

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF MANAGEMENT STUDIES  
MBA PROGRAMME**

**THE EFFECT OF JOB DESIGN AND REWARD SYSTEM  
ON EMPLOYEE PERFORMANCE AT LOI HEIN GROUP  
OF COMPANIES (YANGON)**

**ZAW PHYO OO**

**EMBA II - 42**

**EMBA 16<sup>th</sup> BATCH**

**DECEMBER, 2019**

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**ACADEMIC YEAR (2017-2019)**

**Supervised By:**

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EMBAII – 42  
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“This Thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the Degree of Master of Business Administration (MBA)”

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## **ACCEPTANCE**

This is to certify that the thesis entitled “The Effect of Job Design and Reward System on Employee Performance at Loi Hein Group of Companies” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree.

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**DECEMBER, 2019**

## **ABSTRACT**

This study intends to explore the effect of job Design and Reward System on employee Job satisfaction and to analyze the effect of job satisfaction on the employee performance in Loi Hein Group of Companies. To examine the job design, reward system and job satisfaction, one hundred and thirty are selected from employees at purified drinking water sales and distribution department Loi Hein Group of Companies in Yangon by applying census sampling method. Structured questionnaire is used in this study. The findings point out that job design and reward system influence on employee job satisfaction. According to the results, among job enrichment factors, justice in the organization, job autonomy and organizational support have significant positive effect on job satisfaction while job arrangement is only factor among job enlargement which affect job satisfaction of employee in Loi Hein Group of Companies. Moreover, both financial and non-financial rewards have significant influence on satisfaction of employee in Loi Hein Group of Companies. It is also found that job satisfaction strongly effects on employee job performance. Base on the results it is recommended that employee satisfaction can be increased by promoting by enriching and recognition in their jobs. It is also found that job satisfaction strongly effects on employee job performance.

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## **LIST OF ABBREVIATIONS**

HR	Human Resources
KPI	Key Performance Indicators
POS	Perceived Organizational Support
SPSS	Statistical Package for the Social Sciences
JCM	Job Characteristics Model
SRS	Simple Random Sampling
Std. Dev:	Standard Deviation
VIF:	Variance Inflation Factor

# **CHAPTER 1**

## **INTRODUCTION**

Every organization want to be successful, in the fierce competitive environment. Therefore, all of the organization are striving to retain the best employees, acknowledging their important role and influence on organizational effectiveness. Organizational performance is affected by various factors including satisfaction of job level, which is influenced by the nature and design of the assigned tasks. Performance is a critical factor in organizational success. Performance can be described as organizing as well as managing the casual model components that bring about the appropriate achievement of stated aims within limitations precise to an organization and to the circumstances (Lebas,1995). At the analysis organizational level an organization which is performing well is one that is achieving its goals successfully, that is to say the one that is executing a suitable strategy effectively (Outley,1999).

Job performance is additionally a part of human resource management. As performance is the most importance part of the organization's achievement, every organization make assure that their job design and reward systems are very effective to obtain the employees' best effort to support to achieve the organizational goals. Job design and reward system are used as tools to attract the new employees and encourage the existing employees to perform high levels by every organization. Employees are motivated by good job designed and reward system of the organization to give their best effort to their organization. Good job design and reward systems are very effective way to engage the employees with their works and organization.

In planning a reward program, a tiny business owner must separate the salary or earning system from reward system. Financial rewards are regular basis pay such as bonuses, incentive scheme etc., should be tied to an employee with his or her performance and should be considered merit pay or performance-related pay. By doing so, manager can manage well to get the best performance of employee and ensure that rewards are for those who work excellence or achievement rather than basis competency. Many people think that to motivate the employee is just pay but studies point out that major influence over the employee motivation, job design. Within the fierce competitive environment both of the job design and reward systems are essential parts.

Armstrong (2003) defines job design as the methods of performing tasks, aimed at meeting the needs of the organization as well as the job holder. The author further reveals that job design ensures that the assigned tasks match their skills and interests. Job enlargement being one of the forms of job design is aimed at improving job satisfaction, improve output, work quality and reduce employee grievances and dissatisfaction. According to Atinson (1984) Job enlargement aims at meeting the personal needs of employees by reorganizing and restructuring work such that the nature and content of the assigned tasks meets the social and personal needs of employees. Job enlargement if well applied is very important in any organization because it enhances positive effects on the productivity of its employees. Job enlargement impacts on motivational and satisfaction levels and organizational level of commitment. Job enlargement increases employee interest to perform the job. Job enrichment is the designing of jobs to increase the opportunities for the employees to experience the feelings of responsibility, achievement, growth, and recognition.

Reward System is designed to increase job satisfaction among employee and it fulfills employees' needs and support the interaction between the employee and organization. Moreover, organizational reward system and employees' satisfaction are interrelated component in an organization. Reward systems are known as to help an organization to increase the employees' motivation thus leading to employees' satisfaction. Reward management influences on performance and rewarding to good performance by providing incentives is practices of every kind of healthy organization.

The purpose of this study is to attempt to identify how these job design and reward system impact on employee performance and how well the current job design and reward system are. This study is expected to provide valuable information on job satisfaction of employees in relation to job design and reward system at work and to enhance job satisfaction, internal work motivation and work performance that contribute to the company's further success.

## **1.1 Rationale of the Study**

This study intends to underline the basis of this research is about how employees tend to view and enjoy their work and its impact on their performance. The main problems of the organizations that they are facing in nowadays is whether employees are motivated to perform on their jobs and whether employees find their work interesting and meaningful. Today, companies grapple with such challenges as redundancy, profit reductions, employee turn-over or job-hopping phenomenon, and understanding of jobs and what amount of productivity could be obtained from the holders has become critical. Employee is the most valuable assets of organization and job satisfaction is the most widely investigated job attitude, as well as one of the most extensively researched subjects in organizational psychology (Judge & church, 2000). As such, their job attitudes should be studied, analysed and interpreted correctly.

One of the job attitudes such as job satisfaction is considered to be one of the widely researched job attitudes and among the most extensively researched to be in Industrial Psychology (Judge and Church, 2000 as cited in Mutasa, 2016). Managing the reward system is managing the expectations, which is what employees expect from their employer in return for their contribution and the employers expect from their employees in return for their pay and opportunities to employees and develop their skills is to obtain the best of employees' effort and performance for the organization to achieve the organizational goals. Reward system seeks to attract people to join the organization to keep them coming to work, and satisfied them to perform to high levels. Employee rewards can serve the purpose of attracting prospective job applicants, retaining valuable employees, motivating employees as well as achieving human resource objectives and obtaining a competitive advantage.

In addition, fierce competition environment to increase the employees' performance, just pay is not enough to motivate employees. So organizations are improving their design of job and combine with reward system. To sustain the organizational achievement, performance of the employee plays in essential role in every organization and designing the job to support employee to perform well is leading to motivation. While excellence performances are rewarded satisfaction levels will be increased and it will enable improving employee motivation, that will lead to organization sustainable development.

## **1.2 Objectives of the Study**

The objectives of the study are:

- (1) To examine the effect of job design on employee satisfaction at Loi Hein Group of Companies.
- (2) To examine the effect of reward system on employee satisfaction at Loi Hein Group of Companies.
- (3) To analyze the effect of employee satisfaction on the employee performance at Loi Hein Group of Companies.

## **1.3 Scope and Method of the Study**

This study is conducted to explore to the fore how job design and reward system and all-important concept has gained grounds on the front of Human Resource Management in terms of its effect on employee work motivation and job performance. In actual this study was focused specially on how employees of Loi Hein Group of companies were influenced by the design of their jobs and reward system. This study only covers the job design and reward system used in Loi Hein Group of Companies at sales and distribution department of purified drinking water business.

The data for this study was primary data type collected from the employees of Loi Hein Group of Companies. The respondents were asked to answer the questions or to choose the items in the questionnaire. Primary data are collected from personal interview with HR Manager and through the structured questionnaire with five-point Likert Scale from one hundred and thirty respondents. The collected data analyzed by using descriptive analysis and multiple regression analysis.

## **1.4 Organization of the Study**

There are five chapters in this study. Chapter one includes rational of the study, objectives of the study, scope and method of the study and organization of the study as and introduction of the study. Chapter two includes the theoretical background of the study and it presented conceptual frame work. Chapter three explains profile of Loi Hein Group of

Companies, research design, profile of respondents and job design and reward system exist in Loi Hein Group of Companies. Chapter four analyzes the effect of job design and reward system on the employee performance at Loi Hein Group of Companies. Chapter five is the conclusion of the study, it includes findings and discussions, suggestions and recommendations and needs for further research.

## **CHAPTER (2)**

### **THEORETICAL BACKGROUND**

This chapter consists of the concept and definition of job design and reward system, describe the relationship with job design, reward system and job satisfaction, and job satisfaction impact on the job performance at Loi Hein Group of Companies. Job Design includes job enlargement and job enrichment. Reward System include financial rewards and non-financial rewards. This chapter also presents job satisfaction and job performance. Finally, conceptual framework of the study is presented.

#### **2.1 Job Design**

Job design refers to the specification of the job methods, relationships and contents so as to satisfy organizational as well as technological requirements and the job holders' personal and social requirements (Armstrong, 2003). The reason for job design is to create a job specification and which will enable to motivation in employees and also bring out their best performance. The study shows to find out how employees view and enjoy the work they do, how best their jobs are designed so as to bring out the best from employees while they stay motivated and also stay aligned with the objectives of the company. According to Ali and Aroosiya (2012) design of job is the functions of task arrangement, responsibilities and duties in to a institutional work unit. (Armstrong,2003) states that design of job starts with task requirements analysis, that is what must be done, and after that it must take into consideration the following characteristics of motivation: responsibility, autonomy, self-control and finally discretion.

Design of job and concepts related to it has entrenched back to 1900. This is when many scientific management pioneers had discovered new ways regarding the ideology of business such as Gilbreth (1911), Taylor (1947) systematically examine the jobs with many techniques and methods but all of these deem design of job is the most significant in the scientific management. Herzberg, Mausner, & Snyderman, (1959) reported that the first theory which was presented linked to job design of an individual and this is theory of two factor which essentially explains the two types of the motivational factors. One this factor is linked to intrinsic motivation (for instance achievement, self-recognition and authority)

and the other is a hygiene factor and it describes to individual work extrinsic motivation (For instance working environment, salary and additional extreme benefits).

### **2.1.1 Job Enlargement**

Job enlargement can be described as horizontal job loading which is an act of assigning employees' additional duties within their work spectrum and increasing activities done (Dessler, 2005). This helps to reduce boredom arising from doing repetitive work daily and it helps motivate workers in an organization. Hllgren & Sverke (2001) described that to increase the competition among every kind of organization, most of the employees are not working in one organization for a long time period, thus the management of the organization are has to face some extra responsibilities and the whole organizations has to suffer extra costs. Increasing the work pressure in the work-place, very common work activities of the employees on the work place are transformed and make those activities to able to work at every level. That transformation has increased the employee's performance in the organization and decreased the overall cost of the organization.

Job enlargement entails adding the number of tasks in a job with an aim of meeting the diverse social and personal needs of the employees. The reorganization and restructuring of work is based on motivational theories to ensure that the new tasks in the job design meet the employees' expectations. Job enlargement also considers the elements of work performance and job satisfaction to ensure a balance between organizational needs and employee needs. According to Wales (2000), job enlargement principles are concerned with specialization and division of labor. The repetitive nature of the divided tasks results into specialization, which increases employee productivity and job satisfaction. Job enlargement has two major reasons to be considered that is improving the level of satisfaction by individual which is obtained from their work and maximizing on available organizational resources and to use it overcoming barriers towards effective performance. However, division of labor may be counterproductive because of boredom and alienation experienced by the employees.

