

UNIVERSITY OF GHANA

UNDERSTANDING EMPLOYEES PERCEPTIONS OF INEQUITY IN ORGANIZATIONS'
REWARD SYSTEMS AND ITS EFFECTS ON EMPLOYEE JOB SATISFACTION

BY

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DECLARATION

I hereby declare that this submission is my own work towards the Master of Arts (Management and Administration) and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

.....

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CERTIFICATION

I hereby certify that this long easy was supervised in accordance with the procedures laid down by the university.

.....

Dr. Mohammed-Aminu Sanda

Date:

Supervisor

ACKNOWLEDGEMENT

I am indeed grateful to God Almighty for being able to complete this work as scheduled. Over the past one (1) year I have received support and encouragement from numerous individuals. I thank my Supervisor, Dr. Mohammed-Aminu Sanda, for accommodating my excesses, being patient with me and supporting me to work hard.

I am thankful to my friends and family, especially Dr. Michael Kwame Dzordzormenyoh for the diverse ways they supported me during this journey.

DEDICATION

I dedicate this research to God Almighty, my family and friends.

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ABSTRACT

The purpose of this study is to provide understanding on how employees' perception of inequity in organizations' reward systems affects their job satisfaction. Guided by literature on employees' perception of inequity and its effects on their job satisfaction, data was collected from 50 employees of AirtelTigo (Regional Retail and Franchise unit of the Customer Experience Team) using self-administered questionnaire. Based on descriptive analysis it was found that employees hold the perception that perceived inequity in the organization's reward system leads to their feeling of low job satisfaction. It was also found that employees believe that with increased effort and higher performance, they will be rewarded more than their counterparts whose input is below the norm.

Based on the findings of this study, it is concluded that majority of employees believe they are being paid less than others doing the same job that is they perceive inequity in the organization's reward system thus creating low job satisfaction.

It is recommended that reward systems should be open and fair to all employees and be based on the level of effort exerted by employees on the job to increase employee job satisfaction.

CHAPTER ONE

INTRODUCTION

1.1 Research Background

1.1.1 Organizational Profile

AirtelTigo, a subsidiary of Bharti Airtel Limited based in India and Millicom International Cellular S.A. based in Luxembourg, is a privately-owned Joint venture that emerged out of a merger between Airtel Ghana and Tigo Ghana in November 2017. As separate entities, they have been operating in Ghana for 9 and 29 years respectively. AirtelTigo is a telecommunications company that provides mobile as well as fixed data and voice services to its customers. AirtelTigo is the second-largest Mobile Network Operator in Ghana with a subscriber base of 10 million. The company offers a wide array of telecommunications services including mobile voice and data, mobile financial services(AirtelTigo Money) and business connectivity solutions(AirtelTigo Business), with the popular ones being Big Time Data (No validity bundle) i.e. Data bundles with no expiry dates, AirtelTigo Sika Kooko, AirtelTigo Unlimited Voice bundles, AirtelTigo Night Offer amongst others. In its bid to provide business connectivity solutions, the company through its Business wing, AirtelTigo Business, offers fixed data and voice solutions to companies and individuals with one of the biggest clients being Data bank. The company currently has 29 owned and 72 Franchise Customer Service Centers where Customer issues are resolved. At least each of the 10 regions of Ghana has 1 owned Customer

service Center which also serves as AirtelTigo regional offices with Accra having the highest number of retail shops, a total of 14 shops.

The core vision of AirtelTigo is “A better life for our customers”, this it delivers through its core values of simplicity, transparency and relevance.

AirtelTigo as a merged entity took home the Best Procurement Transformation Award during the first Ghana Procurement and Supply Chain Awards 2018.

1.1.2 Departmental Profile

The Commercial department of AirtelTigo Ghana is made up of 6 sub-departments namely; the Mobile Financial Services (MFS) Team which is in charge of managing AirtelTigo Money (ATM) - the mobile financial service being offered by the company, Market Growth Team in charge of product development as well as marketing and branding, Performance and Planning in charge of reporting and data analysis to aid decision making as well as the product development, Customer Base Management that seeks to engage the existing Customer base in a bid to reduce churn, Sales is in charge of new acquisition of prepaid customers as well as the sales of products and service being offered by the company and finally Customer Experience in charge improving customer relations by testing newly developed products and service to identify possible challenges Customers are likely to face should the product go live, recommending changes or improvements to be made and resolving Customer complaints via Social Media, the Call Center as well the “Walkin” Customer service centers.

The Regional Retail and Franchise unit of Customer Experience oversees the provision of the highest level of Customer experience in the Customer service centers and the franchise centers as well. The company currently has 29 owned and 72 Franchise Customer Service Centers where

Customer issues are resolved. At least each of the 10 regions of Ghana has 1 owned Customer service Center which also serves as AirtelTigo regional offices with Accra having the highest number of retail shops, a total of 14 shops. There are also over 200 Point of Activations deployed nationwide.

1.2 Research Problem

The lack of clarity in the area of salaries, allowances and other fringe benefits has led to a large number of employees believing they are being paid less for the job they are doing as compared to the labor market and so would not put in the extra effort needed to get the job done. This makes it difficult to get tasks accomplished especially the ones that involve other teams or colleagues. The effects of the perception of inequity in the company is also evident in a number of employees retained during the redundancy exercise resigning.

1.3 Research Purpose

The purpose of this research is to provide an understanding on how employees' perception of inequity in the organization's reward system affects their job satisfaction.

