

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF COMMERCE**

**REWARD PRACTICES, JOB SATISFACTION AND  
EMPLOYEE PERFORMANCE AT INNWA BANK LIMITED**

**NAY HTET LINN**

**Roll No. 1**

**M.Com**

**OCTOBER, 2023**

**REWARD PRACTICES, JOB SATISFACTION AND  
EMPLOYEE PERFORMANCE AT INNWA BANK LIMITED**

**This thesis is submitted to Board of Examiners in partial fulfillment of the  
requirements for the Master Degree of Commerce**

**Supervised by:**

Dr. Aye Thanda Soe  
Professor  
Department of Commerce  
Yangon University of Economics

**Submitted by:**

Nay Htet Linn  
M.Com (II) - 1  
Master of Commerce  
Yangon University of Economics

**October, 2023**

## ACCEPTANCE

This is to certify that the dissertation entitled “**Reward Practices, Job Satisfaction, and Employee performance at Innwa Bank Limited**” submitted as the requirements for the degree of Master of Commerce has been accepted by the board of Examiners.

## BOARD OF EXAMINERS

.....

(Chairperson)

Dr. Tin Tin Htwe

Rector

Yangon University of Economics

.....

(Examiner)

Dr. Tin Tin Htwe

Professor and Head

Department of Commerce

Yangon University of Economics

.....

(External Examiner)

Dr. Than Thu Zar

Professor

Department of Management Studies

Yangon University of Economics

.....

(Examiner)

Dr. Thynn Thynn Myint

Professor

Department of Commerce

Yangon University of Economics

.....

(Examiner)

Dr. Aye Thu Htun

Professor

Department of Commerce

Yangon University of Economics

.....

(Supervisor)

Dr. Aye Thanda Soe

Professor

Department of Commerce

Yangon University of Economics

**October, 2023**

## **ABSTRACT**

The main objectives of this study are to identify extrinsic and intrinsic reward practices, to examine the effect of these practices on employee job satisfaction and to analyze the effect of job satisfaction on employee performance at Innwa Bank Limited. A sample of 93 respondents out of total 243 employees from branches in Yangon were collected by sample random sampling method. This study applied both descriptive statistics and regression analysis as methods to analyze the data. The results indicated that all respondents have demonstrated moderate level of perception regarding the extrinsic and intrinsic factors offered by the Bank. According to multiple regression, only intrinsic factors significant factors effect on job satisfaction of employee. However, among four intrinsic factors, three factors of responsibility, recognition and development opportunities have a positive effect on job satisfaction. In addition, job satisfaction also had effect on employee performance. Based on the findings, Innwa Bank should prioritize the increase in intrinsic reward by giving proper responsibilities, formulating employee recognition programs and providing the employee training and development programs, and providing opportunities for skill development and career growth to enhance employee job satisfaction and employee performance. Furthermore, management team of the bank should regularly review compensation packages, benefits and promotion policy to maintain employee job satisfaction.

## **ACKNOWLEDGEMENTS**

Firstly, I would like to show my deepest thankfulness to the Rector of Yangon University of Economics, Prof. Dr. Tin Tin Htwe and all the Pro-Rectors of Yangon University of Economics for kind permission and giving me the chance to write this thesis.

Secondly, I would like to extend my heartfelt thanks to Prof. Dr. Tin Tin Htwe, the Head of the Department of Commerce, Yangon University of Economics, for her invaluable guidance and unwavering support throughout my Master of Commerce studies.

Furthermore, I would like to express my deepest and sincere thanks to my supervisor, Prof. Dr. Aye Thanda Soe, Department of Commerce, for her precious advice, encouragement, immense knowledge and supervising me to complete this thesis.

Besides, I would like to thank to all the Professors, Associate Professor and Lecturers for their continuous support and giving us the valuable and applicable lectures.

Additionally, I want to give my special thanks to responsible persons at Innwa Bank Limited for providing me with the opportunity to investigate the reward practices of Innwa Bank and for generously sharing the knowledge pertaining to the organization. Moreover, my heartfelt thanks go out to all the participants from Innwa Bank who took the time to response to my survey questionnaire.

Finally, I also thank to my friends and classmates of Master of Commerce for sharing of friendship and passing together along the Master Programme. Lastly, I would like to thank everyone involved, even though I was unable to speak directly with key individuals for their contribution to the successful completion of this thesis.

## **TABLE OF CONTENTS**

	<b>Page</b>
<b>ABSTRACT</b>	<b>i</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>TABLE OF CONTENTS</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>vi</b>
<b>LIST OF ABBREVIATIONS</b>	<b>vii</b>
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
1.1 Rationale of the Study	3
1.2 Objectives of the Study	4
1.3 Scope and Method of the Study	5
1.4 Organization of the Study	5
<b>CHAPTER II THEORETICAL BACKGROUND</b>	<b>6</b>
2.1 Concept of Reward	6
2.2 Theories of Intrinsic and Extrinsic Rewards	7
2.3 Reward Practices	8
2.4 Job Satisfaction	13
2.5 Employee Performance	14
2.6 Previous Studies	15
2.7 Conceptual Framework of the Study	18
<b>CHAPTER III BACKGROUND AND REWARD PRACTICES OF INNWA BANK LIMITED</b>	<b>21</b>
3.1 Profile of Innwa Bank Limited	21
3.2 Products and Services Provided by Innwa Bank	23
3.4 Reward Practices Provided by Innwa Bank Limited	27

<b>CHAPTER IV ANALYSIS ON REWARD PRACTICES, JOB</b>	
<b>SATISFACTION AND EMPLOYEE PERFORMANCE</b>	<b>32</b>
4.1 Research Design	32
4.2 Demographic Profile of Respondents	33
4.3 Reliability Test	35
4.4 Descriptive Statistics of Reward Practices, Job Satisfaction and Employee Performance	36
4.5 Effect of Reward Practices on Employee Job Satisfaction at Innwa Bank Limited	48
4.6 Effect of Job Satisfaction on Employee Performance	50
<b>CHAPTER V CONCLUSION</b>	<b>51</b>
5.1 Findings and Discussions	51
5.2 Suggestions and Recommendations	53
5.3 Needs for Future Research	54
<b>REFERENCES</b>	
<b>APPENDICES</b>	

## LIST OF TABLES

<b>Table No.</b>	<b>Title</b>	<b>Page</b>
3.1	Products and Services Provided by Innwa Bank Limited	24
3.2	Monthly Salary Paid by IBL	27
4.1	Respondents by Gender	33
4.2	Respondents by Age	33
4.3	Education Level of Respondents	34
4.4	Position of Respondents	34
4.5	Respondents by Service Years	35
4.6	Reliability Test for Variables	36
4.7	Mean Score Interpretation	37
4.8	Mean Value of Salary	37
4.9	Mean Value of Bonus	38
4.10	Mean Value of Promotion	39
4.11	Mean Value of Fringe Benefits	40
4.12	Mean Value of Work Itself	41
4.13	Mean Value of Responsibility	42
4.14	Mean Value of Recognition	43
4.15	Mean Value of Development Opportunities	44
4.16	Overall mean values of Reward Practices Factors	45
4.17	Mean Value of Job Satisfaction	46
4.18	Mean Value of Employee Performance	47
4.19	Correlation Analysis between Reward Practices and Job Satisfaction	48
4.20	Multiple Regression Analysis of Reward Practices and Employee Job Satisfaction	49
4.21	Effect of Job Satisfaction on Employee Performance	50



## LIST OF FIGURES

<b>Figure No.</b>	<b>Title</b>	<b>Page</b>
2.1	The Effects of Rewards on Employee's Performance in Banks; A Study of Three Districts (Lodhran, Vehari, Khanewal) Commercial Banks in Pakistan.	15
2.2	Relationship between Rewards and Employee Performance: A Mediating Role of Job Satisfaction	16
2.3	Influence of Motivation on Job Performance	17
2.4	Conceptual Framework of the Study	18

## **LIST OF ABBREVIATIONS**

HRM	Human Resource Management
IBL	Innwa Bank Limited

# **CHAPTER I**

## **INTRODUCTION**

The significance of human resource (HR) within an organizational context is widely acknowledged, and the effective management of personnel remains a dominant concern. The task of overseeing human resources is characterized by its persistent prioritization, as it relates to the development of the human elements within an organization. The management of human resources plays a vital role in shaping the human dimension of an organization. Whether through direct or indirect contributions, HR significantly impacts the achievement of organizational goals, underscoring its importance.

Human resources management (HRM) is the process of acquiring, training, appraising, and compensating employees and attending to their labor relations, health and safety, and fairness concerns (Dessler, 2020). Griffin and Lowenstein (2001) stated that the longer a company retains a customer; the more profit the customer generates the talented employee performance and professionalism, willingness to solve problems, friendliness, and level of knowledge, communication skills, and selling skills, amongst others.

In essence, HRM revolves around fostering employee engagement across all levels. At the organizational level, it aids in goal attainment and ensures an efficient and effective working environment by implementing policies and guidelines. A core responsibility of HR is to recruit a talented and skilled workforce. Equally crucial is the need to retain this talent and minimize high labor turnover. To achieve this, HR employs various strategies, including training and development, competitive salaries and benefits, incentive programs and clear promotion policies.

Reward is one of the important elements in HRM because it plays a significant role to obtain employees job satisfaction for contributing their best effort to generate innovation ideas that lead to better business. Therefore, reward had been seen to be a vital instrument for improvement of employee performance. The rewards are categorized into two groups; extrinsic and intrinsic rewards. Extrinsic reward involves salary, performance base bonuses, promotion, and fringe benefits, etc. Intrinsic reward involves responsibility, appreciation, empowerment, career development, and Performance management etc. (Griffin, & Moorhead, 2013). Torrington and

associates (2009) concluded that an effective reward system produce a positive effect on job satisfaction, and on the other hand, a poorly planned reward system has negative outcomes on job satisfaction. Moreover, employees tend to change their working place when job satisfaction level is low which may result in employee turnover. Thus, job satisfaction is of utmost importance in an organization contributing a lot to workforce retaining and attracting new employees.

Armstrong (2010) explained that reward management is concerned with the formulation and implementation of strategies and policies, aimed at rewarding people fairly, equitably and consistently in accordance with their value to the organization and thus help the organization to achieve its strategic goals. It deals with the design, implementation and maintenance of reward systems (reward processes, practices and procedures) that aim to meet the needs of both the organization and its stakeholders.

Employee performance is crucial same as to reward system because when employees achieve their high level of performance, they want an adequate reward in return. If they cannot achieve the goals and show low performance in the organization, it will result in dissatisfaction (Ojeleye, 2016). Top management of the bank is to advance relationship between the employees and organization to attain the right demands of both parties.

The banking industry is highly competitive, with banks not only competing amongst each other; but also, with non-banks and other financial institutions (Boulding, Kalra, Staelin & Zeithaml, 2009). In order to gain the advantage in the highly competitive commercial banking market means that banks must understand the value of customer retention. The longer a company retains a customer; the more profit the company generates. Therefore, a positive relationship between the bank and the customer is significant since this is capable of influencing retention as the customer will experience feelings of trust and satisfaction towards the bank. Bank management must identify and improve upon factors that can limit customer defection.

HRM is the most crucial consideration for any business because it decides its sustainability and development, especially for banking industry. Human resources are relevant in banking industry, large or small, as a well-developed and well-managed human resource management mechanism will provide the enterprise with good opportunities (Piago & Pabangou, 2020). The banking industry is knowledge-based. A knowledgeable and well-equipped employee is essential to operate the business. People can be transformed into human resources when they are equipped with

adequate knowledge, skills, and competencies. Banking industries are going through a series of rapid changes because of technological development. Technological advancement has changed the nature of banks demanding employees perform better (Roknuzzaman, 2007). Banking's hopefulness from employees is to follow the rules, policies and regulations of the banking and employee's hopefulness are better working environment, good financial rewards especially fair pay. If a bank provides more financial rewards, the employees of that bank will be more satisfied.

Innwa Bank Limited is established as an Investment Bank since from 28 November 1997. Innwa Bank is wholly owned by Myanmar Economic Corporation (MEC). Bank's company registration the people republic of Myanmar's National Project and Ministry of Development allow to established as a limited non-public company limited. Innwa Bank's retail banking is demanding deposit, remittance, electronic banking, loans and advances, international banking and salary for military officers.

Innwa Bank provides different types of reward for its employees including salary, performance base bonus, promotion, fringe benefits, responsibility, recognition and career development to gain job satisfaction and improve employee performance. Therefore, this study investigates how reward practices effect on job satiation and, in turn, influence on employee performance at Innwa Bank Limited.

## **1.1 Rationale of the Study**

In today's service organization, human resources are strongly recognized as the most critical assets for achieving success. A key competitive advantage for any organization lines in its ability to have employees who can understand and fulfill customer needs better than their competitors. This capability hinges entirely on the competence and job satisfaction of the workforce. When business interactions are conducted by disengaged, unmotivated, or incompetent employees, it leads to dissatisfied customers, which can quickly harm the organization's performance. Above all, employees must ensure customer satisfaction when providing the services that customers require.

The rationale behind providing rewards to employees is that motivated employees become satisfied in terms of fulfilling their needs, both extrinsic and intrinsic reward. Failure to do so, employees will be tempted to leave the organization (Azasu, 2009). In the age of the global competition, acquiring qualified, skillful

workforce and retaining it becomes the most important challenge of all organization. Therefore, it needs to provide rewards for employees to be satisfied, steady and comfortable in workplace. Moreover, the company would no longer survive and greater profit in the long term.

Bank plays an important role in promoting economic development of a country. Nowadays, banking industry is in need of employees that are motivated and satisfied (Goodwin & Gremler, 1996). As Myanmar banking sector grows in terms of size and complexity, staff are employed around 70,000 in local banks (GIZ report, 2016). There is a total of 24 local banks and 13 foreign branches in Myanmar. Among them, there are 14 private banks in Myanmar. Innwa Bank, one of the private banks is operating with total staff number 1261 and over 74 branches all regions in Myanmar. Reward system is used to maximize productivity of satisfied employees to gain competitive advantage. It is important to implement an effective reward system in order to retain employee and provide sufficient service for customer.

Innwa Bank Ltd currently faces challenges related to suboptimal employee performance due to low job satisfaction. Job dissatisfaction among employees has the potential to result in reduced morale, decreased productivity, unmet targets, reduced customer satisfaction and ultimately, a negative impact on the bank's overall performance. These problems are primarily caused by ineffective reward practices of the bank. Innwa Bank's existing reward practices may lack diversity and modernization, potentially failing to meet the needs and expectations of its employees. Addressing this interconnected issue will require an examination of the current reward practices, job satisfaction and employee performance at Innwa Bank Ltd. Therefore, this thesis investigates the effect of reward practices on job satisfaction and, subsequently the effect of job satisfaction on employee performance at Innwa Bank Ltd.