### **2.1.1.1 Forms of Job Enlargement**

Job enlargement can be through task structuring, job arrangement and checking at the meaningfulness of a job. These forms of job enlargement have been discussed as follows:

#### **(A) Task Structuring**

Task structure refers to the degree to that the task is made very clear to the employee who need to performe it. Task structure includes the extant of the task that are clearly described and have detailed procedures. The employee needs to known the steps which can enable him to complete the tasks if he has taken these steps specifically. So the task structuring can be defined as the level at which a task is made clear to its staff who are assigned to perform it and task structuring entails the magnitude to which jobs are defined and have a detailed description of processes and employees are made aware of the steps they should take in performing a job for them to be successful. According to House (1996) when employees' tasks are well defined and organized, the employees gets motivated to work independently since they are aware on the direction to take. Employees will efficiently achieve their goals and those of the company when work procedures are made clear. Management role entails making analysis and structuring tasks where necessary to remove any form of barriers that might deter workers from executing their duties and finishing their work.

#### **(B) Job Arrangement**

Job arrangement aims at ensuring integration of different elements of a job; planning, controlling and executing (Hackman and Oldham, 1975). The management and team leaders are entrusted with the tasks of planning and controlling the job while the employes are responsible for execution of the tasks. Inc.Magazing (May 2019), Flexible work programs are work arrangements wherein employees are given greater scheduling freedom in how they fulfill the obligations of their positions. Some of the organization let their employees choice for their working hour in terms of the time when they beign and end work, provided they put in the total number of hours required by the employer.

Hackman and Oldham (1975) Among the leading factors that promote job arrangement is job enlargement, whose main objective is to integrate the planning and controlling elements into the assigned tasks.Consiquently, employees gain empowerment that prompts their career advancement and motivation. One of the leading merits of job

perceptions that employees gain about the balance between their career and personal achievements. Good work life balance between family care, personal time and career success with minimal conflict. For employer to take advantage of the high employee motivation that results from work life balance, they implement measures such as quality-of-work-life programs such as flexible work schedules. Through the flexible work schedules, employees are allowed to work when they can as long as the agreed hours of work are covered and required job output is met. Workplace wellness includes things such as counseling, childcare and family support programs which when taken care of employees are able to concentrate fully on their jobs.

### **(C) Job Meaningfulness**

According to Hackman and Oldham (1974) psychological holds that meaningfulness of job and aligning responsibilities to work productivity has a great influence on motivation, satisfaction of the job and performance. The job characteristic method provides implementing principles that can be used to enrich jobs in an organization. The model provides a set of 5 main traits of a job that include a variety of set skills, identity, importance of work, independence and feedback that impacts the work i.e. satisfaction, motivation, absenteeism and turnover.

Hackman and Oldham (1980) proposed that motivation was linked to and employee experiencing meaningfulness of job that is fundamental to intrinsic motivation. It is the responsibility give to the employee to prove themselves in a job through their performance and knowledge of the outcomes. An employee needs to the success story of work done to learn from their gaffes. As a result each of the three critical states is derived from the characteristic of the job. Knowledge of the outcomes is derived from the feedback and employee receives on their performance(Robertson, 1992).

### **2.1.2 Job Enrichment**

Involving the worker to managerial functions of the higher ranks is called job enrichment. On the other hand enlarged jobs allow workers to perform more tasks by having some position. The job enrichment also increases the self-actualization self-control and self-respect of the workers. That things lead to the success of the employees' performance(Vroom, 1964: Swinth, 1971).

The job enrichment theory identifies the tasks condition in which individual is predicted to prosper in their work by their own. Job enrichment theory gives the management the insight that employee effectiveness can be enhanced by enriching the jobs with high levels of key characteristics and making sure those employees with appropriate personal qualities are assigned to these jobs (Parker and Ohly, 2008 Oldham and Hackman, 2010; Hackman and Lawler, 1971). Motivation is goal-oriented behavior (Odiorne, 1970 and Likert, 1967). (Locke 1968) described that there is always a positive relationship between involvement and the accomplishment of the goals by the workers when these employees' jobs are enriched.

The job enrichment also increases the motivation level and also the performance of the employees on the work place and their tendency to attain the goals is become more possible (Latham & Kinne, 1974; Bryan & Locke, 1967; Latham & Baldes, 1975; Latham & Yukl, 1975; Ronan, Latham, & Kinne, 1973; Myers, 1970; Raja, 1974; Herzberg & Frederick, 1968). In current era among the industrialist and researchers, employee performance has been into a lot of debates. Ali and Jadoon, (2012) described that employee performance within an organization can be defined with a variety of ways including their behavior, attitude and motivation to achieve goals. Taylor is very famous one who had recognized the factors that are going to influence the performance of the employee during the work and in overall development. There are four major factors that may affect on the employee performance. These are as below;

- Job Autonomy
- Organizational Support
- Training
- Justice in The Organization

**(A) Job Autonomy**

Increasing impact of job autonomy on the worker performance and the decreasing of job autonomy in the organizations will creates so many problems like decrease in productivity, performance and increase in stress. (Hart & Willower, 1994) the employee performance cannot be increased merely by increasing the focus on the authority, discipline and control in the organizations. Job autonomy enable enhancing the performance of the employee in the organization. (Dean, Colarelli & Konstans, 1987) describe that job autonomy creates a sense of responsibility among the employees. The extent to which work

environment sustains and promotes the job autonomy of employees, allows them to activate positive and autonomous work behaviors by the theory of SDT ( Self-Determination Theory). This situation is considered as an essential factor which is able to promote employees' work motivation, satisfaction and well-being ( Camerino, Conway, & Lusignani, 2005 ; Camerino & Mansano Sarquis, 2010).

Job autonomy is positively related to important work outcomes, such as performance, job satisfaction, organizational commitment, and intrinsic motivation (Humphrey, Nahrgang, and Morgeson (2007)). The need for autonomy is essential to the begin of intrinsic motivation that support to perform an activity for itself and driven by pure interest and the pleasure of acting (Deci, Connell, & Ryan, 1989 ; Gagné and Deci 2005 ). (JCM; Hackman & Oldham, 1976) In the job characteristics model the job autonomy is the extent to which a job allows freedom, discretion and independence to schedule work, make decisions, and choose the procedures and methods to perform activities.

#### **(B) Organizational Support**

According to organizational support theory, employees tend to assign human-like characteristics to organization and thus encourage the development of perceived organizational support (Eisenberger et al., 1986). (Huntington, Eisenberger, Hutchinson, & Sowa, 1986) identified that to meet socio-emotional needs and to evaluate the benefits of developed work effort, employees come into being a general perception of concerning the extent to which the organization values, cares about their well-being and their contributions (Huntington, Eisenberger, Hutchinson, & Sowa, 1986). Perceived organizational support would increase organizational productivity since employee affective commitment to the organization and employees' felt obligation to help the organization reach its objectives, as their expectation that improved performance would be rewarded.

The personification of the organization is enhanced by the organization's legal, moral, and financial responsibility for the actions of its employee. By organizational policies, norms, and culture that provide employees base their judgments of their perceived value to the organization on how favorably the organization treats them. When the organization gives resources to employees in a voluntary manner rather than under circumstances beyond their control, employees will view such aid as being genuinely valued and respected by the organization (Cotterell, Eisenberger, & Speicher, 1992). Based on this principle, perceived organizational support will be more effectively enhanced if

employees view organizational rewards and favorable job conditions such as pay, promotions, job enrichment, and influence over organizational policies as voluntary behaviors of organizations (Eisenberger et al., 1986).

Since supervisors are often viewed as organizational agents, favorable treatment from supervisors should enhance employees' perceived organizational support, however, this relationship is mediated by employees' perception of the degree to which supervisors' actions are designated by organizations, as opposed to their own. The employees will give extra common effort to increase the productivities of the organization, when the organization give them full support (Fasolo et al., 1986). When the importance is given to the employees in the organization, it will ultimately affect the employees' commitment and also the productivity of the organization will be increased (DeCotiis and Summers, 1987). By solving their problems and giving the employees a sense of importance are positively effect on organizational performance and commitment (Iverson and Buttigie, 1999).

### **(C) Training**

Whether Performance training affect in the services companies and the purpose of the study is to determine whether invested by the organization in employee training had an impact on their business performance. (Del Valle et al. 2009) described that the findings supported that training activities are a positive influence on company performance. Giving the training to the employees is to improve their performance through the development of their skill (Harel and Tzafirir, 1999). Training of the employees can improve their commitment level, knowledge sharing and their honor to work in the organization (McEvoy 1997). Burke and Day (1986) also found that the managers' performance can also be increased in the organization by the way of providing them training and the cost of training is basically the company's investment that provides it benefit for a long time period. Employee's morale will increase and they will become more committed while performance their tasks in the organization (Bartel, 1994).

### **(D) Justice in The Organization**

Justice or fairness refers to the concept that an action or decision is morally right and which may be defined according to ethics, religion, equity, or law. (Greenberg 1987) introduced the conception of organizational justice with relation to how an employee judges the behaviour of the organization and the employee's resulting attitude and behaviour. (Tabibnia, Satpute, & Lieberman, 2008) decribed that people are naturally attentive to the

justice of events and situations in their everyday lives, across a variety of contexts and people always react to organization's actions and decisions daily and the opinions on these decisions as fair or unfair will influence to the individual's subsequent attitudes and behaviors.

(Brockner 2010) The effect of interactive on different justice opinions within the work environment and the empirical evidence supporting these interactions. (Cohen-Charash and Spector 2001) meta-analytically demonstrates that procedural, distributive and interactional justice are strongly related but not identical. (Colquitt, et al. 2001) also examines the distinctions between facets of justice in relation to each other and work-related outcomes.

## **2.2. Reward System**

(Luthans, 2000) discussed that there are two basic types of rewards, financial and non-financial and both can be utilized positively to enhance performance behaviors of employees. If employees know that they will be rewarded by the organization with something of value to them by doing so, employees will change their behavior by working harder and prioritizing their actions, as expectancy theory. Thus, incentives are a great way to reward effort and behavior which the organization wishes to encourage. If the incentive is paid in return for behavior that contributes to the organization's goals, it will in the long run enhance organizational effectiveness and productivity and hence generates a positive outcome for both employer and employee (Taylor, Hall, Torrington & Atkinson, 2009, p. 162).

(Armstrong 2002) point out that an organization reward strategy capture a financial rewards such as base pay and benefits which at all the time should remain slightly above the median for the location and benefits are more generous than its rivals. For the management, the criterion of success for reward policies is that they satisfy employees to commit high levels of physical or mental effort towards performing required tasks well. The most common types of rewards include basic pay, incentives and benefits, performance-based pay, development opportunities and work-life balance. The reward system is business strategy of the organization.

The drivers are unique to any organization. Fundamental function of human resource management that deal with the assessment of job values, the design and

management of payments, performance management, employees' benefits and pensions including the management of rewards procedures. Furthermore, reward system takes into account organizational goals, values and strategies (Armstrong, & Murlis, 1998). Therefore, every company needs a reward system for employees of financial and non-financial rewards.