1.4 Research Question

The research question is as follows:

- How does employees' perception of inequity in the organization's reward system affect their job satisfaction?

1.5 Research Objective

The objective of this research is to find out how employees' perception of inequity in the organization's reward system affects their job satisfaction.

1.6 Significance of the research

The learnings of this study will help management to get a clearer view of the level of job satisfaction and recommend ways of increasing the levels of job satisfaction.

1.7 Organization of Study

This study is organised into five chapters, including this introductory chapter that presents the profile of the organization as well as the research problem and question. Chapter 2 presents a review of literature related to employees' perceptions of inequity in organizations' reward system and its effects on their job satisfaction. Chapter 3 throws more light on the methodology used for this study. The chapter includes a detailed discussion of how data was collected, analyzed and ethical considerations made in the conduct of this study. Chapter 4 presents and analysis the data collected for this study. Chapter 5 outlines a summary of findings, conclusions and recommendations for management of AirtelTigo. The Appendix includes a copy of the questionnaire produced and administered for this study.

CHAPTER TWO

LITERATURE REVIEW

2.1. Employees perceptions of inequity in organizations' rewards systems and its effects on their job satisfaction.

Adams' equity theory (Adams, 1963, 1965), posits that people value and seek equity in employee-employer exchange relationships. According to Adams (1963), equity is maintained when a person perceives that his or her allocated outcomes are consistent with his or her perceived inputs. In situations where services are exchanged for financial remuneration, work inputs could include previous work effort, work experience, competence, and education (Cohen-Charash & Spector, 2001). Factors that emanate from the exchange termed as outcomes consists of salary levels, salary increases, recognition and other factors with pay considered as one of the most essential and important outcomes (Adams, 1963, 1965; Cohen-Charash & Spector, 2001).

The main ideas of the Equity theory are captured in four propositions:

1. Individuals assess their relationships with others by estimating the proportion of their inputs and outcomes from the relationship against the outcome and input estimates of a comparison other. (Huseman, R. C., Hatfield, J. D., & Miles, E. W. 1987)
2. If the ratio of work outcome to the input of the individual and the comparison other is perceived to be unequal, then inequity exists. (Huseman, R. C., Hatfield, J. D., & Miles, E. W. 1987)

3. The bigger the ratio of perceived inequity (this could be in situations of either over reward or under reward), the more distress the individual feels. (Huseman, R. C., Hatfield, J. D., & Miles, E. W. 1987)

4. The greater the level of distress an individual feel, the more effort he or she will dedicate to reestablish equity and, thus, lower the level of distress. (Huseman, R. C., Hatfield, J. D., & Miles, E. W. 1987)

Employees will attempt in various ways to restore equity, some of which may negatively affect organizational goals and objectives. For example, workers who perceive that their work is not valued may reduce work effort or underrate the work of other workers (Adams, 1965) Persons who perceive inequity may seek to reduce this by employing any of the following ways: (a) by changing their perceptions of their own or others' inputs or outcomes, (b) by encouraging others to change their inputs or outcomes (c) by altering one's own inputs or outcomes or (d) by withdrawing from the situation. (Campbell & Pritchard, 1976)

Individuals are not only anxious about the total amount of rewards they receive for their work efforts, but also with how this amount is related to what others receive (Adams, 1963, 1965; Cohen-Charash & Spector, 2001). Research has shown that, regardless of differences in geographical location, age, disability, ethnicity, sexual orientation, gender, or other similarly defined categories, employees desire to be rewarded and treated in a just and equitable manner. They also expect that with higher performances and increased effort, they will be rewarded significantly more than their colleagues performing below the norm (Adams, 1963, 1965; Cohen-Charash & Spector, 2001).

It has been widely stated that the effects of inequities in reward systems on employee job satisfaction levels is likely to be connected to the individual's expected internal and external labor market opportunities (Watson et al, 1996; Loi, Hang-Yue, & Foley, 2006). Employees who do not expect to move from their current jobs within three years will be motivated to psychologically adjust while those with better employment options outside their current jobs will not be motivated to do same. (Watson et al, 1996; Loi, Hang-Yue, & Foley, 2006). Research has also shown a strong connection between equity in pay and job satisfaction. Perry studied 2 groups of African-Americans one group earning below and the other group above the national average. He discovered that respondents with incomes below the national average had the lowest job satisfaction level, while those who earned more than the national average had the highest level of job satisfaction.(Perry, 1993). Carr, McLoughlin, Hodgson and MacLachlan (1996) however found, in a study of selected employees in Australia, that not only underpayments but overpayments also contributed to a lowered intrinsic motivation. Again, equity theory proposes that employees, paid more than others in their profession, circumvent any inequity reduction practices that would either have negative effects on their self-esteem or physical wellbeing or reduce their job outcomes such as job satisfaction or financial compensation. These employees will rather develop a mental defense system which includes a higher appraisal of one's job inputs (Perry, 1993). Employees with low job satisfaction react negatively. These assertions are in line with what Adams posited in his equity theory which states that employees who perceive they are unfairly underpaid may respond by increasing their outcomes. Berkowitz, Fraser, Treasure, and Cochran (1987) in their study of pay perceptions and satisfaction among randomly sampled employed men, found that the stronger employees' belief of fair pay; the more satisfied they were with their earnings (Al-Zawahreh, & Al-Madi, 2012). Actually, as stated by Berkowitz

