses' impact on the quality of work ($r = 0.149$), indicating that employees may be more inclined to work extra hours and improve their work quality when bonuses are involved.

Table 4.13: Variable Descriptive Statistics, and Correlation Analysis Results

		MEAN	SD							
BE1	Pearson Correlation	1.88	.887	.028						
BE2	Pearson Correlation	2.73	.461	.015	.036					
BE3	Pearson Correlation	2.77	.510	-.092	.201**	.008				
BE4	Pearson Correlation	1.83	.827	.449**	-.270**	.013	.607			
BE5	Pearson Correlation	2.19	.666	.312**	.159**	.364**	.491**	.0241		
BE6	Pearson Correlation	2.69	.501	-.140*	-.132*	.210**	.099	.405**	.701	
BE7	Pearson Correlation	1.99	.649	.149*	-.271**	.018	.313**	.352**	.363**	.153
PL	Pearson Correlation	.76	.428	.134*	.128*	.162**	.032	.138*	.024	-.088

Source: Field data (2023)

4.3.3.2 Multiple Regression Analysis

The Model Summary provides an overview of the multiple regression analysis. The R-squared value (R^2) is 0.072, indicating that approximately 7.2% of the variance in employee performance is explained by the predictor variables. The adjusted R-squared adjusts for the number of predictors and is 0.047. The standard error of the estimate is 0.418, which represents the average error in predicting performance.

Table 4.14: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.268 ^a	.072	.047	.418

a. Predictors: (Constant), BE7, BE3, BE1, BE2, BE6, BE4, BE5

Source: Field data (2023)

The ANOVA table presents the results of the analysis of variance. In this case, the F-statistic is 2.866, and its associated p-value (Sig.) is 0.007 ($p < 0.05$). This indicates that the model as a whole is statistically significant, indicating that at least one of the predictor variables (bonuses) has a significant influence on employee performance.

Table 4.15: Anova Table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.498	7	.500	2.866	.007 ^b
	Residual	45.161	259	.174		
	Total	48.659	266			

a. Dependent Variable: Performance Level

b. Predictors: (Constant), BE7, BE3, BE1, BE2, BE6, BE4, BE5

Source: Field data (2023)

In this case, the frequency of receiving the bonuses has a significant positive association with performance ($b = 0.078$, $p = 0.024$), indicating that an increase in frequency of bonuses is related to higher performance. Also, the data indicates that, bonuses and motivation among employees also shows a significant positive association ($b = 0.112$, $p = 0.049$). Conversely, the quality of work and bonuses has a significant negative association with performance ($b = -0.089$, $p = 0.057$), indicating that an increase in employee do not needs bonuses to ensure the work meets the required standard.

Table 4.16: Regression Model Results

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.	Collinearity Statistics	
	B	Std. Error	Beta	t		Tolerance	VIF
1 (Constant)	.170	.289		.590	.556		
BE1	.078	.035	.162	2.264	.024	.698	1.432
BE2	.046	.067	.050	.690	.491	.688	1.454
BE3	.112	.056	.133	1.974	.049	.791	1.264
BE4	-.014	.042	-.028	-.341	.733	.531	1.883
BE5	.047	.059	.073	.796	.427	.422	2.369
BE6	.040	.063	.047	.637	.525	.663	1.508
BE7	-.089	.046	-.135	-1.913	.057	.722	1.385

a. Dependent Variable: Performance Level

Source: Field data (2023)

4.3.3.3 The Relationship of Bonuses on Employee's Performance

The findings in this objective indicated that bonuses were among of the extrinsic factors which motivated employee to perform better at work. The data also indicated that, majority of the employee would consider working overtime if they were offered significant bonuses. Also, the data indicates that, despite its importance, bonuses was

not cited as among the leading factors for employee attrition or desired to leave an organization. The data further reveal that, even without sufficient bonuses, employee would still like to stay at their jobs.

The findings in this section concurs with findings from a study by Miriam, (2020) which indicated that, bonuses as part of the extrinsic motivation has tangible impacts on the performance of the employee. The study further revealed that, employee with better bonuses were highly motivate to work compared to those with poor or no bonuses at all. The findings also correlates with findings from studies by Milka, Michael, & Tanui, (2015) and Nduka, (2016) which concluded that, employee performed better when fully aware of the rewarding mechanism attached to better and outstanding rewards such as bonuses.

Moreover, the findings in this study indicated that, there were a strong association between bonuses and employee performances at work. The data indicated that, employee were highly motivated to perform better at work in the presence of tangible rewards associate with their daily performances. The findings in this section are supported by findings from a study by Alimawi & Ismail, (2022) which revealed that, Bonuses and rewards have a significant impact on employee motivation, satisfaction, commitment, and performance. The findings further indicates that, different types of rewards have different effects on different employees, depending on their needs, preferences, and goals. Also, the study found that, extrinsic factors such as such as bonuses, and paid leave, can also boost employee performance by providing financial security, equity, and competitiveness. Moreover, such factors attract and retain qualified and talented employees who have the skills and abilities to

improve organizational performance (Irshad, 2016; Kumari1, Ali, Khan, & Abbas, 2021).

4.3.4 Relationship between Promotion and employee performance

4.3.4.1 Variable Descriptive Statistics and Correlation Analysis Results

The data collected from indicated that, promotion positively impacts the performance of the employee, if they consider the process to be fair and transparent (Mean= 2.37, SD=0.556). Moreover, the data indicates that, after receiving promotions majority of the employees (Mean= 2.78, SD=0.413) rated their job performance to be higher. Majority of the respondents (Mean= 1.27, SD=0.447) did not receive promotion in the past years and also they believe that promotions improves their job performances (Mean=1.74, SD=0.439). Overall, job satisfaction after receiving a promotion stood at (Mean= 2.03, SD=0.490) with a positive sentiment among those who have experienced promotions at NSSF.

Table 4.17: Participants Responses on Promotions

Statements	Maximum	Minimum	Mean	SD
PE1 Have you received a promotion within the past year?	1.00	2.00	1.27	0.447
PE2 Does the promotion positively impact your commitment to work?	1.00	2.00	1.52	0.501
PE3 Do you believe that the promotion has improves your job performance?	1.00	2.00	1.74	0.439
PE4 How do you perceive the fairness and transparency of the promotion process?	1.00	3.00	2.37	0.556
PE5 How motivated were you to improve your performance after receiving the promotion?	1.00	3.00	1.00	0.584
PE6 How would you rate your overall job satisfaction after receiving the promotion?	1.00	3.00	2.78	0.413
Average mean			2.03	0.490

Source: Field data (2023)

As for the promotions and employee performance, the data indicates that, receiving a promotion in the past year had a very strong positive correlation with positive impacts of promotion ($r = 0.872$), indicating that employees who received promotions reported better performance at work. Also, the data indicates that, employee viewed promotions as a motivating factor and exhibited a strong positive correlation with the belief that promotion improves performance ($r = 0.391$). Furthermore, the perception that promotions were done fairly and transparently had a positive correlation with motivation and promotions ($r = 0.349$), implying that when employees believe promotions are handled fairly, they are more motivated. Job performance and promotion had a weak positive correlation ($r = 0.119$).

Table 4.18: Variable Descriptive Statistics, and Correlation Analysis Results

		Mean	SD					
PE1	Pearson Correlation	1.27	.447	.872				
PE2	Pearson Correlation	1.52	.501	.391**	.982			
PE3	Pearson Correlation	1.74	.439	.324**	.456**	.014		
PE4	Pearson Correlation	2.37	.556	-.016	.349**	.024	.851	
PE5	Pearson Correlation	2.49	.584	.079	.396**	.258**	.507**	.024
PE6	Pearson Correlation	2.78	.413	.119	.000	.332**	.123*	.191**
PL	Pearson Correlation	.76	.428	-.010	.001	.150*	.012	.138*
								.108

Source: Field data (2023)

4.3.4.2 Multiple Regression Analysis

A multiple linear regression was conducted between employee performance and promotions. The analysis was done to estimate the impacts of promotions on the job

performance of the employee at NSSF. The results were presented in a model summary table, Anova table and regression coefficient table. The model results indicate a R^2 statistics of 0.49, which implies that, promotions accounts for 49% of variability in employees' performance at work.

