

AN IN-DEPTH INVESTIGATION INTO THE IMPACT THAT AWARDS AND RECOGNITION HAVE ON THE PERFORMANCE OF STAFF MEMBERS

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Abstract

This study aims to examine the relationship between employee awards and performance. This investigation made use of publicly available information in its design, technique, and approach. Internet search engines and connected periodicals were used to compile the secondary data. In order to back up the research, the necessary textbooks were reviewed. Both monetary and non-monetary incentives have an effect on workers' productivity, according to the studies that have been done. In contrast to the long-term effects of intrinsic rewards, the short-term effects of extrinsic rewards on employee behavior are widely acknowledged. Research Originality and Theory Contribution: This study adds to the body of knowledge on the topic of total incentives, which encompass monetary and non-monetary rewards, by deepening our comprehension of how these programs affect employee performance. Management Implications: This study's results will help workers and bosses understand the power of employee rewards to boost productivity. Research Limitations and Implications: The researcher in this study had no means of verifying the reliability of the data since the study relied entirely on secondary sources.

Keywords: Financial Rewards, Non-Financial Rewards, Employee Performance

INTRODUCTION

People have always used employee rewards as a token of appreciation and a morale booster. However, formal employee incentive programs didn't arise until the 20th century, when companies realized they needed their workers' full buy-in to reach their objectives. One of the earliest extensively used employee incentive programs was created in the 1920s by Western Electric Organization. The goal of the Hawthorne Studies program, which offered incentives to employees, was to boost efficiency in the workplace. Notoriety, vacation time, and bonuses were just a few of the elements that made up the program's incentive system. As more and more people were interested in finding ways to encourage and reward employees, incentive programmes for workers gained popularity. Employee stock ownership plans (ESOPs) and other loyalty programs were introduced by companies in the 1950s and 1960s as a way to recognize and reward dedicated workers. New employee incentive programs often have a plethora of rewards.

Implementing reward systems can greatly enhance productivity. An incentive system can inspire workers to give their all since it creates a specific type of motivation. Not only does it motivate workers and impact their actions, but it also adds value to the broader structure of the firm. Hermina and Yosepha claim that the words "job" and "performance" are the roots of the word "performance" (2019:7).

When discussing an individual's level of success or failure in their professional endeavors, the words "performance" and "actual performance" are used interchangeably. Performance is defined as the quantity and quality of output an employee achieves while meeting the requirements of their job description and meeting or exceeding all expectations. In a corporate environment, employee performance can be defined as the sum of all individual efforts that have increased output and helped the firm reach its objectives (Dahkoul 2018:12). Omar et al. (2022:1882) states that performance is the end result of an individual's efforts to achieve their declared and unstated objectives. Because they are appropriate and consistent with the theoretical framework being used, these three criteria are employed for the purpose of this inquiry.

Examining how employee awards affect workers' productivity is the driving motivation for this study. Since they are the ones really accountable for getting things done and accomplishing the company's objectives, employees are the most valuable asset a company can have (Tamunomiebi and Oyibo, 2020:1). When 2020 rolls around, Silitonga and Sadeli Employee performance is a key performance indicator (KPI) since it shows how well the business is doing and affects the perception of the company among its stakeholders. The performance of a company's personnel is a key component in the company's overall success. Owners of firms need qualified individuals to carry out their tasks, as highlighted by Leonard (2019). Both Kafayat (2021) and Pradhan and Jena (2017:2) state that firms seek out workers who can get the job done, even though productivity is a key indicator of a company's success. An organization's growth is heavily dependent on the performance of its personnel. Employee performance is thus heavily influenced by a company's rewards programs. Businesses in the modern day have a significant advantage over their rivals if they see their employees as an asset, not a liability. An organization's human capital is its most precious asset because worker productivity determines the company's fate (Kazi et al., 2019:19).

Assumption 1: Employee performance is affected by monetary incentives.

Hypothesis 2: Employee performance is affected by non-monetary incentives.

The study's main finding is that it can be difficult and time-consuming to create employee-specific rewards, put those awards into effect, and keep an all-encompassing rewards program under close watch. The total reward is the accumulation of all the benefits that an employee feels they are entitled to because of their job link. This includes real and intangible benefits, as well as internal and external incentives, according to Cherotich et al. (2015):43. In order to assess an employee's performance, incentives are seen as a necessary tool (Fareed et al., 2013:431).

Kolluru (2020:2) asserts that reward management systems can influence and enhance performance on the job. An effective system of rewards will cause workers to perform better, say Ibrahim and Khan (2015):95. A great way to ensure outstanding engagement among employees and to build an even more motivated workforce is to offer performance-based awards (Ayling, 2021). Employee performance may be defined in terms of the tasks' appropriateness, volume, quality, and engagement (Fatima, 2021). Research by Agbenyegah (2019) and Abubakar et al. (2020) found that monetary and non-monetary incentives influence workers' productivity on the job. Financial incentives are crucial when it comes to motivating workers to meet their financial responsibilities and advance in their socioeconomic status. Financial and non-financial benefits are both significant in influencing employee performance, according to the study's conceptual framework. Furthermore, the study indicated that employees are positively impacted by several forms of compensation, including base salary and bonus fringe performance (Agrawal & Tiwari, 2021).