etal (1987), pay equity was a strong indicator for pay satisfaction. There is evidence, consistent with the idea of perceived fairness of one's pay being a better predictor of pay satisfaction than the absolute amount of pay received, affirming the concept that "pay fairness and satisfaction are strongly related" (Scarpello, 1988). According to the equity theory, employees can cognitively resolve states of inequity, by modifying their opinions of the outcomes they receive from their jobs. It emphasizes that employees who are under rewarded in monetary terms may be able to restore the overall level of equity by convincing themselves that they are well rewarded with respect to other outcomes often referred to as fringe benefits (Greenberg, 1989). In Heneman's (1985) review on pay satisfaction, he stated that pay satisfaction has an effect on overall job satisfaction, which translates into negative work behaviors such as turnover, absenteeism, and the effort exerted on the job. These results, however are more consistent with employees who are underpaid than those who are overpaid (Mowday, 1987).

Pinder (1984) stated that perceptions of unfair treatment tend to occur when "people believe they are not receiving fair returns for their efforts and other contributions." Management of organizations are therefore challenged to build reward systems that are believed to be equitable and fair as well as allocating rewards according to employee's beliefs about their own worth to the organization.

CHAPTER THREE

METHODOLOGY

3.1 Research Design

This study used a descriptive survey design because the actual population under consideration for this study was large and geographical dispersed. The study population included all employees of AirtelTigo Ghana Limited in the Retail Team of the Customer Experience department. The total population of employees in the Retail team of the Customer Experience department of AirtelTigo is 105. The sample size was 50 selected employees in the Retail team of the Customer Experience department of AirtelTigo selected across the various locations across the country.

3.2 Method for Data Collection

3.2.1. Data collection tool

Questionnaire was used to collect the relevant data. The questionnaires included only closed-ended questions that provided respondents with possible answer options to choose from.

3.2.2. Data collection procedures

The participants of the study were provided with a google form link that allowed them to participate in the survey through the internet. This option was preferred and used compared to traditionally administering the survey on hard paper copies because the sample population is scattered across the country, familiar with internet survey and have the needed resources (electronic devices and internet) to answer the questions on the questionnaires in a timely and

cost effective and efficient way. It took respondents approximately 10 -15 minutes to answer the whole survey.

3.3 Method for Data Analysis

The study used simple excel sheet analysis to analyze the data collected from the questionnaires. The data collected from the questionnaire after administering the questionnaire, was first downloaded in excel format from the Google form used in administering the questionnaire. Descriptive statistics, specifically frequencies, percentages and averages were used to ascertain the view of respondents regarding each of the variables in this study.

3.4 Ethical Consideration

This study ensured that participants of the study had full knowledge of the goals and objectives of the study and were given the option to opt out of the study at any time. This study sought for the approval of all participants to willingly participate in the study by providing each participant with a detailed account of the research, its goals and objectives and the methods of data collection, data storage and analysis. Furthermore, this study also took into consideration the confidentiality of participants. To protect the participants this study did not include names and other personal qualifiers of the respondents. This is to ensure that the identity of the respondents of this study is protected now and in the near future.

CHAPTER FOUR

RESULTS ANALYSIS AND DISCUSSION

The total number of questionnaires distributed for this research were 50. All fifty (50) were validly completed and retrieved from respondents. All retrieved questionnaires were useful as none was rejected for the purposes of this research. Therefore, the percentage of respondents' rate is 100%.

4.1 Analysis of Respondents' Demography

Analysis of the respondents' demography is shown in the sections below.

4.1.1 Analysis of respondents' gender

The gender distribution of the respondents is shown in Table 1 and Figure 1 below.

Table 1: Distribution of respondents' gender

Gender	No. of Respondents	Percentage (%)
Male	18	36%
Female	32	64%
Total	50	100%

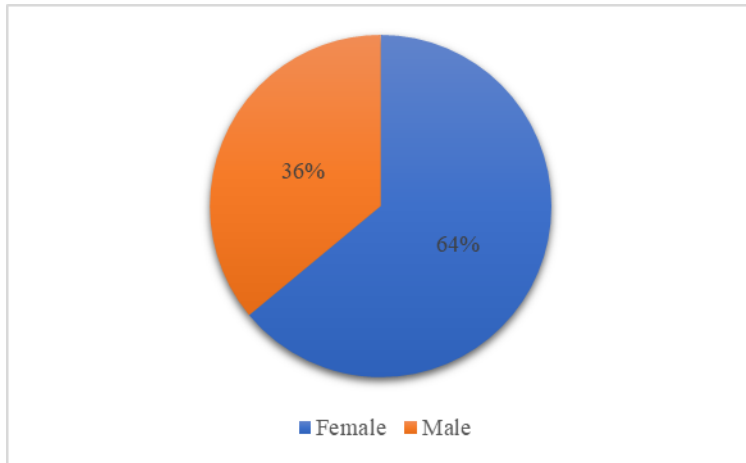


Figure 1: Distribution of respondents' gender

From Table 1 and Figure 1 above, 18 (36%) respondents were males while 32 (64%) were females. Therefore, there were more female respondents than males. The implication is that most of the voices gave a more feminine influence.

4.1.2. Analysis of respondents' number of years in organization

The distribution of the respondents' job tenure is shown in Table 2 and Figure 2 below.

