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RESEARCH ARTICLE

EFFECTS OF NON-MONETARY INCENTIVES ON EMPLOYEE PERFORMANCE: A CASE OF SELECTED BANKS IN SUNYANI MUNICIPALITY

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ABSTRACT

The purpose of the study was to explore the effects of non-monetary incentives on employee performance. The specific objectives of the study were to: identify the various types of non-monetary incentives; find the determinants of employee performance; identify the challenges of non-monetary incentives; and find the effects of non-monetary incentives on employee performance. This was a case study approach was adopted in which purposive and simple random sampling technique was used to select 63 respondents from Zenith bank and Agricultural Development Bank (ADB) in Sunyani municipality. Questionnaire was the instrument for data collection. Data analysis was done using Statistical Package for Social Sciences (SPSS). The results showed that non-monetary incentives have a strong significant positive relationship on employee performance at Zenith bank while the relationship is moderate positive at ADB. The total variation in employee performance at Zenith bank explained by the linear relationship between non-monetary incentives and employee performance was 35.64% while it was 14.3% at ADB. What determined these performances were ability and motivation, declarative knowledge, procedural knowledge, motivation to work, achievement of set goals, staff competence, and set standards. The types of non-monetary incentives discovered were job security, good working condition, participation in goal setting, achievement, staff recognition, job enlargement, incentives that address social needs, improved working conditions, and fringe benefits. However, training and career path-related incentives as well as drive to exercise power is peculiar to Zenith bank and not ADB. This could explain why the employees at Zenith bank perform better than ADB since there is room for initiative and development. Nonetheless, short-term impact, entitlements, wrong things for rewards, delay which discounts any reward, inflexibility of reward systems and demotivators were the identified challenges. Based on the findings of the study, the researcher recommends among things that: rewards should be given to deserved staff as soon as possible since delay discount the reward in both banks. Management of both banks should engage employees in the kind of reward to be given. This will eliminate wrong things for reward. For future research, the study should cover the effects of monetary and non-monetary reward on employee performance in more than two organisations. Again, further studies should look at employee's perception of monetary and non-monetary reward on their job satisfaction.

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INTRODUCTION

One way to motivate employees is through the use of non-monetary incentives (Nakamura, 2011). The use of non-monetary incentive is a cost saving way to motivate employee towards job performance (Khan et al. 2013). Non-monetary reward is viewed as a non-cash award given to employees to

motivate them to perform well. For instance, recognition, training and development, promotion, good working conditions, participating in goal setting and flexibility of working hours are some forms of non-monetary incentives used to stimulate high level of performance (Judge et al. 2012). Non-monetary rewards are regarded as cost effective ways to compensate employees, thereby, attracting, motivating and retaining employees (Reiss, 2012; Judge et al. 2010). Non-monetary became important after the period of the financial crises that confronted the world economic system (World Bank, 2012).

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Non-monetary rewards play a significant role in the perception of the employee regarding the reward climate in the workplace (Khan et al., 2013). Lewis (2013) posits that praise and recognition are effective ways of motivating employee behavior in the organization as they are considered the most important rewards. Aktar *et al.* (2012) contend that nonmonetary incentives which are represented by recognition, learning opportunities, challenging work and career advancement, have been found to be an effective tool in motivating workers and consequently increase their performance. This incentive is highly appreciated probably due the opportunity it offers in terms of skill development of the workers which in the long run could be translated to higher monetary reward. Similarly, Erbas and Arat (2012) examined the impact of financial and non-financial incentives for food sectors in the central Anatolian region in Turkey and found that both financial and non-financial rewards are important elements of job performance. Nonetheless, monetary rewards are considered more important in terms of motivating workers to increase their performance compared to non-monetary rewards. Agwu (2013) assessed the impact of the fair reward system on employees' job performance among employees of an oil company in Nigeria and conclude that fair implementation of rewards significantly influenced employee job performance. Alam, Saeed, Sahabuddin and Akter (2013) investigated the impact of employee recognition as a factor that predicts their contribution. The result shows a correlation between monetary rewards and employee contribution. However, Murphy (2007) used an online survey to study the effects of monetary and non-monetary incentives on labor turnover. The results of the study revealed that no significant difference was found in labor turnover.

Despite unprecedented efforts to motivate employees, employee motivation is at an all-time low. And, despite the enormous investment in rewards, majority of hourly employees and manager in the United States report feeling "underrewarded" (Lee, Law & Bobko, 1999). Most institutions are increasingly discovering that not only are traditional rewards extremely limited in their ability to motivate employees, but they are also very costly. In too many institutions, the reward system has become a bottomless pit into which millions, even billions, of dollars are thrown away annually, while employees complain that the rewards they receive are not particularly rewarding, and frequently find the reward system itself is one of the most demotivating aspects of their company. Creating a meaningful, cost-effective reward system is one of the most important challenges facing any organization today (Miceli & Mulvey, 2000).

Reward Management: Rewards are an ever-present and always controversial feature of organizational life (Taljaard, 2003, p.152). Hartle (1995, p.82) says that reward is an important part of the feedback loop in performance management and money is not necessarily the only reward. Morris, principal of Mercer Human Resource Consulting comments that in the past, rewards generally referred to pay. Today, the definition of rewards encompasses the overall value proposition that the employer offers to the employee. Hartle (1995, p.82) says further that rewards will only have a positive effect if the individual values the reward and the reward is appropriate to the effort that was put in and to the achievement. He mentions a wide range of reward including praise, promotion, individual bonuses, merit pay, team bonuses, prizes and special awards.

Armstrong (2006, p.623) states that reward management deals with the design, implementation and maintenance of reward systems with the aim to meet the needs of both the organization and its stakeholders. He identifies six basic aims of reward management. It helps to reward people according to the value they create; it is necessary to align reward practices with business goals *and* with employee values and needs; to reward the right things to convey the right message about what is important in terms of behaviours and outcomes; to help to attract and retain the high-quality people the organization needs; to motivate people and obtain their engagement and commitment; and to develop a high-performance culture. To understand reward management and all the aspects thereof, it is important to give a brief description and explanation of the concept total reward. It is only when one understands the total reward process that one can understand the various reward systems and models and how they can be used collectively to customize a model that will suit a specific company's needs as well as how they can assist to achieve strategic direction.

Concept of Total Reward: The concept of total reward is exerting considerable influence on reward strategies. World Work (2007) offers a widely accepted definition that total rewards are all of the employer's available tools that may be used to attract, retain, motivate and satisfy employees. Thompson (cited in Armstrong, 2007, p.32) suggests that: 'Definitions of total reward typically encompass not only traditional, quantifiable elements like salary, variable pay and benefits, but also more intangible non-cash elements such as scope to achieve and exercise responsibility, career opportunities, learning and development, the intrinsic motivation provided by the work itself and the quality of working life provided by the organization.' The conceptual basis of total rewards is that of configuration or 'bundling', so that different reward processes are interrelated, complementary and mutually reinforcing. Total reward strategies are vertically integrated with business strategies, but they are also horizontally integrated with other HR strategies to achieve internal consistency (Armstrong, 2007, p.32).

Components of Total Reward: As defined by Manus and Graham (cited in Armstrong, 2007, p.31), total reward 'includes all types of rewards – direct and indirect, as well as extrinsic and intrinsic.' All aspects of reward, namely base pay, contingent pay, employee benefits and non-financial rewards, which include intrinsic rewards from the work itself, are linked together and treated as an integrated and coherent whole. The concept of total rewards combines the impact of the two major categories of reward (as illustrated in Figure 2.2) (Armstrong, 2007, pp.31-32), namely *transactional rewards* (tangible rewards arising from transactions between the employer and employees concerning pay and benefits); and *relational rewards* (intangible rewards concerned with learning and development and the work experience). concept of total rewards combines the impact of the two major categories of reward (as illustrated in Figure 2.2) (Armstrong, 2007, pp.31-32), namely *transactional rewards* (tangible rewards arising from transactions between the employer and employees concerning pay and benefits); and *relational rewards* (intangible rewards concerned with learning and development and the work experience).