Table 4.19: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.220 ^a	.049	.027	.422

a. Predictors: (Constant), PE6, PE2, PE4, PE1, PE5, PE3

Source: Field data (2023)

The analysis of variance (ANOVA) was also computed, the results indicates that, the F-statistics and its associated sig. value at ($F = 2.212$, $p < 0.042$). The results indicate that the model's hypothesis that promotions influence the employee performances is accepted.

Table 4.20: Anova Table

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.363	6	.394	2.212	.042 ^b
	Residual	46.296	260	.178		
	Total	48.659	266			

a. Dependent Variable: Performance Level

b. Predictors: (Constant), PE6, PE2, PE4, PE1, PE5, PE3

Source: Field data (2023)

The study also presents the results on the coefficients of the regression model. The model indicates that, there were a significant association between PE3 and performance of the employees ($b=0.154$, $p=0.039$). Also, the data indicates a significant association between PE5 and performance ($b=0.113$, $p=0.040$). Furthermore, the multicollineality statistics show tolerance figures ranging from .866 to .969 while Variance Inflation factors (VIFs) ranged from 1.244 to 1.841 which implies that multicollineality was not suspected amongst the independent variables.

Table 4.21: Regression Model Results

		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics		
Model		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	.360	.210		1.710	.088		
	PE1	-.036	.065	-.038	-.553	.581	.790	1.266
	PE2	-.088	.070	-.103	-	.209	.543	1.841
					1.259			
	PE3	.154	.074	.158	2.071	.039	.628	1.593
	PE4	-.030	.057	-.039	-.527	.598	.655	1.526
	PE5	.113	.055	.154	2.062	.040	.655	1.526
	PE6	.037	.070	.036	.531	.596	.804	1.244

a. Dependent Variable: Performance Level

Source: Field data (2023)

4.3.4.3 The Relationship of Promotions on Employee's Performance

The findings of the study indicated that, promotions among employee had noticeable effects on their performance. The data also indicates that, majority of the NSSF employees were content with the promotion practices at NSSF. The data further

revealed that, promotions helped employee improve their daily performance and also majority considered the process to be fair and transparent.

Findings from a study by Munyambu, (2021) also revealed that extrinsic rewards, monthly pay, bonuses, allowances, accommodation, and annual leave, had a significant positive relationship with employee performance. The findings further indicates that, extrinsic rewards, such as promotion had were low and had limited impacts on employee performance. Thus, organization needs such motivation to enhance such motivation to ensure the performance of the employee is kept high (Christopher, Moses, Muhindo, & Nturanabo, 2022; Makhija & Akbar, 2019).

On the association between employee performance and promotions, the findings of the study revealed that, there were no strong association between employee performance and promotions. Thus, promotions had little effect on the job performance of the employee rather employees were motivated by other factors such as rewards and bonuses.

The findings were also supported by findings from a studies by Chantal, Manyange, & Asuman, (2022) which indicated that, promotions represents one of the core extrinsic motivations. However, implementation is too far spaced and does not motivate employee on daily basis. Again, findings from studies by Singh, (2016) and Munyambu, (2021) contrasted the findings from this study and revealed that, promotions among employee had a significant impacts on employee performance and it indicates that organization values its workforce.

4.3.5 Descriptive Statistics on Employee Performance

The descriptive data on employee responses regarding work performance at NSSF, provided useful insights. The data indicates that majority of employees were able to complete their assigned tasks within the given timeframe (Mean= 2.81, SD=0.397) and meeting the quality standards set by their department (Mean= 2.76 SD= 0.827). Moreover, the data indicates that (Mean= 2.82 SD=0.537) of the participants completed their tasks with minimal errors or rework and received positive feedback from their supervisors or colleagues (Mean= 2.88, SD=0.373). The data also indicates there were no wide spread reprimand on poor work (Mean= 0.76, SD=0.482).

Table 4.22: Participants Responses on Performances

Statements	Maximum	Minimum	Mean	SD
Do you complete your assigned tasks within the given timeframe?	1.00	3.00	2.81	0.397
Do you often meet the quality standards set by your department?	1.00	3.00	2.76	0.827
Do you complete your tasks with minimal errors or rework?	1.00	3.00	2.82	0.537
Do you receive positive feedback from your supervisors or colleagues?	1.00	3.00	2.88	0.373
Do you collaborate and communicate effectively with your team members?	1.00	3.00	1.8	0.633
Have you ever been reprimanded for poor work performance	1.00	3.00	0.76	0.428
Average Mean			2.31	0.461

Source: Field data (2023)

4.3.6 The Association between Extrinsic Motivation and Employee Performance

The findings of the study revealed that, there were significant associations between rewards as well as bonuses and the performance of the employees. Also, the findings indicated no significant association between employee performance and salary increments as well as promotions of employees.

The findings in this section are supported by findings from a study by Albeiti, (2015) which revealed that, extrinsic motivation such as in bonuses is effective in rewarding teams for outstanding accomplishments. Also, the findings showed that, employees could enhance their performance by challenging work responsibilities that led to monetary benefits.

The findings were also, supported by the findings from a study by Alimawi & Ismail, (2022) which found that There is the need for organizations to design a balanced and effective motivation system that considers both intrinsic and extrinsic rewards, as well as the individual differences and expectations of employees. Also, the findings revealed that, measuring and evaluating the employee performance should be based on clear and fair criteria. The contrasting findings could be attributed to findings from a studies by Tefera, (2014), Joseph, (2019) and Hafiza et al., (2011) which revealed that intrinsic motivators are more influential than extrinsic motivators, and that engagement in the work is the most prevalent motivator among the respondents. This explains the fact that, some of the extrinsic motivators were no statistically significant.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.0 Overview

This chapter presents the summary of the study as well as major findings from each objective. Also, the chapter comprises recommendation for action and for further studies.

The aim of this study was to examine the influence of extrinsic motivation on performance among employees at NSSF. The study employed a quantitative research approach to investigate the association between rewards, salary increments, bonuses as well as promotion and performance of the employee. The collection of data was done using self-administered questionnaires. A total of 267 NSSF officers from various departments were included in the sample size. The analysis of the data was done using descriptive and inferential analysis (chi-square and regression). The key findings of each objective are presented in the next section.

5.1 Summary of Key Findings

5.1.1 The Relationship of Salary Increment on Employee's Performance

On the first objective, the findings revealed majority of the study participants expressed satisfaction with the salary increment practices at NSSF. Furthermore, the findings revealed a notable connection between salary increases and various demographic factors, such as age, education level, work experience, and income level. The findings also revealed that individuals who were older, had higher educational qualifications, more work experience, and a higher income level were

more inclined to be content with salary adjustments at NSSF when compared to others. Additionally, the data indicated that there was no significant correlation between salary increments and employee performance, indicating that salary increases were not linked to employee performance.

5.1.2 The Relationship Provision of Rewards on Employee's Performance

On the second objective, the findings of the study indicated that most of the participants were satisfied with the rewards offered by NSSF. Furthermore, the study revealed that these rewards have tangible effects on employee performance. A consistent system of rewards served as a motivating factor for employees, encouraging active engagement in work tasks and even overtime work to meet objectives. Additionally, the findings also shows the importance of recognition enhance performance and foster a sense of belonging and value within the organization. Importantly, the study found no significant correlations between rewards and the demographic characteristics of the participants or between rewards and employee performance.

5.1.3 The Relationship of Bonuses on Employee's Performance

As for the third objective, the findings showed that bonuses serve as one of the extrinsic factors motivating bonuses significantly to enhance performance of employees at work. The data also indicated that employees would consider working overtime if offered substantial bonuses. The data revealed that, employees are inclined to remain in their positions even without substantial bonuses and there is a statistically significant association between bonuses and employee job performance.

5.1.4 The Relationship of Promotions on Employee's Performance

The findings in this objective indicated that that promotion affects employee performance and NSSF employees were satisfied with the promotion practices at the organization. Furthermore, the data indicated that promotions had a positive influence on daily performance, and a majority of employees perceived the promotion process as fair and transparent. However, on regression analysis, the findings indicated that, the association between employee performance and promotions was statistically not significant. Consequently, promotions had a limited impact on employees' job performance, with other factors like rewards and bonuses serving as stronger motivators.