Armstrong and Stephens (2012:109) argue that providing advantages in both the transactional and relational contexts is fundamental to the rewards paradigm. Table 1 can be accessed at this location.

Table 1
Armstrong and Stephens's Total Rewards Model

	Basic Pay	
Transactional Rewards		Total Remuneration
	Variable Pay	
	Employee Benefits	
	Learning and Development	TOTAL REWARDS
	The work experience	Non-financial / Intrinsic Rewards
Relational Rewards	Achievement, recognition, responsibility, autonomy, growth	

Source: Armstrong (2012)

The following two forms of compensation, when added together, constitute total rewards, as defined by Armstrong and Stephens (2012:109):

- In the case of pay and benefits, for example, both the employer and the employee benefit monetarily from the transaction. Quite a few more instances exist. We classify all of these as being from the outside.
- Managing performance, learning and growth, and learning from errors are all examples of relational benefits. In addition to the job itself, these factors also include the work environment, which includes aspects like how one lives their life at work, the job itself, and the balance between one's personal and professional lives. The work environment has intrinsic benefits; praise has intrinsic qualities; performance management is mainly extrinsic; and learning and development have intrinsic qualities since they allow individuals to continue developing themselves.

Providing non-monetary perks is one way that management in organizations motivates employees. A large portion of the workforce is underperforming due to the non-application of these motivational strategies. A thorough examination of the data revealed that employee recognition significantly affects the performance of firms. An organization's efficiency can be enhanced when employees are given opportunities to grow in their careers. As a result of low levels of motivation, the research found that employee performance suffered (Dim, 2020). The results of the study formed the basis for this. Mura et al. (2019) found that a business's competitiveness rises when its compensation structure is efficient because it increases employee loyalty and performance quality. Paying employees a competitive wage not only keeps them motivated, but also increases the company's attractiveness to potential employees. Even though every company has its own way of paying employees, this remains true. Research by Kamwenji (2020) found that non-monetary perks significantly impact employee performance.

REVIEW OF LITERATURE

The Idea of Worker Efficiency

The Idea of Worker Efficiency One of the most important measures of an organization's efficiency is its employees' performance. How well workers complete their tasks and help the company reach its objectives is what this term alludes to. Work output consistency, quality, and efficiency are the three determinants of employee success (Armstrong and Taylor, 2020). The productivity, profitability, and competitive edge of a company are enhanced by its high-performing staff. Leadership, work atmosphere, recognition, job happiness, and motivation are factors that impact performance.

The Importance of Inspiration on Work Outcomes

The Importance of Inspiration on Work Outcomes Everyone agrees that motivation is the key to high productivity in the workplace. Intrinsic motivators that have a major impact on work happiness and productivity are success and acknowledgment, according to Herzberg's Two-Factor Theory (Herzberg, 1966). While hygiene elements work to keep people from being dissatisfied, the idea posits that motivators, such as praise, work to boost performance.

An Alternative to monetary Rewards: Accolades and Public Acknowledgment

An Alternative to monetary Rewards: Accolades and Public Acknowledgment In order to show appreciation for employees' efforts, non-monetary incentives like awards and

recognition are given. Recognition satisfies psychological needs, encourages desirable behaviors, and cultivates a sense of belonging, according to Brun and Dugas (2008). Employees are more invested and loyal when they receive public recognition, prizes, and verbal praise, according to their study.

The Effects of Different Forms of Acknowledgment

Studies differentiate between official and informal acknowledgment:

- Certificates, awards for service, and employee of the month programs are examples of formal appreciation.
- Unprompted acknowledgments, such as vocal compliments or handwritten notes, constitute informal appreciation. According to research by Kuvaas et al. (2017), the personal and timely character of informal recognition makes it more effective than formal awards in boosting job performance and morale.

The Effect of Praise and Acknowledgment on Business Results

Both the individual's performance and the organization's results are improved by awards and recognition. Recognition programs enhance organizational citizenship behavior (OCB), decrease turnover intention, and cultivate a culture of collaboration, according to a study conducted by Islam et al. (2021). If workers believe their contributions matter, they will go above and beyond the call of duty to help achieve company objectives.

Recognition Practices with Cultural Aspects in Mind

The efficacy of recognition techniques can differ depending on the culture. According to Hofstede's (2011) cultural aspects theory, societies that value individualism may be more responsive to individual accolades, while cultures that value collectivism may favor group-based acknowledgment. To get the most out of recognition programs as a motivator, businesses should make sure they fit in with cultural norms.