Table 2: Distribution of number of years respondents worked in organization

No. of Years	No. of Respondents	Percentage (%)
Less than one year	3	6%
More than 1 year but less than 2 years	4	8%
More than 2 years but less than 3 years	4	8%
More than 3 years but less than 4 years	7	14%
More than 4 years	32	64%
Total	50	100%

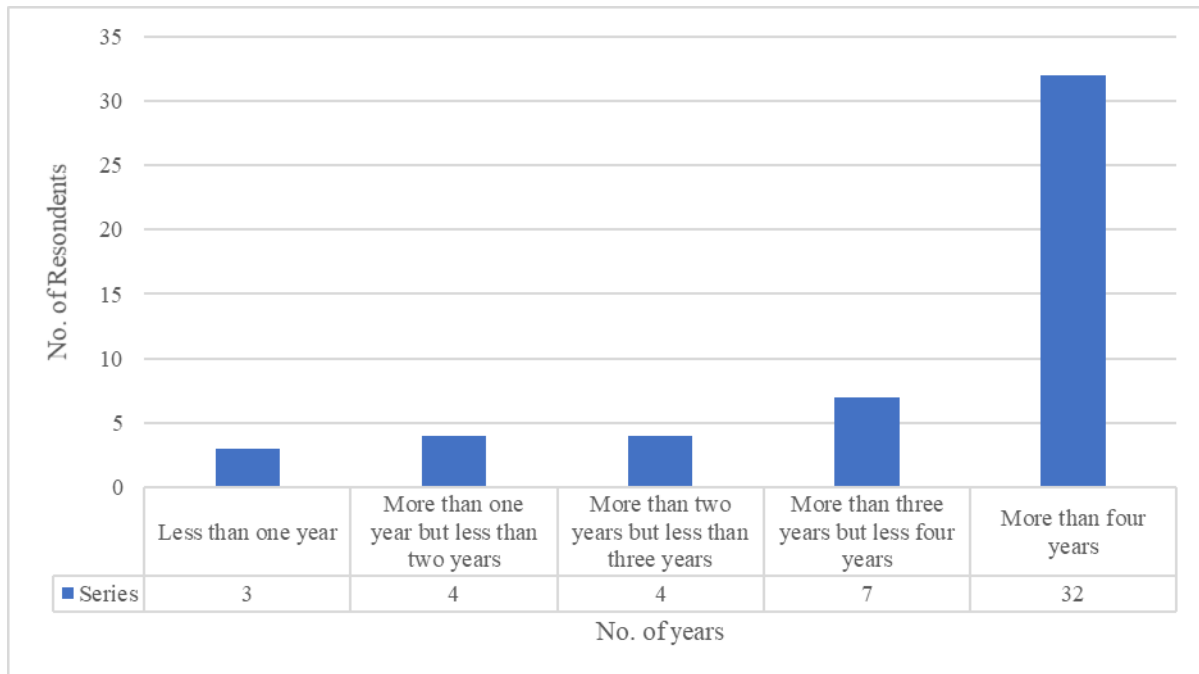


Figure 2: Distribution of number of years respondents' worked in organization

From Table 2 and Figure 2 above, 3 (6%) respondents have been working with the organization for less than one year. Four (8%) respondents have been working for more than one year, but less than 2 years. Four (8%) respondents have been working for more than 2 years, but less than 3 years, 7 (14%) respondents have been working for more than 3 years, but less than 4 years while 32 (64%) have been working with the organization for over 4 years.

Overall, a total of 47 (97%) respondents have been with the organization for one year and beyond. In the organization, employees who have spent more than one year are considered to have a good understanding of issues in the organization. The implication is that majority of the respondents have been in the organization for a longer period and thus have a good understanding of issues in the organization covered in this study.

4.2. Analysis of The Effects of Employee Perceptions of Inequity in Organizations’ Reward Systems on Employee Job Satisfaction

4.2.1. Analysis of respondents’ perception of pay satisfaction effect on job satisfaction

The distribution of the respondents’ perceptions of the effect of pay satisfaction on employee job satisfaction is shown in Table 3 and Figure 3 below.

Table 3: Distribution of respondents’ perceptions of the effect of pay satisfaction on employee job satisfaction.

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	21	42%
Agree	20	40%
Not Sure	2	4%
Disagree	5	10%
Strongly Disagree	2	4%
Total	50	100%

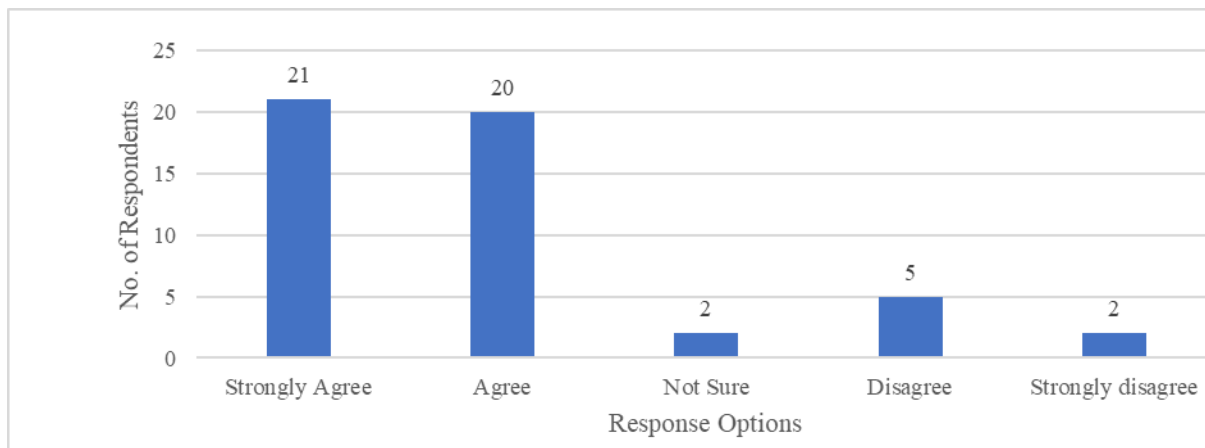


Figure 3: Distribution of respondents' perceptions of the effect of pay satisfaction on employee job satisfaction.