### **2.2.1 Financial Rewards**

As mentioned earlier in this section, for a reward system to be motivational, the reward should have a value. Since people value money, money is an important form of reward. According to Merchant (2007) the monetary reward is not the only form of reward and is not necessarily always the best one, but it is so commonly used that it deserves special attention. Kaplan and Atkinson (1998) argue for three suggestions about monetary reward systems. The first one is that they should be competitive so that they will attract and retain high quality co-workers. The second is that they should communicate and reinforce key priorities in the company. The third is that companies should develop a performance-oriented climate by rewarding high achievement. All these authors' suggestions harmonize with each other and give a representative view of the purposes of the reward. Monetary rewards are usually based on either employee's behavior or performance (Anderson & Oliver, 1987). According to Samuelsson (1999) reasons to utilize monetary rewards based on performance are:

- to align labor costs with productivity
- to retain top performers
- to reinforce company objectives

Companies can base pay on individual or group output, or company-wide performance. (Ax, Johansson & Kullvén 2005). For a monetary reward system based on performance to be successful, employees must:

- believe they will get more pay if they improve their performance
- desire more pay
- be physically able to improve their performance
- trust the company to administrate the plan fairly

Some employees appreciate the possibility of receiving a reward for their performance. Variable pay can also be an advantage for the company in terms of risk-sharing because the expense for compensation varies more with company performance. The company's costs will be lower when the profit is low and when the profit is larger, it can be shared with the employees (Merchant, 2007). (Ax, Johansson & Kullvén, 2005).

Monetary reward based on performance, can be classified into three main categories:

1. Short-term incentive plans
2. Long-term incentive plans
3. Performance-based salary increase

Annual incentives, commission, cash bonuses, gain sharing, and reward the individual employee for achieving certain goals over a short period are included in Short-term incentives. A cash bonus is usually based on performance measured on a period of time up to one year. Short-term incentives can be measured based on the group's performance, individual's own performance or the company's overall performance.

Long-term incentives are rewards based on performance measured over periods of time longer than one year. The main purpose of this type of plans is incentives are to provide for employees to improve the overall performance of the organization and the employees' long-term rewards are linked with the organization's long-term results and this also mean to attract and retain key talented persons (Merchant, 2007). Examples of typical long-term rewards are stock-option programs, restricted stock plans or a reward that is put in a bonus-bank running over several years that change according to result (Samuelsson, 1999).

The performance-based salary increases, which is the focus area of this thesis, is often considered to be the greatest motivational factor of them all. The other two rewards mentioned above in this section are common on managerial levels and often linked to performance during a specific time of period (Samuelsson, 1999).

### **2.2.2 Non-Financial Rewards**

Non-financial recognition is a technique of identifying either individual worker or teams for particular praise and acknowledgement. The size of non-financial recognition schemes vary hugely and non-financial recognition are often thought of as a non-cash award given in recognition of a high level of accomplishment and performance. For

example, customer care or support to colleagues, that is not dependent on achievement of a pre-determined target. (Rose 1998) described that the most significant part of this definition concerns the term 'non-cash'. The important thing, that to be aware the concept of non-financial recognition does not mean that the recognition provided should not be financial value, it simply means that whatever is given, it should not be just money.

Money is actually valued, but as mentioned above it affects on intrinsic motivation. (IDS 2002) discussed that acting of recognition and gives the esteem to employees are the heart of the motivation provided by non-financial recognition. Non-financial reward should be considerably more memorable than a cash award, which is simply subsumed into employee's salary. In addition organization can offer a gift, an experience or the means to purchase material goods of their own choice as non-financial recognition schemes.

### **2.3. Employee Satisfaction**

Locke defined employee satisfaction as a pleasure or positive emotional state resulting from the appraisal of one's job or job experiences (Locke, 1976). The sense of achievement and success that a worker derived from its attributed as satisfaction from a job. The key item that brings gratitude, income, back-up, and the accomplishment of other goals that in turn paved the path for a feeling of realization is employee satisfaction. (Unutmaz, 2014) mentioned that there is no universally accepted definition of employee satisfaction, but there are many definitions of job satisfaction in the literature. Employee satisfaction is the magnitude to which employee are satisfied with their responsibility due to their needs and wants are met or satisfied. It is also emotional or affective reaction to the job and resulting from the employee's comparison of actual outcomes with required outcomes (Finn 2001, Cranny, Smith and Stone, 1992).

According to Noe, Hollenbeck, Gerhart and Wright (2009), employee satisfaction is a pleasant feeling resulting from the perception that one's job fulfills or allows for the fulfillment of one's important job values. Luthans (2005) described that employee satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. Employee satisfaction represents an attitude rather than a behavior. When work matches with needs and interest in working conditions and rewards are satisfactory, people experience this attitude. Moreover, when they like their co-workers,

and when they have positive relationships with supervisors people experience this attitude too (Daft and Marcic, 2007; Robbins, Judge, Miller and Waters-Marsh, 2008).

## **2.4 Employee Performance**

Cuenin (1897) defines performance indicators as numerical value that shows the quantitative value or performance of a given system. However, performance is not only measured by quantitative means, but also qualitative indicators (Massen, 1990). The direction of an indicator shows the level of performance. Favorable performance is indicated by the movement of the indicator in one direction while the movement in the opposite direction is indicative of poor performance. Success is often the repeated periodic achievement of operational goals. Choosing the right key performance indicators (KPIs) relies on what is important to the organization and importance is dependent on the department within an organization which is measuring it. Performance initiatives are routinely associated with Performance indicators. Different management frameworks such as the balance score card are used to select KPIs. Becker (2005) declared that the elements in the human resource score card are key leading indicators for the success of a workforce.

Key performance indicators have always been assigned to each perspective in the strategy map but are being adapted in the entrepreneurial sector as well. Gerathy (2003) observed that according to their experience performance indicators are valid and effective when applied in a comprehensive and consistent manner. Griffin (2004) pointed out that there should be a direct link from the overall organizational goals to the performance indicators. Appleby (1994) suggests that employees' performance is indicated by industrial peace within organizational goals due to minimized strikes, lockouts and other malpractices which can affect productivity. Cole (2005) suggests that employees' performance in an organization is evident by attainment of set goals, reduced labour turnover, reduced absenteeism and late coming and early leaving of an organization. This comes as a result of employees' motivation from job restricting which cuts down boredom due to undertaking of a repetitive job without a change.

Employee performance directly focuses on productivity of worker via assessment of the units' number of suitable qualities created by a worker in a processing environment, in a specific of time (Putterill & Rohrer, 1995). The business success is dependent on performance of employees. Increasing the employees' performance from the lowest

organization levels to senior management is one of the most efficient techniques of increasing business profit as well as performance. According to Al-Ahmadi, (2009) improvement of performance is not only an outcome of well-running system but as well is dependent on efficient strategies of human resource that thrive in employing as well as keeping a motivated and committed employees. Ivancevich (1998) reported that the performance dimensions on which a worker is assessed are called the evaluation criteria. Literature has shown that numerous criteria turn out to be useful so as to assess performance of job of a worker correctly (Opatha, 2002).

## **2.5 Previous Studies**

Many research conducted in developed and developing countries have established a significant association between job design and reward system on employee job satisfaction and employee job performance. This area of study is extremely important, and may have important implications for organizations in the future.

### **2.5.1 Relationship between Job Design and Job Satisfaction**

The main objective of the Job design is to increase the employee motivation and productivity (Rush, 1971). Task is the jobs' essential and fundamental bases which ignore the actuality that jobs are planned with extremely structured relational system which influences not only interpersonal relations of employees but also their associations too (grant, 2007). Design of the job can impact on the employee motivation tremendously. And Tanner, (1998) described that leaders of businesses are motivating individuals that they must follow a work design which is collaborative in which they ensure that workers must be accountable for their performance of work. Good performance can manifest itself in various forms. For instance, the focus can be that of improving quality and quality of goods and services, reduce operation costs, and reduce turnover and training costs. On the other hand, increasing employees' motivation can be achieved through increased job satisfaction and it effect on the employee performance.

Job enlargement is basically referred to situation when workers are rotated on different positions and assigned some extra duties to be performed during his normal routine (Dessler, 2005, p.138). Hulin and Blood (1968) explain that job enlargement enhances the productivity of employees because it allows them to set their desired limits,

control their quality, correct their mistakes and plan their work. Gupta (2008) cites that job enlargement makes the job more interesting by increasing its scope on the basis of number of tasks performed. In line with a research by Lowe (2013) on job enlargement impact on employee performance found out that enlargement of job increases the work volume of workers thus decreasing the time of socialization eventually resulting to reduced satisfaction of job as well as commitment of employee. The study also found out that enlargement of job is rooted on the reality that including extra responsibilities could lead to raised uncertainty of role and therefore bring about conflict of role. Work environment, employee satisfaction and task compositions also influenced on the motivation of the workers (Conant and Kilbridge, 1967; Lawler, 1969; Walker, 1950 and Walker & Guest, 1952).

(Kelley, 2012) study found out that, enrichment of job is efficient in organizations that are less complex that is in small organizations. It's notable to point out that in the research; organizations' complexity means size, and not essentially structure. The results of the study therefore are of importance as they provoke desire as well as curiosity of knowing whether redesigns of job, which basically might entail disturbing existing structures, have an impact on performance levels employees. Jain, Jabeen, Mishara and Gupta (2011); Yang and Lee, (2009); Jayawardana and O'Donnell (2009); enaibi (2010) in their studies confirmed that job enrichment satisfies employees' psychological and social needs, and sense of belongingness to the company.

Association between worker background and occupational characteristics and degree of resistance to a job enrichment program in the manufacturing industry, examined by (Collins and Raubolt, 1975). The questionnaire included background and occupational characteristics such education, age, tenure and position. The study groups consisted of engineers, draftsmen and engineering associates. This study revealed that education is the most important determinant of degree of resistance and employees with a college degree were found to be less resistant to job enrichment than were employees with not a degree. Furthermore, this study enclosed that, other characteristics with resistance to job enrichment such as the number of years to retirement. The study also revealed that other important determinants found were age and task performed. The more youthful employees were non-resistant than older employees and more employees who were performing similar tasks were non-resistant than were employees performing general tasks. This theory proposes that the task itself ought to be designed to possess certain characteristics that

create conditions for satisfaction, high work motivation, performance involvement, and commitment.

### **2.5.2 Relationship between Reward System and Employee Satisfaction**

According to examine the linkage between reward practices and employee job satisfaction, reward can be recognized as one of the key factors related to employee satisfaction. According to Maurer (2001) rewards should be linked to organizational successes as a result of employee job satisfaction and it is frequently considered as one of the key factors influencing employee satisfaction. On their part, Pascoe et al.(2002), indicates that the lack of external reward for someone's work is mainly anticipate supervisors from offering encouragement rewards in recognition of a job well done. In order words, lack of proper rewarding system decreases job satisfaction of employees. Therefore, management of organizations institutions should develop the systems for providing rewards for jobs well done to increase employee job satisfaction.

Job rewards and job values are the intrinsic and extrinsic benefits that workers receive from their jobs. Janet and Lacy, (1987) argued that job satisfaction is affected by both these factors, but rewards related to financial part of job rewards are more significantly related to job satisfaction vis-a-vis job values which are related to intrinsic part of job rewards. Reward system is divided by two categories as intrinsic and extrinsic rewards by Clifford (1985). Task autonomy, task significance, and task involvement are subdivided into intrinsic reward and task significance implies the degree to which the task is perceived as a significant contribution to the work process.