Total Reward Criteria: Turning Rhetoric into Reality: Armstrong (2007, p.46) underscores that the rhetoric of the total reward concept is compelling: the reality of making it

work is much more difficult. It requires a lot of effort on the part of top managers and line managers, with the determined encouragement and guidance of the human resource department. Armstrong (2007, pp.46-47), sheds light on the issues as follows: *Putting the whole package together* – It is relatively easy to decide on the financial elements of total reward but much more difficult to ensure that the non-financial elements are dealt with specifically so that a coherent whole emerges. It is necessary to establish priorities. To start with, ensure that the financial rewards package is appropriate. Typically, give the next priority to the development of recognition schemes which are specifically concerned with ensuring that people are valued. Other elements of total reward are just as important and should be tackled as aspects of the HR strategy. However, it is necessary to ensure that they are conceived, presented and perceived as part of the total reward strategy as well as desirable developments in their own right.

Communicating the total reward approach to employees – It is too easy to produce vague, generalized aspirations which are too easily dismissed as management hyperbole. Total reward policies need to be explained in meaningful language which clearly indicates how people will benefit. *Making the business case to top management* – It is fairly easy to convince management that some form of financial incentive or bonus scheme is desirable. It is much more difficult to persuade them that, for example, a formal recognition scheme will pay off. Hard evidence may be difficult to obtain but it is essential to be explicit about how the business will benefit. *Getting line managers on board* – Line managers have a vital role to play. It is essential to make huge efforts to persuade, encourage, guide and educate them on their responsibility for total reward. Total rewards play significant roles in the operation of an organisation if one implements and applies it properly and for the right reasons. The types of rewards worthy of consideration in designing a useful reward scheme is the focus of the section that follows.

Types of Rewards: The types of rewards available to organisations are numerous. According to Taljaard (2003, p.157), Kreitner *et al.* (1999, p.250) say these rewards can vary from subsidised lunch to stock option, from boxes of chocolate to golf club membership. The most basic form of rewards is pay and benefits, but there are less obvious social and psychic rewards. Social rewards can include a simple praise and recognition from others both inside and outside the organisation. Psychic rewards are more from the inside, and include personal feelings of self-esteem, self-satisfaction, and accomplishment. Despite the fact that reward systems vary widely, it is possible to identify and interrelate some common components. He makes reference to a general model of organisational reward systems that focuses on four important components (types of rewards, reward norms, distribution criteria and desired outcomes), as stated in Kreitner *et al.* (1999, p.249). According to Hartle (1995, p.198), individual differences in what employees' desire and find motivating, forces managers to think about rewards more broadly than just pay-linked options by recognizing these individual differences. The research will concentrate on two broader classifications of rewards: intrinsic and extrinsic rewards; as against financial and non-financial rewards.

Intrinsic and Extrinsic Rewards: An employee who works to obtain extrinsic rewards, such as money or praise, is said to be extrinsically motivated. One who works to derive pleasure

from the task itself or experience a sense of competence or self-determination is said to be intrinsically motivated (Taljaard, 2003, p.158-159).

Extrinsic rewards: Hellrieger *et al.* (1999, p.488), cited in Taljaard (2003, p.153), say an extrinsic reward denotes outcomes supplied by the organisation, and includes salary, status, job security and fringe benefits. One can compare these rewards to the job context items that Herzberg's Two Factor Theory called hygiene factors. Chaudhary (2012) describes extrinsic rewards as being results from the actions of others, such as supervisions are more easily controlled by managers. Examples include pay, fringe benefits, praise and promotion.

Intrinsic rewards: Chaudhary (2012) explains that intrinsic rewards are less tangible, originate from persons or job and reflect Herzberg motivator factors. Example include variety in job content; sense of being a part of value adding process; believe that they are valuable members of a team; increased responsibility and autonomy; sense of accomplishment; participation in setting targets and opportunities to achieve them; feedback information; recognition and opportunities to learn and grow. Hellrieger *et al.* (1999, p.488) describe intrinsic rewards as personally satisfying outcomes that include feelings of achievement and personal growth (cited in Taljaard, 2003, p.153).

Armstrong (2007, p.131) comments thus. Extrinsic rewards provided by employers in the form of pay will help to attract and retain employees and, for limited periods, may increase effort and minimize dissatisfaction. Intrinsic non-financial rewards related to responsibility, achievement and the work itself may have a longer-term and deeper impact on motivation. Reward systems should therefore include a mix of extrinsic and intrinsic rewards. Taljaard (2003) recognises that whereas financial rewards provide extrinsic motivation, non-financial ones provide both intrinsic and extrinsic motivation.

Non-monetary incentives: Nkansah (2016) posited that non-monetary incentives are the physical or perceptible incentives, societal practices or work associated element which are used in an institution to encourage workers devoid of direct cash compensation. In categorizing the non-financial enticements, analysis of on-the-job incentives suggested by Meacham *et al.* (1999), gives an outline which is embedded in on-the-job incentives and accepted compensations. According to Nkansah (2016) perceptible, non-financial motivations denote physical substances which include citations, gift, certificates, clothing, key holders and discounted tickets to access different facilities at the workplace. Wiesen (1999), states that Non-monetary incentive has the prospects to encourage workers devoid of cash rewards. Work related non-financial compensations have the probability to induce workers inherently. Jobs with different duties, accountability, independence, empowerment and career development prospects are very essential in gratifying workers particular wants and may arrive at a situation that makes the employee feel that the work in itself is noteworthy of putting more energy devoid of the necessity of any outside compensation.

In employment law, non- financial rewards/incentives refer to those rewards other than extra pay (Section 67 of the Labour Act 2003, Act 651). A January, 2007 survey by staffing firm Accountemps found that non-monetary rewards were most named as the best form of compensation by full and part time

office workers (Tynan, 2012). Another survey conducted by the American Productivity Centre found 99.9% of respondents said "recognition for a job well done is important or very important" as a motivational factor. In this survey it was ranked above competitive salary and pay for performance (Spangenberg, 1994, p.229). The use of non-financial methods of motivation is an attempt by employers, to apply in the workplace the ideas behind the theories of Mayo, Maslow and Herzberg. Examination of these theories has shown us that motivation to achieve quality of output is best achieved through satisfaction of higher needs (Maslow), awareness of the role of groups in the workplace (Mayo), and the need to provide Motivators (Herzberg). Non-financial rewards are more varied and unique than financial ones and offer major advantages. In the organization, non-monetary rewards range from small merchandise rewards to certificates of appreciation. The technical requirements are equally varied, ranging from rewards with no documentation (certificates of appreciation) to rewards requiring management's signature (external rewards) before being submitted to the employees (Office of Human Resources Management, 2002 cited by Taljaard, 2003, pp.161-162).

Types of non-monetary incentives: Armstrong and Murlis (1994) observed that non-financial rewards must focus on the needs most people have and such needs include the following: achievement, responsibility, recognition, influence, personal growth, training and career path-related incentives, incentives that address social needs, improved working conditions, proper use of human resource management (HRM) and human resource information systems (HRIS) etc. *Achievement:* - Need for achievement is defined as the need for competitive success measured against a personal standard of excellence. This could be satisfied through job design, performance management and skill or competency-based pay schemes.

Recognition: - As one of the most powerful motivators, it is necessary to help people know not only how well they have achieved their objectives, but also that their achievements are appreciated. Praise is probably the most common form of recognition. Other forms include long service awards, status symbols, sabbaticals and work-related trips abroad, all of which can be part of the total reward process. Its importance can be reinforced by education, training and performance appraisals.

Responsibility: - People need to be made responsible for their own work and to be rewarded accordingly. Individuals are motivated when they are provided with the means to achieve their goals. Increased responsibility will be determined by the way the job is designed and by the use of performance management processes.