From Table 3 Figure 3 above, 21 (42%) respondents strongly agree that pay satisfaction affects their overall job satisfaction, while 20 (40%) agreed and 2 (4%) indicated that they were not sure. 5 (10%) respondents disagreed and 2 (4%) strongly disagreed.

From the distribution, a total of 41 (82%) respondents agreed that pay satisfaction affects their overall job satisfaction, 7 (14%) disagreed, and 2 (4%) were not sure. The implication is that majority of employees in the organization hold the perception that pay satisfaction affects their overall job satisfaction

4.2.2. Analysis of respondents' perception of inequity in organizations' reward system resulting in less job satisfaction

The distribution of the respondents' perception of inequity in organizations' reward system resulting in less job satisfaction is shown in Table 4 and Figure 4 below.

Table 4: Distribution of respondents' perception of inequity in organization's reward system resulting in less job satisfaction

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	17	34%
Agree	14	28%
Not Sure	10	20%
Disagree	8	16%
Strongly Disagree	1	2%
Total	50	100%

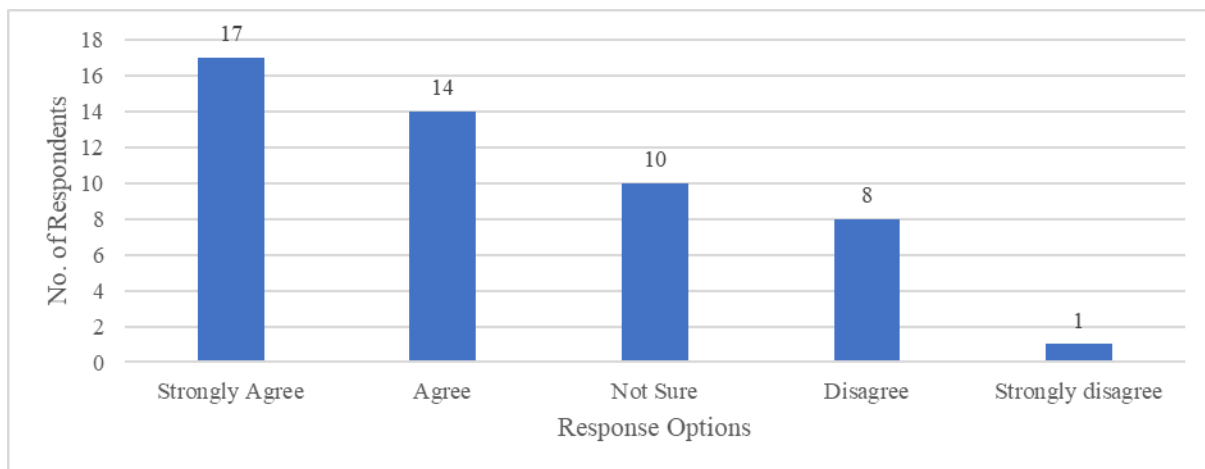


Figure 4: Distribution of respondents' perception of inequity in organization's reward system resulting in less job satisfaction

From Table 4 Figure 4 above, 17 (34%) respondents strongly agree that inequity in organization's reward system leads to their feeling of less job satisfaction, while 14 (28%)

agreed and 10 (20%) indicated that they were not sure. 8 (16%) respondents disagreed and 1 (2%) strongly disagreed.

From the distribution, a total of 31 (62%) respondents agreed that inequity in organization's reward system leads to their feeling of less job satisfaction, 9 (18%) disagreed, and 10 (20%) were not sure. The implication is that majority of employees in the organization hold the perception that inequity in organization's reward system leads to their feeling of less job satisfaction.

4.2.3. Analysis of respondents' perception of pay satisfaction as a determinant of effort exerted on the job.

The distribution of the respondents' perception of pay satisfaction as a determinant of effort exerted on the job is shown in Table 5 and Figure 5 below.

Table 5: Distribution of respondents' perception of pay satisfaction as a determinant of effort exerted on the job.