## **1.2 Objectives of the Study**

The main objectives of this study are as follow;

1. To examine the reward practices provided by Innwa Bank Limited
- 2.. To analyze the effect of reward practices on employee job satisfaction at Innwa Bank Limited
3. To analyze the effect of job satisfaction on employee performance at Innwa Bank Limited

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

The study focuses on reward practices, job satisfaction, and employee performance at Innwa Bank. This study applied both descriptive and quantitative research methods. Regarding data collection, primary data and secondary data were used. For primary data collection, this study involved face-to-face interview with Assistant General Manager from Innawa bank to gain insight into the existing reward practices offered by the bank. Additionally, structured questionnaire with 5-point Likert scale was applied to collect the primary data. The sample 93 employees representing 40 percent of total population of 234 employees from branches of Innwa Bank located in Yangon were collected by random sampling method. In collecting secondary data, text books, research articles, published papers in academic journals, and internet websites. The data collection period was from July to August 2023. Regression method was applied to analyze the effect of reward practices on job satisfaction.

### **1.4 Organization of the Study**

This study is organized into five chapters. Chapter one represents introduction of the study including the rationale of the study, objectives of the study, scope and method of the study, and organization of the study. Chapter two describes the theoretical background of reward, job satisfaction and employee performance. Chapter three presents brief profile and reward practices of Innwa Bank Ltd. Chapter four deals with the data analysis on the effect of reward practices on job satisfaction and employee performance in Innwa Bank Ltd. Chapter five involves conclusion with findings and discussions, suggestions and recommendations and need for further research.

## **CHAPTER II**

### **THEORETICAL BACKGROUND**

The theories and concepts relating to reward practices, job satisfaction, and employee performance are addressed in this chapter. It consists of reward concept, related theories of intrinsic and extrinsic rewards, reward practices, job satisfaction, employee performance, previous studies and conceptual framework of the study.

#### **2.1 Concept of Reward**

Within the realm of HRM, rewards constitute a fundamental function. It is a critical component of HRM practices that underpins employee job satisfaction, engagement and employee performance. HRM, as a discipline, plays a pivotal role in designing and managing reward systems that align with the organization's objectives and values. These systems are not merely monetary; they also encompass non-monetary incentives and recognition mechanisms.

In accordance with their contribution to the organization, individuals should receive fair, equitable, and consistent rewards (Armstrong, 2003). This perspective aligns with Armstrong's description of the concept of rewards within the framework of HRM. According to Armstrong, the notion of rewards is intrinsically linked to the formulation and execution of strategic plans and policies within HRM (Armstrong, 2003). It encompasses the strategic development, effective application, and sustained maintenance of reward systems aimed at enhancing team, organizational, and individual performance.

The importance of HRM in reward management lies in its capacity to ensure that rewards are not only competitive within the industry but also reflective of an individual's contributions and the organization's overall performance. By designing and implementing effective reward strategies, HRM contributes significantly to fostering a positive work environment, boosting employee morale, and ultimately enhancing organizational success.

The pay that an employee receives from a company in exchange for their service is known as a reward. It includes not only direct currencies and other forms that can be converted to currencies, but also a comfortable office, positive interpersonal relationships within the organization, access to decision-making



involvement, the challenge and sense of accomplishment, preferable growth opportunities, and other forms that are challenging to measure in different currencies.

The methods, rules, and procedures needed to make sure that employees' contributions to the organization are acknowledged through both financial and non-financial means are referred to as reward management. It focuses on the creation, implementation, and upkeep of reward systems (reward practices, procedures, and processes) that are meant to satisfy the requirements of both the company and its stakeholders. To enhance the fulfillment of the business's strategic goals, the ultimate goal is to compensate individuals fairly, equitably, and consistently in line with their worth to the organization. Pay and employee benefits are only a small part of reward management. Equally important are non-monetary benefits like praise, chances for growth and learning, and more responsibility for the work (Armstrong, 2004). Any firm can benefit from rewards since they help employees develop and maintain the commitment necessary for excellent performance and a stable workforce (Wang, 2004).

## **2.2 Theories of Intrinsic and Extrinsic Rewards**

Several theories have been employed in this study to explain the relationship between employee reward practices, job satisfaction, and performance. These theories include the Maslow Hierarchy of Need (Maslow, 1943), Herzberg's Two Factor Theory (Herzberg, 1959), Fifty-Fifty (Srivastava, 2005), and Equity theory (Adams, 1960). Because the two theories have a direct relationship to both intrinsic and extrinsic aspects, expectation theory and Herzberg's Two Factor Theory were chosen as the guiding theories for this study.

### **2.2.1 Expectancy Theory**

Vroom established the Expectancy Theory in 1964. According to the hypothesis, people will be driven to act if they believe they can accomplish the desired goals. Additionally, the employee thinks that completing these objectives will result in rewards and that the benefits offered will be worthwhile to them. According to the idea, a person's propensity to behave in a particular way is influenced by the strength of their expectations for a particular outcome and how appealing they find that outcome to be. When there is a conviction that greater performance would result

in good performance, particularly at the district level in the public sector, an employee can be driven to perform better.

### **2.2.2 Herzberg's Two Factor Theory**

The two-factor theory of Herzberg was created in 1959. Herzberg's theory is the most practical model for examining job satisfaction. The two-factor theory postulates that there are two elements, namely job-satisfiers or motivators and job-dissatisfiers or hygiene factors, that could satisfy or dissatisfy people in carrying out their obligations. Aspects of a job's characteristics such as skill variety, task identity, task significance, and autonomy are considered job-satisfiers because they influence how individuals perceive the importance of their work, which in turn influences their degree of pleasure. The degree of autonomy is a measure of one's capacity for self-control; the greater one's sense of independence, the greater the amount of responsibility one takes on. Security, status, supervision, and other hygiene-related elements were classified as lower-level motivators. Job discontent occurs when staff members are not satisfied with their jobs.

### **2.3 Reward Practices**

Best-practice incentive strategies' major function is to engage, inspire, acknowledge, and reward individuals and teams for achieving corporate goals and objectives, which, as we've seen, is a weakness of conventional pay systems. These make up the plans, frameworks, and methods used to carry out reward and policies. For instance, the policy on pay levels will encourage the practice of gathering and analyzing market rate data and adjusting salaries to suit market rates of increase (Armstrong , 2006).

#### **2.3.1 Extrinsic Rewards**

According to Ozutku (2012) extrinsic rewards might take the form of monetary rewards or job promotions that an employee receives. Extrinsic benefits are a result of an employee's hard work being recognized. The most typical types of extrinsic rewards are salary, bonuses, incentives, and promotions. Employee efficiency and performance are raised by rewards, which boost an organization's success. According to, extrinsic rewards are outcomes of labor and mostly include things like pay, job security, additional financial perks, promotions, and a private

office or space. Extrinsic incentives are material gifts that management regularly gives to employees. Employee job performance and happiness were impacted by extrinsic incentives. Extrinsic benefits have a positive effect on employee performance.

**(a) Salary**

According to Surbhi (2015), a salary is a set payment made to employees on a regular basis in exchange for their performance and production during the day. Although it is the primary method used by the company to reward its workers, very little is known about how the system actually operates. The company must comprehend the preferences of its employees in terms of a reward system in order to comprehend how salary might affect an employee's performance. As a result, managing the compensation issue is highly difficult, and managers must put a lot of effort into articulating the link between performance and financial reward. Compensation, or wages, have grown in significance and are a useful instrument for improving employee performance. In addition, he stated that aside from compensation, allowances are unaffected by employee performance. According to a prior study by Kanzunnudin (2007), every firm must decide the quantity of employee salaries that are in line with their demands. The viability of the work unit, the realization of the vision and purpose, as well as the accomplishment of the work targets, are all expected to benefit from an effective wage strategy.

**(b) Bonus**

According to Heathfield (2016), bonuses are sums of money given to employees in addition to their base salaries or hourly rates of pay. In reward systems, bonus programs play a crucial role. This is because the employees will receive bonuses based on how well they are currently performing for the company. In light of the fact that bonuses are frequently optional or retroactive, employees shouldn't be expected to get them. When an employee's performance is great throughout the entire year, it might be viewed as additional compensation provided by the company. The purpose of this bonus program is to improve workers' productivity and performance. The payment of bonuses often occurs at the end of the performance period, which is typically a year and is established by an organization's policies (Romanoff, 2008). He emphasized that the purpose of bonuses is to stimulate employees by rewarding

special efforts done throughout the year. Bonuses also serve as an incentive to motivate employees to perform better than other employees in the company.

### **(c) Promotion**

Promotion is characterized as an internal movement within a business that involves vertical position changes. According to Edward and Lazear (1986), promotion is the act of moving a worker up the organizational hierarchy in order to increase their responsibilities and status. Promotional opportunities are positively and directly correlated with job satisfaction. Promotional prospects are positively influenced by workers' essential mobility and work experience. By focusing on promotional possibilities, organizations can measure the effect of promotions on staff satisfaction. Promotional winners experience greater job satisfaction and set higher goals for future promotions. Being at the same place and doing the same thing every day made the workers feel tiresome and monotonous.

Promotions result in increased remuneration and status, as well as a feeling of inspiration for tenacity and hard work. According to Armstrong and Taylor (2014), an internal promotion policy can help an organization achieve its goals of stabilizing its workforce and retaining qualified workers for extended periods of time. To encourage employees, several organizations use promotions based on merit.

### **(d) Fringe Benefits**

Fringe benefits have a significant impact on job satisfaction and are a crucial part of employee compensation. Fringe benefits are a worthwhile alternative to paying. Employees strongly value fringe perks in an organization. To reduce turnover similar to that of wages, organizations implemented fringe benefits (Dale, 2006). Employees believed that fringe benefits were crucial to their job satisfaction. Fringe perks are more crucial in determining a group's level of job satisfaction. According to Owusu and Owusu, (2014), fringe benefits are extra remuneration options that benefit both companies and employees by boosting output, enhancing job satisfaction, and raising the standard of living. Although fringe benefits are a crucial component of employee compensation packages, organizations often overlook them. In numerous studies, the researchers have not emphasized the significance of fringe benefits for organizations.

### **2.3.2 Intrinsic Rewards**

According to Grigaliunas, and Herzberg (1971), performing a job is linked to intrinsic benefits. A task's challenges and opportunities provided a platform for using the individual skills and creativity of the task bearer, which served as an intrinsic reward. Self-directed intrinsic rewards were determined by the task's actual content. Intangible psychological benefits known as intrinsic rewards include appreciation, a positive attitude, a sense of achievement, individual recognition, and personal development. In essence, intrinsic rewards are generated from the job's actual content and cover such job characteristics as training, job rotation, and autonomous role clarity.

Intrinsic rewards boost self-esteem and achievement, according to Honig and Martin (1993). When employees take pride in their work and are motivated to reach their objectives, quality results may be expected. The benefits and challenges of the job should inspire employees to accomplish the goal because the success of the team depends on individual efforts through a collaborative approach. Skinner (1953) proposed the reinforcement theory, which clarified that a person's behavior and attitude are influenced by their environment. Employees who are intrinsically driven produce better work because they are motivated by internal factors rather than external stimuli like pressure or temptation. This study identified a positive relationship between work itself, responsibility, recognition, and development opportunities, and employee job satisfaction. In addition, work itself is a motivator and measures attitude, it is included in the intrinsic reward. For employee satisfaction and greater retention, organizations offer a variety of rewards, including monetary, non-monetary, and psychological ones.

#### **(a) Work Itself**

Herzberg's theory (1966) focused on individual employee attitudes toward the demands of the job and the duties that have been given to them (Freed, 2003). This encompasses the difficulty and size of the project. According to research, job satisfaction is directly influenced by how employees view their jobs (Freed, 2003). Work design is thus a crucial factor in employee motivation. The work itself should be fulfilling, interesting, and testing for the individual to accomplish and become motivated towards. This concerned how the staff members felt about how difficult or easy the work was. (Ruthankoon, 2003).

**(b) Responsibility**

According to Shaw, and Barry (2015), the term "responsibility" is used to describe a person's area of duty or obligation that is determined by the nature of that person's job, function, or field of activity. One way to look about responsibility is as a package of duties associated with a position or function. The definition of a responsibility actor is someone whose position requires them to fulfill a predetermined set of commitments. Responsibility thus presupposes that the actor also becomes a morale agent with a particular level of moral development and reasoning capacity. It is significant to remember that moral responsibility was viewed with the concept of a moral agent as early as Aristotle, and it developed out of one's capacity for reasoning and willingness to act without being coerced by others. Will Barret (2011) noted that ability to make logical decisions might be taken to be a moral obligation, which in turn justifies holding moral agents accountable for their deeds.

**(c) Recognition**

The recognition of someone in front of their peers for desired behavior, accomplishments, activities, or having a positive attitude is called recognition. On the other side, appreciation focuses on expressing gratitude to a worker for their action. These incentives enable employees to assess their performance and determine whether they are succeeding or failing. (Njanja, Maina, Kibet, & Njagi, 2013). One of the most effective ways to motivate individuals is by recognizing them. They need to know that their accomplishments are valued in addition to how successfully they completed their tasks or met their goals (Stredwick, 2013). While remaining within predetermined program parameters, acknowledgment should be relevant. For instance, it should only be provided for performance that is assessed to be above and beyond predetermined requirements. The majority of the time, minor recognition awards are offered at the time of achievement.

**(d) Development Opportunities**

The 21<sup>st</sup> century employment process, according to Aguenza and Som (2018), has defined employee development and career opportunity, acquired new skills, and engaged in various activities that generate career development for the purpose of benefits to both the employee and the organization as true career development. Employees frequently gain advantages from being able to document more

accomplishments at work and showing tangible signs of professional advancement. A company can really benefit from having more productive employees, and this is a huge draw for both the employee and the company. According to Bjornavold (2007), if a company ignores its employees' need and desire for growth, this would be a nightmare for that company because employee turnover will be largely influenced by lack of development. Recognizing the workforce's professional growth is essential for luring and keeping the best employees. The employee's professional needs are identified and addressed, giving you the chance to get the best out of them.

## **2.4 Job Satisfaction**

According to Brief and Weiss (2002), job satisfaction is a feeling that workers have regarding their workplace and their expectations of their work. Employees have demands and expectations from their jobs, as well as obligations. After their desires are met, workers are satisfied. According to Davis and Nestrom (1985), conduct and performance at work are closely related to job satisfaction. Job satisfaction is a crucial factor in completing goals that result in a sense of fulfillment (Kaliski, 2007). It also plays a role in recognition, earnings, and promotions. Job satisfaction is a sensation that arises from the belief that one's work satisfies both psychological and materialistic demands.