### **2.5.3 Relationship between Employee Satisfaction and Employee Performance**

According to examine the linkage between employee satisfaction and employee performance, job satisfaction plays a crucial role in terms of employee performance, and to some extent wellbeing, productivity, efficiency, employee relations absenteeism and turnover. Noe, Hollenbeck, Gerhart and wright (2009), job satisfaction is a pleasant feeling resulting from the perception that one's job fulfils or allows for the fulfillment of one's important job values. Luthans, (2005) describe that job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. Vroom

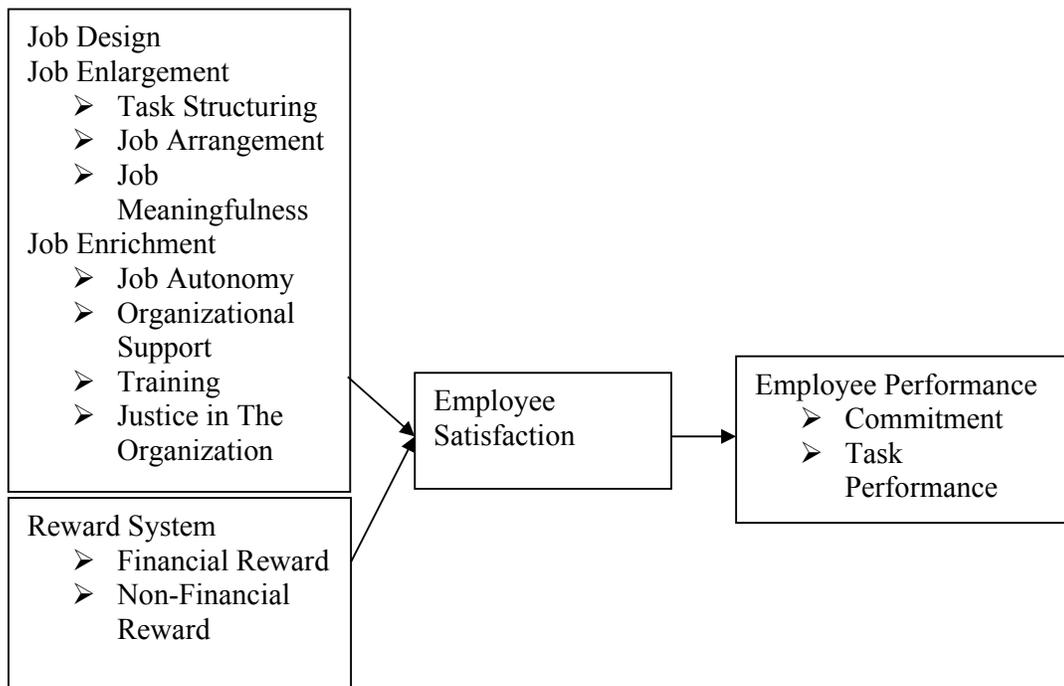
(1964) had earlier found that the notion that employee performance is a natural product of satisfying the needs of employees in the organization. Organizations that able to make their employees happy have more productive employees. The idea that a happy worker is a productive employee is inconclusive because empirical studies have produced a number of conflicting viewpoints on the relationship between job satisfaction and employee performance (Strauss,1968). It was on this basis that some researchers opined that employee performance may lead to job satisfaction but not the reverse and so job satisfaction is non-significantly correlated with employee performance in organizations.

Yang and Lee (2009) examined on the influence of employee satisfaction on turnover intention suggested that organisations that are serious about employee turnover need to improve employee job satisfaction. If management team wants to design empowerment programs to reduce turnover rate, they must keep in mind that these programs must first target the employees employee satisfaction. Employee satisfaction is an affective attitude- a feeling of relative like or dislike toward something. Employee satisfaction is the extent of individual's satisfaction with particular facets of their jobs, such as pay, working hours, pension arrangements, and numerous other aspects of their jobs. Falaja (2002) and Mullins (2008), added that employee satisfaction is more of attitude, and an internal state which could be associated with an individual or personal feeling of achievement, which could either be quantitative or qualitative. Job satisfaction in relation to an organization is the overall positive feelings people have about an organization whether as an employee, customer, supplier or regulator (Bloisi, Cook, and Hunsaker, 2003).

## **2.6 Conceptual Framework of the Study**

This study attempted to explore the relationship between organizational reward system, job design, employees' job satisfaction and job performance as well as to find the predictors that contribute to dependent variable. Organizational job design and reward system are the independent variable and employees' satisfaction and employees' performance are dependent variable. As shown in the conceptual framework, organizational job design and reward system consist of task structuring, job arrangement, job meaningfulness, job autonomy, organizational support, training, justice in the organization.

**Figure (2.1) Conceptual Framework of the Study**



Source: Own Compilation (2019)

Independent variables were tested with the dependent variable to investigate the relationship in a direct correlation analysis to find the significant value of the relationship. Base on the above literature review and previous studies, the conceptual model for this study is developed and shown in Figure (2.1).

According to the above literature reviews, conceptual framework has established three mains components: Job design and Reward system, Employee satisfaction and Employee performance. Job design categorized into Job enlargement, Job enrichment and Reward system categorized into financial reward and Non-financial reward. This study mainly intends to examine the effects of job design and reward system on employee satisfaction and analyze the effect of employee satisfaction on employee performance in Loi Hein Group of companies. Existence of effective job design and reward system had to lead employee satisfaction and employee performance. According to the literature review, employee satisfaction and employee performance are essential in every organization and the commitment of competent employees is critical to the success of organization.

## **CHAPTER 3**

### **JOB DESIGN AND REWARD SYSTEM OF LOI HEIN GROUP OF COMPANIES**

This chapter focuses on the job design and reward system of Loi Hein Group of Companies, and background of the Loi Hein Group of Companies. This chapter also describes the explanation of job design and reward system provided by Loi Hein Group of Companies. In this study, job design and reward system consist of Job enlargement, Job enrichment, financial reward and non-financial reward.

#### **3.1 Profile of Loi Hein Group of Companies**

Loi Hein company is the very famous distribution company of FMCG products in Myanmar and this company is runnign with 60,000 outlets for distribriton to the whole company. Every region and state from modern supermarkets to traditional shops, Loi Hein company access to entire market. Moreover from luxury hotels to neighborhood restaurants, their products reach each corner of Myanmar. This company has distribution hubs and depots strategically located in every sgtate of myanmar and a vast network of wholesalers, agents, dealers and retailer. This company ability to effectively distribute products to all consumers throughout the entire country is one of the key factors to success. That is why so many of the brands the company distribute hold leading positions in their respective market categories.

##### **(A) Consumer Brands**

Loi Hein company has strongest FMCG food & beverage brands and these are distributed in Myanmar. Moreover, these products are in leading positions in the market such as drinking water, soft drinks, energy drinks, dairy, and juices.

**(B) Distribution Network**

Strong distribution power is their ability and it has always been one of their core competencies. They have proprietary distribution hubs spread out throughout the whole country. This key asset allows them to successfully distribute their products to consumers in urban and rural areas of Myanmar.

**(C) Logistics Services**

Import, export, warehousing, transportation, delivery, and customer service have all been fundamental functions of the Company over the years. In 2017, their Logistics Service Company was formed in order to provide these third-party logistics services to other consumer products companies aiming to capitalize on the growth of the Myanmar market.

**(D) Financial Services**

Through their portfolio companies, they provide consumer lending, micro-finance, and corporate financial services to help various stakeholders meet their personal and business needs. Although this is still an emerging industry in Myanmar, they believe it will be one of the core businesses of their Company in the future.

**3.2 Job Design and Reward System at Loi Hein Group of Companies**

Loi Hein Co., Ltd is an organization engaged in manufacturing, marketing, selling and distributing consumer products in Myanmar and it provided the best job design and reward system to its employees.

**3.2.1 Job Design at Loi Hein Group of Companies**

Job Design of Loi Hein company for its employee is intended to reduce the redundancy, job-hopping phenomenon, employee turn-over, job boring and reward system of the company support the employee motivation to try to achieve their targets and it supports the company to reach its objective. The company also increases the job scope through extending the range of its tasks and responsibilities generally within the same level and periphery. Various activities of the company are combined at the same level in the organization and adding them to the existing job. But an individual worker and the responsibilities are always clear.

In the organization, tasks are clearly defined and described; one in which larger tasks are broken down into smaller, more manageable tasks. The use of this step-by-step plan helps fully prepare employees to complete their assigned tasks in a way that uses time and resources more efficiently. Task structure is one of three components of the path-goal leadership theory, which states that the objective of a leader is to provide superior task structure in order to keep employees motivated and efficient. Every process of the company is systematically designed to be performed smoothly. The design of the job is more challenging to the employee and has less repetitive work. The purpose of job design is to make the position more satisfying to the employee.

Company set its overall goals include increasing employee job satisfaction, reducing turnover, and improving productivity of employees and its want to enrich staff's positions so that they will be more happier, more productive, and less likely to seek a job elsewhere. By doing so, employees are feeling like their work has meaning and is important to the company. Moreover the job is designed to provide opportunities for advancement, achievement recognition, power, responsibilities and growth potential.

### **3.2.2 Reward System at Loi Hein Group of Companies**

Incentive scheme is applied in Sales, Marketing and Delivery Services departments based on monthly or quarterly performance of individuals. Each department discusses internally, proposes incentive criteria and amount to management and gets the approval before or at the beginning of the year. The incentive criteria have two parts, 70 percent of the amount is based on quantitative achievement and 30 percent is based on qualitative assessment.

At present, Loi Hein Co.,Ltd provides its employee with direct financial compensation, indirect financial compensation and non-financial compensation. Salary and wages are defined as direct financial compensation and pay scale determine with educational background, level of experience, job role, job responsibility, skill and ability are considered. The standard annual incremental pay is considered upon the promotion and company's overall performance . All employees who included in managerial and non-managerial level get a year-end bonus. But for the employees who are under probation period, festival bonus is paid. Moreover, the festival bonus, amount is given to all employees on the events of Water festival.

Indirect financial benefit includes social security benefits, social education program, meal allowance and uniforms. Social security benefit includes social security program, membership of social security and other benefits are provided to employees. The company is responsible for insurance against accident and illness for all employees according to social acts. The company and the employees are responsible to contribute monthly based on employees, payroll. The company contributes 3% and employees contribute 2% for the social security. So, employees are entitled to have the social security benefits due to workplace related accident or illness. In terms of other benefits, such as social education program, meal allowance and uniforms and staff welfare are also provided.

Loi Hein company allocates appropriate annual budget for training and staff development. Company also emphasizes on training and development for the purpose of organization development and adapt with the change. The Human Resource Department works with other departments to development training and development program. Company provides clear career path for every level of employees. Job training is provided for fresh graduate to be able to work effectively on their duties and responsibilities. The company provides with career development opportunities and training programs for the skills. The training and development program enable employees to grow with the company itself. Individual learning is a slow and counting process. Company under takes any development program for the continuing process based on each employees' stage of development and readiness to benefit from the training.

### **3.3 Research Design**

A research design is a model for the collection and analysis of data for how the research study is to be conducted. It defines the method of data acquiring, instruments selection for data analyzing and statistical techniques application in the study. This section deals with the type of research design; the population and sampling design; data collection methods; and data analysis methods. Descriptive research was used for this study. It facilitates the understanding of the characteristic with the subject population. It involves the observation and description of variables as distributed in the population with the basic goals being the collection of information about phenomena or variables within a population through the use of questionnaires.

Descriptive research design requires some understanding of the nature of the problem, which in this case was the identifying factors that is affecting personal factors, social factors, and organizational factors. The objective of this type of design is to discover whether a relationship exist between the variables and to describe the state of the variables. The dependent variable of the study was job satisfaction and job performance and the independent variables of the study are job design and reward system.

### **3.3.1 Sampling Method**

Sales and Distribution Department has 153 employees from various job level at Loi Hein Group of Companies in Yangon head office. 130 employees are non-managerial level and are selected for this study. To collect data from all of 130 is possible, so census method was used in this study. To gather the primary data a descriptive and quantitative research approach was used. Thus, the sample population of this study is 130 of non-managerial employees from company. Questionnaires are distributed by survey forms and printed question forms.