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	11	22%
Agree	12	24%
Not Sure	6	12%
Disagree	15	30%
Strongly Disagree	6	12%
Total	50	100%

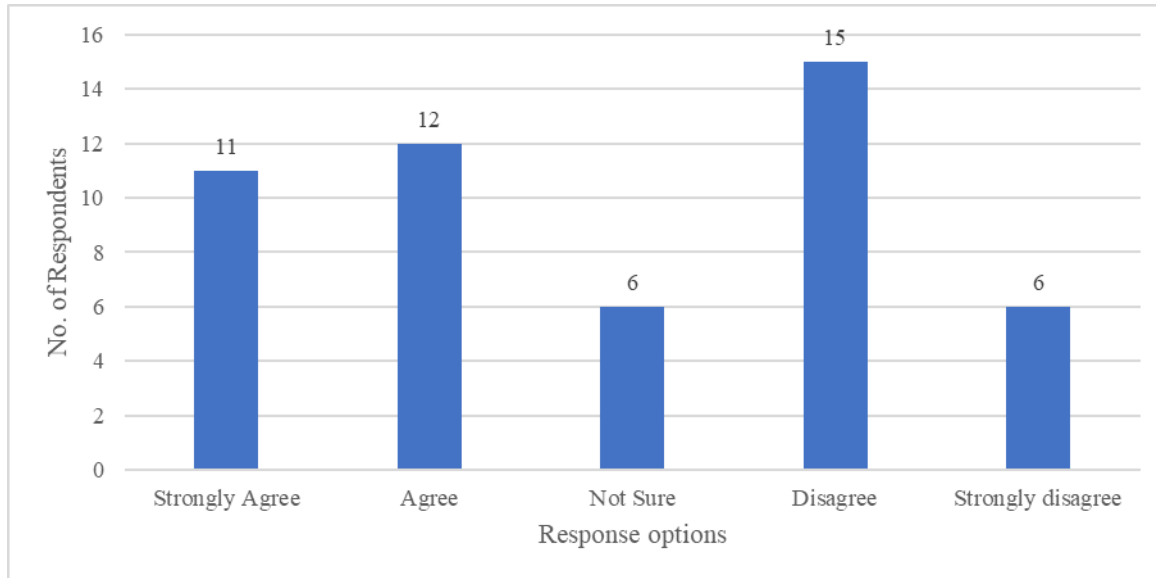


Figure 5: Distribution of respondents' perception of pay satisfaction as a determinant of effort exerted on the job.

From Table 5 Figure 5 above, 11 (22%) respondents strongly agree that the level of effort exerted on the job is as a result of pay satisfaction, while 12 (24%) agreed and 6 (12%) indicated that they were not sure. 15 (30%) respondents disagreed and 6 (12%) strongly disagreed.

From the distribution, a total of 23 (46%) respondents agreed that the level of effort exerted on the job is as a result of pay satisfaction, 21 (42%) disagreed, and 6 (12%) were not sure. The implication is that majority of employees in the organization hold the perception that the level of effort exerted on the job is as a result of pay satisfaction.

4.2.4. Analysis of respondents' perception of employee efforts on the job not resulting in valid outcomes due to unfair reward system.

The distribution of the respondents' perception of employee efforts on the job not resulting in valid outcomes due to unfair reward system is shown in Table 6 and Figure 6 below.

Table 6: Distribution of respondents' perception of employee efforts on the job not resulting in valid outcomes due to unfair reward system.

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	6	12%
Agree	8	16%
Not Sure	11	22%
Disagree	17	34%
Strongly Disagree	8	16%
Total	50	100%

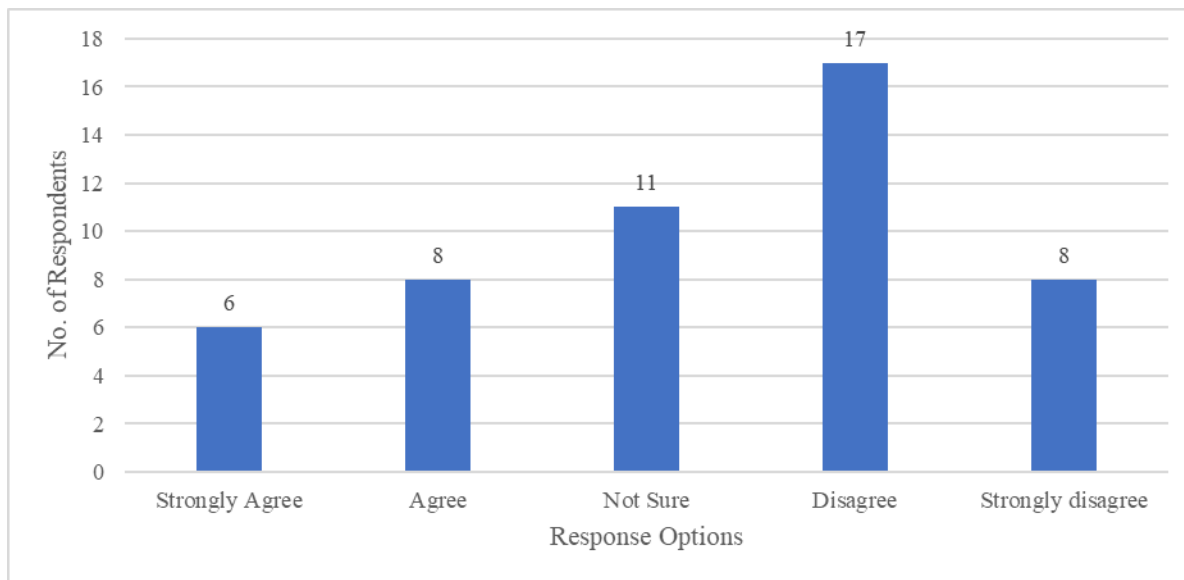


Figure 6: Distribution of respondents' perception of employee efforts on the job not resulting in valid outcomes due to unfair reward system.