Influence: - To Armstrong and Murlis (1994, p.41) people can get motivated by the drive to exercise power. McClelland's research established that the need for power is as important to some people as is the need for achievement. The organisation can empower people by putting them into situations where their views can be expressed, listened to and acted upon.

Personal growth: - Maslow defines self-fulfillment as the need to develop potentialities and skills. To him, self-fulfillment or self-actualisation is the highest need and therefore the ultimate motivator. Although people will search for these opportunities, the organisation should clarify the scope for growth and

development within the company to give the individual the opportunity to achieve their potential within that company. Other commentators such as Scarpati (2009) and Chernett (2008) agree that most businesses recognise the need for non-financial methods of motivation. Some of the main ones they describe are job enlargement, job rotation, job enrichment, communication, empowerment, quality circles, training, autonomous work groups, the single status workplace, flexible hours, opportunity to contribute, independence and autonomy. *Training and career path-related incentives:* - include continuing professional development, opportunities for higher training, scholarships/bursaries and bonding agreements, and research opportunities. *Incentives that address social needs:* - such as housing, staff transport, childcare facilities, free food and employee support centres. *Improved working conditions:* - In the form of better facilities and equipment and better security for workers. *Fringe Benefits:* - Employee welfares and salaries form reimbursement packages accessible in diverse amalgamations and at changed points to professions situated in unlike employment marketplaces according to (O'Rand, 2006). Worker assistance is vital for the advancement of shared company relationships. From the viewpoint of Herzberg's motivator and hygiene model, a worker assistance package is an important and necessary condition of work.

The hygiene element will have an influence on workers' work stimulus or motivation and hence efficiency. With the stimulus-response actions, an individual's duty performance motivation, understood as the reaction or response could be studied from absenteeism rate, leave of absence rate, resigned rate, and so on. Additionally, Vroom (1964), upheld in his expectancy model that people perform duties in anticipation of some form of attainment both bodily and spiritually. On the other hand, the level of attainments impacts on the value and amount of effort, which further produces efficiency. Therefore, the situation remains essential to discover the way to give welfare which is stimulus in order to stimulate effort of inducement and efficiency as posited by (Vroom, 1964). In the view of Maslow (1993), in his pyramid concept, worker assistance packages may possibly be categorized into four kinds of benefit namely: bodily demands; safety demands; collective demands and self-actualization demands. Benefits according to Cole (2002), comprise things like pension, which in some circles refers to as fringe sickness pay, provision of organizational cares which are supplementary to remunerations. Rosenbloom (2001), establishes that the most important concern of any employee is the employee's monetary and commercial safety. Worker benefits are generally used to propose an outside role in the emblematic salary package. The considerable development in the importance of most welfare schemes which spans over the previous years' worth that the name fringe does not fit any longer. An accumulative amount of worker compensation consists of extra, stipends and claims which are mostly rewarded in a compassionate way instead of monetary terms. Armstrong (2008) divides Non-financial rewards into three. The first one is affiliation, which refers to the overall value that working in an organization for a longer period of time will bring. This includes everything from job satisfaction to the thrill of working for the number one company on the market. The second category is quality of work and life and this is about the employee and its ability to grow both personally as well as professionally. This is done by having a job that provides the employee with challenges in such a way that the

employee will improve their skills and knowledge. The third category is training and development and is focusing on the employees, training them for both current jobs and for future jobs.

Performance Defined: Aguinis (2007) suggests the definition of performance does not include the results of behaviours, but only the behaviours themselves. He limits performance only to what employees actually do by identifying two additional characteristics of the behaviours that qualify to be labelled performance. They are evaluative - such behaviours can be judged as negative, neutral, or positive based on whether they make a contribution toward the accomplishment of individual, unit, and organisational goals; and multidimensional - different kinds of behaviours that have the capacity to advance (or hinder) organisational goals. Michael Armstrong (2006), however, proposes that performance is a matter not only of what people do; neither is it only about what they achieve, but how they achieve it as well. He shares the concept of performance expressed by Brumbrach (1988) as follows: "Performance means both behaviours and results. Behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviours are also outcomes in their own right – the product of mental and physical effort applied to tasks – and can be judged apart from results" (Armstrong, 2006, pp.497-498). He states that such definition of performance leads to the conclusion that both inputs (behaviour) and outputs (results) need to be considered in managing performance. High performance results from appropriate behaviour, especially discretionary behaviour, and the effective use of required knowledge, skills and competencies. From the above definitions, the researcher defines performance as a person's ability to exert appropriate level of energy to accomplish all the tasks and duties required of them.

Determinants of Performance: According to Campbell et al (1994), cited in Aguinis (2007, p.77), a combination of three factors allows some people to perform at higher levels than others. These are *declarative knowledge* (information regarding a given task's requirements, labels, principles, and goals), *procedural knowledge* (a combination of knowing what to do and how to do it), and *motivation* (involves three types of choice behaviours, namely; Choice to expend effort (example, "I will go to work today"); Choice of level of effort (example, "I will put in my best effort at work" versus "I will not do my best"); and Choice to persist in the expenditure of that level of effort (example, "I will give up after a little while" versus "I will persist no matter what"). He states further that the three determinants have a multiplicative relationship, such that if any of the variables has a zero (0) value, then performance also has a value of zero (0). In other words, for there to be performance, all three must be present: $Performance = Declarative Knowledge \times Procedural Knowledge \times Motivation$. Hersey, Blanchard and Johnson (2001, p.345) make use of a model developed by Clay Carr, where he makes use of seven actors with effect on performance: motive, goal, competence, feedback, means, opportunity and standards. According to Taljaard (2003, pp.129-130) a real *goal* is when a manager's desire and requirement is accepted by the one who has to accomplish the goal and when the goal has been translated into tasks that individuals have to perform; *standards* will tell you when the goal was accomplished; *feedback* reports both the quality and quantity of progress toward reaching the goal; *means* are the resources and tools

available to achieve the goal, because lack of resources will influence whether the goal will be achieved; employees must have the *competence* to perform the tasks; *motive* is what motivates employees and how management facilitates performance motivation; and *opportunity* simply concerns time and legibility. Mullins (2005, p.471) states that people's behaviour is determined by what motivates them. Their performance is a product of both ability and motivation. Ability is the sum of the physical, intellectual, emotional, and cognitive skills, knowledge and aptitudes that the job performer requires to succeed on the job. Mullins (2005, p.471) explains further that the underlying concept of motivation is some driving force within individuals by which they attempt to achieve some goal in order to fulfil some need or expectation. Thus $Performance = function (ability \times motivation)$. Kreitner et al (cited in Mullins, 2005, pp.471-472) further suggest that motivation should not be the only necessary contributor to job performance. Along with ability, motivation is also a combination of level of skill; knowledge about how to complete the task; feelings and emotions; and facilitating and inhibiting conditions not under the individual's control. However, what is clearly evident is that if the manager is to improve the work of the organization, attention must be given to the level of motivation of its members. The manager must also encourage staff to direct their effort (their driving force) towards the successful attainment of the goals and objectives of the organization.

Nickols (2003, pp.2-3) underscores seven important determinants of job performance as goal clarity; repertoire (the ability to identify and engage in mental models (of what is appropriate in any given situation); motivation; and the working environment. Writing on factors that affect the performance of nurses, Awases (2006) identified twelve factors with regard to individual nurses and their managers. The management factors were management skills and competencies, management related training as well as management knowledge and skills. The factors that relate to individual employees were knowledge and skills base; performance appraisal and utilization thereof; remuneration, benefits, reward and recognition; staffing and work scheduling; availability of staff development opportunities; workspace and environment; clarity of mission and goals; commitment and satisfaction; and leadership and management. All the models above on the determinants of performance underscore the importance of motivation (financial and non-financial) in determining how effectively individuals perform at the workplace. The following subsection focuses on how rewards motivate job performance or otherwise.

