THE EFFECTS OF MONETARY REWARD, NON MONETARY REWARD AND DISTRIBUTIVE FAIRNESS ON EMPLOYEE PERFORMANCE: A STUDY OF THE PHOSPHATE MINES CO. JORDAN

By

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DECLARATION

I declare that the substance of this project paper has never been submitted for any degree or post graduate program and qualifications.

I certify that all the support and assistance received in preparing this project paper and the entire source abstracted have been acknowledged in this stated project paper.

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ABSTRACT

Employee performance had directly influenced the productivity and outcomes of the organization. With the current business environment, many organizations are worry on whether their employees are in the right directions in doing their works or tasks. Therefore, this study aims to examine the relationship between monetary reward, non-monetary reward, distributive fairness and employee performance among 3,800 workers in Phosphate Mines Co, Jordan. The cross sectional surveys through questionnaire were used to fulfill the objectives of this research. Data were generated from 246 employees who were selected by simple random sampling. Descriptive, correlation and regression analysis were used to analyze data and to test the hypotheses. The overall finding indicated that monetary, non-monetary and distributive fairness had a significant correlation with employee performance. However, only distributive fairness had influence the employee performance in Phosphate Mines Co, Jordan. The findings suggest that to increase the employees performance in this organization, the management should re-evaluate the justices of the employment policies related to the employees’ rights. This will enhance the employee performance and can be one of the competitive advantages for Phosphate Mines Co, Jordan.

Keywords: monetary reward, non-monetary reward, distributive fairness, employee performance.
ABSTRAK


Kata kunci: ganjaran kewangan, ganjaran bukan kewangan, keadilan dalam agihan, prestasi pekerja.
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TABLE OF CONTENTS

DECLARATION .................................................................................................................. ii
PERMISSION TO USE ........................................................................................................ iii
ABSTRACT ........................................................................................................................... iv
ABSTRAK ............................................................................................................................ v
ACKNOWLEDGEMENT ........................................................................................................ vi
LIST OF TABLES .................................................................................................................. x
LIST OF FIGURES ............................................................................................................... xi
CHAPTER ONE .................................................................................................................... 1
INTRODUCTION .................................................................................................................. 1
  1.1 Introduction .................................................................................................................. 1
  1.2 Background of the Study ............................................................................................ 1
  1.3 Brief Information About Phosphate Mines Company Co. ............................................. 3
  1.4 Problem Statement ..................................................................................................... 6
  1.5 Research Questions .................................................................................................... 10
  1.6 Research Objectives .................................................................................................. 10
  1.7 Significance of the Study ........................................................................................... 11
  1.8 Scope of the Study ..................................................................................................... 12
  1.9 Organization of the Study .......................................................................................... 12

CHAPTER TWO .................................................................................................................... 14
LITERATURE REVIEW ......................................................................................................... 14
  2.1 Introduction .................................................................................................................. 14
  2.2 Employees Performance ............................................................................................ 14
    2.2.1 Definition .............................................................................................................. 14
    2.2.2 The Measurement of Employee Performance ....................................................... 16
    2.2.3 The Past Study About Employee Performance ...................................................... 17
    2.2.4 Employee Performance Model In An Organisation ................................................. 19
  2.3 Reward System ........................................................................................................... 21
    2.3.1 Components of Reward System ........................................................................... 21
    2.3.2 Monetary Reward ............................................................................................... 22
    2.3.3 Non-Monetary Reward ....................................................................................... 24
2.4 Distributive Fairness .................................................................................................................. 25
2.5 Overall Review of Variables ...................................................................................................... 28
  2.5.1 Monetary Reward And Employee Performance ................................................................. 29
  2.5.2 Non-Monetary Reward And Employee Performance ......................................................... 31
  2.5.3 Distributive Fairness And Employee Performance ............................................................. 33
2.6 Theoretical Background ............................................................................................................... 35
2.7 Chapter Conclusion ....................................................................................................................... 38

CHAPTER THREE .......................................................................................................................... 39
METHODOLOGY ............................................................................................................................ 39
  3.1 Introduction ............................................................................................................................... 39
  3.2 Hypotheses Statements ............................................................................................................. 39
  3.3 Theoretical Framework ............................................................................................................ 40
  3.4 Research Design ....................................................................................................................... 41
  3.5 Measurement ............................................................................................................................ 42
    3.5.1 Employee Performance ....................................................................................................... 42
    3.5.2 Monetary Reward .............................................................................................................. 44
    3.5.3 Non-Monetary Reward .................................................................................................... 45
    3.5.4 Distributive Fairness ........................................................................................................ 47
  3.6 Reliability Analysis (Pilot Study) .............................................................................................. 47
  3.7 Population and Sample ............................................................................................................ 49
  3.8 Sampling Technique ................................................................................................................. 49
  3.9 Data Collection Procedure ....................................................................................................... 50
  3.10 Data Analysis Techniques ...................................................................................................... 51
    3.10.1 Reliability Test ................................................................................................................ 51
    3.10.2 Descriptive Analysis ........................................................................................................ 52
    3.10.3 Pearson Correlation Coefficient ...................................................................................... 52
  3.11 Conclusion .............................................................................................................................. 53