RESEARCH METHOD

If you want to learn more about a subject but aren't sure what it is, but you want to get a better grasp on it, exploratory research is a great way to go. In their review of the literature on exploratory research, Saunders et al. (2019:187) included this strategy. A literature review is one approach that fits this description. If one wants to be successful at exploratory research, they need to keep an open mind. Citation: Saunders et al., 2019:187. Having a mindset that can adapt to new information and ideas as they come is crucial when doing exploratory research. The data used in this study is primarily derived from other sources. The knowledge needed for this project came from a variety of sources, including academic journals, published and unpublished dissertations, textbooks (both print and digital), and encyclopedias. A few of the benefits of using secondary data include the fact that it is easier to obtain and analyze, that it provides a more unbiased assessment, and that it can potentially yield new insights and lessons when reanalyzed (Saunders et al., 2019:351).

RESULTS AND DISCUSSION

One method that managers use to motivate workers to do better is by offering them non-monetary benefits. A large portion of the workforce is performing below par since different forms of motivation are not being implemented. After looking at the numbers, it

was determined that employee recognition really does affect organization performance. A company's operations, including its general running, can benefit from career advancement opportunities. Research results showed low levels of staff motivation, which negatively affected their performance (Dim, 2020). This was established due to the findings of the study.

According to studies conducted by Mura et al. (2019), a competitive business benefits from a more loyal and productive workforce when its compensation structure is well-designed. It was only because the research was conducted that this finding could be made. Compensating employees makes the company more attractive to potential employees, who are a key motivator. The reason being, financial gain is an essential element of inspiration. Nevertheless, this is true even though every business has its own compensation structure. The results of Kamwenji's research (2020) showed that non-monetary benefits significantly impact employee performance.

Table 2.
Constructs of Employee Performance

Authors	Aspects of Employee Performance
Kennedy et al., (2001)	Work role empowerment, Behaviour toward customers, and Teamwork
Borman <i>et al.</i> (2001)	Conscientious initiative and Personal and organizational support
McCook (2002)	Perceived effort, Satisfaction with co-workers, and Opportunity for reward
Johnson (2003)	Job Performance and Contextual Performance
Parker et al., (2006)	Proactive work behaviour, Problem-solving, and Idea Implementation
Griffin et al., (2007)	Individual task proficiency, Individual task adaptivity, Individual task proactivity, Team member task proficiency, Team member task adaptivity, Team member task proactivity, Organizational task proficiency, Organizational task adaptivity, and Organizational task proactivity
Schepers (2011)	Work performance and Disciplined effort
Audrey, and Patrice (2012)	Creativity, Reactivity in the face of difficulties, Interpersonal adaptableness, Training efforts, and handling work-related stress
Koopmans <i>et al.</i> (2014)	Task performance, Contextual performance, and Counterproductive work behaviour

Source: Pradhan & Jena (2017)

Salaries, wages, and bonuses are a crucial part of extrinsic incentives systems that aim to boost employee performance. When managers go out of their way to provide extrinsic benefits, employees feel more valued by the company. Consequently, individuals are more driven to do better work so that they can earn greater incentives. When workers' salaries are proportional to their qualifications and output, it boosts their morale and commitment to the company.

Two signs that can be utilized to prove this are the low labor turnout and decreased absenteeism among employees (Mugaa et al., 2018). Researchers Noorazem et al. (2020) found that pay, bonuses, health insurance, and public acclaim all have a role in motivating employees to perform a good job. According to the research done by Hickenlooper and colleagues (2022), non-monetary awards positively affect employee performance. Awards and recognition, career opportunities, advancement, employee input into decision-making, and the responsibility to assess the impact of these factors on employee motivation are all examples of non-monetary perks.

Prizes that do not include monetary remuneration stimulate employees organically. These prizes help workers feel good about themselves, which makes them more motivated to work hard and, maybe, helps them reach their personal and professional goals. When employees feel valued and appreciated by the company's leadership, they are more likely to put up their best effort. Some instances of non-monetary incentives include workplace promotions, praise and acknowledgment, adaptable work schedules, chances for career advancement, and flexible work arrangements.

Annitah and Mose's 2021 study found that social welfare payments were associated with higher levels of employee performance. Medical facilities, retirement benefits, and educational benefits are all examples of social welfare advantages that the data imply impact both employers' and employees' performance. The study's results also show that showing appreciation to workers influences their productivity on the job.

Employee recognition, which includes pay raises, promotions, and job security, is a major component that influences performance. Both monetary and non-monetary incentives influence employee performance, according to research by Agbenyegah (2019). Orga et al. (2018), Ntirandekura & Mushamba (2022), and Saputri (2022) all state that financial incentives are important, but that other factors also play a significant role in encouraging workers to improve their economic and social circumstances. It is well-established that monetary and non-monetary incentives have a substantial impact on the relationship between employee performance and the company's success (Sharma, 2021). In comparison to monetary awards, the mean value of non-monetary incentives is 3.822. With a 99% level of confidence, the correlation analysis found that non-monetary benefits (71.1% vs. 63.5%) were significantly more positively associated with employee performance than monetary awards (99%). Industrial harmony, job productivity, task commitment, and efficiency are influenced by non-monetary compensation and employee productivity (Orga et al., 2018). Workers' output is affected by all of these things.