Challenges of Non-Monetary Incentives: There are major reasons why organizational rewards fail to have the desired motivational impact (Lee, 1995; Colquitt et al., 2001). These, according to Colquitt include: *Lack of recognition value:* In addition to their monetary value, rewards should have recognition value (the extent to which recipients experience appreciation for their performance). Of the two, the recognition value is by far the most important element from a motivational perspective. In fact, when workers and supervisors were asked to rank a list of motivators from 1 to 10 in order of their importance to workers, workers rated "appreciation for a job well-done" as their No. 1 motivator. In contrast, supervisors rated it No. 8. This difference in perception is one of the major reasons that most employees feel under rewarded at work. The

problem is not limited to supervisors; few organizations realize the importance of recognition to employees either.

Entitlements: Entitlements include base salary of wages, cost-of-living increases, benefits and any other rewards that are given to employees regardless of performance. Employees come to expect them just for being there, rather than for being motivated or getting results. While these golden handcuffs do keep employees around, they do little to increase motivation or performance. Studies have shown that employees who have been conditioned to an entitlement mentality are generally *less* satisfied and *less* motivated than others who have to work harder for what they get. In fact, rather than gratitude, the employee who feels entitled asks: What has the organization done for me lately? Why isn't it doing more? Despite convincing evidence that entitlements don't motivate, companies continue to pay enormous sums for them, every day.

The wrong things are rewarded: Although performance-based rewards are certainly a desirable component of any rewards system, they won't be effective if the wrong performances are rewarded. Rewarding the wrong things is certainly not something an organization does on purpose, but it occurs more often than you might think. In other companies, such things as seniority, conformity, looking busy and not making waves are rewarded, rather than superior performance. Under these conditions, it does not take long for employees at all levels to figure out that some actions pay off more than others, even though they might not be the right actions. Many managers who complain that their employees aren't motivated might find that the real problem is that their reward system is rewarding behaviors and results other than the ones they really desire.

Delay: Research is very clear on this matter: Delay discounts any reward. The high cost of delay is dramatically illustrated by an experiment in which employees in one organization were offered \$100 immediately or \$500 a year. An overwhelming majority of employees chose the \$100 – even though they could have increased their payout by 500 percent by waiting. According to Dapaah *et al.* (2012), in most institutions, rewards do not occur promptly. Managers with a longer time perspective expect rank-and-file employees to have the same long-term time horizon. For example, profit-sharing payments are usually delayed until several months after the end of the fiscal year. Deferred compensation plans might look good on paper, but most of them do not have the desired impact because the payout is so delayed, and its value is dependent upon so many factors beyond the employee's control. Even the most basic forms of recognition are often delayed until something significant enough happens.

Generic rewards: Too many reward systems are inflexible, and do not acknowledge individual differences. Organizations have tended to assume that one size fits all. First of all, people are different. Second, there is no question that today's employees are different from those of a generation ago, and consequently, they require a more individualized approach to motivation. The Golden Rule – “Do unto others as you would have them do unto you” – doesn't work for all employees. Slightly modified, the new Golden Rule of Rewards is: “Give unto others as they would have you give unto them”.

Short-term impact: Another major impediment to the motivational effectiveness of rewards is the short-term impact

that most rewards seem to have. Pay increases have a motivational impact of less than two weeks, and other types of rewards suffer from this phenomenon as well. Practically any reward can create a momentary surge of energy. However, these bursts of energy rarely last. In fact, soon after a reward is received, there is typically a motivational letdown. Furthermore, because most rewards are one-shot events, given at the back end of achievement, they do little to generate excitement for future accomplishment.

The presence of demotivators: Nothing has done more to undermine the effectiveness of rewards than demotivators, nagging organizational practices and conditions that frustrate employees and detract from the motivational effectiveness of any reward. For example, how excited can employees get about rewards when the organization is going through traumatic layoffs? Or, how well rewarded will employees feel when poor performers get virtually the same pay increase as the excellent ones? Or, how do you think a senior professional (who just happened to be a woman) felt when she received flowers on Secretaries' Day? Virtually every employee in an institution is offended by privileges given to some and not to others and by obscene compensation arrangements for some CEOs who get paid millions of dollars a year for managing companies with mediocre performance, while excellent employees in those companies are paid only a few dollars more than those who just get by. Furthermore, many employees perceive that managers often expect sacrifices from them, while insisting on retaining their own privileges and perks. From the average employee's viewpoint, the major demotivator present in almost every reward system is unfairness. This is because people tend to be more sensitive to what they are not receiving than to what they are. Fairness is a comparative concept. Workers inevitably will compare their compensation packages with those of others, both inside and outside the organization. No matter how high the absolute amount, employees find discrepancies between their rewards and those of others in comparable jobs to be extremely demoralizing. Rewards offered in the presence of demotivators such as these are often greeted with cynicism and contempt, rather than gratitude.

The Effects of Non-Monetary Incentives on Employee Performance: Arora *et al.* (2015) found in their study that the non-monetary factors that motivate workers at Justmoh Construction Limited (JCL) were: recognition, training, participation in goal setting, interesting work, job security, open communication, promotion, good working condition, pension benefits and health insurance. The study revealed significant difference between gender and non-monetary factors ($\rho=0.678$, $p<0.01$) as well as employee level and non-monetary factors ($\rho=0.926$, $p<0.01$) that influence their job performance. The findings revealed recognition and training as the most important factors that influence job performance. The findings revealed pension benefits and health insurance as less important factors that influence job performance. Nduro (2012) observed in his study that there is a relationship between motivation and performance and as such employees are gradually becoming particular about trust, respect and high expectation, recognition and appreciation and good working environment. Tetteh, Fentim and Dorothy (2015) further found in their study that various forms of incentives packages (financial and non-financial) have a positive relationship with employees' job performance. Imbahale (2016) found that employee recognition; training;

rewards and incentives affect and contribute to the success of an organization as they directly affect employee motivation. Nkansah (2016) found in her study that non-monetary incentives found in Kumasi Polytechnic were job promotion, career development, recognition and fringe benefits. However, it was only crèche which has significant relationship with performance. Abdullah (2013) discusses direct linear relationship between non-monetary incentives and job satisfaction as independent variables and job performance as dependent variable. The study proposes that non-monetary incentives and job satisfaction significantly and positively influence job performance particularly when a variety of non-monetary incentives are used among satisfied employees in an organization.

Research Designs: The research design is the conceived plan and structure of an investigation that enables the researcher find or obtain answers to research questions (Kerlinger, 1986). The research design provides the overall operational framework for the study. It specifies the type of data or information to be used and the sources of the data or information. Jones *et al.* (2004) notes that, the research design helps the research obtain answers to the initial research questions as unambiguously as possible.

In order to describe and do an in-depth analysis and explanation of the effects of non-monetary incentives on employee performance, the study adopted a case study design. Among the various research designs, case studies are frequently regarded as using both quantitative and qualitative research and a combination of both approaches (Bryman, 2004). In a case study design the 'case' you select becomes the basis of a thorough, holistic and in-depth exploration of the aspect(s) that you want to find out about. It is an approach 'in which a particular instance or a few carefully selected cases are studied intensively' (Gilbert 2008: 36). A case study according to Grinnell (1981: 302), 'is characterized by a very flexible and open-ended technique of data collection and analysis. According to Burns (1997: 364), 'to qualify as a case study, it must be a bounded system, an entity in itself. A case study should focus on a bounded subject/unit that is either very representative or extremely atypical.'

Study Area

Sunyani municipality is one of the twenty-seven districts in the Brong Ahafo region. The municipality was established on 10th March, 1989 by a legislative instrument (LI) 1473. This was the period Ghana adopted the District Assembly concept. The overall goal is to accelerate growth and development in the Municipality. The Sunyani west district was carved from this Municipality on November 2007 (Ghana Statistical Service, 2010 Population and Housing Census). There are quite a number of financial institutions that are found in the Municipality. These comprise banks and non-bank financial institutions such as micro finance companies. Notable among the banks and non-financial institutions in the Municipality are; Ghana Commercial Bank, Barclays Bank, Zenith Bank, Ecobank, Star Assurance, Vanguard Insurance, Excel Microfinance, Noble Dream Financial Service, and Opportunity Savings and Loans. These financial institutions help in improving the living conditions of the inhabitants in the Municipality by granting loans to desired customers and also aiding in investments (PHC – DAR, 2010).