According to Sarwar and Abugre (2013), a worker is more devoted and loyal to a company if their job satisfaction levels are higher. Low incentives and lower pay lead to job unhappiness. Chew (2005) found that public sector managers were more concerned with maintaining their jobs than with financial benefits. Personnel in the public sector were intrinsically driven by rewards, as opposed to those in the private sector, who placed more value on extrinsic rewards as a source of motivation.

According to Vandenberghe and Trembley (2008) research, job satisfaction is highly correlated with reward across all occupational status groups. Employees in the private sector are driven by extrinsic rewards, but those in the public sector are motivated by intrinsic rewards. Managers in the private sector place a higher priority on financial rewards than managers in the public sector, who are more concerned with job security. However, for job satisfaction in both industries, monetary pay and benefits, together with non-financial incentives, are crucial factors.

Amabile, Hill, Hennessey, and Tighe (1994) came to the conclusion that rewards influenced employee job satisfaction and boosted work engagement. The

performance of employees and job commitment have been balanced by organizations. Two key elements of job satisfaction are incentives and motivation. Different types of rewards and recognition result in beneficial improvements in an employee's attitude and job satisfaction. Self-motivation and job satisfaction are directly connected to rewards. According to Elangovan (2001), job satisfaction was a key factor in determining professional conduct as well as a predictor of turnover, absenteeism, and leaves. The achievement of an organization's goals and the satisfaction of its employees depend on both intrinsic and extrinsic rewards. Other considerations besides compensation include a positive work atmosphere, acknowledgment of accomplishments, and a work setting that is not repetitive. For a job to be satisfying, extrinsic and intrinsic motivators must coexist in harmony.

According to Akintoye (2000) money is a major motivator for employee satisfaction, in part because it represents intangible aspirations like power, prestige, stability, success, and a sense of accomplishment. According to Dartey (2010), employees who receive praise from managers and coworkers for their efforts and whose opinions are respected are happier and more devoted to their occupations. Incentive and recognition programs boost staff morale and keep them upbeat by establishing a link between individual achievement and self-motivation. The main goal of programs is to establish a framework for linking rewards to performance and compensating employees' efforts, which eventually results in job satisfaction. An employee's motivation will ultimately rise with an unanticipated gain in recognition, compensation, and praise (Motta, 1995).

## **2.5 Employee Performance**

The motivation of employees is the most important component in determining employee performance, according to Kulchmanov and Kaliannan (2014). To further support the aforementioned assertion when an employee is motivated to do better, they look for ways to do so, and the opposite is also true. By giving workers the impression that their efforts are valued by the company and that management rewards top performers, it is possible to maximize employee performance. Nielsen (2013) asserted that there are additional ways to maximize performance, such as by offering staff training and enhancing their abilities. Performance can be enhanced via technological innovation and bettering working circumstances. In the end, a company may choose to simply fire low performers and hire talented employees. However, it



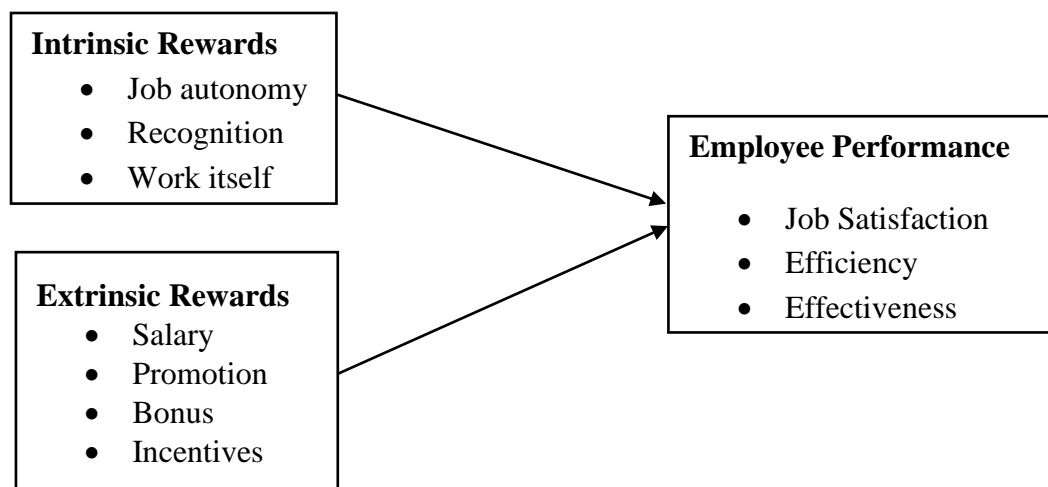
has been seen that a lack of job security and strong pressure to perform better result in high staff turnover and employee burnout. Managers must therefore devise strategies to raise performance while keeping workers. To keep them motivated to do better, this is possible. Managers can maximize performance in this way in addition to preventing employee burnout, absenteeism, and high staff turnover (Shields et al., 2015).

Rewarding employees for their excellent performance and giving them enough motivation to continue improving is one of the most effective ways to inspire staff. If management meets their expectations, then employees are happy with their jobs and the company. Employees anticipate that management reward them if they improve their performance. Great employee motivation is a result of great employee satisfaction. Employee unhappiness rises, however, if management does not offer enough rewards, and a high degree of employee dissatisfaction results in a high level of demotivation (Danish & Usman, 2010).

## 2.6 Previous Studies

This study adapted from three relevant research papers. The first research is about the effects of rewards on employee's performance in Banks: A study of three districts (Lodhran, Vehari, Khanewal) commercial banks in Pakistan. The aim of this study was to measure the impact of intrinsic and extrinsic reward on banks employee performance in Pakistan. It is developed by Ahmed & Shabbir (2017) which is shown in Figure (2.1).

**Figure (2.1) The Effects of Rewards on Employee's Performance in Banks: A Study of Three Districts Commercial Banks in Pakistan**

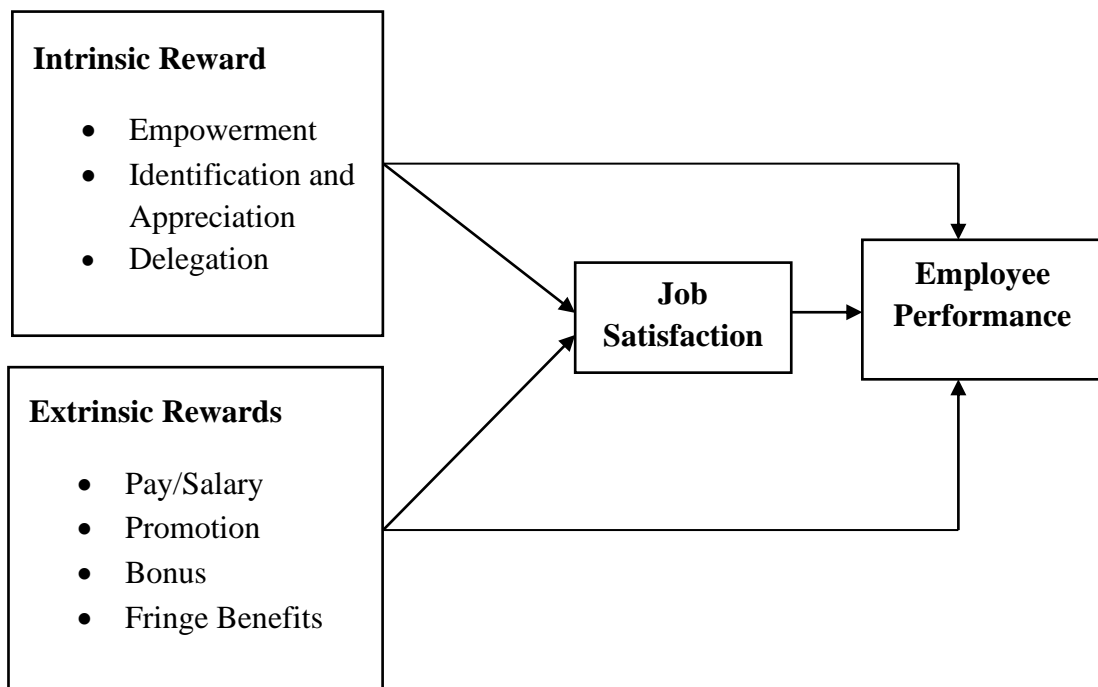


Source: Ahmed & Shabbir (2017)

According to Figure (2.1), the finding of this study indicates that intrinsic reward like job autonomy, the work environment that relate to employee job, the employee effectively and efficiently done his work if he satisfied with intrinsic rewards. The extrinsic reward (salary, promotion, bonus, financial incentive) motivate the employee to retain in banks. These rewards highly effected on employee performance. Therefore, this study reveals that there is the presence of a relationship between intrinsic and extrinsic rewards on employee performance and has a significant effect of intrinsic and extrinsic rewards difference on employee performance of the banking sector in Pakistan.

The second research is about relationship between rewards and employee performance: a mediating role of job satisfaction. The aim of this study was to measure the relationships between rewards, job satisfaction, and employee performance. It is prepared by Payam, Seyed, & Mahmood, (2013) which is shown in Figure (2.2).

**Figure (2.2) Relationship between Rewards and Employee Performance: A Mediating Role of Job Satisfaction**



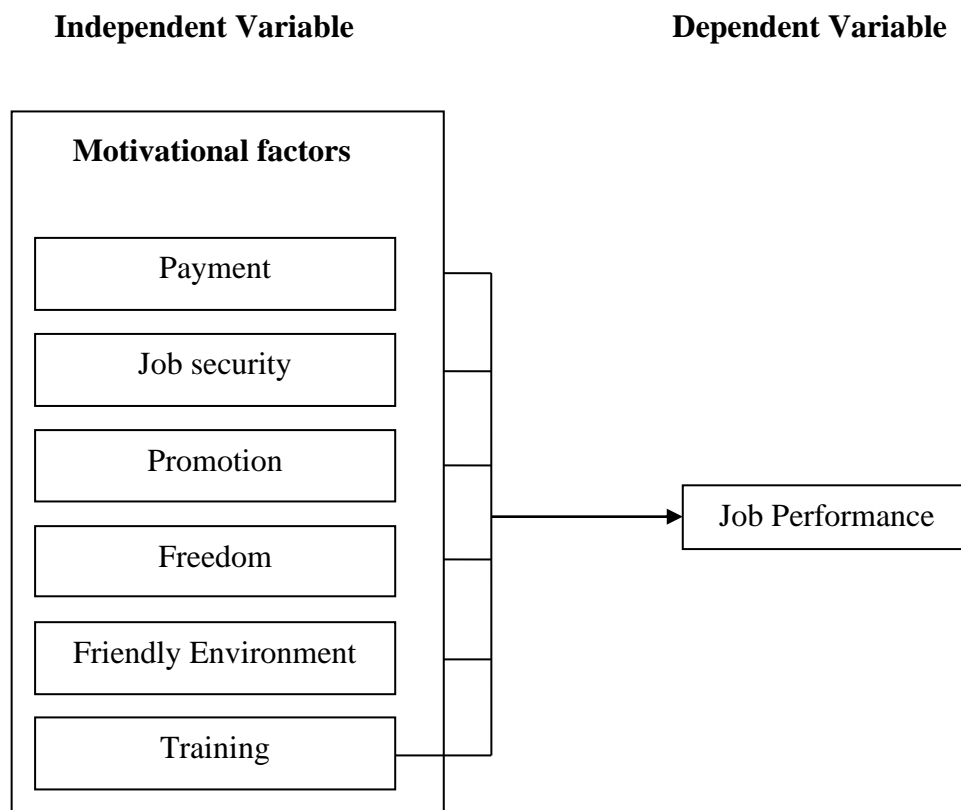
Source: Payam, Seyed, & Mahmood (2013)

According to Figure (2.2), the finding of this study indicates that rewarding affect employee performance. Rewarding positively affected job satisfaction and job

satisfaction significantly influence employee performance. Employees do their highest when they feel or hope that their hard work are to be rewarded by their managers. Therefore, human resource rules & regulation and practices significantly influence all the organizational level of employees.

The third research is about the Influence of Motivation on Job Performance: A Case Study at Universiti Teknologi Malaysia. The aim of this study was to have better understanding on factors of employee motivation and their association with job performance in Malaysian servicing organizations. It is prepared by Aarabi, Subramaniam, & Baker, Akeel, (2013) which is shown in Figure (2.3).

**Figure (2.3) The Influence of Motivation on Job Performance**



Source: Aarabi, Subramaniam, & Baker, Akeel, (2013)

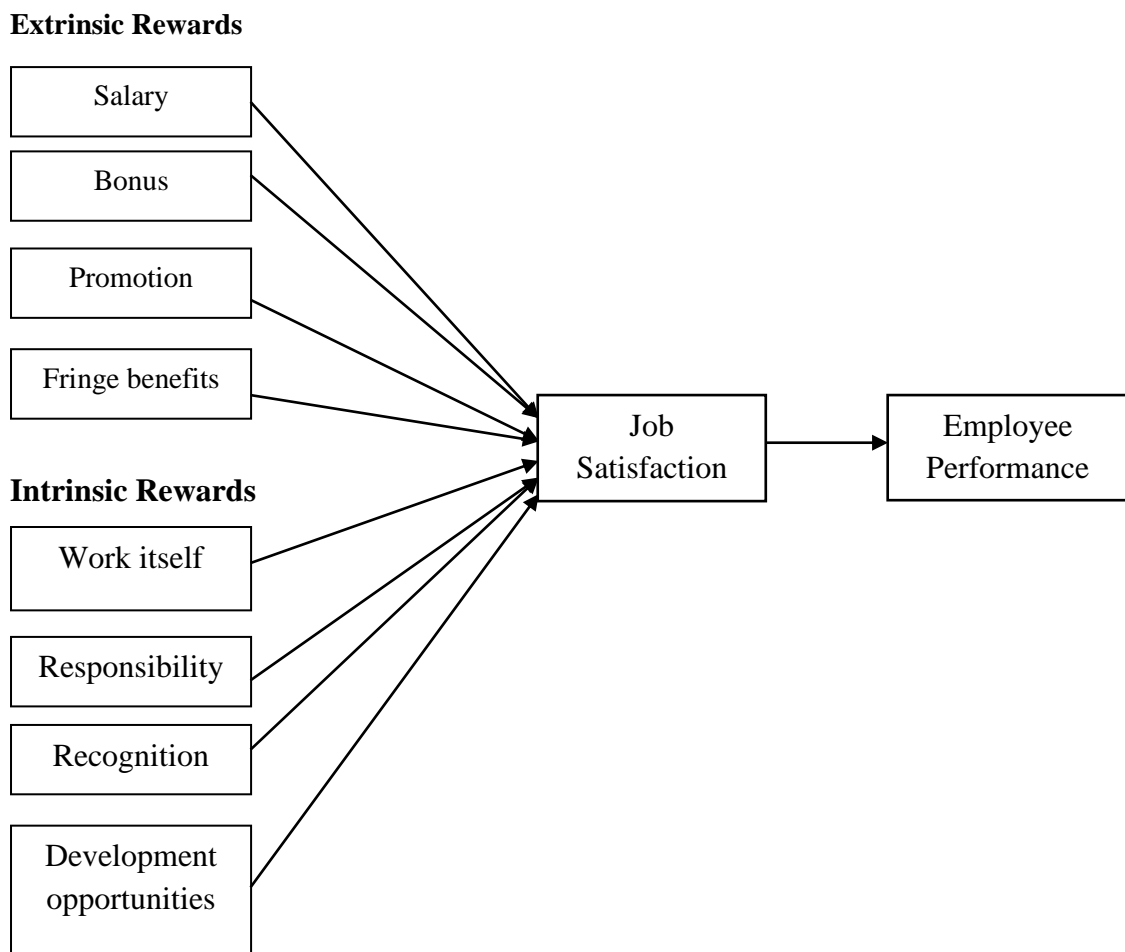
According to Figure (2.3), this study found that high payments influence employees to work harder and increase performance, and low job security and low morale cause lower performance. Promotion is motivating employees in terms of productivity and performance. Therefore, this study indicates that training and

promotion to be the two most important motivational factors. Thus, human resource management provide a lot of trainings and promotional opportunities to the employees, as they have the two factors that drive their motivation towards good job performance. In addition, promotion and advancement opportunities are the best methods of maintaining job performance and job satisfaction.