5.2 Conclusion

This study examined the influence of extrinsic motivation factors, including salary increments, rewards, bonuses, and promotions, on employee performance within the context of the National Social Security Fund (NSSF) in Dar-es-Salaam. The findings revealed that salary increments and promotions were no significantly associated with employee performances. The findings also indicate that, rewards and bonuses positively influenced motivation and performance. These findings collectively indicate the significance of providing extrinsic motivation to employee in public organizations. Also, the study findings provided an informed conclusion on the existing association between employee performance and extrinsic motivations.

Recommendation of the Study

The recommendations of the study are divided into two sections. The first section presents recommendation for immediate action and the second provides recommendation for further research.

Recommendation for action

Firstly, the study recommends that salary increments should be provided on consistent basis when employees achieve the criteria required to be rewarded with increment in salary. The findings of the study indicated that, on the long run salary increment has the ability to motivate employee and improve the performance of the organization. Thus, it's imperative for the organization to strengthen its salary increment practices.

Secondly, rewards provided at NSSF has indicated significant associations with employee performance at work. Thus, NSSF should strive to ensure that, rewards provided to employees should be explicitly to performance metrics and providing consistent feedback to employees on how their performance contributes to their eligibility for rewards.

Thirdly, as the findings indicated that, performance of the employee is influenced by the bonuses provided at work. Thus, NSSF should capitalize on this and ensure it optimize the bonus structures to ensure they align with the organization's goals and objectives. Also, employee should be made aware of the availability of substantial bonuses for those willing to put in extra effort, such as working overtime when necessary.

Lastly, the study recommends that, even though promotions increase the potential cost of running an organization, the NSSF should ensure that employees get

promoted as the basis for professional growth. The findings indicated that, there is no genuine and significant association between promotion and performance of the employees. Thus, promotions should be handled as a way to ensure employee are constantly growing professionally at work place.

Recommendations for further studies

Firstly, the study recommends that, a comparative study should be done to assess the influence of extrinsic motivation on employee performance in public and private sectors. Such study will provide insights into the extrinsic motivation in private sectors and use the data to compare the phenomenon to public sectors.

Secondly, the study recommends another comparative study among different public organization to cross-examine the provision of extrinsic motivation across these organization and inform one another on areas which could be improved.

Lastly, the study recommends studies be done of specific extrinsic motivations varying working conditions as part of the extrinsic motivation could play a role into employee performance. Such study would complement and further expands the findings in this study to provide a much more comprehensive knowledge base.

REFERENCES

- Adamma, O. N., Ekwutosim, O. P., & Unamba, E. C. (2018). Influence of Extrinsic and Intrinsic Motivation on Pupils Academic Performance in Mathematics. *SJME (Supremum Journal of Mathematics Education)*, 2(2), 52–59. <https://doi.org/10.35706/sjme.v2i2.1322>
- Aduma, T. A., Obi, A. V., & Okeke, C. R. (2020). Employee Motivation on Public Sector Performance: An Investigation of Enugu State College of Education (Technical). *Journal of Emerging Trends in Economics and Management Sciences (JETEMS)*, 11(3), 103–109.
- Ajayi, S. O. (2019). Motivational Drives and Employee Performance: Evidence from Selected Universities in Nigeria (Vol. 2). <https://doi.org/10.2139/ssrn.3335829>
- Akanbi, P. A. (2007). *Influence of Extrinsic and Intrinsic Motivation on Employees' Performance*. Ajayi Crowther University.
- Al-Nsour, M. (2012). Relationship between incentives and organizational performance for employees in the Jordanian Universities. *International Journal of Business and Management*, 7(1), 78.
- Albeiti, M. (2015). *The Role of Motivation on Employees' Performance: The Case of Victoria Commercial Bank of Kenya*. United States International University Africa.
- Alimawi, M. F. S., & Ismail, F. L. M. (2022). *The Effects of Intrinsic and Extrinsic Rewards on Employees' Performance* (Vol. 7). <https://doi.org/10.33102>
- Alrawahi, S., Sellgren, S. F., Altouby, S., Alwahaibi, N., & Brommels, M. (2020). The application of Herzberg's two-factor theory of motivation to job

- satisfaction in clinical laboratories in Omani hospitals. *Heliyon*, 6(9), e04829. <https://doi.org/10.1016/j.heliyon.2020.e04829>
- Bergstrom, E., & Martinez, M. G. (2019). *The influence of intrinsic and extrinsic motivation on employee engagement: A qualitative study of the perceptions of managers in public and private sector organizations*. Umeå School of Business and Economics.
- Brooks, A. M. (2018). *It's all about the motivation: Factors that influence employee motivation in organizations*. University of Tennessee, Knoxville.
- Chantal, M., Manyange, M., & Asuman, B. (2022). The relationship between intrinsic rewards and employee performance in Non- Profit Organisation in Rwanda; A case study of Shyogwe diocese International Digital Organization for Scientific Research The relationship between intrinsic rewards and employee. *Journal of Current Issues in Social Sciences*, 8(1)(December), 52–65.
- Cheboi, D. K. (2014). *Influence of extrinsic motivation on employee's performance in Moi Teaching and Referral hospital Eldoret, Kenya*.
- Christopher, F., Moses, N., Muhindo, M. E., & Nturanabo, M. (2022). *The Influence of Intrinsic and Extrinsic Motivation on Employees ' Performance : A Case Study of African College of Commerce and Technology in South Western Uganda*. 6(4), 321–329.
- Cole, A. (2019). What Is Performance? And Why Should We Teach It? *Australian Journal of Music Education*, 52(2), 46–57.
- Ekundayo, O. A., & Babalola, J. A. (2018). The Impact of Motivation on Employee Performance in Selected Insurance Companies in Nigeria. *International*

Journal of African Development, 5(1), 31–42.

Emeka, N., Amaka, O., & Ejim, E. P. (2015). The Effect of Employee Motivation on Organizational Performance of Selected Manufacturing Firms in Enugu State. *World Journal of Management and Behavioral Studies*, 3(1), 1–8.
<https://doi.org/10.5829/idosi.wjmbs.2015.3.1.1314>

Ezekiel, A. S. (2019). *Intrinsic and Extrinsic Motivation: The Effect on Employee Performance*. Sage Publishers.

Fischer, C., Malycha, C. P., & Schafmann, E. (2019). The influence of intrinsic motivation and synergistic extrinsic motivators on creativity and innovation. *Frontiers in Psychology*, 10(FEB), 1–15.
<https://doi.org/10.3389/fpsyg.2019.00137>

Forson, J. A., Ofosu-Dwamena, E., Opoku, R. A., & Adjavon, S. E. (2021). Employee motivation and job performance: a study of basic school teachers in Ghana. *Future Business Journal*, 7(1), 1–12.
<https://doi.org/10.1186/s43093-021-00077-6>

Ghalem, Â., Okar, C., Chroqui, R., & Semma, E. (2016). *Performance: A concept to define*. <https://doi.org/10.13140/RG.2.2.24800.28165>

Gribanova, S. (2021). The Impact of Intrinsic and Extrinsic Motivators on IT professionals. Case of Latvia. *SHS Web of Conferences*, 92, 04008.
<https://doi.org/10.1051/shsconf/20219204008>

Gyamfi, G. D. (2016). *Assessment of the Relationship Between Employee Motivation and Employee*. University of Professional Studies, Accra, Ghana.