From Table 6 Figure 6 above, 6 (12%) respondents strongly agree that employee effort exerted on the job will not result in valid outcomes due to unfair reward system, while 8 (16%) agreed and 11 (22%) indicated that they were not sure. 17 (34%) respondents disagreed and 8 (16%) strongly disagreed. From the distribution, a total of 14 (28%) respondents agreed that employee effort exerted on the job will not result in valid outcomes due to unfair reward system, 25 (50%) disagreed, and 11 (22%) were not sure. The implication is that majority of employees in the organization hold the perception that employee effort exerted on the job will result in valid outcomes.

4.2.5. Analysis of respondents’ perception of colleagues working less based on feelings that their work is unsupported.

The distribution of the respondents’ perception of colleagues working less based on feelings that their work is unsupported. is shown in Table 7 and Figure 7 below.

Table 7: Distribution of respondents’ perception of colleagues working less based on feelings that their work is unsupported.

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	2	4%
Agree	0	0%
Not Sure	3	6%
Disagree	27	54%
Strongly Disagree	18	36%
Total	50	100%

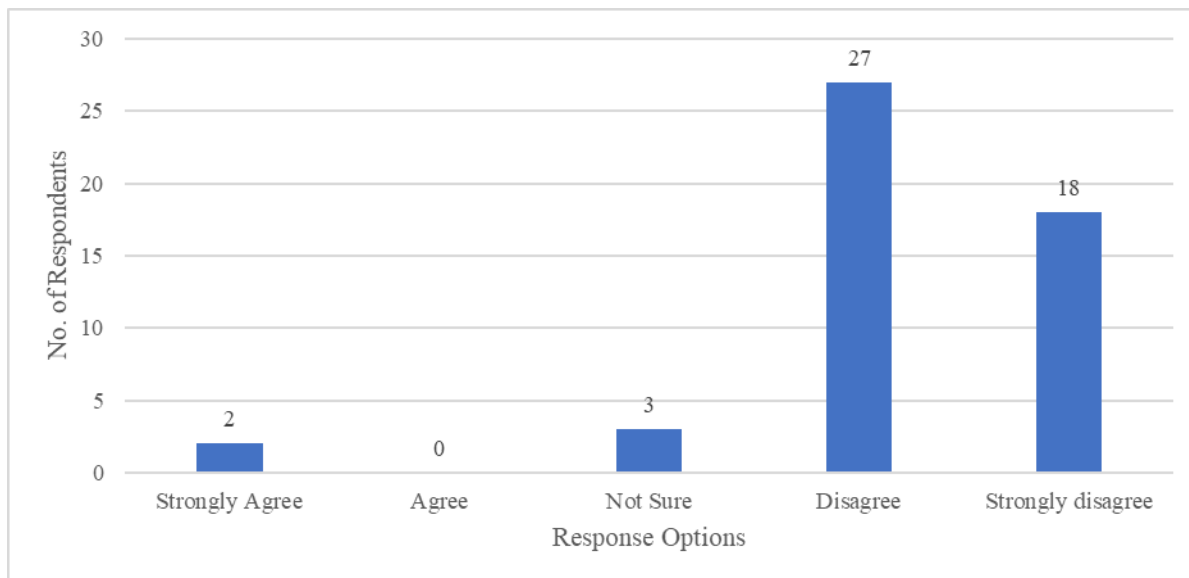


Figure 7: Distribution of respondents' perception of colleagues working less based on feelings that their work is unsupported.

From Table 7 Figure 7 above, 2 (4%) respondents strongly agree that they work less or undervalue the work of their colleagues because they feel their work is not being supported, while 3 (6%) indicated they were not sure. 27 (54%) respondents disagreed and 18 (36%) strongly disagreed.

From the distribution, a total of 2 (4%) respondents agreed that they work less or undervalue the work of their colleagues because they feel their work is not being supported, 45 (90%) disagreed, and 3 (6%) were not sure. The implication is that majority of employees in the organization do not feel their work is not supported thus they work more or value the work of their colleagues.

4.2.6. Analysis of respondents’ perceptions that employees with increased effort and higher performance will be rewarded more than employees with inputs below the norm.

The distribution of the respondents’ perceptions that employees with increased effort and higher performance will be rewarded more than employees with inputs below the norm is shown in Table 8 and Figure 8 below.

Table 8: Distribution of respondents’ perceptions that employees with increased effort and higher performance will be rewarded more than employees with inputs below the norm.

Response Option	No. of Respondents	Percentage (%)
Strongly Agree	16	32%
Agree	15	30%
Not Sure	10	20%
Disagree	7	14%
Strongly Disagree	2	4%
Total	50	100%