## 2.7 Conceptual Framework of the Study

Conceptual framework in this study is based on theoretical background and previous studies. It shows the extrinsic rewards and intrinsic rewards as independent variable and job satisfaction and employee performance as dependent variable. As independent variable, extrinsic rewards include salary, bonus, promotion and fringe benefits. Intrinsic rewards include work itself, responsibility, recognition and development opportunities. Conceptual framework of this study is shown in Figure (2.4).

**Figure (2.4) Conceptual Framework of the Study**



Source: Own Compilation (2023)

According to the Figure (2.4), conceptual link between reward practices, job satisfaction and employee performance is based on research by Payam et al. (2013). Extrinsic rewards factors such as salary, bonus, promotion and fringe benefits are drawn from the study of Payam et al. (2013). Moreover, intrinsic factors such as work itself and recognition have been sourced from the previous research conducted by Ahmed & Shabbir (2017).

### **Working Definitions of Key Variables**

**Extrinsic Rewards** – extrinsic rewards in this study mean that tangible rewards provided by the Innwa Bank Ltd to employees, such as salary, bonuses, promotion and fringe benefits, with the aim of job satisfaction.

**Intrinsic Rewards** – intrinsic reward in this study refer to non-monetary rewards derived from the work itself, responsibility, recognition and development opportunities offered by Innwa Bank Ltd to gain job satisfaction of employees.

**Salary** – salary in this study mentions that the fixed monetary compensation paid to employees on a regular basis, typically on a monthly.

**Bonus** – bonus in this study states that a variable monetary incentive to employees based on their performance, achievements or the attainment of specific goals of Innwa Bank Ltd.

**Promotion** – promotion in this study describes that the advancement of an employee to a higher position within the Bank.

**Fringe Benefits** – fringe benefits in this study indicates that non-wage compensations offered to employees, such as health insurance, retirement plan to enhance overall reward package.

**Work itself** – work itself in this study means the intrinsic value and satisfaction derived from the nature of the tasks and responsibilities related to a particular job at Bank.

**Responsibility** – responsibility in this study refers to level of authority and obligation assigned to an employee within their role corresponding to their position in the Bank's hierarchy.

**Recognition** – recognition in this study describes acknowledgement and appreciation of an employee's contributions and achievements at Bank.

**Development Opportunities** – development opportunities in this study mention that programs and different training for career growth and skill enhancement provided by Innwa Bank Ltd to support career development of employees.

**Job Satisfaction** – job satisfaction in this study means that positive emotional state experienced by employees in relation to their job at Bank.

**Employee Performance** – employee performance in this study refers to outcomes, results and achievements of employees in their roles, reflecting their contribution to the performance of Innwa Bank.

## **CHAPTER III**

### **BACKGROUND AND REWARD PRACTICES OF INNWA BANK LIMITED**

This chapter describes Innwa Bank's profile including branches, products and services offered. And then, reward practices provided by Innwa Bank Ltd are described in this chapter.

#### **3.1 Profile of Innwa Bank Limited**

IBL was founded on November 28, 1997, with approval from the Myanmar Central Bank under License No. MaBaPa/P- 20 (5) (97), dated May 15, 1997. It initially operated as an Investment Bank and later transitioned into a Developing Bank. The bank's establishment as a limited nonpublic company was authorized by the People's Republic of Myanmar's National Project and Ministry of Development, as indicated in Announcement No. (6/98) dated June 8, 1998, under legal provisions from 1950. Subsequently, in accordance with a government meeting agreement dated December 4, 2008, and National Project and Ministry of Business Development Register No. 1221/2008-2009, dated December 22, 2008, Innwa Bank was officially recognized. It operates as a wholly-owned subsidiary of Myanmar Economic Corporation (MEC) and commenced its operations in 1997 with a working capital of 75,000 million kyats, making a significant contribution of 32,450 million kyats to the banking industry. Innwa Bank focuses on retail banking services, including demand deposits, remittances, electronic banking, loans and advances, international banking, and salary disbursement for military officers.

MEC is a joint venture, partnering with Innwa Bank Limited. The effective delivery of financial services is made possible through the coordination of various regulatory bodies and institutions, including the Central Bank of Myanmar, the Board of Directors, and the Ministry of Planning and Finance. These entities work in conjunction with organizations like the Myanmar Banking Association to ensure the seamless provision of financial services. Innwa Bank Limited operates in strict compliance with the regulations set forth by the Central Regulatory Commission, the

Central Bank's supplementary directives, and the law governing the control of unlawfully obtained money and property. As a subsidiary of Myanmar Economic Corporation (MEC), Innwa Bank Limited serves the public by offering banking services, facilitating remittances, and establishing connections with other private banks. The bank is committed to expanding its branch network strategically across key commercial centers in Myanmar to enhance accessibility and expedite financial transactions. Currently, Innwa Bank has established 73 branches, including its main office, to serve the banking needs of the community.

Innwa Bank Limited is committed to delivering exceptional services that primarily benefit its affiliates and shareholders. The bank's objective is to contribute to the advancement of the nation's economic objectives. It achieves this by effectively harnessing both internal and external sources of funding, thereby promoting investments that facilitate the rapid growth of the private sector. In addition to its focus on stimulating economic development, Innwa Bank is dedicated to providing the general public with essential and efficient banking services, fostering financial inclusion and accessibility for all.

**Visions** of Innwa Bank are:

"To support the economic development of the Nation", and

"To promote the living standard of people and the eradicate the poverty".

**Mission** of Innwa Bank is:

"Providing quality products, services and innovation or the consumer-based market economy".

Innwa Bank Limited operates with a well-defined organizational structure that adheres to the directives and standards set by the Board of Directors (BOD). Under the guidance of senior general managers, general managers, and subject matter experts, the management team oversees a total of 73 branches across the country. This structure encompasses Directors, a Managing Director, and technical support, ensuring efficient operation and service delivery. In Yangon, the bank encompasses 13 branches and eight departments, each playing a vital role in Innwa Bank's operations and service offerings.



Overview of Innwa Bank's branches in Yangon, along with their respective townships. Innwa Bank has a network of 13 branches across various townships in Yangon. These branches are strategically located to serve the banking needs of residents and businesses in different parts of the city. Each branch is situated in a specific township, such as Kyauktada, Kmayut, InnSein, Mayangone, North Oakkalarpa, Hmawbi, Kyimyindaing, Bahan, South Dagon, North Dagon, Mingalardon, and South Oakkalarpa. This distribution ensures that customers have convenient access to the bank's services throughout Yangon, reflecting Innwa Bank's commitment to providing accessible and efficient banking solutions across the region.

Innwa Bank Limited has the different departments under organization structure. These departments play crucial roles in the bank's operations and service delivery. The Admin Department is responsible for the administrative functions, ensuring smooth day-to-day operations. The Loans Department manages the bank's lending activities, facilitating financial assistance to customers. The Foreign Exchange Department handles currency exchange services, vital for international transactions. Moreover, the Myanmar Mobile Money Department focuses on modern digital banking solutions. The IT Department oversees the bank's technological infrastructure. The ATM Department manages automated teller machines, enhancing accessibility for customers.

Lastly, the Military Officers Salary Department is responsible for handling the financial matters related to military officers, reflecting the bank's diverse range of services to meet the unique needs of its clientele. These departments collectively contribute to Innwa Bank's ability to provide comprehensive financial services to its customers.

### **3.2 Products and Services Provided by Innwa Bank Limited**

A broad variety of retail and corporate banking facilities are offered by IBL to its customers. IBL offers the products and services which shown in Table (3.1).

**Table (3.1) Products and Services in Innwa Bank Limited**

SN	Products	Services
1	Demand Deposit	Current Account, Saving Accounts Fixed Deposits
2	Remittance	Payment Order, Remittance
3	Electronic Banking	ATM Services
4	Loans and Advances	Loans and Overdrafts, Special Loans
5	International Banking	Foreign Exchange (USD, EUR, SGD, MYR, THB, CNY)
6	Salary for Military Officers	IBL is issuing the salary of military officers to their current account, savings bank account, and ATM card as per the salary list of Concern Military's Accounts Department.

Source: Innwa Bank Limited (2023)

### 3.2.1 Saving Deposit Account

Innwa Bank Limited offers Savings Deposit Accounts that cater to various individuals and organizations. Individuals can open these accounts with the endorsement of two individuals who already hold bank accounts. Additionally, organizations, including private enterprises, companies, corporations, and department stores, are eligible to open such accounts. Parents, legal guardians, or court-appointed guardians can jointly open accounts with minors, allowing withdrawals once the child reaches adulthood at the age of 18. Deposits and withdrawals can be conducted at any Innwa Bank branch, and applicable remittance charges apply. Account holders receive a savings passbook for their savings bank deposits. They have the option to instruct the bank to automatically transfer funds between their savings bank account and a card account as per their preference.

Key account details are 10,000 Kyats for initial deposit and minimum balance requirement is 10,000 Kyats. Interest rate for savings deposits, both for corporate and private (individual and joint) accounts, is 6.75% per annum. This account option provides flexibility and accessibility for a range of customers, allowing them to save and manage their funds effectively with Innwa Bank Limited.

### **3.2.2 Current Deposit Account**

Innwa Bank Limited offers Current Deposit Accounts that provide to both individuals and organizations, including private enterprises, companies, corporations, and department stores. Individuals seeking to open such accounts require the endorsement of two individuals who already hold bank accounts. These accounts provide the flexibility of conducting deposits, withdrawals, and account openings at any Innwa Bank branch. A commission fee is applicable based on the withdrawn amount. In case the account balance falls below the minimum requirement, account holders can instruct the bank to automatically transfer funds from their savings account or card account using the Auto Link feature. Moreover, Innwa Bank facilitates money transfers from their checks to other private banks through the clearing system. This account option is designed to offer convenience and accessibility, allowing both individuals and organizations to manage their finances effectively with Innwa Bank Limited.

### **3.2.3 Fixed Deposits Account**

Innwa Bank Limited offers Savings Deposit Accounts that can be opened by individuals with the recommendation of two individuals who already have bank accounts. Moreover, these accounts are also available for organizations such as private enterprises, companies, corporations, and department stores. For Fixed Deposits, the bank issues a fixed deposit certificate. The initial deposit required to open an account with Innwa Bank is 10,000 Kyats. Withdrawals can be made at any Innwa Bank branch, with a commission fee applicable based on the withdrawn amount. Deposited amounts must be fully recovered according to their terms.

The interest rates for Fixed Deposits are as follows:

- 1 month: 6.75%
- 3 months: 7%
- 6 months: 7.5%
- 9 months: 8%
- 1 year (12 months): 8.75%
- 2 years (24 months): 9%

These competitive interest rates provide depositors with attractive options for their savings, encouraging them to make the most of their financial resources with Innwa Bank Limited.

### **3.2.4 Remittance**

Deposits and withdrawals can be made by linking the deposit and savings bank accounts in the account according to the account owner's instructions. All branches of Innwa Bank can transfer money. A transfer fee of 5 pya per 100 kyats is charged except for Mine Shuu and Pha Kant branches. A minimum transfer fee of 200 kyats is charged. The fax fee is 300 kyats per time from 1 kyat to 100000 kyats, and above 100001 kyats, a fee of 500 kyats is charged per time. If interest is taken in advance, 25% of the total interest received on the day of deposit is paid in advance.

### **3.2.5 Payment Order**

There are also sales or issuance of payment orders (PO). The commission charged on PO is 10 pya per 100 kyats, with a minimum of 50 kyats collected. An additional 300 kyats are paid for CBM-Net.

### **3.2.6 ATM Services**

Innwa Bank Limited is a proud member of the MPU (Myanmar Payment Union) network, enabling customers to access a range of convenient banking services. With Innwa ATM Debit cards, account holders have round-the-clock access to ATMs and Point-of-Sale (POS) machines displaying the MPU logo. These services include cash withdrawals, checking account balances, generating mini-statements, transferring funds between accounts, and more. Additionally, Innwa Bank's Gold Card, also known as the Innwa card, provides the added benefit of unlimited cash deposits, enhancing flexibility and ease of banking for its customers.

### **3.2.7 Loans and Overdrafts, Special Loans**

Innwa Bank allows to anyone with valid credentials. IBL offers two types of loans. Those are loans and overdrafts, and special loans with an interest rate of 10%. No service charge and commitment fees are charged on loans. Interest is calculated only on the actual withdrawal amount. Innwa bank provides the best service in providing loans.

### **3.2.8 Foreign Exchange**

USD, EUR, SDG, MYR, THB, CYN, and JPY are exchanged for Myanmar Kyats at the Yangon branch foreign exchange counter of Innwa Bank Limited. Innwa bank provides excellent service except on weekends.

### **3.4 Reward Practices Provided by Innwa Bank Limited**

This section describes the reward practices provided by IBL from the result of interview with responsible person. Extrinsic and intrinsic rewards are being used by IBL to boost employee job satisfaction. The following includes the extrinsic and internal rewards that IBL currently uses.

#### **3.4.1 Extrinsic Rewards Offered by Innwa Bank Limited**

Direct incentives, including salary, bonus, promotions, and Fringe benefits, are provided to IBL employees. Because IBL values its employees, it strives to give them pay raises, a New Year's incentive, new prospects for growth, and other benefits.