Population

Research population refers to or represents all the cases of people, organizations or institutions of interest to the researcher (Neumann, 2007). That is, the population possess certain characteristics or information relevant to the research or researcher. The study population encompassed management and staff of Zenith Bank Limited and Agricultural Development Bank (ADB). The total population of Zenith Bank staff stands at 34 (management = 5; staff = 29) while that of ADB stands at 40 (management = 7; staff = 33). Out of the 74 employees, 40 are males while 34 are females. Furthermore, 30 of the employees are between 18-30 years while 35 are between 31-43 years. Again, 9 of the employees are 44+ years. However, out of this number, 15 hold HND while 50 hold first degrees with 9 holding master's degree. The sample size is 63 staff. These financial institutions were chosen because of three main reasons:

Firstly, the researcher is a resident at Sunyani in the Brong-Ahafo Region; hence, the financial institutions were easily accessible to her. Secondly, the researcher has friends at these financial institutions and therefore familiar with most of the staff and directors of the institution, who would readily make their services available to her. Thirdly, the researcher realized that the financial institutions in the Brong-Ahafo Region have since 2000 taken seriously to the training and development of their staff and directors and therefore hopeful that they will provide viable information for the study. The researcher capitalized on the first two advantages that is accessibility and familiarity to ensure high respondent rate and on the third to obtain reliable information for the study.

Sampling Procedure: According to Oso and Onen (2005), sampling refers to the process of selecting subsets from a population of research interest to enable detailed study for further generalization of research results. Creswell (2009) defines sampling as the selection of subgroups from statistical populations to enable estimation of characteristics for the whole population. There are two major types of sampling: probability and non probability. A probability sample is one in which each element of the population has an equal chance of being selected as part of the sample whilst in a non-probability sample, elements of the population are chosen in a non-random way. Non-probability sampling helps researchers to select elements of a population that are seen by the researcher to possess desirable traits and knowledge vital to the achievement of the study. A combination of the two techniques could be adopted to suit the needs of the study and the methodologies required (Yin, 2005).

Due to the differences within the various categories of respondents (cashier, accountant, HR department, management etc.) and their respective traits and populations, the study selected both probability (simple random sampling) and non-probability (purposive sampling) sampling techniques to enable the achievement of the study objectives. For management, the study adopted purposive sampling method to enable the study target respondents it deemed to have the necessary experience and knowledge levels in the field of study. According to Mertens and McLaughlin (2004), purposive sampling involves the selection of a representative sample based on the researcher's discretionary knowledge of the characteristics of the population. Amin (2005) posit that purposive sampling is employed when the researcher seeks to

gain knowledge from targeted respondents deemed to have specific knowledge in the field of study. The study selected such managers as personal managers and other line managers who were deemed to have adequate customer service experience due to their daily interactions with customers. For the staff (backroom staff, other staff in non-customer-facing roles, front line staff, sales executive), the study adopted a simple random sampling method. Creswell (2009) defines simple random sample as involving the selection of elementary units in search a way that each unit in the population has an equal chance of being selected. Trochim (2006) postulates that simple random sample is free from sampling bias and is mostly appropriate for large populations. The sample size is the number of units or units of analysis constituting a sample (Kumekpor, 2002). The general principle is that the sample size should be neither too large nor too small (Festival, 2011).

$$n = \frac{N}{1 + N(\alpha^2)}$$

Where n = sample size, N = population universe and α is the confidence level. The formula adopted a confidence level of 95% and the margin of error is therefore 5% which is acceptable in social science research.

$$n = \frac{N}{1 + N(\alpha^2)} ;$$

$$n = \frac{74}{1 + 74(0.05^2)} = \frac{74}{1 + 74(0.0025)} = \frac{74}{1.1875} = 62.44 \approx 63$$

Sample size determination for Zenith Bank

$$n = \frac{3}{4} \times 63; n = 28.94 \approx 29$$

Hence, employee category (management = 5; staff = 24)

Sample size determination for ADB

$$n = 63 - 29 \\ = 34$$

Hence, employee category (management = 7; staff = 27)

Data Collection Instruments: The questionnaire, as the main tool for the study, developed in line with the objectives of the study will be personally administered to the respondents. The questionnaire which will consist of mostly structured closed-ended rating items will require only ticking to complete. As per the research design, few open-ended items will be added to allow respondents to share vital information in their own words. The questionnaire is designed and coded using Likert scale type of questions and responses. The responses consisted of: 1 = strongly disagree, 2 = Disagree, 3 = fairly agree, 4 = Agree and 5 = strongly agree. The questionnaire is divided into four (4) sections. Section A collects data on socio-demographic characteristics: age, sex, rank/position, educational background. Sections B collects data on the various types of non-monetary incentives; Section C collects data on the determinants of performance; Section D collects data on challenges of non-monetary incentives. Section E collects data on the effects of non-monetary incentives on employee performance. The draft instruments will be submitted to the researcher's supervisor for his perusal which will then follow with the pretest. The study will be conducted for two days running.

There are two main reasons for the pilot study: One reason is to ascertain the validity and reliability of the instruments. The other is to enable the researcher to have insight into the analysis that would be used for the main study. The pilot study (pre-test) will be conducted at Nsoatreman Rural Bank and Ghana Commercial Bank in Berekum which have staff strength of 53 including the manager and three directors.

Data Collection Procedures: The researcher will seek the consent of participants before giving questionnaires to them for completion. This will be done to ensure ethical acceptability of the research findings. Participants will be assured of confidentiality of information that they provide, and that they would not be exposed to any form of discomfort or risk by participating in the study. The respondents will be informed that, participation in the study is voluntary. Data administration will be done by the researcher on September 5, 2019 at 12:00 pm to 12:30 pm on five working days – Monday to Friday at the Assembly. Data collection will be carried out by the researcher on September 10, 2019 at 12:00 pm to 12:30 pm on five working days – Monday to Friday. These times are very appropriate because the workers will be on break then.

Data Processing and Analysis: Data analysis is the process of inspecting, cleaning, transforming and modeling data with the goal of discovering useful information, suggesting conclusions and supporting decision-making (Adèr & Mellenbergh, 2008). Yin (2005) posits that the process of evaluating data using analytical and logical reasoning to examine each component of the data provided. According to Oso and Onen (2005), there are various means of analyzing data: using statistical applications, data mining, descriptive, exploratory, confirmatory data analysis and a host of others. This study employed statistical applications in data analysis. During the process of analysis, data collected will be sorted and coded manually into the Statistical Package for Social Sciences (SPSS) computer software. The data collected will be analyzed using statistical analysis tools such as the statistical package for social sciences (SPSS) and Microsoft Excel 2019. The study will analyze data using frequency tables, mean and statistical standard deviation analysis and correlation analysis. Tables and columns will be used to present the information after the analysis. Results will be presented using tables and columns.

RESULTS PRESENTATION

Table 1 shows that 12 respondents representing 41.4% from Zenith bank are between the ages of 18-30 while at ADB 20 respondents representing 58.8% are between the same age group. Again, 10 respondents representing 34.5% from Zenith bank are between 31-43 years while 9 respondents representing 26.5% from ADB are with the same age group. Once more, 7 respondents representing 24.1% are 44+ while 5 respondents representing 14.7% from ADB are 44+. In terms of sex, 20 respondents representing 69.0% from Zenith bank are males while 28 respondents representing 82.4% from ADB are males. However, 9 respondents representing 31.0% from Zenith bank are females while 6 respondents representing 17.6% from ADB are females. Education wise, 8 respondents representing 27.6% from Zenith bank are HND holders while 4 respondents representing 11.8% from ADB are HND holders. Furthermore, 16 respondents representing 55.2% from Zenith bank are Bachelor's degree holders while 26 respondents representing 76.4% are Bachelor's degree holders at ADB.