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.
- Hana, U., & Lucie, L. (2011). Staff Turnover as a Possible Threat to Knowledge Loss. *Journal of Competitiveness*, (3), 84–98.
- Haque, M., Haque, M., & Islam, M. S. (2018). *Motivational Theories – A Critical Analysis*. 8.
- Hussein Ali, H., Mohd Said, R., Abdullah, A., & Mat Daud, Z. (2017). The impact of organizational culture on corporate financial performance: a review. *International Journal of Economics, Commerce and Management*, 5(8), 585–597.
- Ige, V. O. (2017). Analysis of the Relationship between Motivation and Professional Performance: A Case Study of Estate Surveying and Valuation Firms in Lagos, Nigeria. *FUTY Journal of the Environment*, 11(1), 112–119.
- Irshad, A. (2016). Impact of Extrinsic Rewards on Employees' Performance. *Journal of Global Economics*, 4(3). <https://doi.org/10.4172/2375-4389.1000203>
- Jabareen, Y. (2016). Building a conceptual framework : Philosophy , Definitions , and Procedure. *International Journal of Qualitative Methods*, 8(4), 49–62.
- Joseph, M. M. (2019). *Effects of Extrinsic Employee Motivation on Revenue Performance at Kenya Revenue Authority, Southern Region*. Jomo Kenyatta University.
- Kumari1, K., Ali, S. B., Khan, N. un N., & Abbas, J. (2021). Examining the Role of Motivation and Reward in Employees' Job Performance through Mediating Effect of Job Satisfaction: An Empirical Evidence
INTERNATIONAL JOURNAL OF ORGANIZATIONAL
LEADERSHIP. *International Journal of Organizational Leadership*,

10(November), 401–420.

Magembe, E. J. (2018). *Assessment of Factors Hindering Employee's Motivation in the Education Sector: A Case of Kinondoni Municipality*. Mzumbe University. Morogoro, Tanzania.

Makhija, S., & Akbar, W. (2019). Linking rewards and creative performance: Mediating role of intrinsic & extrinsic motivation and moderating role of rewards attractiveness. *International Journal of Innovation, Creativity and Change*, 8(12), 36–61.

Manzoor, F., Wei, L., & Asif, M. (2021). Intrinsic Rewards and Employee's Performance With the Mediating Mechanism of Employee's Motivation. *Frontiers in Psychology*, 12(July), 1–13.
<https://doi.org/10.3389/fpsyg.2021.563070>

Mawere, M., Mubaya, T., Reisen, M., & van Stam, G. (2016). *Maslow's Theory of Human Motivation and its Deep Roots in Individualism: Interrogating Maslow's Applicability in Africa*.

McLeod, S. (2018). Maslow 's Hierarchy of Needs Maslow 's Hierarchy of Needs. *Business*, 3–5.

Menezes, G. A., Harish, B. N., & Parija, S. C. (2015). *Influence of Extrinsic Motivation on Employee's Performance in MOI Teaching and Referral Hospital Eldoret, Kenya*. University of Nairobi. Nairobi, Kenya.

Milka, W., Michael, K., & Tanui, T. (2015). Effect of Extrinsic Motivation on Employee Performance in Medium Class Hotels in Kisumu City, Kenya. *European Journal of Business and Management* [Www.Iiste.Org](http://www.iiste.org) ISSN, 7(7), 2222–2839. Retrieved from www.iiste.org

- Miriam, T. U. (2020). *Effect of Intrinsic and Extrinsic Rewards on Employee Performance in Access Bank Plc Nigeria*. (August), 115.
- Mohajan, H. (2017). *Two Criteria for Good Measurements in Research: Validity and Reliability*. *Annals of Spiru Haret University*, 17(3), 58–82.
- Monaghan, S. (2021). *An Exploration of the Challenges Managers face while attempting to Motivate Employees with Non-Financial Methods*. National College of Ireland.
- Munyambu, A. K. (2021). Influence of extrinsic motivation on employee performance in public institutions : a case study of Kenya Broadcasting Corporation . *Journal Of Humanities And Social Science*, 20(10), 36–45.
Retrieved from <http://hdl.handle.net/11071/12507%0A>
- Muze, R. W. (2014). *Assessment of Motivation and Its Impact on Employees' Performance in Goal Attainment: A Case of Vodacom Tanzania Limited*. The Open University of Tanzania.
- Naa, G., Okine, B., Yaw, G., Addeh, A., Emmanuel Olusola, B., Asare, I., & Addeh, G. Y. A. (2021). *Employee Motivation and its Effects on Employee Productivity/ Performance a*. <https://doi.org/10.7176/JESD/12-16-11>
- Nduka, O. (2016). *Employee Motivation and Performance*. Centria University of Applied Sciences.
- Noel, M. (2019). *The Role of Motivation on Employees Performance: A Case of Strategies Insurance Tanzania Limited (SITL) Dar Es Salaam*. The Open University of Tanzania.
- Öksüzöğlü-Güven, G. (2018). Challenges in Achieving High Motivation and Performance in Educational Management : Case Study of a North Cyprus

- Public High School University of Mediterranean Karpasia No : 79 , Sht .
M . Huso Caddesi , Kucuk Kaymakli , Nicosia , North Cyprus.
International Journal of Humanities and Social Science, 3(6), 20–26.
- Pfajfar, G., Shoham, A., Małecka, A., & Zalaznik, M. (2022). Value of corporate social responsibility for multiple stakeholders and social impact – Relationship marketing perspective. *Journal of Business Research*, 143, 46–61. [https://doi.org/https://doi.org/10.1016/j.jbusres.2022.01.051](https://doi.org/10.1016/j.jbusres.2022.01.051)
- Ruth, N. (2015). Assessment of Employee Turnover on Organizational Efficiency. A Case Study of International Livestock Research Institute (Ilri), 6(2), 1–76.
- Shaikh, S. H., Pathan, S. K., & Khoso, I. (2018). The Impact of Extrinsic Motivation on Employees' Performance: A Comparative Analysis of Food and Textile Industries in Sindh, Pakistan. *International Business Research*, 11(12), 61. <https://doi.org/10.5539/ibr.v11n12p61>
- Singh, R. (2016). The Impact of Intrinsic and Extrinsic Motivators on Employee Engagement in Information Organizations. *Journal of Education for Library and Information Science Online*, 57(2), 197–206. <https://doi.org/10.12783/issn.2328-2967/57/2/11>
- Solong, A., Wekke, I. S., Aras, D., & Makbul, M. (2021). Correlation Between Intrinsic and Extrinsic Motivation to Employee Performance Through Commitment and Organizational Culture. *Proceedings of the International Conference on Industrial Engineering and Operations Management*, 694–705.
- Tefera, B. (2014a). *The Impact of Extrinsic Motivation on Employee Performance*. St.Mary's University School of Graduate Studies. Addis Ababa, Ethiopia.

- Tefera, B. (2014b). The Impact of Extrinsic Motivation on Employee Performance the Impact of Extrinsic Motivation. *St.Mary's University School of Graduate Studies*. Retrieved from <http://dx.doi.org/10.5296/ijhrs.v5i2.7504>
- Tong, J. (2019). *Employee Motivation Problems and Countermeasures in Chinese Small and Medium Sized Private Enterprises*. Helsinki Metropolia University of Applied Sciences.
- Trivedi, A. J. (2019). Maslow's Hierarchy of Needs - Theory of Human Motivation. *International Journal of Research in All Subjects in Multi Languages*, 7(38), 38–41.
- Uka, A., & Prendi, A. (2021). Motivation as an indicator of performance and productivity from the perspective of employees. *Management & Marketing. Challenges for the Knowledge Society*, 16, 268–285. <https://doi.org/10.2478/mmcks-2021-0016>
- Yamauchi, L. A., Ponte, E., & Ratliffe, K. T. (2017). Theoretical and Conceptual Frameworks Used in Research on Family – School Partnerships. *School Community Journal*, 27(2).
- Yoon, H. J., Sung, S. Y., Choi, J. N., Lee, K., & Kim, S. (2015). Tangible and intangible rewards and employee creativity: The mediating role of situational extrinsic motivation. *Creativity Research Journal*, 27(4), 383–393.

APPENDICES

Appendix I: A Questionnaire for NSSF Employees

Introduction

The questionnaire seeks to collect data on the *“The Influence of Extrinsic Motivation on Employees’ Performance in Public Sectors Organizations”*. The purpose of this study is to find out how Salary increments, Promotion, Bonuses and Rewards motivates employee to increase their performance within an organization. Participation in this study is voluntary and all the data gathered will be kept strictly confidential and will only be used for academic purposes. I appreciate your cooperation and I sincerely urge you to provide relevant data per each question.