Companies can accomplish organizational transformations with the support of an effective and long-lasting Human Resource Development (HRD) program. People would work harder, be more self-reliant, and be more productive if non-monetary incentives were properly implemented. When employees see their efforts rewarded for their efficiency, they are more motivated to keep up the good work; as a result, average and poor performers try

to emulate high achievers in the hopes of reaping the same benefits. When employees' efforts are recognized, it boosts their motivation.

It is advantageous when there is a positive correlation between incentives and output. The pay that most employees earn is sufficient for their needs. Employees also want to be recognized and appreciated for their hard work, therefore non-monetary benefits are important. Even while research shows that monetary incentives boost productivity, it would be remiss of employers to discount the importance of non-monetary benefits. Highly motivated workers often go above and above in their work.

Workers show less disinterest in leaving their current positions and more dedication to their work (Kushwaha, 2018). Financial incentives from the company do influence workers' productivity, according to Kathombe et al. (2018). Greater monetary pay is associated with better performance from workers. For the simple reason that monetary compensation remains the most potent incentive for workers to put out their best effort on the job. Employee performance is correlated with non-financial remuneration measures, with the exception of the work environment, which showed a small, negligible negative relationship.

There is a connection, with the exception of the workplace. It is reasonable to assume that the corporate climate does not significantly affect employee performance, given that most employees say they work while in class (with the exception of those who are tutors or who are forced to participate in class discussions). Findings suggest a link between monetary and non-monetary incentive metrics and worker output, according to the research. The results showed that the monetary and non-monetary benefits are positively and statistically associated with one another.

Colic et al. (2022) found that monetary rewards are used to varying degrees, ranging from "Low" to "High." On the other hand, non-monetary rewards are also used to varying degrees, and personal rewards can be anywhere from "Moderate" to "High." Of the factors related to pay, money is the most important, and it is the first factor to motivate employees to work hard. One of the best forms of compensation is monetary gain. In Maslow's hierarchy of needs theory, the most basic need—a need for payment—remains unfulfilled until its higher-level counterpart is met.

As opposed to Maslow's postulated hierarchy of needs, which states that needs increase from lower to higher levels, the ranking of other criteria does not follow this trend. Researchers Saputri (2022) found that non-monetary rewards including training, promotion, and change significantly impacted workers' happiness on the workplace. Employee performance is positively and significantly affected by non-monetary compensation, training, promotion, and transfer opportunities, and job satisfaction. This holds true whether the form of compensation is monetary or non-monetary. According to Okeke et al. (2020), the purpose of extrinsic rewards is to encourage and sustain high levels of performance among workers. The researchers came at this conclusion. Research shows that employees who get their work done for reasons other than financial gain are more invested in their work and more inclined to go above and beyond to meet goals. It follows that incentive programs, whether extrinsic or intrinsic, significantly and positively affect employee performance within the company. Furthermore, the study found that extrinsic rewards help with encouraging, sustaining, recruiting, and keeping talented people on staff.

Studies have demonstrated that employees perform better when they are paid on a regular basis, such as a monthly basis. Additional perks include the ability to recruit and

keep talented employees through financial rewards, promotions, and other incentives. A highly productive worker who strives for personal and professional growth is an example of an intrinsically driven employee. Conversely, employees are motivated to work towards organizational excellence when non-monetary rewards are well-managed.

Pay and other benefits were determined to have the greatest impact on employee performance, even though the company was responsible for deciding on the financial rewards. Bonuses, on the other hand, were determined to have the smallest impact due to the tiny percentage of employees (about 25%) who actually received them. Workers have voiced their opinion that they would be more productive if they knew about the extra perks that the company offered. Most workers did not receive bonuses, and even among those who did, many felt that management was unfair in how they handed out the rewards, casting doubt on the effectiveness of bonuses as an incentive for improved productivity.

Workers argued that they had a right to medical treatment as they are obligated to work and that being unwell prevents them from doing their jobs. The monetary recompense for outstanding job performance was supplied in the form of fringe benefits, to which this was referring. The majority of employees believe that fringe benefits enhance employee performance because high-quality benefits, especially housing allowance, leave allowance, commuting allowance, and leave allowance, encourage workers to put in more effort and work harder (Kuya & Kalei, 2022). Increased employee happiness, a competitive advantage, and the attainment of performance goals are the end outcomes of an engaged workforce, which in turn helps businesses cultivate key competitive attributes. The study argues and concludes, among other things, that the compensation structure significantly improves employee performance.

As a result, the article stresses that the pay system can greatly enhance workers' welfare, which can enable them to be more invested in their job (Hoque et al., 2018). Research by Alabi et al. (2022) found that non-monetary incentives do influence employee performance in the companies they studied. Motivating employees to improve their performance can be achieved through non-monetary prizes. Workers will also perform better if they are fairly compensated in other ways. Employee performance is significantly affected by non-monetary incentives.

Employees' work values were lowered by standard rate systems, but staff cohesiveness was enhanced by collective bargaining incentive systems, and employee loyalty was raised by profit sharing in industrial organizations. Staff unity improved as a result of all of these elements. An increase in production was observed when incentives were used. (Ngwa et al., 2019) Because of this connection, companies can implement compensation systems to encourage workers to do what the company wants them to do. Compliance with employee relations policies and procedures, along with those governing hiring, training, compensation, and benefits, may have an impact on workers' productivity on the job.