CHAPTER FOUR ............................................................................................................................ 54
RESULTS .......................................................................................................................................... 54
  4.1 Introduction ............................................................................................................................... 54
  4.2 Response Rate ......................................................................................................................... 54
  4.3 Demographic Analysis ............................................................................................................. 55
### 4.4 Analysis of Means and Standard Deviation ................................................................. 57
### 4.5 Reliability Results ........................................................................................................ 58
### 4.6 Correlation Analysis .................................................................................................... 58
### 4.7 Regression Analysis .................................................................................................... 59
### 4.8 Summary of the Hypotheses ....................................................................................... 60
### 4.9 Chapter Conclusion ..................................................................................................... 61

#### CHAPTER FIVE

**DISCUSSION, CONCLUSION AND RECOMMENDATION** .................................................. 62

#### 5.1 Introduction .................................................................................................................. 62
#### 5.2 Summary of the Research ............................................................................................ 62
#### 5.3 Discussion and Research Findings ............................................................................... 63
     - 5.3.1 Monetary Reward and Employee Performance ...................................................... 63
     - 5.3.2 Non-Monetary and Employee Performance ............................................................ 64
     - 5.3.3 Distributive Fairness and Employee Performance .................................................... 65
#### 5.4 Implications of the Study ............................................................................................. 66
     - 5.4.1 Theoretical Implications ......................................................................................... 66
     - 5.4.2 Practical Implications .............................................................................................. 68
#### 5.5 Limitations of the Study .............................................................................................. 69
#### 5.6 Recommendations ....................................................................................................... 69
#### 5.7 Conclusion .................................................................................................................... 71

**REFERENCES** .................................................................................................................... 72

**Appendix 1** .......................................................................................................................... 88
**Appendix 2** .......................................................................................................................... 97
**Appendix 3** .......................................................................................................................... 117
LIST OF TABLES

Table 3.1: Distribution of Variables (Employee Performance)........................42
Table 3.2: Distribution of Variables (Monetary Reward).................................44
Table 3.3: Distribution of Variables (Non-Monetary Reward)..........................45
Table 3.4: Distribution of Variables (Distributive Fairness)..............................46
Table 3.5: Reliability Statistics........................................................................48
Table 3.6: Interpretation of strength of correlation coefficient..........................52
Table 4.1: Data Collection and Response Rate................................................53
Table 4.2: Demographic Analysis ....................................................................54
Table 4.3: Analysis of Means and Standard Deviation.......................................56
Table 4.4: Reliability Result.............................................................................57
Table 4.5 Correlations.......................................................................................58
Table 4.5: Regression Analysis.........................................................................59
Table 4.6: Summary of the of Hypotheses.......................................................60
LIST OF FIGURES

Figure 2.1: Employee Performance Model ......................................................... 14
Figure 2.1: Employee Performance Model In An Organization ..................... 18
Figure 2.3: The Expectancy Theory Model ....................................................... 36
Figure 3.1: Research Framework ................................................................. 40
CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter being the introductory part of this study discussed the study’s background, the problem statement, objectives of the study, the scope of which this study covers and it’s significant.

1.2 Background of the Study

Undoubtedly, employee has been the important element of any of organization whereby success or otherwise of a given organization depends largely on the performance of its employee. Therefore, organizations committed large part of its resources on developing its employee (Hameed & Waheed, 2011).

Employee performance has become a source of worry for most organizations and so with the construction industry. Evidently, employee performance’s challenge without mincing words has caused a serious setback to many such as construction sector. This has consequently affected the quality of work, organizational performance, time taken to complete project and profits earned by the organisation is equally affected (Abdullahi, Bilau, Enegbuma, Ajagbe & Ali, 2011). A lot of collapsed buildings and system failure have been recorded in this sector whereby poor employee performance has been noticed to be factor responsible for this (Ayedun, Durodola & Akinjare, 2012).

In addition; in simpler term, employee performance means the output or level of productivity of employee which is a determined by employee development in place by their organisation. Most importantly, employee performance will directly affect
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