Thank you

Part A: Demographic Information

- i. Age
- ii. Gender
- iii. Marital status
- iv. Education level
- v. Job title
- vi. Income level
- vii. Working experience

Part B: Salary Increments on Employee Performance

In each table, put a tick (✓) on the most correct responses

A = Agree

N = Not Sure

D = Disagree

i. Have you received any salary increments in the past year?

ii. How much did you additionally earn? _____

S/N	Statements	A	N	D
iii.	Did your most recent salary increment meet your expectations?			
iv.	Do you think salary increments motivate you to perform better at work?			
v.	How satisfied are you with your current level of performance at work?			
vi.	Should salary increments be tied to performance evaluations?			
vii.	Would you leave your current organization for a job with better salary?			
viii.	Do you think salary increments are an effective way to retain employees?			
ix.	Does the salary increments gives you extra motivation to work?			
x.	Does a better work performance lead to salary increments?			
xi.	Do you think financial performance of the organization should be tied to salary increments?			
xii.	Is salary increments, the only factor which motivates you to work?			

Part C: Rewards on Employee Performance

S/N	Statements	A	N	D
i.	Do you often receive rewards for good performance?			
ii.	Do you feel motivated when you receive a reward for good performance?			
iii.	Are you satisfied with your current level of performance at work?			
iv.	Do you believe that rewards should be tied to performance evaluations?			
v.	Are rewards a necessary package to keep you working?			
vi.	Would you leave NSSF for an organization with better rewards packages?			
vii.	Do you believe that rewards help to retain employees?			
viii.	If promised significant rewards would you work overtime?			
ix.	Without sufficient rewards would you consider quitting NSSF?			
x.	Should NSSF increase its rewards package to motivate employees?			

Part D: Bonuses on Employee Performance

S/N	Statements	A	N	D
i.	Do you often receive bonuses for good performance?			
ii.	How do you feel when you receive a bonus for good performance?			
iii.	Do you believe that bonuses motivate you to perform better at work?			
iv.	Do you believe that bonuses should be tied to performance evaluations?			
v.	Would you consider leaving NSSF for an organization with better bonuses?			
vi.	Would bonuses help NSSF employees?			
vii.	Would poor bonuses package lead to employee exodus?			
viii.	Does bonuses genuinely increase the commitment to finish assigned tasks in allocated timeframe?			
ix.	Given enough bonuses would you consider working overtime?			
x.	Does the quality of your work depend on the bonuses you're promised?			

Part E: Employee Performance Level

i. How would you rate your overall performance at NSSF?

Excellent { } Good { } Poor { }

S/N	Statements	A	N	D
ii.	Do you complete your assigned tasks within the given timeframe?			
iii.	Do you often meet the quality standards set by your department?			
iv.	Do you complete your tasks with minimal errors or rework?			
v.	Do you receive positive feedback from your supervisors or colleagues?			
vi.	Has your salary increase as a direct impacts of good performance?			
vii.	Have you been considered for a certain rewards due to your performance?			
viii.	Do you normally receive bonuses when you post good performance?			
ix.	Do you collaborate and communicate effectively with your team members?			
x.	Have you ever been reprimanded for poor work performance			
xi.	Do you complete tasks outside of your typical job responsibilities to support the organization?			
xii.	Do you adhere to the company's values and policies?			

Thank you for your time and co-operation. Your opinions are highly valued.

Please be assured that your answers will remain anonymous.

Research Clearance Letter



Ref. No OUT /PG202185847

9th August, 2023

Managing Director,
National Social Security Fund (NSSF),
P.O. Box 1322,
DAR ES SALAAM.

Dear Director,

RE: RESEARCH CLEARANCE FOR MR. LUCAS SILAUS, REG NO: PG202185847

2. The Open University of Tanzania was established by an Act of Parliament No. 17 of 1992, which became operational on the 1st March 1993 by public notice No.55 in the official Gazette. The Act was however replaced by the Open University of Tanzania Charter of 2005, which became operational on 1st January 2007. In line with the Charter, the Open University of Tanzania mission is to generate and apply knowledge through research.

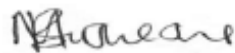
3. To facilitate and to simplify research process therefore, the act empowers the Vice Chancellor of the Open University of Tanzania to issue research clearance, on behalf of the Government of Tanzania and Tanzania Commission for Science and Technology, to both its staff and students who are doing research in Tanzania. With this brief background, the purpose of this letter is to introduce to you **Mr. Lucas Silaus, Reg. No: PG202185847**, pursuing **Masters of Arts in Governance and Leadership (MAGL)**. We hereby grant this clearance to conduct a research titled **"The Role of Extrinsic**

Motivation on Employees' Performance in Public Sectors Organizations: A Case of National Social Security Fund (NSSF) Dar-es-salaam". He will collect his data at your office from 10th August to 10th September 2023.

4. In case you need any further information, kindly do not hesitate to contact the Deputy Vice Chancellor (Academic) of the Open University of Tanzania, P.O.Box 23409, Dar es Salaam. Tel: 022-2-2668820. We lastly thank you in advance for your assumed cooperation and facilitation of this research academic activity.

Yours sincerely,

THE OPEN UNIVERSITY OF TANZANIA

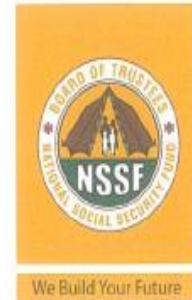


Prof. Magreth S. Bushesha

For: VICE CHANCELLOR



THE UNITED REPUBLIC OF TANZANIA
 MINISTRY OF LABOUR, EMPLOYMENT, YOUTH
 AND PEOPLE WITH DISABILITY
 NATIONAL SOCIAL SECURITY FUND



CA.259/314/01

16th August, 2023

Rector,
 The Open University of Tanzania,
 P. O. Box 23409,
DAR ES SALAAM.

RE: PERMISSION TO CONDUCT RESEARCH

Please refer to your letter with Ref. No. OUT/PG202185847 dated 9th August, 2023 bearing the above heading.

This is to inform you that permission has been granted to **Mr. Lucas Silaus** to undertake data collection at NSSF Head Office with no cost to the fund.

The above student is therefore advised to contact the Head of Department, Human Resource Management, NSSF Head Office, for further information.

Yours sincerely,
NATIONAL SOCIAL SECURITY FUND

Josiah Masabala
For: DIRECTOR GENERAL

MANUSCRIPT**THE RELATIONSHIP OF SALARY INCREMENTS ON EMPLOYEE'S
PERFORMANCE: A CASE OF NATIONAL SOCIAL SECURITY FUNDS
(NSSF)-DAR-ES-SALAAM**

Lucas Silaus

silauslucasjr@gmail.com

2. Dr Chacha Matoka

chacha.matoka@out.ac.tz

1. Graduate MALG Open University of Tanzania
2. Senior Lecturer Open University of Tanzania

ABSTRACT

This study examined the influence of salary increments on performance among employee at NSSF Dar-es-Salaam Tanzania. The study employed a quantitative research approach to investigate the association between salary increments and performance of the employee. A total of 267 NSSF officers from various departments were included in the sample size. The collection of data was done using self-administered questionnaires among study participants. The analysis of the data was done using descriptive and inferential analysis. The study found that, there were no significant relationship between employee performance and salary increment. The study concludes that, the underlying reasons for the failure of salary increments lies in its inconsistency and longer time interval at which employee are eligible for increment in salary.

Key Words: *Public sector, Performance, Employee, NSSF, Salary and Salary increment.*

1. INTRODUCTION

Employee performance is an important aspect which benefits the organization, customers, shareholders, suppliers and the society at large (Hussein Ali et al., 2017; Pfajfar et al., 2022). Motivated, employees are more likely to put in extra effort, take on additional responsibilities, and strive to improve their performance. Motivation plays a crucial role towards organization performance and productivity (Naa et al., 2021; Uka & Prendi, 2021) as it puts human resources into action, improves efficiency levels for employees, leads to achievement of organizational goals, and builds friendly relationships, stability and growth of the organization (Forson et al., 2021).

Furthermore, motivated employees tend to be more effective and efficient when their concerns relating to the needs such as bonuses, salaries and other incentive are taken into consideration. These increases their work morale and performance and ensure that the level of output obtained from employees will have great impact to the organization objectives (Öksüzoğlu-Güven, 2018; Tong, 2019).