In the corporate world, pay is a tool for getting things done. Proper remuneration ensures that workers are happy and secure in their jobs, which in turn helps the company reach its goals and the employees' personal aspirations (Omuya, 2018). It is not surprising that employees' performance on the job might be enhanced when they are motivated to achieve their objectives. One probable conclusion that can be drawn from the study carried out by Jaleta et al. (2019) is that performance is significantly affected by the remuneration package that employees are offered. This proves that an employee's pay is proportional to

how well they do their job. There is an obvious and evident correlation between changes in compensation and differences in employee performance. Workers' levels of motivation and productivity on the job rise in tandem with the enhancements made to the perks they receive. Compensation levels significantly impact worker productivity, according to the study's authors. Providing a range of remuneration packages to employees may encourage them to carry out their jobs efficiently and effectively.

According to workers' reports of happiness on the job, non-monetary forms of reward and punishment have little effect on employee loyalty. This demonstrates that there may be a small but positive effect of non-monetary rewards and penalties on employee loyalty to the company. Employees were 48.1% more loyal to their employer and 46% more satisfied with their jobs when rewards and punishments did not include monetary remuneration. Taken together, these factors suggest that an organization's non-monetary incentive and punishment system correlates positively with worker happiness and loyalty (Basmantra, 2018).

Training, a better work environment, perks, base pay, constructive criticism, recognition, involvement, career advancement, profit sharing, gain sharing, initiative rewards, and special rewards are all examples of performance rewards that organizations can use to motivate employees. However, according to Awotidebe (2018), non-financial performance rewards do not have the same positive effect on employee efficiency as financial ones. Employees who received a combination of base salary, bonuses, prizes, profit sharing, and gain sharing performed far better than those who received only basic pay. Financial incentives do a good job at inspiring workers, but there are large gaps between the two when it comes to how those incentives actually affect productivity. Furthermore, non-monetary rewards have a good and substantial relationship with employee performance (Yadav & Saini, 2022).

A strong relationship existed between monetary incentives and productivity in the workplace. In addition to a salary distribution plan based on employee rank and occupational health benefits that meet or exceed employee expectations, the company also offers a retirement savings plan. While it's true that bonuses and awards do have an effect—after all, companies have historically tied bonus and prize distribution to employee performance—the incentives offered might be more than enough to satisfy workers' needs.

A strong correlation exists between non-monetary remuneration and employee output. Both the work itself and the surrounding environment greatly affect performance because doing a good job involves enjoying what one is doing, being calm, and not being afraid of danger. In an unfavorable work environment, workers are unable to focus on their duties at hand, which negatively impacts their productivity. The business may decide to make changes to one of the areas being reviewed as part of its work environment assessment if it finds any unacceptable characteristics of the environment (Supraja, 2020). Research by Wanjiru and Waithaka (2018) confirmed that the company lacked the necessary recognition components to reward employees for outstanding performance with merit awards. Employees' perceptions of their own performance at work were positively and significantly correlated with said performance.

Research shows that non-monetary benefits, including a large end-of-year bonus or excellent health insurance, do not significantly affect employees' performance on the job. First, most employees were unhappy with their compensation, and second, it was unclear if the organization's present monetary incentives boosted performance, according to research

by Waithira and Obere (2018). In addition, the company's use of non-monetary incentives was discovered to be well-received and essential in boosting labor performance. There was also evidence that the company's promotion programs had a role in the workers' improved output. Ultimately, it was shown that the present company recognition processes significantly affected employee performance. According to Rajgarhia (2020), there has been some discussion about whether monetary or non-monetary incentives are more important for worker satisfaction in the modern day. Although money is a major factor in determining a person's job path, it is generally viewed as a fleeting source of pleasure.

In order to keep employees happy in their jobs and show them how much the company values their work, it's important to give them non-monetary benefits. The two types of rewards, monetary and otherwise, complement one another. No group can function properly if financial or non-financial gains are its exclusive motivation. The employees ought to be paid equally and given both prizes in a proportional manner. An outstanding method to encourage workers and raise their output is to offer a bonus that is based on their performance. Multiple quality assurance methods can be integrated into a performance-based bonus, which in turn improves an organization's performance. Government transaction accountability and openness can rise or fall dramatically based on staff output (Luzon, 2022).

This is true even though there is a strong correlation between the amount of performance-based bonuses offered to eligible employees and their level of motivation. There is evidence that shows a positive relationship between employee performance and reward programs. Consequently, providing workers with all possible forms of compensation is a top priority. The reason behind this is that when employees are not adequately compensated, it leads to a lack of motivation, commitment, and performance. The link between pay plans and workers' output is now a subject of pretty much universal agreement. Chinedu and Osigbemhe (2021) state that this relationship allows companies to implement a rewards system as an incentive to influence employee behavior towards increased productivity.