##### **(a) Salary Paid by Innwa Bank Limited**

Monthly salary paid by IBL is shown in Table (3.2). According to Table (3.2), salaries vary based on the level of responsibility and seniority associated with each position. For instance, General Managers receive the highest monthly salary of 400,000 Kyats, while roles like Drivers (Grade 5), Security (Grade 5), Office Helper, and Cleaner have a monthly salary of 130,000 Kyats. This table offers a straightforward and organized reference for understanding the salary structure at Innwa Bank.

**Table (3.2) Monthly Salary Paid by Innwa Bank Limited**

<b>SN</b>	<b>Position</b>	<b>Salary (MMK)</b>
1	General Manager	400,000
2	Deputy General Manager	360,000
3	Assistant General Manager	330,000
4	Manager	300,000
5	Assistant Manager	270,000
6	Supervisor	205,000
7	Assistant Supervisor	190,000
8	Senior Clerk	175,000
9	Junior Clerk	160,000
10	Drivers (Grade 4)	160,000
11	Security (Grade 4)	160,000
12	Driver (Grade 5)	145,000
13	Security (Grade 5)	145,000
14	Office Helper	130,000
15	Cleaner	130,000

Source: IBL (2023)

Salaries vary based on the level of responsibility and seniority associated with each position. For instance, General Managers receive the highest monthly salary of 400,000 Kyats, while roles like Drivers (Grade 5), Security (Grade 5), Office Helper, and Cleaner have a monthly salary of 130,000 Kyats.

**(b) Employee Bonus and Incentive System at Innwa Bank Limited**

IBL has instituted a motivational bonus system aimed at enhancing employee satisfaction. This system involves the provision of an annual cash bonus, contingent on the company's profitability. Employees receive a bonus equivalent to two times their salary when it's paid annually, and an additional increment is added for continuous non-failure. Furthermore, employees who maintain three years of uninterrupted service without any failures receive a bonus equivalent to one time their next salary. Those who have worked for ten years and those who have completed 20

years of service are also given one times the salary. The bonus increase of the employees has a change in the bank's income profits.

**(c) Promotion Policies at Innwa Bank Limited**

At IBL, performance evaluation results are frequently a factor in promotion activities. The promotion of junior-level employees is evaluated based on their performance after two years. At the junior level, employees who are pursuing distance learning to obtain their degrees may experience a one-year delay in their promotion compared to graduates. This means that the promotion timeline for these employees is extended to three years. This adjustment takes into consideration the additional time and effort required for employees pursuing educational qualifications while also fulfilling their job responsibilities. It's a way to ensure fairness and recognition of their dedication to both professional development and academic pursuits, allowing them to progress in their careers within Innwa Bank

**(d) Fringe Benefits for Employees at Innwa Bank Limited**

Innwa Bank employs fringe benefits as motivational tools to enhance employee job satisfaction. These benefits include accommodation arrangements, which are specifically available for unmarried employees. Additionally, the bank offers ferry services for all employees, irrespective of their managerial or non-managerial positions, for convenient transportation between the workplace and their designated locations. Employees are entitled to Earned Leave (Annual Leave), Casual Leave, Medical Leave, and Maternity Leave as part of their benefits package. Moreover, the bank provides access to social security clinics, where employees receive complimentary medical care, further contributing to their well-being and job satisfaction.

**3.4.2 Intrinsic Rewards Offered by Innwa Bank Limited**

The intrinsic rewards are offered by IBL. Intrinsic rewards play an essential role in helping to increase employee performance through employee job satisfaction. Work itself, Responsibility, Recognition, and Development opportunities are offered by ILB as the intrinsic rewards.

**(a) Work Itself as the Intrinsic Factor at Innwa Bank Limited**

The employee's work itself is important for Innwa Bank's success. Employees at IBL are given the authority to serve customers promptly and to carry out their obligations because the company is a serving bank. IBL managers help with the career development of the employees under them. In addition to recognizing the value of the employees, the IBL also provides complete and sufficient information to enable them to do their job effectively. The bank works employees to match the amount of work expected of them.

**(b) Employee Roles and Responsibilities at Innwa Bank Limited**

At Innwa Bank Limited (IBL), employees not only bring their educational background and extensive training but also a profound sense of responsibility to their positions. They understand that their roles have a direct impact on the bank's operations and overall success. Innwa Bank provides employees with the information they need to make good decisions at work. Beyond their technical expertise, employees at IBL are responsible for maintaining the highest ethical standards and ensuring compliance with all relevant regulations and policies. This commitment to responsibility extends to delivering exceptional customer service, meeting deadlines, and contributing to the bank's reputation as a trusted financial institution. Employees take pride in their duties and recognize that their contributions are integral to IBL's mission of providing quality financial services to valued customers.

**(c) Employee Recognition at Innwa Bank Limited**

The six categories of accreditation used by the majority of companies are: job recognition, oral recognition, social recognition, financial recognition, symbolic recognition, and visual recognition. Innwa Bank provides a wide range of benefits, such as staff outings, holiday dinners, and celebrations. Every year, Innwa Bank arranges staff dinners. Programs for lotteries are among them. The Board of Directors of Innwa Bank promotes employee recognition initiatives.

**(d) Development Opportunities at Innwa Bank Limited**

Innwa Bank has many opportunities for employees to develop new banking skills. IBL managers help with the career development of the employees under them. The seniors teach the new employees about the banking that needs to be done.



Training in English language proficiency, LCCI, general banking, management, and overseas banking helps to produce qualified staff as well as the bank's staff. Future and current careers can benefit from career development plans.

To be concluded, IBL provides both extrinsic and intrinsic rewards to obtain employee job satisfaction. The employees are encouraged and supported by managers and seniors to give their best efforts to banking. IBL adds personal development skills for employees. The bank also has fair promotion policies for employees. In order to improve the skills of the employees, they attend trainings related to the bank, and the employees who attend them give consideration to the promotion of the outstanding training graduates. Bonuses and promotions are also given to outstanding banking employees. To facilitate transportation to the bank offices, ferries have been arranged as well as accommodations. In addition to allowing relevant leaves, the bank also provides free health care at social security clinics. Finally, Innwa Bank is carrying out the above-mentioned activities to bring satisfaction and happiness to the employees at work. While IBL has established various reward practices, it is needed to examine employee perception of these reward practices which will be described in the next chapter.

## **CHAPTER IV**

### **ANALYSIS OF REWARD PRACTICES, JOB SATISFACTION AND EMPLOYEE PERFORMANCE**

This chapter describes analysis of the reward practices, job satisfaction and employee performance. Three sections make up this chapter. In the first section, the respondents' demographic data are covered, and in the second, respondent perception of reward practices, job satisfaction, and employee performance is addressed. In the third section, the effect of reward practices on job satisfaction and, in turn, the effect of job satisfaction on employee performance are examined in this chapter.

#### **4.1 Research Design**

This analysis, which essentially simply a correlation, collects data using both a survey and a quantitative methodology. Employee at Innwa Bank Limited are the subject of this study. This study focuses on how both extrinsic and intrinsic rewards support employees job satisfaction. Structured questionnaire with 5-point Likert scale (from one to five showing that they strongly disagree = 1, disagree = 2, neutral = 3, agree = 4, strongly agree = 5) was used in this study. The questionnaire includes five sections such as the demographic profile, extrinsic reward, intrinsic reward, job satisfaction and employee performance. Questions to measure the variables were taken from the previous literature. 20 items for the extrinsic reward, 20 items for the intrinsic reward, 5 items for job satisfaction and 9 items for employee performance were used in this study.

The sample of 93 employees representing 40 percent of total population, 234 employees from head office and branches of Innwa Bank in Yangon was randomly selected. Data collection period is from July to August 2023. Records of the Bank, the Internet websites, and relevant texts and articles were used for collecting secondary data. Descriptive statistics such as mean and standard deviation to examine the employee perception of reward practices. Pearson Correlation was used to find the relationship among the variables. Moreover, multiple regression analysis was used to analysis the effect of reward practices on employee job satisfaction. In addition, to analyze the effect of job satisfaction on employee performance, simple linear regression analysis was used the independent variables and the dependent variables.

Descriptive statistical methods were employed to estimate the respondent's mean value.

## 4.2 Demographic Profile of Respondents

In this section, demographic characteristics of respondents are described in terms of gender, age, education, position and service years.

### 4.2.1 Gender of Respondents

The samples of 93 employees are categorized by their genders and the result of respondents is shown in Table (4.1).

**Table (4.1) Respondents by Gender**

<b>Gender</b>	<b>Number of respondents</b>	<b>Percent (%)</b>
Male	29	31.2
Female	64	68.8
<b>Total</b>	<b>93</b>	<b>100</b>

Source: Survey Data (2023)

There are more female respondents than male ones. 64 of the respondents, or 68.8%, are female, while 29 of the respondents, or 31.2%, are male employees.

### 4.2.2 Age Level of Respondents

The three categories are used to group respondents' ages. These age groups include those who are between 18 and 25, between 26 and 40, and over 41. Age level of respondents is shown in Table (4.2)

**Table (4.2) Respondents by Age**

<b>Age (years)</b>	<b>Number of Respondents</b>	<b>Percent (%)</b>
18 – 25	19	20.4
26 – 40	52	55.9
Above 41	22	23.7
<b>Total</b>	<b>93</b>	<b>100</b>

Source: Survey Data (2023)

According to Table (4.3), respondents have several levels. It is found that there are 19 employees are between 18 and 25 years, 52 employees are between 26 and 40 years, 22 employees are over 40. It is found that the main level is obtained from respondents between 26 to 40 years with 55.9% surveyed by the under 18 to 25 years with 20.4%, and over 41 years with 23.7%.

#### 4.2.3 Education Level of Respondents

The four categories of education levels are: high school, under graduate, graduate, and master. The result is displayed in Table (4.3).

**Table (4.3) Education Level of Respondents**

<b>Education Level</b>	<b>Number of Respondents</b>	<b>Percent (%)</b>
High School	9	9.7
Under Graduate	12	12.9
Graduate	68	73.1
Master	4	4.3
<b>Total</b>	<b>93</b>	<b>100</b>

Source: Survey Data (2023)

The majority of employees are found to be graduates. Graduate-level employees totaled the majority of respondents (73.1%), while master's-level employees made up the least number of respondents (4.3%).

#### 4.2.4 Position of Respondents

There are five sections to the current positions; Manager Level, Assistant Manager Level, Supervisor Level, Assistant Supervisor Level, Staff Level and Others Level.

**Table (4.4) Position of Respondents**

<b>Position</b>	<b>Frequency</b>	<b>Percent (%)</b>
Manager	7	7.5
Assistant Manager	5	5.4
Supervisor	7	7.5
Assistant Supervisor	10	10.8
Staff	51	54.8
Others	13	14.0
<b>Total</b>	<b>93</b>	<b>100</b>

Source: Survey Data (2023)

Above Table (4.4) presents the position of respondents. In the survey questionnaire, the result of a study survey of 93 respondents indicates that 54.8% of the staff level replied the most and that the number of assistant managers was at least 5.4%.

#### 4.2.5 Service Years of Respondents

Service years of respondents with four level of service years is shown in Table (4.5).

**Table (4.5) Respondents by Service Years**

<b>Service Years</b>	<b>Frequency</b>	<b>Percent (%)</b>
Less than 2 years	27	29
2 years to 4 years	31	33.4
5 years to 7 years	16	17.2
7 years above	19	20.4
<b>Total</b>	<b>93</b>	<b>100</b>

Source: Survey Data (2023)

Four categories include working service years. A total of 27 employees with less than two years of work experience, 31 employees with two to four years of work experience, 16 employees with five to seven years of work experience, and 19 employees with more than seven years of work experience were discovered. The majority of respondents have two to four years of experience as IBL employees.

#### 4.3 Reliability Test

Reliability refers to the consistency with which repeated measures produce the same result across time and across observers (Patton, 1990). All of the questionnaires used in the research were uniform for all respondents to ensure the reliability of the data. Additionally, pre-testing the questionnaire with experts and chosen participants from the target group increased its reliability by ensuring that all respondents understood the questions. Reliability statistics for all variables is shown in Table (4.6).

**Table (4.6) Reliability Test for Variables**

<b>Variables</b>	<b>Number of Items</b>	<b>Cronbach's Alpha</b>
Extrinsic Rewards		
- Salary	5	.842
- Bonus	5	.711
- Promotion	5	.721
- Fringe Benefits	5	.702
Intrinsic Rewards		
- Work Itself	5	.609
- Responsibility	5	.737
- Recognition	5	.813
- Development Opportunities	5	.614
Job Satisfaction	5	.658
Employee Performance	9	.805

Source: Survey Data (2023)

According to Zikmund, Babin, Carr & Griffin (2010) classified the categories are as 0.80-0.95 (very good reliability), 0.70-0.80 (good reliability), 0.60-0.70 (fair reliability), and below 0.60 (poor reliability). The Table 4.8 showed the excellent cronbach's alpha scale was .842 that point out highest correlation between among other variables. All of the variables with the cronbach's alpha scale were between 0.80-0.95 that indicated very good reliability.

#### **4.4 Descriptive Statistics of Reward Practice, Job Satisfaction and Employee Performance**

Respondent perception of intrinsic and extrinsic rewards, job satisfaction and employee performance were examined by descriptive statistics such as mean and standard deviation in this section. The reward practices that affect job satisfaction are highlighted by theories of motivation, including Expectancy Theory and Hertzberg's Two-Factor Theory. Therefore, the eight factors—salary, bonus, promotion, fringe benefits, work itself, responsibility, recognition and development opportunities—were analyzed in this study. Additionally, each element has a set of statements that employees must rate on a scale of 1 to 5 (1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = highly agree). Mean score interpretation developed by

Landell (1997) & Najib (1994) is used in examining the respondent perception towards reward practices, job satisfaction and employee performance, which is shown in Table (4.7).

**Table (4.7) Mean Score Interpretation**

Total Mean Score	Level
1.00 – 2.33	Low
2.34 – 3.67	Moderate
3.68 – 5.00	High

Source: Landell (1997) & Najib (1994)

#### 4.4.1 Respondent Perception on Extrinsic Rewards

In this section, respondent perception towards extrinsic reward such as salary, bonus, promotion and fringe benefits are examined by descriptive statistics.

##### (a) Employee Perception on Salary

The mean value of salary at Innwa Bank Ltd. is shown in Table (4.8). The level of employee perception with salary is determined by using five questions.