### **3.3.2 Data Collection Method**

This study mainly focuses on job design and reward system, job satisfaction and job performance in Loi Hein Group of Companies. This study only covers the technique of job design and reward system used in Loi Hein Group of Companies. In this study, quantitative method is undertaken. A structural questionnaires set is developed by combining instruments of the different variables. There are two types of question types; multiple choice questions for demographic data and 5 points Likert scales (where: strongly disagree was rated as 1; disagree was 2; neutral was 3; agree was 4; and strongly agree was 5) questions for measuring variables.

Primary data is collected from 130 employees from non-managerial levels base on Yangon region by using questionnaires. The questionnaires included four parts namely employee profile, job design and reward system, job satisfaction and job performance. Questionnaires are distributed by mean of printed question forms. After conducting survey, gathered questionnaires were summarized and analyzes such as descriptive and regression were done by using SPSS software.

### **3.3.3 Research Procedures**

The variables and related data are analyzed using descriptive, differential, and multi-linear regressions statistical techniques. The questionnaires were distributed to the respondents and later collected and also telephone conversations are made to interview the respondent to answer in the questionnaire. Along with the questionnaires a cover letter detailing the purpose of the study is attached.

Data were analyzed using frequencies and percentages tables. Other statistical programs like the Statistical Package for Service Solution (SPSS) version 25.0 was used to analyzed and interpret the data collected from respondents. The Likert scale questions were encoded before entry into the computer. The qualitative aspects of the data were summarized in the form of easy description and analysis. Therefore, qualitative and quantitative techniques were employed to present, describe and interpret data collection and to draw adequate conclusion on the findings.

### **3.3.4 Reliability Test**

The reliability test is very important before the analysis as it is conducted in order to ensure consistent measurement through different items in the questionnaire. According to Sekaran (2003) posited that the reliability measurement suggests stability and consistency of the mechanism. Consequently, this method indicates reliability through examining the internal consistency of the research questionnaires which are posed in Likert scale.

**Table (3.1) Reliability Test**

No	Particulars	No. of Items	Cronbach's Alpha
1	Task structuring	9	0.907
2	Job arrangement	6	0.799
3	Job meaningfulness	5	0.842
4	Job autonomy	5	0.839
5	Organizational Support	6	0.709
6	Training	9	0.857
7	Justice in the organization	5	0.769
8	Financial reward	7	0.744
9	Non-financial reward	7	0.787
10	Employee Satisfaction	12	0.753
11	Employee Performance	17	0.912

Source: Survey Data (2019)

Cronbach's alpha is very important and the range of Cronbach's alpha should become from 0.0 to 1.0 but for research purpose, some researcher suggested that the minimum standard for reliability should be 0.70 or higher. Table (3.1) presents the analysis result of Cronbach's alpha of 88 items whereas overall items of the questionnaires have accomplished with consistency and stability. The reliability scores of all questionnaires as indicated by Cronbach's Alpha score is more than the minimum requirement of 0.70, it can be said that overall items of questionnaires are reliable and consistent in measuring what is intended to measure.

### **3.4 Profile of Respondents**

In this section, the demographic profile of the respondents is presented with frequencies and percentage in the first part. In the second part, mean score and standard deviation of the reward system, job satisfaction and job performance are described. To analyze the employees' job satisfaction and job performance based on the reward system,

demographic characteristics, such as age, education level, experience and position are firstly presented. The frequency, percentage and mean scores of the profile of the respondents are presented in the study based on findings, profile of the respondents are shown in table (3.2).

According to the table (3.2) total respondents are 130 persons and most employees are between 26 – 30 years old and they present 96.15% of the respondents. The second large group is 31 – 35 years representing 2.31% of the employees. This is because most employees are sales drive and sales rep in the company. Among the respondent 1.54% are above 40 years old. Therefore, majority of employees in Loi Hein Group are young group. According to the Table (3.2), all of the respondents are degree holders and they contribute the large portion.

In this study, 6 occupational levels of the employees are observed. Sales rep level employees are large group by 53.85% among the respondents and sales drive level are 34.62%. Sales admin represents 9% and team leader represents 1.54% of the respondents. Senior staff represents 1.54% and supervisor are also 1.54%. Loi Hein Group of the Companies is Manufacturing, Sales and Distribution Business thus most of the employees are sales drive and sales representative. In order to get more satisfaction to the organization and increase performance, company needs to focus those major groups.

**Table (3.2) Profile of the Respondents**

No	Demographic	Frequency	Percentage (%)	
Total		130	100.00	
1	Gender	Male	119	91.54
		Female	11	8.46
2	Age	< 25 Years		
		26 – 30 Years	125	96.15
		31 – 35 Years	3	2.31
		36 – 40 Years		
		Above 40 Years	2	1.54
3	Education Level	High School		
		Bachelor Degree	130	100
		Master		
4	Working Experience	< 1 Year		
		1 – 2 Years	7	5.38
		3 – 5 Years	100	76.92
		6 – 10 Years	17	13.08
		Above 10 Years	6	4.62
5	Position	Senior officer	2	1.54
		Supervisor	2	1.54
		Assistant Supervisor		
		Sales Admin	9	6.92
		Team Leader	2	1.54
		Sales Drive	45	34.62
		Sales Rep	70	53.85

Source: Human Resource Department of Loi Hein Group of Companies (2019)

## **CHAPTER 4**

### **ANALYSIS ON JOB DESIGN, REWARD SYSTEM, EMPLOYEE SATISFACTION AND EMPLOYEE PERFORMANCE IN LOI HEIN GROUP OF COMPANIES**

This chapter discuss the data analysis and finding from questionnaires completed by 130 employees of Loi Hein Group of companies and in this chapter is to presented to study the relationship between Job design, reward system and employee performance in Loi Hein Group of Companies. In this study, linear regression model is used in order to find out these relationships by surveying.

Job design and reward system are very important in order to satisfied employees at the organization. If employees are satisfied about job design and reward system of the company, the performance of the employees could be increased significantly. In order to analyze the job design of the Loi Hein Group of Companies, structured questionnaires are collected from the 130 employees of the Loi Hein Group of Companies.

In the structure questionnaire, Five-Point Likert Scale (from 1 = Strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = Strongly agree) are used in order to find out the degree of influencing factor on employee satisfy. Hence, in this study the mean score can range from 1 to 5 and it can be assumed that mean score below 3 indicates dissatisfaction while the mean score above 3 indicates satisfaction. The mean score about 3 indicates neither dissatisfaction nor satisfaction on reward system of Loi Hein Group of Companies.

#### **4.1. Employee Satisfaction**

In this section, the extent of employee satisfaction on job, working environment, independence in the work, level of independence, feedback, work responsibilities, relationship with colleagues, activities in the organization, rewards, comfortable, right for opinions and challenging in the work. The results are in Table (4.1).

**Table (4.1) Employee Satisfaction**

No	Particulars	Mean	Std. Deviation
1	Current job.	3.38	0.504
2	Working environment	4.98	0.196
3	Policy for independent	4.55	0.544
4	Level of independence	4.56	0.528
5	Feedback	3.67	0.935
6	Work responsibilities.	4.71	0.473
7	Relationships with colleagues	4.96	0.230
8	Organizational activities	4.46	0.882
9	Recognition and rewards	5	0
10	Comfortable for responsibilities	4.43	0.906
11	Right for opinions	3.66	0.920
12	Challenging work schedule	3.62	0.927
	<b>Overall Mean</b>	<b>4.33</b>	

Source: Survey Data (2019)

Table (4.1) depicts that the respondents agreed that the employees are very satisfied with work relationship with their colleagues and organization provides them to work independently and employees are satisfied with the level of independence they are given, moreover, they are satisfied with the feedback they got from work. Employees are happy with the recognition and rewards for their outstanding works and contributions have the highest mean score and the second mean score was satisfied with this working environment that provides learning opportunities.

Mean scores of all other measures are higher than average score for all measures. This show that employees' general satisfaction with their jobs is high as well as growth need satisfaction. But their satisfaction with their current job has a mean value was lowest scores. Measures used to describe satisfaction with work of sample employees also illustrate the aspects of their jobs that satisfy them mostly, general and growth and satisfaction aspects of their jobs being quite high. It was concluded that employees are satisfied that provided by Loi Hein Group of Companies.

## 4.2 Analysis on Effect of Job Design on Employee Satisfaction

The reason for job design is to create a job specification and which will enable to motivation in employees and also bring out their best performance. The study shows to find out how employees view and enjoy the work they do, how best their jobs are designed so as to bring out the best from employees while they stay motivated and also stay aligned with the objectives of the company.

### (A) Task Structuring

In this section, task structuring can be defined as the level at which a task is made clear to its staff who are assigned to perform it. Task structuring entails the magnitude to which jobs are defined and have a detailed description of processes. Employees are made aware of the steps they should take in performing a job for them to be successful. The results are in Table (4.2).

**Table (4.2) Task Structuring**

No	Particulars	Mean	Std. Deviation
1	Instruction and procedure	3.72	.925
2	Measurement of the objectives	3.67	.935
3	Knows responsible person	4.71	.473
4	Set performance goals	4.96	.230
5	Company objectives	4.46	.882
6	Systems and processes	3.72	.925
7	Leading job accomplishment.	3.67	.935
8	Performing whole job	4.71	.473
9	Identifiable work.	3.95	.852
	<b>Overall Mean</b>	<b>4.17</b>	

Source: survey data (2019)

Table (4.2) shows that the satisfaction of the employees towards task structuring factor of the Loi Hein Group of Companies and how well the employees perceive the task assigned by the organization. Employees were clear regarding their tasks in all levels of the organization and employees understood the clear measures for each of the objective of

employee. In additions employees know responsible person for what, who needs to be informed, and who, if any one, has veto power and manager set the goals for the job that make employees see the link between work and the company objective. Company supports the very effective and efficient systems and processes for the employees, which makes employee to perform well the job and each of the everyone has to lead for the job. According to the mean score employee agreed that task structuring enhanced employees' performance in the organization

**(B) Job Arrangement**

In this section, job arrangement can be defined as the employees are entrusted with the tasks of planning and controlling the job while the employees are responsible for execution of the tasks. The research sought to establish several aspects of job arrangement. The people sharing the job work as a team to complete the job task and are equally responsible for the job workload is one of the job arrangement aspect. The results are in Table (4.3).

**Table (4.3) Job Arrangement**

No	Particular	Mean	Std. Deviation
1	Doing different things.	4.96	.230
2	Wide range of tasks.	4.46	.882
3	Plan and control	3.72	.925
4	Fully responsible	3.67	.935
5	Good experience	4.71	.473
6	Balance work and personal life	3.95	.852
	<b>Overall Mean</b>	<b>4.24</b>	

Source: Survey Data (2019)

According to Table (4.3) most employees are satisfied in doing number of things with the fact that the job involves doing a number of different things such as planning, controlling, execution and the job requires the performance of wide range of tasks and the employees are entrusted in planning and control to achieve the work objective. In additions, employee has to fully responsible for the result of the job what they do and good experience

make employee the skillful person in the job is second largest mean score and company also supports to balance work and personal life. According to the overall mean the respondents agreed that job arrangement influenced performance of employees in the organization.

**(C) Job Meaningfulness**

The importance of the purpose of work in employee' view of life and their attitudes are the meaningfulness of work. Job meaningfulness is the most important in the employee's feeling and it supports employee job satisfaction. The results are in Table (4.4).