The results of the study by Krishnan et al. (2018) provide strong evidence that job happiness and work-life balance significantly impact employees' task performance. Therefore, businesses that provide a suitable workplace for their workers—one that promotes both job satisfaction and a healthy work-life balance—are more likely to have workers who are able to get their jobs done well. Research by Shukla and Solanki (2018) provides a new perspective by arguing that financial metrics are crucial in motivating people to achieve to their full potential, in addition to non-financial incentives.

The poll found that most businesses established in the state did provide their employees with opportunities to continue their education. The learning opportunities provide employees a better grasp of the duties that come with their jobs, which in turn boosts their confidence. The company stands to gain from their increased productivity as a consequence of this guarantee. The statistics also showed that the companies provided safe employment, room for advancement for employees who excelled, and public praise for efforts well done.

The best way for a company to motivate its employees and bring out their full potential is for them to recognize and reward their hard work (Kamwenji et al., 2019). Companies take advantage of the best strategy when they do this. Elements related to extrinsic and intrinsic incentives affect workers' job happiness, according to research by

Lema (2020). The level of job satisfaction among employees and the organization's ability to improve its performance are directly correlated with the effectiveness of the incentive schemes.

Complete total remuneration has a good correlation with employee performance, according to the study's findings. A number of studies have also shown that rewards, whether monetary and non-monetary, significantly affect the productivity of the relevant workers. The employee's intrinsic motivation acts as a mediator, increasing their performance. Particularly, research shows that non-monetary bonuses are more effective than monetary rewards. As a result, offering both kinds of rewards may inspire workers to give their all (Riaz et al., 2018). Organizational outcomes are positively and significantly affected by acknowledgment, according to this study's findings.

In addition, it was found that bonuses greatly affect a business's adaptive performance, and that training employees might decrease instances of inefficiency (Odunayo, 2022). There is a strong correlation between an organization's compensation scheme and employee performance, according to studies done by Myint and War (2020). Furthermore, an employee's performance is correlated with their level of involvement. Among both monetary and non-monetary aspects of benefits, the study found that bonuses and recognition had the most effect on employee engagement. Employees are more motivated to work hard and do a good job when they receive monetary rewards rather than non-monetary ones. Specifically, the findings indicate that emotional investment is connected with excellent performance. This is because workers care about the company and take part in its events, which creates an emotional connection.

There is little to no difference between monetary, non-monetary, and hybrid consequences in terms of the impact of rewards on performance. Gender differences, however, provide a contrasting picture: different types of rewards have distinct effects on men's and women's performance. Women perform much better in response to non-monetary rewards than men do when offered monetary benefits, according to the research. It seems that the disparities in the effectiveness of monetary and non-monetary rewards are not based on how people perceive monetary rewards, but rather on how men and women perceive performance pressure and appreciation in a competitive environment (Sittenthaler & Mohnen, 2020). Most state-owned firms provide their employees with opportunities to acquire new skills, according to research by Kamwenji et al. (2022). Workers' morale is lifted as they gain a more thorough grasp of their duties as a result of the learning opportunities. This guarantee will help them perform better overall, which is great for the company.

The statistics also showed that the companies provided safe employment, room for advancement for employees who excelled, and public praise for efforts well done. When a business understands its employees' capabilities and uses that information to their advantage, it will motivate them and bring out their full potential. Accordingly, the study's results imply that acknowledgment brings about the expected results. There is strong evidence that non-monetary rewards are excellent predictors of employee performance.

To what extent do factors other than financial compensation influence worker output? Included in this category are relevant directions, degrees of influence, direct and indirect linkages, and so on. A favorable interaction exists between performance and service quality, adaptability, and resource utilization. The innovative component had a positive influence on service quality and, by extension, performance. Market orientation improved

innovation and service quality but had no discernible effect on performance. According to Phan et al. (2021), service quality was used as a moderator in two separate connections: innovation-performance and market orientation-performance.

Financial incentives, including basic salary, direct benefits, and performance-based compensation, can have a favorable and substantial effect on employee performance, leading to better overall results. Their output is directly proportional to the amount of effort put into improving it. Conversely, developmental benefits, including as possibilities for further training and development, career progression, and promotions, have a favorable effect on employee performance (Kabuki, 2019). According to the Crowding Theory, extrinsic rewards aren't always effective in boosting workers' productivity because they can undermine their intrinsic motivation. Having money just gives you a short-term performance boost.

Workers' spending habits change when they receive financial incentives from outside sources. This exercise reduces commitment because people are more likely to act in accordance with their plans when they anticipate obtaining an external reward. Workers will try to find alternative ways to get paid after a while has gone. Fifty percent of those who took the survey had been in the workforce for over twenty years, and eighty-one percent held bachelor's degrees. What this means is that monetary gains take a back seat to the value of social and intrinsic benefits. No matter how much improvement there is in the outside world, subpar work will always have a negative effect on employee commitment and output. The last and most important duty of any public servant is to carry out the orders of their superiors. People aren't happy in their jobs because of the unpleasant atmosphere that this rule produces, which mandates that employees do whatever their boss says, regardless of whether it's related to their work or not (Prastiwi et al., 2019; Supraja, 2020).