**Table (4.8) Mean Value of Salary**

SN	Description	Mean	Standard Deviation
1	Being a sufficient wage with position.	2.27	0.836
2	Being sound policies and procedures for wages and salary.	2.67	0.812
3	Being enough salary given the level of responsibilities.	2.51	0.868
4	Increasing in salary based on performance results.	2.55	0.903
5	Being overall satisfied with the salary.	2.51	0.880
	Overall Mean	2.499	

Source: Survey Data (2023)

According to Table (4.8), the overall result for salary perception, with a mean score of 2.499, indicates that respondents have a moderate level of perception regarding their salary. The majority of respondents moderately agree that there are being sound policies and procedures in place for wages and salary, as evidenced by a

mean score of 2.67. Additionally, respondents have a moderate perception that being sound policies and procedures for wages and salary, with a mean value of 2.55. Many respondents also moderately perceive that being enough salary given the level of responsibilities, as indicated by a mean value of 2.51. Moreover, there is moderately perception among many respondents regarding their being overall satisfied with the salary, with a mean score of 2.51. Similarly, many respondents hold a moderate perception regarding being a sufficient wage with position, with a mean score of 2.27.

**(b) Employee Perception on Bonus**

The mean value of bonus provided by Innwa Bank is shown in Table (4.9). The level of employee perception with bonus is determined by using five questions.

**Table (4.9) Mean Value of Bonus**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Being fair with an annual bonus system.	2.78	0.965
2	Satisfying performance-related bonuses.	2.76	0.925
3	Being based on the more on income generated of bank for the amount of bonus.	3.32	0.969
4	Being based on performance for annual financial bonuses.	2.90	0.933
5	Satisfying the bank's bonus.	2.81	0.875
	Overall Mean	2.916	

Source: Survey Data (2023)

According to Table (4.9), the overall result for bonus perception, with a mean score of 2.916, indicates that respondents have a moderate level of perception regarding their bonuses. The majority of respondents express agreement with the fact that being based on the more on income generated of bank for the amount of bonus, as reflected in the mean score of 3.32. This highlights that employees at IBL perceive that bonuses are linked to the bank's income. The second-highest mean value of 2.90 reflects that being are based on performance for annual financial bonuses, with employees having a moderate level of perception on this statement. Many respondents



also have a moderate perception regarding satisfying the bank's bonus, as indicated by a mean score of 2.81. Similarly, many respondents hold a moderate perception regarding being fair with an annual bonus system, with a mean score of 2.78. Additionally, respondents have a moderate perception that satisfying performance-related bonuses, with a mean value of 2.76.

**(c) Employee Perception on Promotion**

The mean value of promotion at Innwa Bank is shown in Table (4.10). The level of employee perception with promotion is determined by using five questions.

**Table (4.10) Mean Value of Promotion**

SN	Description	Mean	Standard Deviation
1	Promoting by an equal chance.	2.86	1.059
2	Giving satisfaction to work with the promotion plan.	3.20	0.909
3	Preferring service-based promotions.	3.16	0.798
4	Being made promotion in a fair and honest manner.	3.05	0.925
5	Being overall pleased about promotion.	3.26	0.943
	Overall Mean	3.071	

Source: Survey Data (2023)

According to Table (4.10), the overall result for promotion perception, with a mean score of 3.071, indicates that respondents moderately perceived regarding their promotions. The majority of respondents express agreement with the idea that being overall pleased about promotion, as reflected in the mean score of 3.26. This means that employees at IBL have a moderate perception of the promotion policy and process. The second-highest mean value of 3.20 indicates that giving satisfaction to work with the promotion plan, with employees having a moderate level of perception about this statement. Many respondents also hold a moderate perception about preferring service-based promotions, as indicated by a mean score of 3.16. Similarly, many respondents have a moderate perception regarding being made promotion in a fair and honest manner, with a mean score of 3.05. Additionally, most respondents

agree that they have promoting by an equal chance, signifying a moderate level of perception about their promotion opportunities, with a mean score of 2.86.

**(d) Employee Perception on Fringe Benefits**

The mean of fringe benefits at Innwa Bank is shown in Table (4.11). The employee perception with fringe benefits provided by IBL is identified using five questions.

**Table (4.11) Mean Value of Fringe Benefits**

SN	Description	Mean	Standard Deviation
1	Satisfying with the accommodation arrangement.	3.11	0.961
2	Satisfying with the transportation arrangement.	3.04	0.884
3	Getting Earned Leave (Annual Leave), Casual Leave, Medical Leave, and Maternity Leave with an Allowance.	3.22	0.919
4	Being Free health care.	2.90	0.945
5	Being overall satisfied with fringe benefits.	2.91	0.940
	Overall Mean	3.037	

Source: SPSS Output, 2023

According to Table (4.11), the overall result for fringe benefits perception, with a mean score of 3.037, indicates that respondents maintain a moderate level of perception regarding their fringe benefits. The majority of respondents agree with the different types of leaves with an allowance, as reflected in the mean score of 3.22. This points out that employees at IBL have a moderate perception of the fringe benefits related to leave allowances. The second-highest mean value of 3.11 indicates satisfying with the accommodation arrangements, with employees having a moderate level of perception about this statement. Many respondents also hold a moderate perception about their satisfying with transportation arrangements, as indicated by a mean score of 3.04. Similarly, many respondents have a moderate perception regarding their being overall satisfaction with fringe benefits, with a mean score of 2.91. Additionally, most respondents agree that they receive being free healthcare as part of their fringe benefits, signifying a moderate level of perception about this aspect, with a mean score of 2.90.

#### 4.4.2 Respondent Perception on Intrinsic Rewards

Respondent perception towards intrinsic rewards such as work itself, responsibility, recognition and development opportunities are examined by descriptive statistics such as mean value and standard deviation.

##### (a) Employee Perception on Work Itself

The mean value of work itself at Innwa Bank is shown in Table (4.12). The Employee perception of work itself is identified by asking five questions.

**Table (4.12) Mean Value of Work Itself**

SN	Description	Mean	Standard Deviation
1	Helping advance careers.	3.37	0.805
2	Being valuation and appreciation for the work.	3.43	0.728
3	Being enough to do the job well with information.	3.57	0.799
4	Being reasonable the amount of work expected to be done the job.	3.53	0.829
5	Being overall satisfied with the job.	3.51	0.855
	Overall Mean	3.48	

Source: Survey Data (2023)

According to Table (4.12), the overall result for work itself perception, with a mean score of 3.48, indicates that respondents maintain a moderate level of perception regarding their work itself. The majority of respondents express agreement with the fact that they have being enough to do the job well with information, as reflected in the mean score of 3.57. This suggests that employees at IBL have a moderate perception of their work itself in terms of information availability. The mean value of 3.53 indicates that being reasonable the amount of work expected to be done the job, with a moderate level of perception on this statement. Many respondents also hold a moderate perception about their being overall satisfied with the job, as indicated by a mean score of 3.51. Similarly, many respondents have a moderate perception regarding being valuation and appreciation for the work, with a mean score of 3.43. Additionally, most respondents agree that they receive being free healthcare as part of their work itself, helping advance careers about this aspect, with a mean score of 3.37.

**(b) Employee Perception on Responsibility**

Employee perception with responsibility is measured by using five question items. As the result, the mean value of responsibility at Innwa Bank is shown in Table (4.13).

**Table (4.13) Mean Value of Responsibility**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Being equal to authority with responsibility.	3.33	0.838
2	Being pleased and proud with responsibility.	3.59	0.811
3	Being some conditions need to work voluntarily with responsibility.	3.52	0.802
4	Making decision need to make with enough authority.	3.01	0.853
5	Being overall enjoy carrying out responsibilities.	3.76	0.826
	Overall Mean	3.443	

Source: Survey Data (2023)

According to Table (4.13), the overall result for responsibility, with a mean score of 3.443, indicates that respondents hold a moderate level of perception regarding their responsibilities. The majority of respondents show strong agreement with the idea that being overall enjoy carrying out responsibilities, as reflected in the mean score of 3.76. This demonstrates that employees at IBL are highly perceived with their responsibilities. The mean value of 3.59 implies that being pleased and proud with responsibility, with a moderate level of perception regarding this statement. Many respondents also hold a moderate perception about being some conditions need to work voluntarily with responsibility, as indicated by a mean score of 3.52. Additionally, many respondents have a moderate perception regarding being equal to authority with responsibility, with a mean score of 3.33.

**(c) Employee Perception on Recognition**

Perception of employee on recognition provided by Innwa Bank is measured with five items of questions. The mean score of recognition at Innwa Bank is shown in Table (4.14).

According to Table (4.14), the overall mean value of recognition 3.267, indicates that respondents have a moderate level of perception regarding recognition by IBL. The majority of respondents have agreement with the fact that they are overall pleased to be recognized, as reflected in the mean score of 3.40. It means that employees at IBL have a moderate perception of their recognition within the bank.

**Table (4.14) Mean Value of Recognition**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Being fair recognition programs.	3.10	0.945
2	Superior talking about progress with supervisor.	3.28	0.901
3	Recognition at work.	3.33	0.771
4	Being receiving praise for doing a good job.	3.23	0.861
5	Being overall pleased to be recognized.	3.40	0.849
	Overall Mean	3.267	

Source: Survey Data (2023)

The mean value of 3.33 reveals that employees perceive recognition at work, with a moderate level of perception regarding this statement. Many respondents also hold a moderate perception regarding how often their superiors talk about their progress, as indicated by a mean score of 3.28. Similarly, many respondents have a moderate perception regarding receiving praise for doing a good job, with a mean score of 3.23. Additionally, many respondents have a moderate perception regarding Being fair recognition programs, with a mean score of 3.10.

**(d) Employee Perception on Development Opportunities**

Table (4.15) shows the mean value of development opportunities offered by Innwa Bank Ltd. The employee perception of development opportunities is identified by asking five questions.

**Table (4.15) Mean Value of Development Opportunities**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Being available to develop new skills with development opportunities.	3.45	0.715
2	Providing for skill improvement different training and development programs.	3.55	0.715
3	Having opportunities for career development.	3.37	0.791
4	Being is routinely used to encourage multi-skilling.	3.27	0.796
5	Giving the opportunity to gain the need for an advanced career.	3.29	0.842
	Overall Mean	3.385	

Source: Survey Data (2023)

In accordance with Table (4.15), the overall mean value for development opportunities 3.358, describes that respondents maintain a moderate level of perception regarding their development opportunities. The majority of respondents have an agreement with the provision of various providing for skill improvement different training and development programs, as evidenced by a mean score of 3.55. This highlights that employees at IBL perceive their development opportunities moderately. The mean value of 3.45 specifies that being available to develop new skills with development opportunities, signifying a moderate level of perception about this aspect. Many respondents also have a moderate perception about having opportunities for career development, with a mean score of 3.37. Furthermore, many respondents agree on the impact of workload in providing opportunities for advanced career development, with a mean score of 3.29.

To sum up, the overall means values of employee perception towards both extrinsic rewards and intrinsic rewards practices are shown in Table (4.16).

**Table (4.16) Overall Mean Value of Reward Practices**

SN	Variables	Overall Mean
1	Salary	2.499
2	Bonus	2.916
3	Promotion	3.071
4	Fringe Benefits	3.037
5	Work Itself	3.480
6	Responsibility	3.443
7	Recognition	3.267
8	Development Opportunities	3.358

Source: Survey Data (2023)

According to Table (4.16), the overall mean value of reward practices is moderate level. Among then intrinsic reward has the highest mean value. Among the intrinsic reward practices, the highest mean value of work itself is 3.480, indicating that the majority of respondents agree with the level of work itself they accepted at Innwa Bank Limited. It implies that employees hold a moderate level of perception regarding their responsibilities within the organization. The second-highest mean value is 3.443, indicating that employees at IBL have a moderate perception of their responsibilities. The third-highest mean value is 3.358, reflecting that employees maintain a moderate level of perception regarding development opportunities. Recognition follows with a mean value of 3.267, and it is followed by promotion with a mean value of 3.071, both suggesting a moderate level of satisfaction among employees. Fringe benefits mean value is 3.037 and bonus has a mean value of 2.916, indicating a moderate level of perception about it. Finally, salary has the lowest mean value of 2.499, indicating that most respondents have lower level of perception in this aspect.

#### **4.4.3 Employee Perception on Job Satisfaction**

The mean score of job satisfaction at Innwa Bank is shown in Table (4.17). The level of employee perception with job satisfaction is determined by using five questions.

**Table (4.17) Mean Value of Job Satisfaction**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Getting data for better decision-making.	3.30	0.791
2	Having full confidence in the management.	3.19	0.647
3	Seniors and managers encourage the best effort.	3.58	0.681
4	Satisfaction to have scope for personal growth, such as skill enhancement.	3.30	0.777
5	Satisfaction with having fair promotion policies.	2.95	0.913
	Overall Mean	3.265	

Source: Survey Data (2023)

According to Table (4.17), the majority of respondents agree that seniors and managers encourage their best effort, as reflected in the mean score of 3.58. This points out that employees at IBL hold a moderate level of job satisfaction, as they feel encouraged to give their best. Mean value of 3.30 indicates that employees perceive the availability of data for better decision-making and skill enhancement, with a moderate level of perception regarding this aspect. Many respondents also have a moderate perception about their confidence in the management, as indicated by a mean score of 3.19.

#### **4.4.4 Employee Perception on Employee Performance**

Employee perception towards employee performance is identified by using five questions. The mean value of employee performance at Innwa Bank is shown in Table (4.18).



**Table (4.18) Mean Value of Employee Performance**

<b>SN</b>	<b>Description</b>	<b>Mean</b>	<b>Standard Deviation</b>
1	Tasks complete a significant number of every week.	3.78	0.640
2	Many tasks are accomplished to satisfaction.	3.90	0.738
3	When compared to other people, a lot of tasks are accomplished.	3.58	0.697
4	Informal recognition motivates to perform better.	3.95	0.614
5	Receiving bonuses improves job performance.	3.57	0.772
6	Task objectives were accomplished successfully.	3.95	0.697
7	The systems and procedures help to increase productivity.	3.85	0.833
8	Effectively manage time to accomplish tasks.	3.81	0.630
9	Even if it takes more time, pay special attention to the little things and make sure that the work is accurate to a high degree.	3.87	0.612
	Overall Mean	3.806	

Source: Survey Data (2023)

According to Table (4.18), most of the respondents highly agree that task objectives are successfully accomplished, as indicated by the mean value of 3.95. This signifies that employees are highly satisfied with their jobs and, as a result, perform well. Many respondents also highly agree that tasks are accomplished to satisfaction whenever the situation demands, with an intensity of 3.90, indicating that employees have the ability to perform effectively under various circumstances. Similarly, many respondents have high perception in paying special attention to details and ensuring high accuracy, even if it takes more time, is essential, with a mean value of 3.87, signifying employee satisfaction in this regard. The overall mean value of employee performance is 3.806, indicating that employee performance is at high level, and employees generally exhibit good job performance.

#### 4.5 Effect of Reward Practices on Employee Job Satisfaction at Innwa Bank Limited

In this section, analysis of the effect of reward practices on employee job satisfaction are examined. Relationship between extrinsic reward, intrinsic reward, job satisfaction and employee performance are shown in Table (4.19).