Table 1. Respondents Characteristics

Items	Zenith Bank		ADB	
	Freq.	%	Freq.	%
Age				
18-30	12	41.4	20	58.8
31-43	10	34.5	9	26.5
44+	7	24.1	5	14.7
Sex				
Male	20	69.0	28	82.4
Female	9	31.0	6	17.6
Education				
HND	8	27.6	4	11.8
Bachelor's Degree	16	55.2	26	76.4
Post Graduate	5	17.2	4	11.8
Experience				
Less than one year	2	6.9	8	23.5
1year-3years	20	69.0	2	5.9
Above 3years	7	24.1	24	70.6

Table 2. Types of Non-monetary Incentives

Response	Zenith Bank	ADB	SD Dev.
	Mean Values	Mean Values	
Job security.	3.75	3.97	0.97
Good working condition.	3.11	3.00	0.75
Participation in goal setting.	4.08	3.89	0.98
Achievement is a non-monetary reward available here.	4.76	4.61	0.99
Staff recognition is embraced here.	4.21	3.12	0.74
Staff are driven to exercise power here.	3.01	2.99	0.14
As a company, we welcome job enlargement.	3.97	3.86	0.61
Management gives training and career path-related incentives to staff.	4.23	2.01	0.55
We offer incentives that address social needs.	3.05	3.03	0.32
We give staff improved working conditions.	4.10	3.03	0.31
We offer our staff fringe benefits.	3.02	3.01	0.35

Source: Field Survey (2019)

Table 3. Determinants of Employee Performance

Response	Zenith Bank	ADB	SD Dev.
	Mean Values	Mean Values	
Staff performance is a product of both ability and motivation.	4.10	3.98	0.91
We determine performance by declarative knowledge.	3.94	3.81	0.78
We measure performance by procedural knowledge.	4.69	4.87	0.98
We measure performance by employee motivation to work.	3.78	4.98	0.88
We measure performance by achievement of set goals.	4.80	4.79	0.98
We measure performance by staff competence.	4.98	4.63	0.87
We measure performance by set standards.	4.92	4.78	0.89

Source: Field Survey (2019)

Table 4. Challenges of Non-monetary Incentives

Response	Zenith Bank	ADB	SD Dev.
	Mean Values	Mean values	
Most rewards seem to have short-term impact.	4.78	4.89	0.79
Lack of recognition value.	2.87	2.45	0.65
Entitlements is a non-monetary challenge.	3.98	3.87	0.89
The wrong things are rewarded.	4.00	3.45	0.56
Delay discounts any reward.	5.00	4.87	0.98
Too many reward systems are inflexible.	4.89	4.81	0.79
The presence of demotivators.	3.14	3.47	0.53

Source: Field Survey (2019)

Table 5. Effects of Non-monetary Incentives on Employee Performance

Items	Kendall's tau b correlation
Zenith Bank	.597**(.008)
ADB	.378*(.051)

Source: Field Survey (2019)

*. Correlation is significant at the 0.05 level (2-tailed)

**. Correlation is significant at the 0.01 level (2-tailed)

Furthermore, 5 respondents representing 17.2% from Zenith bank have their Post graduate degrees while 4 respondents representing 11.8% from ADB are Post graduate degree holders. Once more, 2 respondents representing 6.9% have less than one year working experience at Zenith bank while 8 respondents representing 23.5% have less than one year working experience. Again, 20 respondents representing 69.0% have worked between 1 year – 3 years at Zenith bank while 2 respondents representing 5.9% have worked between 1 year – 3 years at ADB. Once again, 7 respondents representing 24.1% have worked above 3 years while 24 respondents representing 70.6% have worked above 3 years.

Various Types of Non-monetary Incentives: From Table 2 above, the respondents fairly agree at both Zenith bank ($M = 3.75$; $SD = 0.97$) and ADB ($M = 3.97$; $SD = 0.97$) that job security is a type of non-monetary incentive. Again, the respondents in both banks, Zenith bank ($M = 3.11$; $SD = 0.75$) and ADB ($M = 3.00$; $SD = 0.75$) fairly agree that good working condition is a type of non-monetary reward available. The respondents from Zenith bank ($M = 4.08$; $SD = 0.98$) agree that participation in goal setting is a type of non-monetary reward available while the respondents from ADB ($M = 3.89$; $SD = 0.98$) fairly agree to this statement. Again, the respondents from both Zenith bank ($M = 4.76$; $SD = 0.99$) and ADB ($M = 4.61$; $SD = 0.99$) agree that achievement is a non-monetary reward available. Once more, the respondents at Zenith bank ($M = 4.21$; $SD = 0.74$) agree that staff recognition is embraced while respondents at ADB ($M = 3.12$; $SD = 0.74$) fairly agree that staff recognition is embraced. The respondents further fairly agree at Zenith bank ($M = 3.01$; $SD = 0.14$) that staff are driven to exercise power while the respondents at ADB ($M = 2.99$; $SD = 0.14$) disagree. Furthermore, both Zenith bank ($M = 3.97$; $SD = 0.61$) and ADB ($M = 3.86$; $SD = 0.61$) fairly agree that job enlargement is welcome. Once more, the respondent at Zenith bank ($M = 4.23$; $SD = 0.55$) agree that management gives training and career path-related incentives to staff while respondents at ADB ($M = 2.01$; $SD = 0.55$) disagree to the statement. The respondents at both Zenith bank ($M = 3.05$; $SD = 0.32$) and ADB ($M = 3.03$; $SD = 0.32$) fairly agree to offering incentives that address social needs. Furthermore, respondents at Zenith bank ($M = 4.01$; $SD = 0.31$) agree that the company gives staff improved working conditions while respondents at ADB ($M = 3.03$; $SD = 0.31$) fairly agree to the statement. In both Zenith bank ($M = 3.02$; $SD = 0.35$) and ADB ($M = 3.01$; $SD = 0.35$) staff are offered fringe benefits.

Determinants of Employee Performance: From Table 3 above, the respondents from Zenith bank ($M = 4.10$; $SD = 0.91$) agree that staff performance is a product of both ability and motivation while the respondents from ADB ($M = 3.98$; $SD = 0.91$) fairly agree to the statement. The respondents from both Zenith bank ($M = 3.94$; $SD = 0.78$) and ADB ($M = 3.81$; $SD = 0.78$) fairly agree that their various companies determine performance by declarative knowledge. In both Zenith bank ($M = 4.69$; $SD = 0.98$) and ADB ($M = 4.87$; $SD = 0.98$) the companies measure performance by procedural knowledge. The study found at Zenith bank ($M = 3.78$; $SD = 0.88$) that employee performance is measured by employee motivation to work while respondents at ADB ($M = 4.98$; $SD = 0.88$) agree that the company measures performance by employee motivation to work. In both banks, Zenith bank ($M = 4.80$; $SD = 0.98$) and ADB ($M = 4.79$; $SD = 0.98$), performance of employees is measured by achievement of set goals. Again, in

both Zenith bank ($M = 4.98$; $SD = 0.87$) and ADB ($M = 4.63$; $SD = 0.87$), the respondents agree that employee performance is measured by staff competence. Furthermore, in both Zenith bank ($M = 4.92$; $SD = 0.89$) and ADB ($M = 4.78$; $SD = 0.89$), employee performance is measured by set standards.

