ASSESSMENT OF INCENTIVE BENEFITS PACKAGE ON EMPLOYEE JOB PERFORMANCE (IN CASE OF ETHIO - TELECOM WOLKITE BRANCH)

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PREPARED BY: SAMRAWIT AGEZE

ID NO: SSR/1201/14

ADVISOR:DEMELASH S.(Mr)

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APPROVAL SHEET

This is to certify that the thesis entitled “Assessment of incentive benefits package on employee job performance in case of Ethio- telecom Wolkite Branch submitted in partial fulfillment of bachelor of art degree in management and has been carried out By Samrawit Ageze under our supervision. Therefor, we recommend that the student has fulfilled the requirements and hence here by can submit the thesis to department of management.

Advisor : Demelash Shalo (Mr.) _____ _____

Signature. Date

Examiners name

1. _____ Signature _____Date _____

2._____Signature _____ Date _____

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ABSTRACT

This study was amid to analyze the assessment of incentive benefits package on employee job performance in Ethio- telecom wolkite branch. The research used a descriptive type of research design . The data were collected from primary source through questionnaires. The method of sampling this study was census sampling technique and then then the researcher takes all employees of the organization. The data were collected through close-ended question in the questionnaire. And it was analyze and presented using quantitative data analyzing technique. In addition it used qualitative technique. Based on the provided data the study was summarized the finding and understand that the employee job performance was affected by incentive packages. This is related with financial and non-financial incentive package. The organization has good performance in financial and non-financial incentive. Finally, the study was forwarded recommendation and suggestion based on data collected and analyzed data that help it Ethio-Telecom Wol kite Branch to give incentive and improve employee job performance. Generally, the organization should increase its effort in both packages so as to improve the performance of the employee and to achieve the goals of the organization.

CHAPTER ONE

1.INTRODUCTION

1.1.BACKGROUND OF THE STUDY

Incentive package is specifically designed to energize, direct or control employees behaviors. This is influential because the amount paid is linked to certain per-defined behaviors outcomes. This package is based on units provides the clothes connection between individual effort or performance and individual pay (Collins,et.al.2008)

Effective incentive package designs significantly influence organization development by revealing external competitiveness. Besides, internal and external competitiveness attract Talents by ensuring the employees and colleagues making some contribution obtain incentives. Individual incentive allows employees to feel that their potential is fully rewarded thus employees are properly motivate and satisfied that their will use their efforts, skill and ability to Ensure best results, so established equitable incentive package is important in order to make employees satisfied to achieve organizational goals (Desanzo ,2008,P.340).

Incentive pay is based on units produced and provides the clothes connection between Individual effort or performance and individual pay. There are two types of individual incentive System based on non-rated output. These are price rate system and standard hourly rate (Bernardin,2008).

Incentive is the total of all rewards provided to employees in turn for their services. The rewards Employees receive may be based on several factors including membership in the organization seniority or other elements. To remain competitive organization, seniority or other elements. To Remain competitive organizations are increasingly are rewarding performance outcomes that Are required to achieve its key goals. In determining effective rewards, the uniqueness of employee must be considered. People have different reasons for working and the most appropriate incentive package

depends in large measure on those reasons. When individuals are being stretched finical to provide food, shelter and clothing for their families, money may well be the most important reward (Hollenbeck, et.al,2004)

Every organization needs resources to exist and to achieve its long run and short run objectives, Form the resources human resource is the greatest influence on the organizations everyday activity. So, to make the organization achieve its objectives making the employees to do their Job up to their maximum ability is essential. To make the employees doing their work until their maximum ability the organization must motivate them. One factor of motivation that the Organizations use to motivate their employees for increasing their willingness to do their work and for good organizations performance is incentive.