Globally, employee motivation through extrinsic factors is crucial across various sectors, as high turnover rates pose challenges for organizations, particularly in the U.S. (Hana & Lucie, 2011; Ruth, 2015). Majority of companies have been pouring effort on creating motivating, inclusive, and non-toxic work environments to boost retention and productivity. In developed economies like Europe, employees face career stagnation and high job demands, often leading to stress due to strict performance targets and limited recognition, which can demotivate workers. In African countries such as Nigeria, Kenya, and South Africa, motivating employees is prioritized to ensure career satisfaction, financial incentives, and conducive work environments; however, challenges persist due to lower salaries, bureaucratic hurdles, and inadequate rewards, leading to high turnover as employees seek better wages and conditions (Muze, 2014; Noel, 2019).

Tanzania, like many African countries, faces significant challenges due to poor motivational practices in the public sector, including inadequate working environments, lack of recognition, insufficient motivation packages, job insecurity, and inconsistent policies (Monaghan, 2021; Öksüzoğlu-Güven, 2018). The

performance of the employee in public sectors has been overwhelming inconsistent in several public sectors (Joseph, 2019). The poor performance of employees in public sectors has been linked to numerous factors including lower wages, poor working conditions and slow and limited professional growth among employees (Chantal et al., 2022; Noel, 2019). These issues contribute to low employee morale, increased turnover, absenteeism, and diminished commitment, adversely affecting organizational performance (Noel, 2019).

There has numerous effort which have been put in place to motivate employee in public sectors and ensure they perform admirably. Among of the most relied way to improve the performance of the employees is extrinsic motivation. Motivated employees are happy, committed, and productive and provide good services to the organization. Public organization, provide a range of motivation to ensure employee performs better at work (Ekundayo & Babalola, 2018).

However, there is a paucity of knowledge on how influential are the increment in salaries plays on improving the performance of employees especially in public sectors organization such as NSSF. Therefore, the paper examined the influence of salary increment on employees' performance at National Social Security Fund (NSSF) which is one of public sector institutions that is not isolated from this phenomenon of motivation since it has employees executing day to day activities.

2. LITERATURE REVIEW

The study was guided by foundation laid in Abraham Maslow's Hierarchy of Needs theory of 1954 and Herzberg Two-Factor Theory of 1959. According to Maslow, none of the five needs are met unless the primary needs are fulfilled first. Only after the lower need is met, another higher need will emerge. The need which hasn't been fulfilled acts as a motivation for action and could be replaced by the higher-order needs when fulfilled. The diagram below shows the categories of Maslow hierarchy of needs (Mawere et al., 2016). Meanwhile, Herzberg argued that, the factors which will increase job satisfaction are independent of those that increase job dissatisfaction. He further argued that the opposite of "satisfaction" is "no satisfaction" and not "dissatisfaction" and the opposite of "dissatisfaction" is "no dissatisfaction" and not "satisfaction" (Öksüzoğlu-Güven, 2018; Tefera, 2014; Tong,

2019). The two theories provided ground basics to provide reliable explanation on how motivation factors could be attributed to performance of the workers through analyzing the numerical data.

There are various studies which examined the concept of extrinsic motivation in public organization. A study conducted by Tong (2019) in China investigated the employee motivation problems and countermeasures in China. The study findings indicated that, there are many problems which small and medium enterprise encounter in an effort to motivate its workforce. Such problem includes enterprise problems including low profitability and higher operational costs which drain the available money and render the enterprise unable to do any activities to motivate the employees. Another study Pakistan by Shaikh, Pathan, & Khoso (2018) examined the effects of external motivational factors on employees. The study findings revealed that all extrinsic factors had positive and significant effects on employees including salary increment. Likewise, A study by Öksüzoğlu-Güven (2018) examined the challenges in achieving high motivation and performance among employees. The study findings indicated that, there are numerous challenges which limits the ability to motivate employees in public sectors including unreliable evaluation system that fails to accurately measure the performance of the employee and rewards them accordingly. Also, there are structural deficiencies such as shortage of resources and limitations imposed by the governance on motivating employees constrained the ability of the manager to effectively reward its employees.

In Tanzania, a study conducted by Monaghan (2021) in Tanzania examined the challenges faced by managers when attempting to motivate employees with non-monetary extrinsic motivators. The study findings indicated that, majority of the study participants (90%) agreed that motivation to work comes through better payment and salary increase which could help them to afford the living costs. Again, 83% and 85% cited work enjoyment and interest in the job as among of the key motivation factors. Contrastingly, much fewer participants agreed that they work because they are requested to do it (26%), and less than half (44%) of employees stated they are motivated to work because they would feel guilty if tasks were not completed. Moreover, Magembe (2018) found that, the effects of motivation

included high level of commitment among employees, job satisfaction among employees and productivity in the workplace.

3. METHODOLOGY

This research adapted a positivism approach primarily as the information sought already exists. Thus, the approach would help the researcher to uncover various themes related to the research questions and compute relationships among the study variables. The approach provides the basis for discovering the casual relationships and themes from within the data (Ryan, 2018). The positivism perspectives rely on the available information with narrowed focus that consider only pure data alongside facts without being influenced by human bias.

In this paper, the quantitative approach helped the researcher to examine the relationship between salary increment and the employee performance at NSSF. The quantitative approach enabled the researcher to draw conclusion of the causal relationship between the independent and dependent variable from the numerical data collected from the research field. The data collected were analysed using statistical methods to identify patterns and relationships between variables. The approach was often used to explore causal relationships between variables and allows the researcher to produce results that are generalizable to larger populations.

The correlational research design is a quantitative research design that examines the relationship between two or more variables without manipulating any of them. The design aid the researcher to assess the relationships between variables that cannot be manipulated or controlled. In this study, the correlational design enabled the researcher to establish the strength and direction of association between the extrinsic motivation and employee performance. Through this design, the researcher was able to collect numerical data from a large number of study participants from which statistical tests including Chi-square and regression were computed.

The study was conducted in Dar-es-salaam Region. The choice of the region is primarily based on the availability of the study participants. The region has a total number of five (05) NSSF offices including HQ, Temeke, Kinondoni, Ilala and Kigamboni. Also, the region has a total number of 760 employees among the aforementioned offices eligible for this study. Thus, the region provides access to a

large number of study participants and enabled the researcher to collect vast amount of quantitative data on the extrinsic motivation and employee performance.

Target Population

The target population of the study entails the population from which the researcher intends to collect data and draw conclusions. The total target population of this study included full-time employees at NSSF in Dar-es-Salaam Region. The target population included directors, managers from NSSF HQ, regional manager, principal officers, senior officers and officers. The inclusion of employee from NSSF HQ helped the researcher to collect data on the types of extrinsic motivation offered at NSSF and the existing relationship between extrinsic motivation and the work performance of employees at NSSF. Additionally, the inclusion regional managers, principal officers, senior officers and officers also enabled the researcher to collect more reliable data on the researcher topic.

Cluster sampling allowed the researcher to sample the study participants through probability method. Each participant had equal chance of participating in research study. In this study, the researcher grouped employee in different cluster based on the type of employment including contracted NSSF employee and non-staffs such as cleaners. The study sample was drawn from the cluster containing. Further, cluster sampling ensured sufficient involvement of eligible study participants as cluster formed were based on key characteristics identifiable characteristics which provide reliable basis for the selection on the study sample.

The total sample size of the study was determined using the Yamane Formula (1967) formula. The statistics indicates that, Dar-es-Salaam region has a total number of 760 NSSF personnel including directors, regional managers, principal officers, senior officers and officers who are eligible for the study.

From the formula

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

$$\text{Sample size (n)} = \frac{760}{1 + 760(0.05^2)}$$

$$\text{Sample size (n)} = \frac{760}{1 + 1.9}$$

$$\text{Sample size (n)} = 262$$

The study added 10% of the total sample size to counter for non-responses and unreturned questionnaires. Thus, the total sample size of the study was 288 NSSF employees. All identified study participants attempted the self-administered questionnaire during data collection phase. However, the researcher involved all participants clustered in contracted NSSF employee category and exclude those in non-staff category such as cleaners and security staff.