**Table (4.19) Correlation Analysis between Reward Practices and Job Satisfaction**

SN	Particular	Job Satisfaction
1	Salary	0.361**
2	Bonus	0.408**
3	Promotion	0.437**
4	Fringe Benefits	0.166
5	Work Itself	0.228*
6	Responsibility	0.598**
7	Recognition	0.502**
8	Development Opportunities	0.575**
***, **, * = significant at 1%, 5%, 10% level		

Source: SPSS Output (2023)

In this section, Pearson Correlation analysis was used to examine the relationship between reward practices and job satisfaction and in this study, the correlation coefficient (r) was presented by Burger (1996) as follows:

r = 0.01 to 0.20 indicates weak relationship

r = 0.21 to 0.50 indicates moderate relationship

r = 0.51 to 0.80 indicates strong relationship

r = 0.81 to 1 indicates very strong relationship

According to the correlation analysis, extrinsic reward factors such as salary, bonus, promotion is moderate positively correlated with job satisfaction at a 5% level. It was found that there was a moderately positive relationship between intrinsic reward factors such as responsibility, recognition and development opportunities and job satisfaction. In addition, it was indicated that there was a weak correlation between fringe benefits, work itself and employee job satisfaction which is significant at 10% level.

Moreover, the results of a multiple regression analysis show the effect of reward practices on employee job satisfaction which is shown in Table (4.20).

**Table (4.20) Multiple Regression Analysis of Reward Practices and Employee Job Satisfaction**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	.582	.363		1.602	.113	
Salary	-.051	.086	-.068	-.593	.555	2.368
bonus	.134	.087	.170	1.539	.128	2.193
Promotion	-.036	.081	-.045	-.443	.659	1.874
Fringe Benefits	.022	.064	.027	.336	.738	1.182
Work Itself	-.118	.084	-.118	-1.399	.165	1.284
Responsibility	.298	.090	.345	3.315	.001***	1.938
Recognition	.202	.074	.264	2.724	.008***	1.679
Development Opportunities	.352	.093	.342	3.784	.000***	1.461
R Square	0.537					
Adjusted R Square	0.492					
F Value	12.026***					

Source: SPSS Output (2023)

\*\*\* significant level at 0.01

Based on the multiple regression analysis as shown in Table (4.20), the independent variables such as salary, bonus, promotion, fringe benefits, work itself, responsibility, recognition and development opportunities are contributed to 49% of the variation of job satisfaction of employees at Inna Bank Limited with the evident of adjusted R square of 0.492. Among the reward practices, intrinsic reward factors such as responsibility ( $p=0.001$ ), recognition ( $p=0.008$ ) and development opportunities ( $p=0.000$ ) are statistically significant at 1% level.

Based on the unstandardized coefficient (Beta) values, it is evident that development opportunities have the most substantial and statistically significant

positive effect on job satisfaction among employees at Innwa Bank Limited. Following responsibility, the second most significant effect on job satisfaction is associated with development.

#### 4.6 The Effect of Job Satisfaction on Employee Performance

This section presents the result of a simple linear regression analysis of the effect of job satisfaction on employee performance. The result is shown in Table (4.21).

**Table (4.21) Effect of Job Satisfaction on Employee Performance**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	2.750	0.280		9.813	0.000
Job Satisfaction	0.323	0.085	0.371	3.811	0.000***
R Square	0.138				
F Value	14.525***				

Source: SPSS Output, 2023

\*\*\* Significant level at 0.01

As shown in Table (4.21), the beta coefficient of job satisfaction is 0.323. This finding highlight that if Innwa Bank put more effort into increasing job satisfaction, employee performance will be increased. It is important to note that this effect is statistically significant at the 1% level, indicating effect of job satisfaction on employee performance. It means that as job satisfaction tends to increase, employee performance increases.

## **CHAPTER (V)**

### **CONCLUSION**

This chapter represents the conclusion of the study, summarizing the major findings and discussions based on the results of analysis, presenting suggestions and recommendations and identifying need for further research.

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

This study reveals that employees at Innwa Bank Limited (IBL) have varying levels of perception towards extrinsic and intrinsic reward practices. As the extrinsic reward practices, one of the significant findings of the study is the lowest mean value of salary. This indicates that, compared to other reward practices, employees at IBL are unhappy with their salaries which may lead to decrease job satisfaction and reduce employee performance.

In addition, employees at IBL have moderate perception about their bonuses, with an understanding that bonus amounts are linked to the bank's income and they are generally based on performance. The bonus structure of the annual bonus system is also viewed moderately. The moderate perception of the fairness of the annual bonus system indicates that employees believe they are treated fairly and have the opportunity to earn bonuses based on their performance.

Most of the employees agree about the promotion plan gives satisfaction to work. Many respondents are agreed about service-based promotions. Similarly, many respondents agree a fair and honest manner in promotions. Most of the respondents perceived that an equal chance to be promoted can lead to increase job satisfaction, higher productivity and better performance.

Regarding fringe benefits, employees generally maintain a moderate perception of their fringe benefits. They express agreement with various aspects of benefits, such as different types of leaves with an allowance, satisfaction with the accommodation arrangements, receiving free health care and transportation arrangements.

In the intrinsic rewards, regarding employee perception towards work itself, this study found that majority of employees have moderate level of perception towards their work itself. This implies that majority of employees find their work

interesting, which contributes to their job satisfaction. Regarding this aspect, employee thought that they could perform their job effectively due to the enough information sharing within the bank.

In addition, employees at IBL have moderate perception of their responsibilities within the bank because employees have a sense of accountability and are generally content with their roles and responsibilities. A majority of employees agree that they enjoy carrying out their responsibilities. It indicates the positive work culture in which employees taking pride in their responsibilities.

It was found that employees generally perceive recognition at a moderate level, indicating that they feel acknowledged for their efforts to some extent. Moreover, their moderate perception regarding how often superiors talk about their progress and receiving praise for a job well done. As a result, employees at IBL improve morale and satisfaction with enhancing communication channels for providing feedback, enduring consistent recognition practices and exploring the types of praise and feedback.

Regarding development opportunities, employees moderately perceived the development opportunities for employees. They generally agree with the provision of various training and development programs aimed at improving their skills, reflecting positive intention by the bank to invest in employee growth. Employee believe in the availability of opportunities to develop new skills within the bank and perception of opportunities for career development also align with a sense of growth potential.

Findings from the multiple regression analysis pointed out that intrinsic rewards, specifically responsibility, recognition and development opportunities, significantly contribute to employee job satisfaction at Innwa Bank Limited. Development opportunities has the most significant and positive effect on job satisfaction, followed closely by responsibility. It means that employees who perceive a higher level of responsibility and opportunities for skill development are more likely to be satisfied with their jobs. This finding highlights the importance of intrinsic factors in driving job satisfaction and emphasizes the need for Innwa Bank to focus on providing meaningful responsibilities and growth opportunities for their employees to enhance overall job satisfaction.

There is a statistically significant and strong positive effect of job satisfaction on employee performance at Innwa Bank. This highlights the critical role of job

satisfaction in driving employee performance. It is importance for Innwa Bank to prioritize measures that enhance job satisfaction among their employees.

## **5.2 Suggestions and Recommendations**

Based on the above findings from the analysis, intrinsic reward practices such as responsibility, recognition and development opportunities have a strong effect on job satisfaction. Therefore, Innwa Bank Limited should more emphasize on intrinsic rewards, particularly responsibility, development opportunities and recognition which effect on job satisfaction. To enhance job satisfaction, the bank should prioritize the delegation of meaningful responsibilities to employees, providing opportunities for skill development, and recognizing employee contributions. Management team of the bank should implement clear career growth paths, mentorship programs, and regular performance assessments can further support skill development and job satisfaction. Additionally, responsible persons from Innwa Bank should foster a culture of continuous feedback and communication can ensure that employees feel valued and engaged. By focusing on these intrinsic factors, Innwa Bank can significantly improve job satisfaction and, employee performance.

Moreover, it was found that job satisfaction is positively and significantly effect on employee performance. In this regard, Innwa Bank should prioritize enhancing job satisfaction because it plays a crucial role in driving employee performance. Therefore, Innwa bank should more focus on regular feedback mechanisms to address employee concerns, recognition and reward programs for outstanding performance. In addition, management team of bank should develop a positive and inclusive workplace culture that values employee contributions and provides opportunities for career growth to improve job satisfaction. Innwa Bank should invest in strategies to improve job satisfaction, it has the potential to significantly improve employee performance, leading to better outcomes for both employees and the bank as a whole.

Although this study pointed out there was no effect of extrinsic rewards on job satisfaction. As the basic needs of employees, Innwa Bank should review existing salary structure and make adjustments to align with industry standards. Also, management team of the bank should implement a performance -based incentive system and seeking employee feedback on compensation preferences to support job satisfaction. Additionally, Innwa Bank should commit to regular compensation

reviews and consider offering financial wellness programs to support employee financial well-being. All these aspects collectively aim to improve job satisfaction and employee performance. Due to the nature of Innwa Bank, employee performance is at a high level. Therefore, employees generally exhibit good job performance.

### **5.3 Need for Further Research**

This study only focuses on reward practices as the driving factors to achieve job satisfaction for one bank, Innwa Bank Limited. As future study, it should be a more comprehensive view of reward practices to gain job satisfaction for the broader banking industry in Myanmar. This study applied quantitative research method. As the further study, qualitative research should be done to explore employee perceptions of reward practices. This study emphasizes on reward practices including extrinsic and intrinsic rewards as only factor driving to gain job satisfaction. Further research should be done other influencing factors for job satisfaction.



## REFERENCES

- Aarabi, Subramaniam, & Akeel. (2013). Relationship between motivational factors and job performance of employees in Malaysian service industry. *Asian Social Science*, 9(9), 301.
- Aguenza, & Som. (2018). Motivational factors of employee retention and engagement in organizations. *International Journal of Advances in Management and Economics*, 1(6), 88-95.
- Ahmed, & Shabbir. (2017). The effects of rewards on employee's performance in banks: A Study of Three Districts (Lodhran, Vehari, Khanewal) Commercial Banks in Pakistan. *International Review of Management and Business Research*, 6 (1), 352-361.
- Akintoye. (2000). Analysis of Factors Influencing Project Cost Estimating Practice. *Construction Management & Economics*, 18 (1), 77-89.
- Amabile, Hill, Hennessey, & Tighe. (1994). The Work Preference Inventory: assessing intrinsic and extrinsic motivational orientations. *Journal of personality and social psychology*, 66 (5), 950.
- Armstrong. (2006). *Strategic Human Resource Management a Guide to Action 4<sup>th</sup> Ed.* Kogan Page Limited.
- Armstrong, & Brown. (2006). *Strategic Reward: Making it Happen.* Kogan Page Publishers.
- Armstrong, & Stephens. (2005). *A Handbook of Employee Reward Management and Practice.* Kogan Page Publishers.
- Armstrong. (20014). *Armstrong's Handbook of Human Resource Management Practice*, 13<sup>th</sup> ED., Kogan Page, London, UK.
- Armstrong. (2006). *A Handbook of Human Resource Management Practice.* Kogan Page Publishers.
- Armstrong. (2010). *Essential Human Resource Management Practice: A Guide to People Management.* Philadelphia: Kogan Pages Publishers
- Azasu. (2009). Rewards and Performance of Swedish Real Estate Firms, *Compensation & Benefits Review*, 41(4): 19-28.
- Bjørnåvold. (2007). Governing Education and Training; The Case of Qualifications Frameworks. *European Journal of Vocational Training–No*, 43(3), 42.

- Boulding, Kalra, Staelin, & Zeithaml. (2009). A Dynamic Process Model of Service Quality: From Expectations to Behavioral Intentions. *Journal of Marketing Research*, 30 (1), 18-74.
- Brief, & Weiss. (2002). Organizational Behavior: Affect in the Workplace. *Annual Review of Psychology*, 53 (1), 279-307.
- Chew & Chew (2005). Wage Issues and Human Resources in Singapore. *The Journal of Comparative Asian Development*, 4 (1), 77-103.
- Dale-Olsen, (2006). Wages, Fringe Benefits and Worker Turnover. *Labour Economics*, 13(1), 87-105.
- Danish, & Usman. (2010). Impact of Reward and Recognition on Job Satisfaction and Motivation: An Empirical Study from Pakistan. *International Journal of Business and Management*, 5 (2), 159.
- Dartey-Baah, & Harlley. (2010). Job Satisfaction and Motivation: Understanding its Impact on Employee Commitment and Organizational Performance. *Academic Leadership: The Online Journal*, 8 (4), 39.
- Davis, & Newstrom. (1985). Behavior in Organizations. *Jakarta. Erlangga*.
- Dessler. (2020). Human Resources Management Sixteenth Edition. *Florida: Pearson Education*.
- Edward & Lazear. (1986). Salaries and Piece Rates. *Journal of Business*, 405-431.
- Elangovan. (2001). Causal Ordering of Stress, Satisfaction and Commitment, and Intention to Quit: A Structural Equation Analysis, *Leadership & Organization Development Journal*, 22(4), 159-165.
- GIZ. 2016. *Myanmar's Financial Sector. A Challenging Environment for Banks*. Yangon: GIZ.
- Goodwin & Gremler. (1996). *Friendship Over the Counter: How Social Expects of Service Counters Influence Consumer Service Loyalty*. JAI Press, London.
- Griffin, & Lowenstein. (2001). *Customer Winback: How to Recapture Lost Customers and Keep Them Loyal*. San Francisco: Jossey-Bass.
- Griffin, and Moorhead. (2013). *Organizational Behavior: Managing People and Organizations*, London: Cengage Learning.
- Grigaliunas, & Herzberg. (1971). Relevancy in the Test of Motivator-hygiene Theory. *Journal of Applied Psychology*, 55 (1), 73.
- Heathfield. (2016). Honoring and Supporting Youth Work Intellectuals. *The Changing Landscape of Youth Work: Theory and Practice for an Evolving Field*, 127-146.