1.2.Statement of the problem

Incentive package is one of the policies that are essential in quest for the achievement of defined goals in organization special performance goals. Incentive is particularly designed to Initiate motivate, direct, or control employees job performance. Employee incentives here refer To an element of payment linked to the working performance of an individual or working group as a result of prior arrangement (Lawer and Lathm,2007)

Incentive is the external forces and encouraging factors that lead the individual to work hard, They are given due to the individuals excellent performance since he/she will work hard and Produce more effectively when feels satisfied in the institution. The decision that are made in The role of incentive on employee performance the organization is must pay incentive based on Performance because incentive and reward system direct workers capability in to more efficiently in their work to attempt to achieve the organization goals. In addition, to these, Incentive can also be defined as the consideration excellent performance, assuming that the salary is to make the worker appreciate the value of job that also satisfies his basic needs

(Palmer,2012).

If incentive package is designed to generate employees motivation satisfaction and initiative, These leads to greater employee job performance. Providing poor incentive and benefits leads less employees job performance. Therefore, the core issue of the study and the reason why its interested in area of the research is, analyzing the assessment of incentive benefits package and employee job performance on this Ethio- telecom Wolkite Branch. And. There is also place, time; knowledge and area gap between related researchers on this title, so the researcher was motivated select this title by filling the above research gap. There for the purpose of this study will be assessing and identifying the assessment of incentive benefit package and employee job Performance and draw possible recommendation based on the finding.

1.3.Research Questions

The research conducted this study, based on the following questions have been answered.

1. What are the major factors that hinder incentive benefit package?
2. To what extent the current incentive and benefits package program affect job performance productivity employee?
3. What look like the existing incentive and benefits package policy of the company?
4. What is perception of employer about the existing incentive benefit system?

1.4.Objective of the study

1.4.1. .General objective

The general objective of the study will be to analyze the assessment of incentive benefit Package employee job performance in Ethio-telecom wolkite branch.

1.4.2.Specific objective of the study

The specific objective of the study includes:

1.To identify type of incentive and benefits that motivate employees

2.To investigate the effectiveness of the organization incentive benefit package.

3.To assess the contribution of incentive benefits package to job performance.

4.To recommend the most suitable incentive benefit package that improve job performance

1.5.Significance of the study

The out come of this study will provide the following benefits to the organization and also to the researchers. This study will provide useful information for the management of organization to Improve employee job performance through identifying incentive and related problems to take corrective action. This study will also provide for the researcher to get experience so as to do other researchers to get. Other researchers for the future in a better way and also it use for the Information about incentive package and employee job performance and they use it as a reference.

1.6.Scope of the study

This study tries to shows the assessment of incentive benefit package and employee job performance only in wolkite town in Ethio telecom Wolkit branch because of time and resource constraints even if the study being also the issue of other branches. This study investigate employee job Performance in Ethio telecom Wolkite Branch.To achieve this study scope focus only on

employee of the organization.

1.7.Limitation of the study

This study will focus on incentive package to measure employee job performance by excluding employee commitment about the employees performance. In addition to incentive package There are several variables affecting employee job performance like technology and educational levels, which do not cover. And also the researcher collect information only from employees of the organization by ignoring customers of the organization, but customers can be a source of Information about employees performance of the organization. .In addition to this the researcher face carelessness of respondents to filled the questionnaire.

1.8.Organization of the study

This research paper will be organize in five chapters. The first chapter concern on introduction, Back ground of the study, statement of the problem, research question, and organization of the study. chapter two would be included of literature review and chapter three focus on research methodology, back ground of the organization, research design, sampling technique, and target Population of the study. Chapter four included presentation and analysis of the study and the last chapter dealt with conclusion and recommendation

CHAPTER TWO

2.LITERATURE REVIEW

2.1.An over view of employee incentive

2.1.1.Definition of incentive

Incentive is the external forces and encouraging factors that lead the individual to work hard, They are given due to the individuals excellent performance since he will work hard and produce more effectively when he feels satisfied in the institution. In addition to these, incentive can also be defined as the consideration excellent performance assuming that the salary is to make the worker appreciate the value of job that also satisfies his basic needs in life. (pelizari, 2011).