The data in this study were collected using questionnaires. The method was used to collect quantitative data from the research respondents. The questionnaires contained close-ended ended questions formulated to help the researcher gather numerical data relevant to the research study. The use of questionnaires enabled the researcher to collect data from a large number of respondents accurately. The questions contained within the questionnaire were be tailored to attempt a specific research question and enable the researcher to draw conclusion on the relationship between extrinsic motivation and the performance of the workers at NSSF. The questionnaires were self-administered among NSSF employee and collected by the researcher upon completion. The tools used a non-ambiguous term to ensure the study participants capture the intended meaning in each question.

Data Analysis

Quantitative data were analyzed through descriptive analysis and inferential analysis. Data collected through questionnaires were cleaned, systematically coded and entered into SPSS version 26. The data were analyzed through a descriptive analysis to compute several parameters including frequency, percentage, mean and standard deviation. The data were further be analyzed using regression analysis to examine any existing relationship between the variables the extrinsic motivation and the work performance of the employees. Statistical findings from the regression analysis with a p-value of >0.05 were categorized as significant. The analysis followed the

regression model as indicated below

From the regression equation;

$$Y_i = f(X_i, \beta) + e_i$$

Where

Y_i = Dependent Variable

f = Function

X_i = Independent Variable

β = Intercept

ε = error term

Thus, in this study, the regression equation translates to the regression model below;

$$\text{Employee Performance} = \beta_0 + \beta_1 (\text{Salary Increments}) + \varepsilon$$

The regression model provided information on the strength and direction of the relationship between salary increment and employee performance.

Data Cleaning and Processing

The numerical data collected through self-administered questionnaires distributes among NSSF employees, were cleaned and processed using SPSS version 26. The data were entered into the SPSS program and computed for descriptive parameters including frequency, range, and percentage as well as charts (histogram). Through descriptive statistics the researcher were able to identify and rectify data entry errors and systematically address outliers within the data.

Validity

The validity of research instruments represents the ability of a tool to measure what it is intended to measure (Mohajan, 2017). There are several factors which derail the validity of a research tool categorized into systematic and random factors. In this study, the validity of the research tool was ensured through peer and expert review to ensure the tool doesn't contain ambiguous statements which could distort the meaning of the questions. The tool constructed used simple vocabulary to ensure the respondents would grasp the meaning of the questions and answer accordingly.

Reliability

Reliability of the study refers to the ability of a research tool to generate the same results over time and under various circumstances. In this study, a pilot study was conducted to ensure the validity of the research tool. Furthermore, the researcher constructed research tools by adopting and modifying questions from previous studies which have been standardized. This also improved the reliability of the research tools.

4. RESULTS

Descriptive Statistics on Salary Increments

The descriptive statistics on salary increment among employee at NSSF indicates that, majority of the participants agreed on the facts that salary increments is a strong motivation for better performance ($M= 2.7$, $SD= 0.513$), also the data indicates that employee retention is effectively done through periodic salary increment ($M= 2.64$, $SD= 0.0487$). Likewise, the data indicates that, tying salary increment to performance evaluations garnered support among the study participants, however, a majority of the participants ($M=2.42$, $SD= 0.787$) disagreed with attaching salary increment to performance evaluation. Moreover, the data collected from the field indicates that, majority of the study participants had positive views ($M= 2.48$, $SD= 0.657$) on salary increment at NSSF and its spiraling effect on employee performance.

Table 1: Participants Responses on Salary increment

S/N	Statements	Maximum	Minimum	Mean	SD
SI1	Did your most recent salary increment meet your expectations?	1.00	5.00	2.11	0.737
SI2	Do you think salary increments motivate you to perform better at work?	1.00	5.00	2.70	0.513
SI3	Should salary increments be tied to performance evaluations?	1.00	5.00	2.42	0.787
SI4	Would you leave your current organization for a job with better salary?	1.00	5.00	2.44	0.761
SI5	Do you think salary increments are an effective way to retain employees?	1.00	5.00	2.64	0.487
SI6	Does a better work performance lead to salary increments?	1.00	5.00	2.58	0.658
Average Mean				2.48	0.657

Source: Field data (2023)

Descriptive Statistics on Employee performance

The descriptive data on employee responses regarding work performance at NSSF, provided useful insights. The data indicates that majority of employees were able to complete their assigned tasks within the given timeframe (Mean= 2.81, SD=0.397) and meeting the quality standards set by their department (Mean= 2.76 SD= 0.827). Moreover, the data indicates that (Mean= 2.82 SD=0.537) of the participants completed their tasks with minimal errors or rework and received positive feedback from their supervisors or colleagues (Mean= 2.88, SD=0.373). The data also indicates there were no wide spread reprimand on poor work (Mean= 0.76, SD=0.482).

Table 4.23: Participants Responses on performances

Statements	Maximum	Minimum	Mean	SD
Do you complete your assigned tasks within the given timeframe?	1.00	3.00	2.81	0.397
Do you often meet the quality standards set by your department?	1.00	3.00	2.76	0.827
Do you complete your tasks with minimal errors or rework?	1.00	3.00	2.82	0.537
Do you receive positive feedback from your supervisors or colleagues?	1.00	3.00	2.88	0.373
Do you collaborate and communicate effectively with your team members?	1.00	3.00	1.8	0.633
Have you ever been reprimanded for poor work performance	1.00	3.00	0.76	0.428
Average Mean			2.31	0.461

Source: Field data (2023)

Multiple Regression Analysis

The regression assumption in this study as proposed in the data analysis section relies on the regression equation which translate to;

$$\text{Employee Performance} = \beta_0 + \beta_1 (\text{Salary Increments}) + \varepsilon$$

From the ANOVA table below the data indicates that, the p-value between salary increment and employee performance was 0.788 which indicates that, there were no significant association between the employee performance and increment in salaries.

Furthermore, the study computed the Model Summary which provides an overview of the multiple regression analysis. The R-squared value (R^2) is 0.012, indicating that approximately 1.2% of the variance in employee performance is explained by the predictor variables. The adjusted R-squared is negative (-0.011), which indicate that the model doesn't fit the data well. The standard error of the estimate is 0.430, representing the average error in predicting performance.

Table 4.24: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.110 ^a	.012	-.011	.430

a. Predictors: (Constant), SI6, SI3, SI4, SI5, SI1, SI2

Source: Field data (2023)

The ANOVA table presents the results of the analysis of variance. In this case, the F-statistic is 0.527, and its associated p-value (Sig.) is 0.788. This indicates that the model as a whole is not statistically significant, indicating that the predictor variables (salary increments) does not have a significant influence on employee performance.

Table 2: Anova Table

		Sum of			
Model		Squares	df	Mean Square	F Sig.
1	Regression	.584	6	.097	.527 .788b
	Residual	48.075	260	.185	
	Total	48.659	266		

a. Dependent Variable: Performance Level

b. Predictors: (Constant), SI6, SI3, SI4, SI5, SI1, SI2

Source: Field data (2023)

Furthermore, the study conducted a multiple linear regression. The Coefficients table provides detailed information about the regression model's coefficients. The findings indicate that, there were no significant association between the various aspects of salary increments and employee performance.

Table 3: Regression Model Results

		Unstandardized Coefficients		Standardized Coefficients		Collinearity Statistics	
Model		B	Std. Error	Beta	t	Sig.	Tolerance VIF
1	(Constant)	.846	.256		3.309	.001	
	SI1	-.010	.039	-.017	-.246	.806	.828 1.208
	SI2	-.075	.058	-.090	-	.195	.793 1.261
					1.299		
	SI3	.021	.035	.038	.589	.556	.914 1.094
	SI4	-.015	.037	-.027	-.415	.678	.881 1.135
	SI5	.007	.058	.008	.126	.900	.883 1.133
	SI6	.041	.043	.063	.955	.341	.867 1.153

a. Dependent Variable: Performance Level

Source: Field data (2023)

5. DISCUSSION

The findings of this research paper indicated that, there were no significant association between salary increments and performance of the employees, which implies that increment in salary hardly factor into a strong motivator for employee to increase their level of performance on daily tasks. The observation could be attributed to the fact that, such increments occurs over extended time and periodically to each employee depending on numerous factors such as number of years that an employee has been at work. Similar findings were reached in a study conducted by Ayandele & Etim, (2020) which found that, employee were hardly motivated to work as direct results of increments in salaries, ever since such increments aren't regular occasions thus employees aren't motivated on their daily activities by increase in salaries. Also findings in this research concurs with findings from a study by Ldama & Nasiru, (2020) and Rulisa et al., (2023) which also found that, salary increments has a very limited impact on the performance of the employee. The similarity in findings could be attributed to the fact that, employees

aren't subjected to consistent and regular increase in their monthly salaries, thus any increase over a period of time doesn't factor into a motivator.