Challenges of Non-monetary Incentives: From the Table above, the respondents in both Zenith bank ($M = 4.78$; $SD = 0.79$) and ADB ($M = 4.89$; $SD = 0.79$) agree that most rewards seem to have short-term impact. Furthermore, the respondents from both Zenith bank ($M = 2.87$; $SD = 0.65$) and ADB ($M = 2.45$; $SD = 0.65$) disagree that lack of recognition value is a challenge in their banks. Again, the respondents in both Zenith bank ($M = 3.98$; $SD = 0.89$) and ADB ($M = 3.87$; $SD = 0.89$) fairly agree that entitlements are a non-monetary challenge. Again, the respondents from Zenith bank ($M = 4.00$; $SD = 0.56$) agree that the wrong things are rewarded while the respondents from ADB ($M = 3.45$; $SD = 0.56$) fairly agree with the statement. The respondents from Zenith bank ($M = 5.00$; $SD = 0.98$) strongly agree that delay discounts any reward while the respondents from ADB ($M = 4.87$; $SD = 0.98$) agree to the statement. According to the respondents in both Zenith bank ($M = 4.89$; $SD = 0.79$) and ADB ($M = 4.81$; $SD = 0.79$), too many reward systems are inflexible. Furthermore, the respondents from both Zenith bank ($M = 3.14$; $SD = 0.53$) and ADB ($M = 3.47$; $SD = 0.53$) fairly agree that the presence of demotivators is a challenge.

Effects of Non-monetary Incentives on Employee Performance: From Table 5 above, a Kendall's tau_b correlation was carried out to find the relationship between non-monetary incentives and employee performance. The scatter plot indicates that there was a monotonic relationship between the two variables. The results of the Kendall's tau_b correlation show a strong significant positive relationship between non-monetary incentive [$M = 0.67$; $SD = 0.37$] and employee performance [$M = 0.59$; $SD = 0.41$]; [$T_b(23) = 0.597$, $p > .001$], two-tailed at Zenith. This means that 35.64% of the total variation in employee performance of Zenith bank can be explained by the linear relationship between non-monetary incentives and employee performance. The other 64.36% of the total variation in organisational performance remains unexplained. Once again, the results of the Kendall's tau_b correlation show a moderate positive relationship between non-monetary incentives [$M = 0.81$; $SD = 0.57$] and employee performance [$M = 0.67$; $SD = 0.39$]; [$T_b(26) = 0.378$, $p > .05$], two-tailed at ADB. This means that 14.3% of the total variation in organisational performance of ADB can be explained by the linear relationship between non-monetary incentives and employee performance. The other 86.0% of the total variation in employee performance remains unexplained.

DISCUSSION OF RESULTS

Background of Respondents: The study discovered a very youthful population in both banks with male dominance. Most of the respondents hold Bachelor's degree. However, the staff at ADB have more work experience than those at Zenith bank.

Various Types of Non-monetary Incentives: The study found that job security is an incentive in both banks. Again, good working condition was an incentive in both banks. Once again, participation in goal setting was an incentive in both banks. These findings are in line with Judge *et al.* (2012) who

discovered that non-monetary reward is viewed as a non-cash award given to employees to motivate them to perform well. They pointed out that for instance, recognition, training and development, promotion, good working conditions, participating in goal setting and flexibility of working hours are some forms of non-monetary incentives used to stimulate high level of performance (Judge *et al.* 2012). In support of these findings, Reiss (2012) stated that non-monetary rewards are regarded as cost effective ways to compensate employees, thereby, attracting, motivating and retaining employees. In both banks, achievement is a non-monetary reward available. Staff recognition is embraced in both banks. The latter finding support what Lewis (2013) observed. He noted that praise and recognition are effective ways of motivating employee behaviour in the organization as they are considered the most important rewards. In view of this Aktar *et al.* (2012) posited that nonmonetary incentives which are represented by recognition has been found to be an effective tool in motivating workers and consequently increase their performance. In the same vein, Alam, Saeed, Sahabuddin and Akter (2013) investigated the impact of employee recognition as a factor that predicts their contribution. The result shows a correlation between monetary rewards and employee contribution.

Staff are driven to exercise power in Zenith bank but not in ADB. Management gives training and career path-related incentives to staff at Zenith bank and not in ADB. These explain why staff at Zenith bank perform better than their counterparts at ADB. Ampofo (2012) explains it better by stating that to reach a high level of performance, an employee must do the job well (motivation), must be able to do the job effectively (ability), and must have the materials, resources, equipment and the information to do the job (environment). Deficiency of any one of these areas hurts performance. Job enlargement is welcomed in both banks. Incentives that address social needs is embraced by both banks. Improved working conditions for staff is a type of non-monetary incentive in all the banks. This finding support what Khan *et al.* (2013) found. They observed that non-monetary rewards provide a strong sense of security and stability of employment for the employees. When employees come to know that their positions (or job) are secure and stable, they work hard to get more recognition and respect. In this way, they are motivated and inspired entirely by their inner self. The organizational performance can be raised to the highest level by offering non-monetary rewards to the workers. Fringe benefits is available in all the banks.

Determinants of Employee Performance: The study observed that in both banks, ability and motivation are determinants of staff performance. To this end, Kreitner *et al.* (1999) cited in Taljaard (2003), suggest that motivation is a necessary contributor of job performance. Again, declarative knowledge is a determinants of staff performance in both banks. The study noted that procedural knowledge is a determinants of staff performance in both banks. Motivation to work is a determinant of staff performance in both banks. These findings support what Campbel *et al.* (1994) discovered. According to Campbell *et al.* (1994), cited in Aguinis (2007, p.77), a combination of three factors allows some people to perform at higher levels than others. These are declarative knowledge (information regarding a given task's requirements, labels, principles, and goals), procedural knowledge (a combination of knowing what to do and how to do it), and

motivation (involves three types of choice behaviours, namely; Choice to expend effort (example, "I will go to work today"). Achievement of set goals is a determinant of staff performance in both banks. Staff competence is a determinant of staff performance in both banks. Set standards is a determinant of staff performance in both banks.

Challenges of Non-monetary Incentives: The study detected that most reward seem to have short-term impact in both banks. Entitlements is a non-monetary challenge in both banks. These findings support what Lee (1995) and Colquitt *et al.* (2001) found. They found that there are major reasons why organizational rewards fail to have the desired motivational impact which among them were short-term impact of rewards and entitlement. In both banks, the wrong things are rewarded. Again, delay discounts any reward in both banks. This finding support what Dapaah *et al.* (2012) noted. According to Dapaah *et al.* (2012), in most institutions, rewards do not occur promptly. They explained that managers with a longer time perspective expect rank-and-file employees to have the same long-term time horizon. According to the respondents in both banks, too many reward systems are inflexible. The presence of demotivators is a challenge in both banks. Effects of Non-monetary Incentives on Employee Performance. The results of the Kendall's tau_b correlation show a strong significant positive relationship between non-monetary incentive and employee performance, two-tailed at Zenith. However, the relationship is moderate positive between non-monetary incentives and employee performance, two-tailed at ADB. Furthermore, the total variation in employee performance at Zenith bank explained by the linear relationship between non-monetary incentives and employee performance is 35.64% while it is 14.3% at ADB. These findings are in line with Nduro (2012) who observed in his study that there is a relationship between motivation and performance and as such employees are gradually becoming particular about trust, respect and high expectation, recognition and appreciation and good working environment. Tetteh, Fentim and Dorothy (2015) further found in their study that non-financial incentives have a positive relationship with employees' job performance. Furthermore, Nkansah (2016) found in her study that non-monetary incentives have significant relationship with performance. Again, Abdullah (2013) discusses direct linear relationship between non-monetary and job performance.