**Table (4.4) Job Meaningfulness**

No	Particulars	Mean	Std. Deviation
1	Meaningfulness of work	4.46	0.882
2	Meaningfulness to others	3.72	0.925
3	Motivating to overcome the challenges	3.67	0.935
4	Meeting with other people	4.71	0.473
5	Full of meaning and purpose	3.95	0.852
	<b>Overall Mean</b>	<b>4.1</b>	

Source: Survey Data (2019)

The output revealed that meeting with other people is the largest mean score of Table (4.4) and the second largest mean score is the employees feel that the work is very meaningfulness to them and they think that other people on this job find the work is very meaningful. In the sales and distribution department most of the employees are have to communicate peoples and they have sales target and need to achieve this target. So, they need to try hard and their performance is very importance to the organization. In additions, employees are highly motivated in their work. The overall mean show, the respondents agreed that job meaningfulness influenced performance of employees in the organization.

**(D) Job Autonomy**

Employee perception on the degree to which the job provides the employee with significant freedom, independence, and discretion to plan out the work and determine the procedures in the job as autonomy. The results are in Table (4.5).

**Table (4.5) Job Autonomy**

No	Particulars	Mean	Std. Deviation
1	Own judgment and intellectual ability.	5	0
2	Making decision	4.43	0.906
3	Job-related difficulties.	3.66	0.920
4	Independent	3.62	0.927
5	Work-related information and instruction	4.72	0.453
	<b>Overall Mean</b>	<b>4.28</b>	

Source: Survey Data (2019)

According to the Table (4.5) the employees in Loi Hein Group of Companies are allowed to use own judgment and intellectual ability in the work. It was the highest mean value and second highest mean value was employees are allowed to make decision it effect on the job. In additions, employees are allowed to explain the job-related difficulties to responsible superiors and can share work-related information and instruction to other colleagues. The overall mean indicates that the respondents agreed that job autonomy influenced performance of employees in the organization.

**(E) Organizational Support**

Paying the employees fairly, recognizing the employees for new ideas and opinions, and exceptional work, are called organization support. In addition, promoting if employees are deserve of it and providing them with job security as incentive to remain with the organization are also called organization support. Moreover, reduce stress when made aware of it, encouraging autonomy to correspondingly increase production and morale and to provide proper training, to ensure employees' confidence in their jobs. The study sought to establish some aspects of organizational support. The outcome is depicted in Table (4.6).

**Table (4.6) Organizational Support**

No	Particulars	Mean	Std. Deviation
1	Information and knowledge.	4.96	0.230
2	Work reasonablity	4.43	0.906
3	Priorities and direction for employees	3.66	0.920
4	helping when needed a special favor	3.67	0.935
5	Giving opportunities to use skills .	4.71	0.473
6	Care about the well-being	3.95	0.852
	<b>Overall Mean</b>	<b>4.23</b>	

Source: Survey Data (2019)

The output revealed that most employees are satisfied with the supported adequate information and knowledge which enables them to do the job well and the amount of work are expected to do in the job from employees is reasonable. In additions, department has good priorities and direction for and the institution is willing to help employees, when employees need a special favor and the institution really cares about the employees' well-being. According to the overall mean score, employees are satisfied that provided by Loi Hein Group of Companies and the respondents agreed that organizational support enhanced employees' performance in the organization.

**(F) Training**

To improve the employee performance and self-fulfillment of the employees through a variety of educational methods and programs withing the organization called training and these are formal ongoing effort of the organization.The study sought to establish some aspects of training. The outcome is depicted in Table (4.7).

**Table (4.7) Training**

No	Particulars	Mean	Std. Deviation
1	Opportunities to improve the skills	3.72	0.925
2	Giving the training	3.67	0.935
3	Providing with opportunities	4.71	0.473
4	Aware of available training and development	4.96	0.230
5	Sufficient time and budget is allocated	4.46	0.882
6	Training and development plans	5	0
7	Relevant to the growth and development.	4.43	0.906
8	Opportunity for advancement or growth.	3.66	0.920
9	Considering employees' goals and values	3.62	0.927
	<b>Overall Mean</b>	<b>4.24</b>	

Source: Survey Data (2019)

According to Table (4.7), most employees are satisfied with training and development plans are designed and monitored to all employees and employees are aware of available training and development activities. Moreover, sufficient time and budget is allocated for training and employees are given a real opportunity to improve their skills in this company. Further the findings showed that present job is relevant to the growth and development in the career of employees and company has opportunity for employees' advancement or growth. The overall mean implied that the respondents agreed that training influences on performance of employees in the organization.

#### **(G) Justice in the Organization**

Organizational justice is refers to employee perceptions of fairness in the work place. These perceptions can be classified into four categories and these are, distributive, procedural, informational and interactional. Distributive justice felect perceptions regarding fairness of outcomes, while procedural justice reflects perceptions of processes that lead to these outcomes. A third tye of justice, infromational justice, relates to the accounts provided for justice-related events. The results are in Table (4.8).

**Table (4.8) Justice in The Organization**

No	Particulars	Mean	Std. Deviation
1	Fairly recognize	3.72	0.925
2	Recognizing hard work	3.67	0.935
3	Addresses life problems	4.71	0.473
4	Motivating to do the best	4.96	0.230
5	Priorities and direction for employees	4.46	0.882
	<b>Overall Mean</b>	<b>4.3</b>	

Source: Survey Data (2019)

The findings showed that, employees who work in the Loi Hein Group of Companies are recognized fairly by the institution. The highest mean score is the employees are motivated to work hard and the institution recognizes the hard work of employees. In additions, institution addresses life problems that hinder employees' performance. Further, the findings showed that employees were motivated to do their best for this institution and departments has good priorities and direction for employees. The overall mean indicates that the respondents agreed that justice in the organization influenced performance of employees in the organization.

#### **4.2.1 Effect of Job Enlargement on Employee Satisfaction**

Job enlargement factors such as task structuring, job arrangement, job meaningfulness are important factors in employee satisfaction. In order to find out the important of factors on job satisfaction in Loi Hein Group of Companies, structured questionnaire was used in data analysis. The output from generating linear regression model is shown in Table (4.9) . According to Table (4.9), the value of R square is almost 74 percent thus this specified model could explain about the variation of the job satisfaction of the company. The overall significant of model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 73.5 percent about the variance of the independent variable (job enlargement) and dependent variable (Employee job satisfaction) because Adjusted R square is 0.735. Moreover, t-values in all factors are greater than 0 showing evidence against the null hypothesis that there is no significant difference. However, t-values in task structuring and job meaningfulness are less than 0 showing that there is significant difference.

**Table (4.9) Effect of Job Enlargement on Employee Satisfaction**

Model		Unstandardized Coefficients		T	Sig.	VIF
		B	Std. Error			
1	(Constant)	1.112	.411	2.708	.008	
	Task structuring	-.563	.781	-.721	.472	878.805
	Job Arrangement	1.945**	.767	2.536	.012	710.677
	Job Meaningfulness	-.655	.380	-1.723	.087	254.784
	R Square	.741				
	Adjusted R Square	.735				
	F Value	119.987***				

Source: Survey Data (2019)

Note: \*\*\* Significant at 1% \*\* Significant at 5% \* Significant at 10%

The result indicate that the job arrangement has significant relationship on employee job satisfaction at 1% confidence level (Significance value is <0.05). But task structuring and job meaningfulness have not significant relationship on employee job satisfaction which has significance value of .472 and 0.87 respectively.

According to this regression model job arrangement is influencing on the employee satisfaction. The positive relationship indicates that the increase in job arrangement lead to employee job satisfaction in organization. Therefore, by giving more support to the employee with the job arrangement program in this organization make more job satisfaction. In Loi Hein Group of Companies, the management usually tries to support the needs of their employees with their treatment plan, recognizing the sales achievement, supporting necessary equipment to facilitate to performance job well for their employees and to balance work and personal life and supporting every necessary when the employees communicate with other departments to get job satisfaction. Moreover, the management team value their skilled employees by making strong and close relationship with their employee and peer also.

#### 4.2.2 Effect of Job Enrichment on Employee Satisfaction

Job enrichment factors such as job autonomy, organizational support, training and justice in the organization are important factors in employee satisfaction. In order to find out the important factors on job satisfaction in Loi Hein Group of Companies, a structured questionnaire was used in data analysis. The output from generating a linear regression model is shown in Table (4.10).

**Table (4.10) Effect of Job Enrichment on Employee Satisfaction**

Model		Unstandardized Coefficients		T	Sig.	VIF
		B	Std. Error			
1	(Constant)	1.536	.103	14.879	.000	
	Justice in the organization	.160***	.039	4.092	.000	9.934
	Job Autonomy	.351***	.107	3.278	.001	108.498
	Training	-.110	.083	-1.333	.185	95.335
	Organizational Support	.262***	.067	3.931	.000	23.905
	R Square	.952				
	Adjusted R Square	.951				
	F Value	623.389***				

Source: Survey Data (2019)

Note: \*\*\* Significant at 1% \*\* Significant at 5% \* Significant at 10%

According to Table (4.10), the value of R square is almost 95 percent, thus this specified model could explain about the variation of the job satisfaction of the company. The overall significant of the model, F value is highly significant at 1 percent level. This model can be said valid. The model can explain 95.1 percent about the variance of the independent variable (Job Enrichment) and dependent variable (Employee satisfaction) because Adjusted R square is 0.951. Moreover, t-values in all factors are greater than 0, showing evidence against the null hypothesis that there is no significant difference. However, t-values in training is less than 0, showing that there is significant difference.

The results indicate that the justice in the organization, job autonomy and organization support have significant relationship on employee job satisfaction at 1% confidence level (significance value is  $<0.05$ ). But training has not significant relationship on employee job satisfaction which has significance value of 0.185.

Justice in the organization, Job autonomy and organizational support have the expected positive sign and highly significant coefficient value at 1 percent level. This implies that job enrichment can affect employee satisfaction. According to this regression model, justice in the organization, training, job autonomy and organizational support are influencing on the employee satisfaction. The positive relationship indicates that the increase in Justice in the organization, Job autonomy and organizational support lead to employee job satisfaction in organization. It implies that one unit of change (positive and negative) in Justice in the organization, Job autonomy and organizational support can lead to 0.160 unit, 0.351 unit and 0.262 unit of changes (positive and negative) respectively in employee satisfaction.

Therefore, by giving more autonomy, organizational support and justice in the organization makes more job satisfaction. In Loi Hein Group of Companies, most senior staffs teach the needed skills and share their knowledge to new staffs and the management of the company supports some trainings and workshops for skills enhancement needed. Moreover, the management of the company arranges to lets every employee to use own judgment and intellectual ability in the work to get job satisfaction.

### **4.3 Analysis on Effect of Reward System on Employee Satisfaction**

The most common types of rewards include basic pay, incentives and benefits, performance-based pay, development opportunities and work-life balance. The reward system is business strategy of the organization. The drivers are unique to any organization. Fundamental function of human resource management that deal with the assessment of job values, the design and management of payments, performance management, employees' benefits and pensions including the management of rewards procedures.

### 4.3.1 Financial Rewards

Financial payment from employers to employees are in the form of a salary, incentive or commission. This payment is expected as a result of the work the individual was hired to complete. Moreover, monetary incentives that an employee earns as a result of good performance and regular compensations are called financial rewards. Then these rewards are aligned with organizational goals. The study sought to establish some aspects of financial reward. The outcome is depicted in Table (4.11)

**Table (4.11) Financial Rewards**

No	Particulars	Mean	Std. Deviation
1	Feeling appreciated when get paid	4.71	0.473
2	Chances for bonus	4.96	0.230
3	Chances for salary increases	4.46	0.882
4	Being paid a fair amount	5	0
5	Relative pay	4.43	0.906
6	Rewards for performance.	3.66	0.920
7	Incentive, bonuses, vacation, lunch system	5	0
	<b>Overall Mean</b>	4.6	

Source: Survey Data (2019)

According to Table (4.11), most employees satisfied the incentive, bonuses, vacation, lunch system and these can provide a positive reinforcement for a job well done and employees feel organization pay a fair amount for the work they do. The second most, bonus system is the attract to employees and employees satisfied with their chances for bonus. Future, employees feel appreciated by the organization when they think about what the organization pays them and employees feel satisfied with their chances for salary increases. Relative pay of job within the organization and company has good reward system according of performance are designed to get the best employee performance in the organization. According to mean score, this was an indication that the respondents agreed that financial reward enhanced employees' performance in the organization.