However, the findings ran contrary to findings from a study by Ezekiel, (2019), Jegatheeswari & Anandi, (2023) and Solong, Wekke, Aras, & Makbul, (2021) which indicated that, among of the measured extrinsic motivations, salary increments had significant impacts on employee performance. Such findings were also found in studies by Nugraha et al., (2024) and Joseph, (2019) which indicated a significant association between employee performance and increments in their salaries/wage. The contrast in study findings could be attributed to the fact that, in reviewed studies such as Ezekiel, (2019) and Solong, Wekke, Aras, & Makbul, (2021) relied on qualitative data through which a small sample of study participants shared their views on how salary increment impacts employee performance. The reliance on qualitative data meant such studies had a limited exposure to the impacts of salary increment on employee performance as the data collected among few participants could prove difficult to be generalized to a large sample.

6. CONCLUSION

The study concludes that collectively and salary increments plays a limited role in providing extrinsic motivation to employee in public organizations. As the data found that there were no any significant association between salary increments and employee performance. Thus, the study concludes that, from the analysed data, the increment in salaries do not immediately translate to increased performance among employee in public sectors. The inability of salary increment as an extrinsic motivator to have its desired effect on employee performance was attributed to the inconsistency provision and time taken for an employee to be eligible for increment in salary. For majority of employee, the periodic increase in salary does not impact their day-to-day performance at work.

7. RECOMMENDATIONS

The study recommends that salary increments should be provided on consistent basis when employees achieve the criteria required to be rewarded with increment in salary. The findings of the study indicated that, on the long run salary increment has the ability to motivate employee and improve the performance of the organization.

Thus, it's imperative for the organization to strengthen its salary increment practices. As for further studies, the study recommends another comparative study among different public organization to cross-examine the effect of salary increments across these organization and inform one another on areas which could be improved. Also, the study recommends further studies be done of other extrinsic motivators and its effects on employee performance. Such studies would complement and further expands the findings in this study to provide a much more comprehensive knowledge base.

REFERENCES

- Akanbi, P. A. (2007). *Influence of Extrinsic and Intrinsic Motivation on Employees' Performance*. Ajayi Crowther University.
- Ayandele, I. A., & Etim, E. O. (2020). Non-Financial Incentives and Staff Motivation in Akwa Ibom State Civil Service, Nigeria. *Business, Management and Economics Research*, 6(67), 88–98. <https://doi.org/10.32861/bmer.67.88.98>
- Chantal, M., Manyange, M., & Asuman, B. (2022). The relationship between intrinsic rewards and employee performance in Non- Profit Organisation in Rwanda; A case study of Shyogwe diocese International Digital Organization for Scientific Research The relationship between intrinsic rewards and employee. *Journal of Current Issues in Social Sciences*, 8(1)(December), 52–65.
- Ekundayo, O. A., & Babalola, J. A. (2018). The Impact of Motivation on Employee Performance in Selected Insurance Companies in Nigeria. *International Journal of African Development*, 5(1), 31–42.
- Ezekiel, A. S. (2019). *Intrinsic and Extrinsic Motivation: The Effect on Employee Performance*. Sage Publishers.
- Forson, J. A., Ofosu-Dwamena, E., Opoku, R. A., & Adjavon, S. E. (2021). Employee motivation and job performance: a study of basic school teachers in Ghana. *Future Business Journal*, 7(1), 1–12. <https://doi.org/10.1186/s43093-021-00077-6>
- Hussein Ali, H., Mohd Said, R., Abdullah, A., & Mat Daud, Z. (2017). The impact of organizational culture on corporate financial performance: a review. *International Journal of Economics, Commerce and Management*, 5(8), 585–597.
- Ige, V. O. (2017). Analysis of the Relationship between Motivation and Professional Performance: A Case Study of Estate Surveying and Valuation Firms in Lagos, Nigeria. *FUTY Journal of the Environment*, 11(1), 112–119.
- Joseph, M. M. (2019). *Effects of Extrinsic Employee Motivation on Revenue*

Performance at Kenya Revenue Authority, Southern Region. Jomo Kenyatta University.

- Ldama, J., & Nasiru, M. (2020). Salary Increase and Its Impacts on Employee Performance in Adamawa State University. *International Journal for Innovative Research in Multidisciplinary Field*, 87(6), 47–57. <https://www.ijirmf.com/wp-content/uploads/IJIRMF202008007.pdf>
- Magembe, E. J. (2018). *Assessment of Factors Hindering Employee's Motivation in the Education Sector: A Case of Kinondoni Municipality.* Mzumbe University. Morogoro, Tanzania.
- Mawere, M., Mubaya, T., Reisen, M., & van Stam, G. (2016). *Maslow's Theory of Human Motivation and its Deep Roots in Individualism: Interrogating Maslow's Applicability in Africa.*
- Mohajan, H. (2017). Two Criteria for Good Measurements in Research: Validity and Reliability. *Annals of Spiru Haret University*, 17(3), 58–82.
- Monaghan, S. (2021). *An Exploration of the Challenges Managers face while attempting to Motivate Employees with Non-Financial Methods.* National College of Ireland.
- Naa, G., Okine, B., Yaw, G., Addeh, A., Emmanuel Olusola, B., Asare, I., & Addeh, G. Y. A. (2021). *Employee Motivation and its Effects on Employee Productivity/ Performance a.* <https://doi.org/10.7176/JESD/12-16-11>
- Noel, M. (2019). *The Role of Motivation on Employees Performance: A Case of Strategies Insurance Tanzania Limited (SITL) Dar Es Salaam.* The Open University of Tanzania.
- Öksüzözgü-Güven, G. (2018). Challenges in Achieving High Motivation and Performance in Educational Management : Case Study of a North Cyprus Public High School University of Mediterranean Karpasia No : 79 , Sht . M . Huso Caddesi , Kucuk Kaymakli , Nicosia , North Cyprus. *International Journal of Humanities and Social Science*, 3(6), 20–26.
- Pfajfar, G., Shoham, A., Małecka, A., & Zalaznik, M. (2022). Value of corporate social responsibility for multiple stakeholders and social impact –

- Relationship marketing perspective. *Journal of Business Research*, 143, 46–61. <https://doi.org/https://doi.org/10.1016/j.jbusres.2022.01.051>
- Rulisa, C., Namusonge, G., & Iravo, M. A. (2023). Influence of Salary on Employee Performance in Selected Public Institutions in Rwanda. *Strategic Journal of Business & Change Management*, 10(1), 238–253. <https://doi.org/10.61426/sjbcm.v10i1.2535>
- Shaikh, S. H., Pathan, S. K., & Khoso, I. (2018). The Impact of Extrinsic Motivation on Employees' Performance: A Comparative Analysis of Food and Textile Industries in Sindh, Pakistan. *International Business Research*, 11(12), 61. <https://doi.org/10.5539/ibr.v11n12p61>
- Solong, A., Wekke, I. S., Aras, D., & Makbul, M. (2021). Correlation Between Intrinsic and Extrinsic Motivation to Employee Performance Through Commitment and Organizational Culture. *Proceedings of the International Conference on Industrial Engineering and Operations Management*, 694–705.
- Tefera, B. (2014). *The Impact of Extrinsic Motivation on Employee Performance*. St.Mary's University School of Graduate Studies. Addis Ababa, Ethiopia.
- Tong, J. (2019). *Employee Motivation Problems and Countermeasures in Chinese Small and Medium Sized Private Enterprises*. Helsinki Metropolia University of Applied Sciences.
- Uka, A., & Prendi, A. (2021). Motivation as an indicator of performance and productivity from the perspective of employees. *Management & Marketing. Challenges for the Knowledge Society*, 16, 268–285. <https://doi.org/10.2478/mmcks-2021-0016>