Summary of Findings: In identifying the various types of non-monetary incentives, the study discovered the following in both banks: job security, good working condition, participation in goal setting, achievement, staff recognition, job enlargement, incentives that address social needs, improved working conditions, and fringe benefits. However, training and career path-related incentives as well as drive to exercise power is welcomed at Zenith bank and not in ADB. In finding the determinants of employee performance, the study identified the following determinants in both banks: ability and motivation, declarative knowledge, procedural knowledge, motivation to work, achievement of set goals, staff competence, and set standards. In identifying the challenges of non-monetary incentives, the study found the following in both banks: short-term impact, entitlements, wrong things for rewards, delay which discounts any reward, inflexibility of reward systems and demotivators. In finding the effects of non-monetary incentives on employee performance, the results of the Kendall's tau_b correlation show a strong significant

positive relationship between non-monetary incentive and employee performance, two-tailed at Zenith bank. However, the relationship is moderate positive between non-monetary incentives and employee performance, two-tailed at ADB. Furthermore, the total variation in employee performance at Zenith bank explained by the linear relationship between non-monetary incentives and employee performance is 35.64% while it is 14.3% at ADB.

Conclusion

Non-monetary incentives have a strong significant positive relationship on employee performance at Zenith bank while the relationship is moderate positive at ADB. Furthermore, the total variation in employee performance at Zenith bank explained by the linear relationship between non-monetary incentives and employee performance is 35.64% while it is 14.3% at ADB. What determined these performances were ability and motivation, declarative knowledge, procedural knowledge, motivation to work, achievement of set goals, staff competence, and set standards. The types of non-monetary incentives discovered were job security, good working condition, participation in goal setting, achievement, staff recognition, job enlargement, incentives that address social needs, improved working conditions, and fringe benefits. However, training and career path-related incentives as well as drive to exercise power is peculiar to Zenith bank and not ADB. This could explain why the employees at Zenith bank perform better than ADB since there is room for initiative and development. Nonetheless, short-term impact, entitlements, wrong things for rewards, delay which discounts any reward, inflexibility of reward systems and demotivators were the identified challenges.

Recommendations

Based on the findings of the study, the following recommendations are made: ADB should give employees constant, relevant and appropriate training. It's advised ADB focus on training their employees in terms of job-specific duties that are needed for the job itself. Training should also take place at different time intervals throughout the year, so that the skills and knowledge of employees does not stagnant and is continuously refreshed and improved. Training will help employees know more about their jobs and increase their confidence levels and enable them to do their duties without much needed supervision, and this can improve employee self-sufficiency and free up more resources within the companies. Rewards should be given to deserved staff as soon as possible since delay discount the reward in both banks. Management of both banks should engage employees in the kind of reward to be given. This will eliminate wrong things for reward.

Suggestion for Further Research: For future research, the study should cover the effects of monetary and non-monetary reward on employee performance in more than two organizations. Again, further studies should look at employee's perception of monetary and non-monetary reward on their job satisfaction

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3. What is your highest level of education?
 a. Certificate [] b. Diploma [] c. Bachelor's degree []
 d. Post graduate []
4. Years of working experience, please specify

Please tick appropriately with the following scaling: 1 = strongly disagree, 2 = Disagree, 3 = fairly agree, 4 = Agree and 5 = strongly agree.

SECTION B: Various Types of Non-monetary Incentives

	1	2	3	4	5
Job security.					
Good working condition.					
Participation in goal setting.					
Achievement is a non-monetary reward available here.					
Staff recognition is embraced here.					
Staff are drive to exercise power here.					
As a company, we welcome job enlargement.					
Management gives training and career path-related incentives to staff.					
We offer incentives that address social needs.					
We give staff improved working conditions.					
We offer our staff fringe benefits.					

SECTION C: Determinants of Employee Performance

	1	2	3	4	5
Staff performance is a product of both ability and motivation.					
We determine performance by declarative knowledge.					
We measure performance by procedural knowledge.					
We measure performance by employee motivation to work.					
We measure performance by achievement of set goals.					
We measure performance by staff competence.					
We measure performance by set standards.					

SECTION D: Challenges of Non-monetary Incentives

	1	2	3	4	5
Most rewards seem to have short-term impact.					
Lack of recognition value.					
Entitlements is a non-monetary challenge.					
The wrong things are rewarded.					
Delay discounts any reward.					
Too many reward systems are inflexible.					
The presence of demotivators.					

Appendices

Appendix A

Questionnaire for Management at Zenith Bank

I am a final year student of University of Cape Coast, undertaking a study on the topic; *effects of non-monetary incentives on employee performance: a case of selected banks in Sunyani Municipality*. You have been selected to assist in this study. I hope you will be objective in answering the questions and by so doing you will be helping in achieving the objective of this study. This information is collected solely for academic research purposes. The information you provide will be treated as strictly confidential.

Thank you for your participation.

SECTION A: Background of Respondents

1. Age: (18-30) (31-43) (44+)
 2. Sex: a. Male [] b. Female []

Appendix B

Questionnaire for Staff at Zenith Bank

I am a final year student of University of Cape Coast, undertaking a study on the topic; *effects of non-monetary incentives on employee performance: a case of selected banks in Sunyani Municipality*. You have been selected to assist in this study. I hope you will be objective in answering the questions and by so doing you will be helping in achieving the objective of this study. This information is collected solely for academic research purposes. The information you provide will be treated as strictly confidential.

Thank you for your participation.

SECTION A: Background of Respondents

- 1. Age: (18-30) (31-43) (44+)
- 2. Sex: a. Male [] b. Female []
- 3. What is your highest level of education?
a. Certificate [] b. Diploma [] c. Bachelor’s degree []
d. Post graduate []
- 4. Years of working experience, please specify

Please tick appropriately with the following scaling: 1 = strongly disagree, 2 = Disagree, 3 = fairly agree, 4 = Agree and 5 = strongly agree.

SECTION E: Effects of Non-monetary Incentives on Employee Performance

a.Non-monetary Incentives

	1	2	3	4	5
Good working condition.					
Job security.					
Participation in goal setting.					
Achievement is a non-monetary reward to me					
Staff recognition is embraced by me.					
I am driven to exercise power here.					
My company welcomes job enlargement.					
Management gives training and career path-related incentives to me					
My company offers incentives that address social needs.					
My company gives me improved working conditions.					
My company offers us fringe benefits.					

b.Employee Performance

	1	2	3	4	5
My performance is a product of both ability and motivation.					
Declarative knowledge shows my performance.					
Procedural knowledge indicates my performance.					
We measure performance by employee motivation to work.					
My performance is the achievement of set goals.					
My competence shows my performance.					
I measure my performance based on set standards.					

Appendix C

Questionnaire for Management at ADB

I am a final year student of University of Cape Coast, undertaking a study on the topic; *effects of non-monetary incentives on employee performance: a case of selected banks in Sunyani Municipality*. You have been selected to assist in this study.

I hope you will be objective in answering the questions and by so doing you will be helping in achieving the objective of this study. This information is collected solely for academic research purposes. The information you provide will be treated as strictly confidential.

Thank you for your participation.

SECTION A: Background of Respondents

- 1. Age: (18-30) (31-43) (44+)
- 2. Sex: a. Male [] b. Female []
- 3. What is your highest level of education?
a. Certificate [] b. Diploma [] c. Bachelor’s degree []
d. Post graduate []
- 4. Years of working experience, please specify

Please tick appropriately with the following scaling: 1 = strongly disagree, 2 = Disagree, 3 = fairly agree, 4 = Agree and 5 = strongly agree.

SECTION E: Effects of Non-monetary Incentives on Employee Performance

a.Non-monetary Incentives

	1	2	3	4	5
Good working condition.					
Job security.					
Participation in goal setting.					
Achievement is a non-monetary reward to me					
Staff recognition is embraced by me.					
I am driven to exercise power here.					
My company welcomes job enlargement.					
Management gives training and career path-related incentives to me					
My company offers incentives that address social needs.					
My company gives me improved working conditions.					
My company offers us fringe benefits.					

a.Employee Performance

	1	2	3	4	5
My performance is a product of both ability and motivation.					
Declarative knowledge shows my performance.					
Procedural knowledge indicates my performance.					
We measure performance by employee motivation to work.					
My performance is the achievement of set goals.					
My competence shows my performance.					
I measure my performance based on set standards.					