Awards do influence employee performance since the company does offer perks to its representatives, even though the payback is large (Prasetiyo, 2019). When workers achieve their goals, they will feel more fulfilled in their work and their motivation to do their best will grow. Reason being, they will appreciate the value you place on their time, energy, and commitment to the company more. The use of punishment significantly affects employee performance, according to Rusdiana's (2018) study. Employees who have been determined to be at fault may be motivated to improve their performance by receiving a punishment or penalty. In order to stay out of trouble with the organization, they will do their best to avoid doing anything that could be seen as harmful or violating their rules (Nursiti et al., 2022). This is due to the fact that when this policy is put into action, the employees' performance will improve. An essential aspect of the employment relationship is highlighted by the compensation and reward system. Workers' dedication, productivity, and performance could all see a boost from the perks offered to them.

The study's conclusions state that giving appropriate and frequent rewards to employees boosts their motivation to work harder and enhances their performance overall. Employee output is positively correlated with how well compensation and benefits are administered. The lack of adequate rewards and remuneration increases the likelihood that dissatisfied workers would exhibit poor performance (Zafar & Sudiardhita, 2022).

A regression analysis that looked at how the incentives system affected employee performance found that pay, recognition programs, opportunities for advancement, and other benefits all contributed to higher productivity. According to studies, workers' productivity goes up when their pay, bonuses, opportunities for professional growth, and other benefits

are raised by just one percent. Results suggest that companies' incentive programs boost worker productivity (Kampororo et al., 2021).

Both internal and extrinsic rewards significantly and positively affect employee performance inside an organization. The aforementioned studies found that people are driven to do better by their organizations when they receive both intrinsic and extrinsic benefits. While lower-paid workers may be more enticed by extrinsic rewards, research from 2020 by Ogbu et al. shows that higher-level wage employees value intrinsic benefits more than monetary compensation. Having a good association with and impacting employee performance is what reward systems do, says Pradhan (2022). Furthermore, it is safe to assume that organizations may accomplish more success as a whole due to higher employee performance if they put in the time and effort to create a fair compensation plan. The fact that this observation can be generalized lends credence to this finding.

A study by Duru et al. (2023) found that when a company promotes from within, provides opportunities for employees to further their careers, values their hard work, and recognizes and rewards exceptional performance, workers feel valued and appreciated. Furthermore, the performance of the people was positively impacted by three distinct promotion strategies. They include, but are not limited to, the following: that you are treated fairly and equally in terms of development opportunities; that you are given options for promotion; and that you are given opportunity to advance professionally within the business. The philosophy of treating managers fairly and equally has a detrimental effect on employee performance, which is a shame.

Salman and Olawale (2021) found that an incentives system increases employees' productivity. As a result, the results will motivate employees to work more and reduce staff turnover. Keep in mind that not every worker has a firm grasp on what a whole incentive system is. Many employees only consider the monetary component of a reward system when evaluating their own performance, while disregarding the importance of other aspects of a reward system, such as public acknowledgement, personal accountability, and opportunities for professional growth. It is an incisive point to note. However, management must immediately halt the payment of compensation due to employee unhappiness with the existing system.

A favorable outcome for the business occurs when workers are efficient and productive, but this is counteracted when they are unhappy with their compensation. Both intrinsic and extrinsic rewards were used in this study by Aye (2019). Compensation, bonuses, promotions, and other benefits (healthcare, housing, etc.) were examples of extrinsic rewards, whereas intrinsic rewards included things like agency, recognition, and responsibility sharing. Specifically, the results show that the reward system is an independent variable and employee performance is a dependent variable. This study found that in order to boost employee performance, both awards are necessary. According to a study by Liu and Liu (2022), monetary incentives are associated with better performance on the job.

Additionally, the researchers discovered that leadership had an effect on how the correlation between rewards and performance was altered. Performance reviews have a strong positive correlate with employee performance, and there is a substantial positive correlation between rewards and performance as well (Rathnasekara & Kumari, 2021). According to studies done by Ojo et al. (2021), the system of rewards significantly affected the performance of the employees. The components of the incentive system that have the

greatest impact on workers' actions on the job are pay and compensation. Workers' productivity is greatly affected by the fringe benefits. Boosting workers' morale and productivity is a surefire way to increase output. Workers' productivity was greatly enhanced by a sense of fulfilment.

Research by Ibitomi et al. (2022) found that of the intrinsic incentive variables, promotion was the only one to significantly impact employee performance. Bonuses and other forms of supplemental remuneration for workers are different from this. Also, compliments and acknowledgement are very important, and they have the most influence on employee performance. When compared to other forms of intrinsic reward, the effect of public praise and acknowledgment on workers' productivity is the most pronounced. Employees' reports of their motivation and job satisfaction following the receipt of a gift, whether monetary or otherwise, show substantial variation, according to research by Thompson (2020). Workers report higher levels of motivation and contentment in their jobs when they receive monetary or non-monetary advantages.