- Herzberg, & Howe. (1959). The Lyman Bands of Molecular Hydrogen. *Canadian Journal of Physics*, 37 (5), 636-659.
- Herzberg. (1966). Motivate Employees. *World*, 88.
- Honig-Haftel & Martin. (1993). The Effectiveness of Reward Systems on Innovative Output: An Empirical Analysis. *Small Business Economics*, 5, 261-269.
- Kaliski. (2007). Encyclopedia of Business and Finance, Second edition, Thompson Gale, Detroit, p. 446
- Kanzunnudin. (2007). Effect of Wages and Supervision of Employee Productivity: A Case Study on PT Tonga Tiur Son Zenith District Kragan. *Fokus Ekonomi*, 2 (1), 11-20.
- Kulchmanov, & Kaliannan. (2014). Does Money Motivate Employees? Empirical Study of Private and Public Financial Sector in Kazakhstan. *International Journal of Business and Management*, 9 (11), 214.
- Landell, (1997) "Management by Menu," London: Wilay and Sms Inc.
- Motta, Clifton, Hernandez, & Eggold. (1995). Ecomorphological Correlates in Ten Species of Subtropical Seagrass Fishes: Diet and Microhabitat Utilization. *Environmental Biology of Fishes*, 44, 37-60.
- Najib (2013). Reka Bentuk Tinjauan Soal Selidik Pendidikan," Skudai: Penerbit Universiti Teknologi Malaysia.
- Nielsen, & Hunter. (2013). Challenges to and Forms of Complementarity Between Performance Management and Evaluation. *New Directions for Evaluation*, 137, 115-123.
- Njanja, Maina, Kibet, & Njagi, (2013). Effect of Reward on Employee Performance: A Case of Kenya Power and Lighting Company Ltd., Nakuru, Kenya.
- Ojeleye, & Okoro. (2016). Job Stress and Employees' Productivity in Telecommunication Sector of Nigeria (A Study of Globacom, MTN, Airtel and Etisalat). *International Journal of Multidisciplinary Education and Research*.
- Owusu, & Owusu. (2014). *An Assessment of Job Satisfaction and its Effect on Employees' Performance: A Case of Mining Companies in the [Bibiani–Anhwiaso–Bekwai District] in the Western Region* (Doctoral dissertation).
- Özutku. (2012). The Influence of Intrinsic and Extrinsic Rewards on Employee Results: An Empirical Analysis in Turkish Manufacturing Industry. *Business and Economics Research Journal*, 3 (3), 29-48.

- Payam, (2013). *The Relationship between Rewards and Employee Performance* (Doctoral Dissertation, Multimedia University).
- Piago, & Pabangou, (2020). An Analysis on Human Resource Management in Australia Small and Medium Enterprises. *International Journal of Business, Economics and Management Works*, 7(3), 1-4.
- Roknuzzaman. (2007). Status of Human Resource Management in Public University Libraries in Bangladesh. *International Information & Library Review* - 39:52–61.
- Romanoff. (2008). *What is the Difference between a Bonus and an Incentive?* Retrieved on 25<sup>th</sup> August, 2016
- Ruthankoon, & Olu Ogunlana. (2003). Testing Herzberg's Two-Factor Theory in The Thai Construction Industry. *Engineering, Construction and Architectural Management*, 10 (5), 333-341.
- Sarwar, & Abugre. (2013). The Influence of Rewards and Job Satisfaction on Employees in the Service Industry. *The Business & Management Review*, 3(2), 22.
- Shaw, & Barry (2015). *Moral Issues in Business*. Cengage Learning.
- Shields, Brown, Kaine, Dolle-Samuel, North-Samardzic, Mclean, & Robinson, (2015). *Managing Employee Performance & Reward: Concepts, Practices, Strategies*. Cambridge University Press.
- Skinner. (1953). Some Contributions of an Experimental Analysis of Behavior to Psychology as a Whole. *American Psychologist*, 8(2), 69.
- Stredwick. (2013). Flexible Working. In *An Introduction to Human Resource Management* (pp. 272-303). Routledge.
- Surbhi. (2015). Cost-effectiveness of Training Programmes in Insurance Sector of India. *Management Dynamics in the Knowledge Economy*, 3(3), 533-551.
- Torrington, Hall, Taylor, & Atkinson C. (2009). *Fundamentals of Human Resource Management, 1st Edition*. Pearson Education Limited.
- Vandenberghe, & Tremblay (2008). The Role of Pay Satisfaction and Organizational Commitment in Turnover Intentions: A Two-sample Study. *Journal of Business and Psychology*, 22(3), 275-286.
- Vroom. (2005). Expectancy Theories. *Organizational Behavior*, 1(1), 94-113.
- Waller. (2011). *Against Moral Responsibility*. MIT Press.

# APPENDIX I

## Master of Commerce, Yangon University of Economics

### Survey Questionnaire

#### Reward Practices, Job Satisfaction and Employee Performance at

#### Innwa Bank Limited

#### Part (A)

The following are the demographic factors and please tick the box that describes your situation.

1. Gender
  - Male ( )
  - Female ( )
  
2. Age
  - 18-25 years ( )
  - 26-40 years ( )
  - 41 years or above ( )
  
3. Education Level
  - High School ( )
  - Master degree ( )
  - Bachelor degree ( )
  - Under Graduate ( )
  
4. Position Distribution of the respondent
  - Manager ( )
  - Assistant manager ( )
  - Supervisor ( )
  - Assistant Supervisor ( )
  - Staff ( )
  - Others ( )
  
5. How many years have you been employed?
  - Less than 2 years ( )
  - 2-4 years ( )
  - 5-7 years ( )
  - 7 years and above ( )

**Part (B)**

**Extrinsic Rewards offered by Innwa Bank**

Please respond to the following based on your opinion: Each aspect can be rated from 1 to 5 (strongly disagree = 1, disagree = 2, neutral = 3, agree = 4, and strongly agree = 5). Please give these a rating.

No.	Salary	1	2	3	4	5
1	Bank pays employees in accordance with their position a sufficient wage.					
2	In this bank, salaries and wages are governed by sound policies and procedures.					
3	My salary is enough given the level of responsibilities I have.					
4	Salary increases are determined by an employee's performance results.					
5	Overall, I'm satisfied with the salary I get.					

No.	Bonus	1	2	3	4	5
1	An annual bonus system of bank is fair.					
2	The bank gives performance-related bonuses to increase my motivation.					
3	The amount of bonus based on the more on income generated of our bank.					
4	The bank awards annual financial bonuses to employees based on their performance.					
5	With the bank's bonus, I'm satisfied.					

No.	Promotion	1	2	3	4	5
1	Every employee has an equal chance to be promoted.					
2	The promotion planning gives me satisfaction to work.					
3	I prefer service-based promotions.					
4	Promotions are made to staff in a fair and honest manner.					
5	I'm pleased about my promotion.					

No.	Fringe benefits	1	2	3	4	5
1	I'm satisfied with the accommodation arrangement provided by the bank.					
2	I'm satisfied with the transportation arrangement provided by the bank.					
3	Employees are getting Earned Leave (Annual Leave), Casual Leave, Medical Leave and maternity leave with an allowance.					
4	I'm paid free health checkup.					
5	I'm satisfied with fringe benefits in bank.					

### Part (C)

#### Intrinsic Rewards offered by INNWA BANK

No.	Work itself	1	2	3	4	5
1	My manager helped me advance my career.					
2	I felt valued and appreciated for the work I did here.					
3	I have enough information to do my job well.					
4	The amount of work I am expected to do on my job is reasonable.					
5	Overall, I'm satisfied with my job.					

No.	Responsibility	1	2	3	4	5
1	I have many responsibilities which are equal to my authority.					
2	I'm pleased and proud of taking responsibilities at work.					
3	I need to work voluntarily in some condition.					
4	I'm enough authority to make decision I need to make.					
5	Overall, I enjoy carrying out my work responsibilities.					

No.	Recognition	1	2	3	4	5
1	Recognition programs are fair to all employees.					
2	My superior often talks to me about my progress.					
3	I'm recognized at work.					
4	I received praise for doing a good job.					
5	Overall, I am pleased to be recognized at the bank.					

No.	Development opportunities	1	2	3	4	5
1	There are employment opportunities available for me to develop new skills.					
2	Bank provides different training and development programmed for skill improvement.					
3	I have an opportunity for career development within bank.					
4	Job rotation is routinely used to encourage multi-skilling of employees.					
5	I believe that the abundance of work within the bank has given me the opportunity to gain what I need to advance my career.					

**Part (D)**

**Employee Job Satisfaction by INNWA BNAK**

No.	Job Satisfaction	1	2	3	4	5
1	I'm satisfied getting data for better decision-making at work.					
2	I have full confidence in the management of this bank.					
3	I'm satisfied with the encouragement of seniors and managers for my best effort.					
4	I'm satisfied to have a scope for personal growth, such as skill enhancement.					
5	I'm satisfied with the bank to have fair promotion policies for all employees.					



**Part (E)**  
**Employee Performance**

No.	Employee Performance	1	2	3	4	5
1	Every week, I've completed a significant number of tasks.					
2	I believe that I can accomplish many tasks to my satisfaction.					
3	I believe I have accomplished a lot of tasks compared to other people.					
4	Informal recognition, satisfies me to perform better.					
5	My job performance improves when I receive bonuses.					
6	I have successfully accomplished my task objectives.					
7	At my place of employment, the systems and procedures in place help to increase productivity.					
8	I effectively manage my time to accomplish tasks.					
9	Even if it takes more time, I pay special attention to the little things and make sure that my work is accurate to a high degree.					

## APPENDIX II

### Reliability Test

#### gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	29	31.2	31.2	31.2
	Female	64	68.8	68.8	100.0
	Total	93	100.0	100.0	

#### Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	19	20.4	20.4	20.4
	26-40	52	55.9	55.9	76.3
	41>	22	23.7	23.7	100.0
	Total	93	100.0	100.0	

#### Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other	9	9.7	9.7	9.7
	Under Graduate	12	12.9	12.9	22.6
	Graduate	68	73.1	73.1	95.7
	Master	4	4.3	4.3	100.0
	Total	93	100.0	100.0	

#### Position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Manager	7	7.5	7.5	7.5
	Assistant manager	5	5.4	5.4	12.9
	Supervisor	7	7.5	7.5	20.4
	Assistant supervisor	10	10.8	10.8	31.2
	Staff	51	54.8	54.8	86.0
	Others	13	14.0	14.0	100.0
	Total	93	100.0	100.0	

### Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 2 years	27	29.0	29.0	29.0
	2-4 years	31	33.3	33.3	62.4
	5-7 years	16	17.2	17.2	79.6
	7 years and above	19	20.4	20.4	100.0
	Total	93	100.0	100.0	

### (a) Salary

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.842	.844	5

#### Item Statistics

	Mean	Std. Deviation	N
Part 2	2.27	.836	93
Part 2	2.67	.812	93
Part 2	2.51	.868	93
Part 2	2.55	.903	93
Part 2	2.51	.880	93

### (b) Bonus

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.711	.712	5

### Item Statistics

	Mean	Std. Deviation	N
Part 2	2.78	.965	93
Part 2	2.76	.925	93
Part 2	3.32	.969	93
Part 2	2.90	.933	93
Part 2	2.81	.875	93

### (c) Promotion

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.721	.716	5

### Item Statistics

	Mean	Std. Deviation	N
Part 2	2.86	1.059	93
Part 2	3.02	.909	93
Part 2	3.16	.798	93
Part 2	3.05	.925	93
Part 2	3.26	.943	93

### (d) Fringe Benefit

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.702	.705	5

### Item Statistics

	Mean	Std. Deviation	N
Part 2	3.11	.961	93
Part 2	3.04	.884	93
Part 2	3.22	.919	93
Part 2	2.90	.945	93
Part 2	2.91	.940	93

### (e) Work Itself

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.609	.608	5

### Item Statistics

	Mean	Std. Deviation	N
Part 3	3.37	.805	93
Part 3	3.43	.728	93
Part 3	3.57	.799	93
Part 3	3.53	.829	93
Part 3	3.51	.855	93

### (f) Responsibility

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.737	.740	5

### Item Statistics

	Mean	Std. Deviation	N
Part 3	3.33	.838	93
Part 3	3.59	.811	93
Part 3	3.52	.802	93
Part 3	3.01	.853	93
Part 3	3.76	.826	93

### (g) Recognition

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.813	.817	5

### Item Statistics

	Mean	Std. Deviation	N
Part 3	3.10	.945	93
Part 3	3.28	.901	93
Part 3	3.33	.771	93
Part 3	3.23	.861	93
Part 3	3.40	.849	93

### (h) Development Opportunities

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.614	.614	5

### Item Statistics

	Mean	Std. Deviation	N
Part 3	3.45	.715	93
Part 3	3.55	.715	93
Part 3	3.37	.791	93
Part 3	3.27	.796	93
Part 3	3.29	.842	93

### (i) Job Satisfaction

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.658	.654	5

### Item Statistics

	Mean	Std. Deviation	N
Part 4	3.30	.791	93
Part 4	3.19	.647	93
Part 4	3.58	.681	93
Part 4	3.30	.777	93
Part 4	2.95	.913	93

### (j) Employee Performance

#### Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.805	.808	9

### Item Statistics

	Mean	Std. Deviation	N
Part 5	3.78	.640	93
Part 5	3.90	.738	93
Part 5	3.58	.697	93
Part 5	3.95	.614	93
Part 5	3.57	.772	93
Part 5	3.95	.697	93
Part 5	3.85	.833	93
Part 5	3.81	.630	93
Part 5	3.87	.612	93

### (k) Regression Analysis for the Relationship between Predictor Variables and Employee Performance

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson		
					R Square Change	F Change	Sig. F Change
1	.733 <sup>a</sup>	.537	.492	.35686	.537	12.026	.000

a. Predictors: (Constant), Development Opportunities, Fringe Benefits, Work Itself, Salary, Promotion, Recognition, Responsibility, bonus

b. Dependent Variable: Job Satisfaction

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
		B	Std. Error	Beta			
1	(Constant)	.582	.363		1.602	.113	
	Salary	-.051	.086	-.068	-.593	.555	2.368
	bonus	.134	.087	.170	1.539	.128	2.193
	Promotion	-.036	.081	-.045	-.443	.659	1.874
	Fringe Benefits	.022	.064	.027	.336	.738	1.182
	Work itself	-.118	.084	-.118	-1.399	.165	1.284
	Responsibility	.298	.090	.345	3.315	.001	1.938
	Recognition	.202	.074	.264	2.724	.008	1.679
	Development Opportunities	.352	.093	.342	3.784	.000	1.461

a. Dependent Variable: Job Satisfaction



### (I) Effect of Job Satisfaction on Employee Performance

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

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	2.750	.280		9.813	.000
	Job Satisfaction	.323	.085	.371	3.811	.000

a. Dependent Variable: Employee Performance

## APPENDIX III

### (a) Table of branches in Innwa Bank Limited at Yangon

SN	Bank Branches
1	Yangon Branches
2	Kmayut Branches
3	Inn Sein Branches
4	Mayan Gone Branches
5	Thiri Yadanar Branches
6	Hmawbi Branches
7	Kyimyindaing Branches
8	Bahan Branches
9	Mayan Gone (9 miles) Branches
10	South Dagon Branches
11	North Dagon Branches
12	Mingalardon Branches
13	South Oakkalarpa Branches

Source: Innwa Bank Limited (2023)

### (b) Table of Different Departments at Innwa Bank Limited

SN	Department
1	Admin Department
2	Loans Department
3	Foreign Exchange Department
4	Myanmar Mobile Money Department
5	IT Department
6	ATM Department
7	Military Officers Salary Department

Source: Innwa Bank Limited (2023)