### 4.3.2 Non-Financial Rewards

Non-financial incentives are the types of rewards that are not a pay from the organization as a salary and cash. Non-financial may costs the organization a little or no money, yet carry significant weight. The study sought to establish some aspects of Non-financial reward. The outcome is depicted in Table (4.12).

**Table (4.12) Non-Financial Rewards**

No	Particulars	Mean	Std. Deviation
1	Personal appreciation	3.72	0.925
2	Further education supported	3.67	0.935
3	Superior's acknowledgement.	4.71	0.473
4	Reward system	4.96	0.230
5	Chance for promotion.	4.46	0.882
6	Fair chance for promotion	5	0
7	Equal chance for promotion	4.43	0.906
	<b>Overall Mean</b>	<b>4.42</b>	

Source: Survey Data (2019)

The findings showed that the most employees feel satisfied with those ones who do well on the job stand a fair chance of being promoted. The opportunity for promotion is the first key facet discussed in employee job satisfaction. This component includes dimensions of whether the chance for promotion are good, whether promotions are handled fairly., and whether the employer is concerned about giving everyone the opportunity for a promotion. The second largest mean value is employees are satisfied their superior's acknowledgement for their efforts and company has a good reward system according to performance. In additions employees satisfied on personal "thank you" or letter of appreciation from management or co-workers and employees satisfied possibility for training and further education supported by the company. Further, the findings showed employees satisfied on that those ones who do well on the job stand a fair chance of being promoted. According to overall mean score, this was indication that the respondents agreed that Non-Financial Reward influenced performance of employees in the organization.

### 4.3.3 Effect of Reward System on Employee Satisfaction

In this section, analyses the effects of reward system (financial Rewards and non-financial rewards) on employee satisfaction in Loi Hein Group of Companies. The linear regression model is applied. The output from generating linear regression model is shown in Table (4.13).

**Table (4.13) Effect of Reward System on Employee Satisfaction**

Model		Unstandardized Coefficients		T	Sig.	VIF
		B	Std. Error			
1	(Constant)	1.316	.150	8.744	.000	
	Financial Reward	.198**	.074	2.652	.009	5.091
	Non-financial Reward	.480***	.070	6.894	.000	5.091
	R Square	.778				
	Adjusted R Square	.774				
	F Value	222.379***				

Source: Survey Data (2019)

Note: \*\*\* Significant at 1% \*\* Significant at 5% \* Significant at 10%

According to Table (4.13), the value of R square is almost 78 percent thus this specified model could explain about the variation of the job satisfaction of the company. The overall significant of the model, F value, is highly significant at 1 percent level. This model can be said valid. The model can explain 77.4 percent about the variance of the independent variable (Reward System) and dependent variable (Employee Satisfaction) because Adjusted R square is 0.774. Moreover, t-values in all factors are greater than 0 showing evidence against the null hypothesis that there is no significant difference.

The results indicate that both of the financial reward and non-financial reward have significant relationship on employee job satisfaction at 1% confidence level (Significance value are <0.05). Both financial reward and non-financial reward have the expected positive sign and highly significant coefficient value at 1 percent level. This implies that reward system can affect on the employee satisfaction. According to this regression model,

employee satisfaction is influenced by financial reward and non-financial reward as reward system. The positive relationship indicates that the increase in financial reward and non-financial reward lead to employee job satisfaction in organization. It implies that that one unit of change (positive and negative) in financial reward and non-financial reward can lead to 0.198 unit, and 0.480 unit of changes (positive and negative) respectively in employee satisfaction.

Hence, by increasing financial reward and non-financial reward, employee satisfaction can be increased. Therefore, by giving more fringe benefit and working condition rewards in this organization makes more job satisfaction. In Loi Hein Group of Companies, the management always tries to support the needs of their employees associated with their supporting plan, travel allowance, incentive, bonus, good reward system according to performance to get job satisfaction.

#### **4.4 Analysis on Effect of Employee satisfaction on Employee Performance**

Every employee makes an individual contribution to the performance of the organisational unit and thus to the entire organisation. If the performance of an organisational unit or individual employee falls behind for too long, as a rule this will lead to reorganisation or redundancy. In a fierce competition in business environment, in which competition is fiercer than ever and the importance of continuously performing is increasing.

##### **(A) Employee Performance**

Performance is a critical factor in organizational success. Performance can be described as organizing as well as managing the casual model components that bring about the appropriate achievement of stated aims within limitations precise to an organization and to the circumstances. The results are captured in Table (4.14). Table 4.14 depicts that the respondents agreed that; Work group focus on fixing the problem rather than finding someone to blame and focusing on problem solving instead of fault finding. Further, employees complete the work according to deadlines. The highest mean score was employees can work without supervision when necessary and they want to put more effort into the job than, should have.

**Table (4.14) Employee Performance**

No	Particulars	Mean	Std. Deviation
1	Fixing the problem	4.73	0.445
2	Involving in decisions	4.96	0.230
3	Focusing on problem solving	4.57	0.777
4	Could manage more responsibility	5	.
5	Skills and abilities are utilized	4.48	0.856
6	Working area	4.71	0.473
7	Achieve the Job's objectives	4.96	0.230
8	Complete the work	4.48	0.847
9	Working without supervision	5	.
10	Improvement at the work.	4.45	0.890
11	Success of organization	3.75	0.943
12	Recognizing good work.	4.71	0.473
13	Volunteer to do things	4.96	0.230
14	Collaborating with other department members	4.48	0.865
15	Putting more effort	5	.
16	Organization's problems	4.44	0.898
17	Well Performance	3.97	0.914
	<b>Overall Mean</b>	<b>4.62</b>	

Source: Survey Data (2019)

Moreover, employees could manage more responsibility than typically assigned. The second highest mean score was employees feel achieve the job objectives and satisfied they are involved in decisions that affect their work. Further, they are volunteer to things that not formally required by the job. Employees satisfied for recognized for their good work and feel that they are improving at work and organization is successful. Employees

put more effort into the job than they should have since they feel as if this organization's problem are their own and they feel good and happy when they discover that they have performed well on the job. All factors in job performance get more than neutral and the overall average for job performance also shows that most employees are satisfied with their job performance.

#### 4.4.1 Effect of Employee Satisfaction on Employee Performance

In this research, linear regression model is used in order to find out the relationship between employee satisfaction and employee performance by surveying 130 employees from Loi Hein Group of Companies, head office distribution center in Yangon. The output from generating linear regression model is shown in Table (4.15)

**Table (4.15) Effect of Employee Satisfaction on Employee Performance.**

Model		Unstandardized Coefficients		T	Sig.	VIF
		B	Std. Error			
1	(Constant)	.745	.280	2.657	.009	
	Employee Satisfaction mean	.896***	.065	13.881	.000	1.000
	R square	.601				
	Adjusted R square	.598				
	F Value	192.689***				

Source: Survey Data (2019)

Note: \*\*\* Significant at 1% \*\* Significant at 5% \* Significant at 10%

According to Table (4.15), the specified model could explain very well about the variation of the employee performance of the respondents in Loi Hein Group of Companies since the value of the R square is about almost 60 percent. The model can explain 59.8 percent about the variance of the independent variable (employee satisfaction) and dependent variable (employee performance) because Adjusted R square is 0.598. The value of F test, the overall significance of the model, is highly significant at 1 percent level. This

specified model can be said valid. Moreover, t-values in all factors are greater than 0 showing evidence against the null hypothesis that there is no significant difference.

The result indicate that the employee satisfaction has significant relationship on employee performance at 1% confidence level (Significant value is  $<0.05$ ). Employee satisfaction has the expected positive sign and highly significant coefficient value at 1 percent level. The positive relationship indicates that the increase in employee satisfaction lead to the effect on their employees' job performance in organization. If there is an increase in employee satisfaction by 1 unit also raise the employee performance by 0.896 units. The overall evaluation reveals that models explain the variation in employee satisfaction of Loi Hein Group of Companies well because the estimation produced expected signs and significant coefficients. The increase of customer satisfaction has the positive effects on employee performance of Loi Hein Group of Companies. Therefore, by making more job satisfaction in this organization make more performance increase.

In summary, the results show that employee satisfaction has significant. According to the survey findings, employee satisfaction in Loi Hein Group of Companies could significantly raise the employee performance of Loi Hein Group of Companies.

## **CHAPTER 5**

### **CONCLUSION**

Findings and discussion, suggestions and recommendations, and needs for further research are discussed in this chapter. This chapter consists of three parts. The first part of this chapter is about finding and discussion of job design and reward system exist in or provided by Loi Hein Group of Companies and job performance of employees of Loi Hein Group of Companies (Yangon). The second part presents how to improve job design and reward system in company. The third part recommends needs for the further research. This study takes an initiative to relationships between job design and reward system of Loi Hein Group of Companies and job satisfaction of employees at sales and distribution department of Loi Hein Group of Companies (Yangon).

#### **5.1 Findings and Discussions**

The objective of this study is to explore the job design and reward system exist Loi Hein company and employee performance of Loi Hein company. In this study job design and reward system are the utilization for to achieve organizational goal and human power is most valuable assets of organization. Organization need to ensure their job design and reward system effect on employee job satisfaction that could raise the job performance. To examine the effectiveness of job design and reward system in Loi Hein Group of Companies, are analyzed by collecting structured questionnaires from 130 employees. Then regression analysis is used in seeking to determine the effect of job design and reward system on job satisfaction and job performance at head office and distribution centre of Loi Hein Group of Companies in Yangon.

According to the findings, justice in the organization, job autonomy, financial reward, non-financial reward, organizational support and job arrangement have the greatest contribution to the effect on employee satisfaction of Loi Hein Group of Companies with highly significant level. In job arrangement employee are most satisfied with the job involves doing a number of different things since they feel they got more experience and it supports to improve their knowledge and skills.

According to the survey result, most employees somewhat satisfy with the job autonomy and organizational support as they can share work-related information and instruction to other colleagues when they got adequate information and knowledge to do the job well. Employees are also high level of satisfaction with the training practices of the organization that the training and development program that is designed and monitored to all employees. Furthermore, employees also satisfy with the effect of justice in the organization on job satisfaction of an organization since employees are motivated to do their best for this institution.

Regarding job satisfaction, most employees get job satisfaction since they feel satisfied with the relative pay of job within the organization and those ones who do well on the job stand a fair chance of being promoted. Financial reward and Non-financial reward have positive and significant effect on the employee satisfaction.

The findings also reveal the relationship between job design, reward system and employee satisfaction, among nine factors, justice in the organization and non-financial reward have greatest contribution to increase the employee satisfaction of Loi Hein Group of Companies. It is also found that job satisfaction strongly influences on employee job performance at Loi Hein Group of Companies.

According to the findings, job design and reward system influence on organizational satisfaction and job design and reward system could motivate employees in order to give more satisfaction and improve performance. The study is conducted to determine the effect of organization's job design and reward system on employee performance. The organization needs to ensure their job design and reward functions effect on organizational job satisfaction that could raise the job performance.

## **5.2 Suggestions and Recommendations**

According to the finding, it can be suggested that organization should provide attractive job design and reward system to create productive people. The success of the organization is partly depending on employee job satisfaction and job performance of the employees. The job satisfaction comes from the individuals and organization needs to create the right environment for job satisfaction and engaging its people through the proper job design and reward system. So, organization monitor employees' feedback and should adjust its practices from time to time.