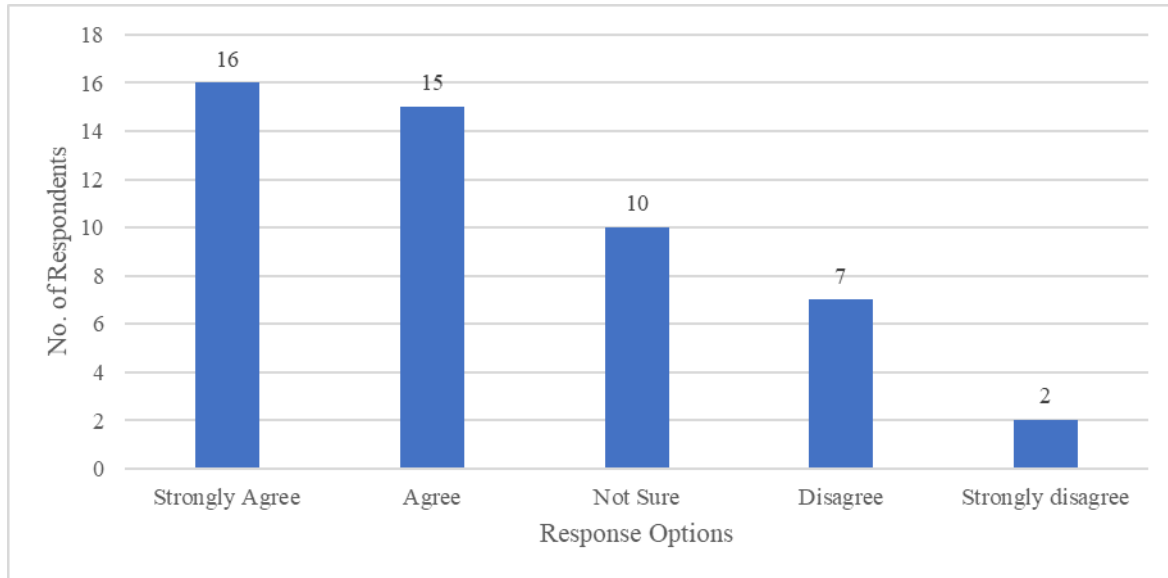


Figure 8: Distribution of respondents’ perceptions that employees with increased effort and higher performance will be rewarded more than employees with inputs below the norm.

From Table 8 Figure 8 above, 16 (32%) respondents strongly agree that with increased effort and higher performance they will be rewarded more than their counterparts whose input is below the norm, while 15 (30%) agreed and 10 (20%) indicated they were not sure. 7 (14%) respondents disagreed and 2 (4%) strongly disagreed.

From the distribution, a total of 31 (62%) respondents agreed that with increased effort and higher performance they will be rewarded more than their counterparts whose input is below the norm, 9 (18%) disagreed, and 10 (20%) were not sure. The implication is that majority of employees in the organization believe that with increased effort and higher performance they will be rewarded more than their counterparts whose input is below the norm.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1. Summary of Findings

From the analysis, it emerged that, though the respondents' voices show a more feminine influence, majority of them have been working in the organization for a longer period, and thus have a good understanding of issues in the organization covered in this study. The following key findings were made.

- i). Employees in the organization hold the perception that pay satisfaction affects their overall job satisfaction.
- ii). Employees in the organization hold the perception that inequity in organization's reward system leads to their feeling of less job satisfaction.
- iii). Employees in the organization are of the view that the level of effort exerted on the job is as a result of pay satisfaction.
- iv). Employees in the organization believe that employee effort exerted on the job will result in valid outcomes.
- v). Employees in the organization do not feel their work is not supported thus they work more or value the work of their colleagues.
- vi). Employees in the organization believe that with increased effort and higher performance they will be rewarded more than their counterparts whose input is below the norm.

5.2. Conclusion

Based on the analysis and findings, it is concluded that majority of employees believe they are being paid less than others doing the same job i.e. they perceive inequity in the organization's reward system thus creating low job satisfaction.

5.3. Recommendations

Based on the key findings outlined in section 5.1 above, the following recommendations are made to the organization.

- i). Management should treat salaries and other fringe benefits as motivational factors to increase job satisfaction amongst employees which will translate into high productivity.
- ii). Reward systems should be open and fair to all employees and be based on the level of effort exerted by employees on the job to increase employee job satisfaction.
- iii). For increased performance, employees need to be motivated and incentivized to increase the level of effort exerted on their jobs.
- iv). Management should implement a reward system that will reward hard work in the form of variables and performance incentives.
- v). Management should maintain and enhance the support given to employees in the performance of their duties.
- vi). Management should implement a performance management system that recognizes and awards hard working employees.

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APPENDIX 1

QUESTIONNAIRE

Understanding Employees Perceptions of Inequity in Organizations' Reward Systems and its Effects on Employee Job Satisfaction

Synopsis

The purpose of this research is to provide an understanding on how employees' perception of inequity in the organization's reward system affects their job satisfaction.

It is expected that the outcome of this research will help management better manage employee reward system and help improve job satisfaction.

I undertake that all information provided will be used solely for the purpose of this research and not be shared.

Thank you.

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SECTION A

Demography

Please, kindly answer the following by ticking the appropriate answer of your choice

1. Gender:

Male

Female

2. Number of years in the organization

- Less than one year
- More than one year but less than two years
- More than two years but less than three years
- More than three years but less four years
- More than four years

SECTION B

Employee Perception of Inequity in Organization’s Reward System and its Effects on Employee Job Satisfaction

Please, kindly answer the following by ticking the appropriate answer of your choice

N o.		Strongl y Agree	Agree	Not Sure	Disagree	Strongly Disagree
3.	Pay satisfaction affects my overall job satisfaction					
4.	I am less satisfied with my job because I feel I am being paid less than others doing similar jobs.					
5.	Pay satisfaction has a big effect on my behavior, such as the effort I exert on the job					
6.	I do not believe my efforts will result in valid outcomes due to the unfair rewards system					

7.	I work less or undervalue the work of my colleagues because I feel my work is not supported					
8	With increased effort and higher performances, I expect to be rewarded more than my counterparts whose output are below the norm.					

Thank You Very Much