Furthermore, the results showed that workers' output went up after getting the gift, but there was no change in output based on the kind of gift (monetary or otherwise). This meant the employee had to go above and above the call of duty to earn back the gift. Supporting this conclusion, Siwale et al. (2020:281) state that in order for the necessary performance to be carried out efficiently and effectively, the employee must perceive a mutual benefit for both the company and themselves as they work towards the goal or objective. Extrinsic awards increase workers' satisfaction and output, whereas intrinsic rewards increase their investment in the company and its mission. While monetary awards and other extrinsic rewards can boost performance in the short term, intrinsic rewards, including taking pleasure in one's work, tend to have a more significant and long-term influence (Miriam, 2020). The results of the investigation proved this.

CONCLUSION

The results of this study show that incentives, both monetary and otherwise, affect employee productivity in the workplace. Instead of having a short-term impact on employee performance, non-monetary perks have a longer-lasting influence. There is a positive correlation between monetary compensation and performance on the job, which means that workers will engage in productive and efficient job performance if the monetary compensation they receive is commensurate with their expectations. Financial benefits are positively associated with employee loyalty, according to the results. Therefore, it appears that monetary incentives have a positive effect on employee motivation and loyalty. Research conducted in 2020 by Khan et al. indicates a robust beneficial relationship between employee loyalty and work performance. This provides more evidence that people who are loyal to their jobs and committed to their careers are more productive overall than their less loyal counterparts.

When workers' salaries are proportional to their qualifications and output, it boosts their morale and commitment to the company. This can be proven by observing a decline in employee absenteeism and a low labor turnout. Prizes that do not include monetary remuneration stimulate employees organically. These prizes help workers feel good about themselves, which makes them more motivated to work hard and, maybe, helps them reach their personal and professional goals.

Motivated workers are less likely to contemplate quitting their jobs and more committed to the success of their companies. Organizations' sustainable business practices, which incorporate social responsibility, boost performance, which in turn fuels a global strategy that takes into account monetary and non-monetary elements influencing company value. When compared to financial values, non-financial indicators are more prospective, offer a better ability to foresee actual prospects, are more ideal for evaluating intangible assets, and are less prone to manipulation. The performance assessment method offers a more all-encompassing view of performance factors since it goes beyond just measuring financial successes (Mihalciuc et al., 2022).

This is due to the fact that the system actually includes signs that have nothing to do with money. There is a substantial and positive correlation between monetary remuneration and employee performance. Employee performance is greatly improved by forms of remuneration that do not include monetary reward. According to studies conducted in 2021 by Sabatini et al., both monetary and non-monetary forms of pay have a favorable and substantial impact on employee performance simultaneously. There is a tiny proportional relationship between employees' performance and the rewards they receive. Despite the strong correlation between happy employees and productive businesses, and the positive effects of financial incentives on morale, this remains the case. On top of that, when work happiness mediates the connection between incentives and rewards and employee performance, Alkandi et al. (2023) found that the influence was substantial.

Greater monetary pay is associated with better performance from workers. For the simple reason that monetary compensation remains the most potent incentive for workers to put out their best effort on the job. Employee performance is not continuously enhanced by extrinsic rewards because they have the potential to diminish intrinsic motivation. Having money just gives you a short-term performance boost. Workers' spending habits change when they receive financial incentives from outside sources. This exercise reduces commitment because people are more likely to act in accordance with their plans when they anticipate obtaining an external reward. The goal of creating rewards that are not intrinsic to the system was to keep employees motivated and engaged, which in turn increased productivity. Research shows that employees who get their work done for reasons other than financial gain are more invested in their work and more inclined to go above and beyond to meet goals. Both internal and extrinsic rewards significantly and positively affect employee performance inside an organization. The aforementioned studies found that people are driven to do better by their organizations when they receive both intrinsic and extrinsic benefits. In contrast, employees earning higher wages are more interested in intrinsic benefits than monetary rewards, even when lower-paid workers are more enticed by extrinsic rewards.

In human resource management (HRM), interventions include an incentives system that influences employee performance. Motivating people and encouraging them to work together are two of the most important outcomes of financial pay, which in turn boosts organizational performance and helps achieve goals. Nevertheless, the goals must be reasonable and in line with the structure of the incentives offered. Staff members need to know in advance if the reward is team-based or individual-based, so that they may prepare accordingly. According to Anyanga and Wainaina (2021), employees are more interested in receiving individual awards rather than team incentives. Staff members need to be made aware of this issue. The availability of advancement opportunities is positively and strongly

correlated with employees' intentions to stay with the organization. Staff members' physical and mental health, as well as the quality of care they give to patients, can be negatively affected by being overburdened with work when there aren't enough people to go around. Similarly, there is a favorable and statistically significant correlation between the workplace atmosphere and employee retention. Education, training, and professional development; recognition; control over employees' practice; flexible work arrangements; management; and supervisory support and employees' intention to stay in their current positions were all not statistically significant (Krishnamoorthy et al., 2020). This could be because the employees who took part in the study had different characteristics.

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