According to this study, most employees are satisfied about justice in the organization and non-financial reward, Loi Hein Group of Companies should continue focusing as many as related job ethics and career opportunities. So, company should also provide on-going practices to improve the ability and knowledge to every level of employees in the organization.

According to this study, job arrangement, justice in the organization, job autonomy, organizational support, financial reward and non-financial reward are most employees satisfied. Thus, Loi Hein Group of Companies should make as many as job related priorities and direction for employees and fair chance of being promoted so that employees are motivated to do their best for this institution. And organization should also provide more welfare plan, attractive allowance and more opportunities to improve job satisfaction levels of the employees.

The organization should provide continuous training and development programs to all employees on the matters of job enlargement and how it can be aligned to enhance employee performance. Thus, employees will gain knowledge and skills on employee job allocation, monitoring and supervision and thus contribute towards better planning and decision making on job enlargement.

As per finding of this study, it indicated that most of the employees are satisfied on reasonable relative pay of job within the organization and fair chance of promotion. Organization should provide training and development plans, designed and monitored to all employees and organization has strongly considered goals and values of employees. Besides that, organizational support and job arrangement are become highlight predictor contribute to employees' satisfaction in the organization. The employee wanted to be given adequate information and knowledge, which enable them to do the job well, and they want to do number of different things to improve their skills.

In conclusion, the data from the current research specify that Loi Hein Group of Companies get the satisfactory level in job design and reward system by employees. Organization should think strategically to manage the employees by providing satisfaction morale to them. It is recommended that for the organization towards organizational goals and organization should monitor social and labor market trends in order to adjust its job design and reward system and should also arrange training systematically. By analyzing, it

can be concluded that effects of job design and reward system influence on employee satisfaction and job performance.

### **5.3 Needs for Further Research**

This study focuses on job design and reward system at Loi Hein Group of Companies in Yangon. This study examines the effects of job design and reward system on job satisfaction, and only analyzes the Loi Hein Group of Companies employees in Yangon. This study does not cover the whole distribution industry. Further researchers should be studied other job design and reward practices are affecting on organizational job satisfaction and job performance in distribution company in Myanmar. Therefore, further study is needed on the integration of job design and reward system in both performance appraisals and how that job design and reward system support overall organizational strategy.

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## Appendix I

The Effect of Job Design and Reward System on Employee Performance at Loi Hein Group of Companies.

### Section A : Demographic Profile

Please place a tick or mark for each of the following.

1. Gender

- Male
- Female

2. Age

- < 25 years
- 26 - 30 years
- 30 - 35 years
- 35 – 40 years
- Above 40 years

3. Education level

- High School
- Certificate / Diploma
- Bachelor Degree
- Master
- Others, Please specify.....

4. How long have you been working in Loi Hein Group of Companies?

- < 1 years
- 1 – 3 years
- 3 – 5 years
- 5 – 10 years
- Above 10 years

5. What is your current position?

- Senior officer
- Supervisor
- Assistant Supervisor
- Sales Admin
- Team Leader
- Sales Drive
- Sales Rep

Section B: Job Design and Reward System

Please describe to what extent you agree with each of the following statements regarding the current job design and reward system of company by using the following scales where: 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree.

No	Particulars	1	2	3	4	5
	<b>Task Structuring</b>					
1	I get a clear instruction and procedure to perform the job.					
2	I have clear measures for each of my objectives					
3	We know who is responsible for what, who needs to be informed, and who, if anyone, has veto power.					
4	My Manager has set performance goals for my job					
5	I can see the link between my work and the Company objective					
6	The systems and processes allow me to perform my job efficiently an effectively.					
7	I have to lead for the job accomplishment.					
8	I perform the whole job from the beginning to the end.					
9	The job let me do “identifiable” work.					
	<b>Job arrangement</b>					
1	The job involves doing a number of different things.					
2	The job requires the performance of wide range of tasks.					
3	I am entrusted to plan and control the job.					
4	I am fully responsible for the result of the job I do.					

5	Good experience makes me skillful in my job.					
6	Company supports to balance work and personal life					
	<b>Job meaningfulness</b>					
1	The work I do for this is very meaningfulness to me.					
2	Most people on this job find the work is very meaningful					
3	My work motivates me to overcome the challenges.					
4	My job involves meeting with other people.					
5	I find the work that I do full of meaning and purpose.					
	<b>Job Autonomy</b>					
1	The superiors allow me to use own judgment and intellectual ability in the work.					
2	The decision I made is an effect on my job.					
3	I can explain my job-related difficulties to responsible superiors.					
4	I am allowed by my superiors to perform my job independently.					
5	I can share work-related information and instruction to other colleagues.					
	<b>Organizational support</b>					
1	I have adequate information and knowledge which enables me to do my job well					
2	The amount of work I am expected to do in my job is reasonable for me					
3	Departments has good priorities and direction for employees					
4	My institution is willing to help me, when I need a special favour					
5	Opportunity is given by the institution to use my skills					
6	My institution really cares about my well-being					
	<b>Training</b>					
1	I am given a real opportunity to improve my skills in this Company					

2	I am given the training I need to do my job effectively					
3	I am provided with opportunities to improve my skills					
4	I am aware of available training and development activities.					
5	Sufficient time and budget is allocated for training.					
6	Training and development plans are designed and monitored to all employees.					
7	My present job is relevant to the growth and development in my career.					
8	Company has opportunity for my advancement or growth.					
9	My institution strongly considers my goals and values					
	<b>Justice in the organization</b>					
1	I am recognized fairly by my institution					
2	My institution, recognizes the hard work of employees					
3	My institution addresses life problems that hinders employees  Performance					
4	I am motivated to do my best for this institution					
5	Departments has good priorities and direction for employees					
	<b>Financial reward</b>					
1	I feel appreciated by the organization when I think about what the organization pays me.					
2	I feel satisfied with my chances for bonus.					
3	I feel satisfied with my chances for salary increases.					
4	I feel I am being paid a fair amount for the work I do.					
5	I feel satisfied the relative pay of job within the organization.					
6	Company has good reward system according to performance.					
7	Incentive bonuses, vacation, lunch system can provide a positive reinforcement for a job well done.					
	<b>Non-financial reward</b>					

1	I feel satisfied personal “thank you” or letter of appreciation from management or co-workers.					
2	I satisfied possibility for training and further education supported by the company.					
3	I am satisfied my superior’s acknowledgement for my efforts.					
4	Company has a good reward system according to performance.					
5	I am satisfied with my chance for promotion.					
6	Those ones who do well on the job stand a fair chance of being promoted.					
7	Everyone has equal chance to be promoted.					
	<b>Employee satisfaction</b>					
1	I am very satisfied with this job.					
2	I am satisfied with this working environment that provides learning opportunities.					
3	I am satisfied with the policy provide me thinking and doing independently in the work.					
4	I am satisfied with level of independence given to me to do my job					
5	I am satisfied with the feedback I get from the work I do					
6	I am happy with my work responsibilities.					
7	I am satisfied with work relationships with my colleagues					
8	I am satisfied with various activities in my organization and love participating in them					
9	I am happy with the recognition and rewards for my outstanding works and contributions.					
10	I feel comfortable in carrying out my responsibilities					
11	I am satisfied with the given right to put forward my opinions					
12	I am satisfied with my challenging work schedule					
	<b>Employee performance</b>					

1	My work group focuses on fixing the problem rather than finding someone to blame.					
2	I am involved in decisions that affect my work					
3	In my job I focus on problem solving instead of fault finding					
4	I could manage more responsibility than typically assigned.					
5						
5	My skills and abilities are utilized effectively by the company					
6	Conditions in my work area allow me to be highly productive					
7	I feel achieve the Job's objectives					
8	I always complete the work according to deadlines.					
9	I work without supervision when necessary.					
10	I am feeling of improvement at the work.					
11	Overall, I feel the organization is successful.					
12	I am adequately recognized for my good work.					
13	I volunteer to do things that not formally required by the job					
14	I effectively collaborate with other department members when necessary.					
15	Put more effort into the job than I should have.					
16	I really feel as if this organization's problems are my own.					
17	I feel good and happy when I discover that I have performed well on the job.					

**Thank you for your time, opinion and comments.**

## Appendix II

### Multiple Linear Regression

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.861 <sup>a</sup>	.741	.735	.17616	.741	119.987	3	126	.000	2.554

a. Predictors: (Constant), Job Meaningfulness mean, Job Arrangement mean, Task structuring mean

b. Dependent Variable: Employee Satisfaction mean

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.171	3	3.724	119.987	.000 <sup>b</sup>
	Residual	3.910	126	.031		
	Total	15.081	129			

a. Dependent Variable: Employee Satisfaction mean

b. Predictors: (Constant), Job Meaningfulness mean, Job Arrangement mean, Task structuring mean

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.112	.411		2.708	.008		
	T S Mean	-.563	.781	-.969	-.721	.472	.001	878.805
	J A Mean	1.945	.767	3.067	2.536	.012	.001	710.677
	J M Mean	-.655	.380	-1.248	-1.723	.087	.004	254.784

a. Dependent variable: Employee Satisfaction mean

## Multiple Liner Regression

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.976 <sup>a</sup>	.952	.951	.07589	.952	623.389	4	125	.000	1.318

a. Predictors: (Constant), Organizational Support mean, Training mean, Justice in the organization mean, Job Autonomy means

b. Dependent Variable: Employee Satisfaction mean

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	14.361	4	3.590	623.389	.000 <sup>b</sup>
	Residual	.720	125	.006		
	Total	15.081	129			

a. Dependent Variable: Employee Satisfaction mean

b. Predictors: (Constant), Organizational Support mean, Training mean, Justice in the organization mean, Job Autonomy means

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.536	.103		14.879	.000		
	J I O Mean	.160	.039	.252	4.092	.000	.101	9.934
	J A Mean	.351	.107	.667	3.278	.001	.009	108.498
	Training Mean	-.110	.083	-.254	-1.333	.185	.010	95.335
	O S Mean	.262	.067	.376	3.931	.000	.042	23.905

a. Dependent variable: Employee Satisfaction mean

## Multiple Liner Regression

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.882 <sup>a</sup>	.778	.774	.16241	.778	222.379	2	127	.000	2.519

a. Predictors: (Constant), Non-financial Reward mean, Financial Reward mean

b. Dependent Variable: Employee Satisfaction mean

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.731	2	5.866	222.379	.000 <sup>b</sup>
	Residual	3.350	127	.026		
	Total	15.081	129			

a. Dependent Variable: Employee Satisfaction mean

b. Predictors: (Constant), Non-financial Reward mean, Financial Reward mean

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.316	.150		8.744	.000		
	Financial Reward	.198	.074	.250	2.652	.009	.196	5.091
	Non-financial Reward	.480	.070	.651	6.894	.000	.196	5.091

a. Dependent Variable: Employee Satisfaction mean

## Multiple Liner Regression

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.957 <sup>a</sup>	.916	.915	.10342	.916	1397.006	1	128	.000	2.443

a. Predictors: (Constant), Employee Satisfaction mean

b. Dependent Variable: Employee Performance mean

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.941	1	14.941	1397.006	.000 <sup>b</sup>
	Residual	1.369	128	.011		
	Total	16.310	129			

a. Dependent Variable: Employee Performance mean

b. Predictors: (Constant), Employee Satisfaction mean

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.117	.116		-1.013	.313		
	Employee Satisfaction mean	.995	.027	.957	37.377	.000	1.000	1.000

a. Dependent Variable: Employee Performance mean