Incentive is tangible or intangible reward used to motivate a person or group of people to behavior in a certain way, (Collins, etal, 2008).

Generally incentive is variable payment which are made to employee or a group of employees On the bases of some amount of output or based on the achieved result ,(Banioko, 2006).

2.1.2.Types of incentive

According to (Buchan, et. al, 2000). There are different types of incentive. These are:-

1. Monetary or financial incentive

2. Non-monetary or non-financial incentive

1.Financial Incentive

Financial incentive is designed to as means of payment to increase productivity and improve employee work performance. Therefore, the more employees produce the more they can get whereas, a decrease in quality of work might deprive employees from earning part or all of their

incentive.(Jadlah,1997).

Financial incentive are designed to give the employees some control over their income as the employees in come will be based on performance, to create a greater sense of responsibility of the job the part of the employee and to stimulate employee to work harder than he/she usually does, (Merchant and Venderstede, 2007) one features of financial incentives are often called variable pay, (Gana, 2011).

It also refers to pay that is contingent based on actual performance of employee, as different entitlement. another study of financial incentive shows that some employees are motivated by rewards and that money is strong motivate or for them (freeman, 2010).

In addition, financial incentive do not always deal with direct benefit like pay or wage, bonus pension, allowances etc. Sometimes it could be developed as direct financial benefits such as Subsidized food,accommodation, transportation ,educational fees. Child core and soon.(Buchan and Thompson, 2000).

2.Non-financial incentive

Although incentive are the key for improving employees motivation, Job satisfaction and better performance, there area number of non-financial incentives that may represent more effective means of improving quality of work performance as well as motivational level,(France ,et.al 2004).

Non-financial incentive as any means of incentive that do not involve directly with money, Transfer of monetary values equivalent ,(Shild, 2002). Non-financial incentive can be tangible or intangible and usually do not involve direct payment of cash. The authors also argued that in the organization, a non-financial incentive could be in the form of employee participation in decision making staff recognition such as issuing a certificate of thanks and appreciation, providing Extra training courses as a part of capacity development programmers, or organizing parties for distinguished staff, (Buanchan, 2000).

Some important aspects of non-financial incentive such as promotion ,Job recognition, meaningful job and opportunities for self-development, advancement are successful developed In an attempt to improve the working environment, enhance performance and increase productivity. In addition, non -financial incentive can also promote staff loyalty,enhance more Interaction and cooperation among subordinates and superiors, enable more opportunities for Staff participation on involvement and so on,(Lawzi, 1995).

Moral incentive mostly based on the respect of a human being who has emotional feeling, hopes and aspiration, (Johnson, 2005).

2.1.3.The Effective of Incentive in the Organizational Productivity

Incentive is generally developed to generate employee motivation, satisfaction and greater performance. The link between three variables has been widely discussed and debated among the researchers, scholars and practitioners, (Lawyer and Latham, 2007).

They argue that the effectiveness of increase for reaching higher behavior outcomes of employee is based on the degree to which those incentives are perceived to fulfill or satisfy their needs. For example, if the employee over when mingles desires job autonomy and perceive the amount of many or benefits are likely motivate them to perform the job.

Since employees satisfaction could be both the cause and outcome of overall performance in order to motivate employees. (Latham, 2007).

A. The Positive Effects of Incentive in Organizational Productivity

According to Merchant and Vendrstede, (2007) incentive has many positive effects with in the organization. First they have been used as a guidance to

show employees what the organization want to achieve and what they value and prioritize as important towards their jobs. Second, Incentive can be used as an effective tool to attract the desired, competent people into the organization because people that value this form of attraction will be drawn to work there rather than people that are only seeking steady benefit a third reason is the general belief that Incentive can be used to motivate employees to work hard. To make an extra effort in order to achieve the organization goal.

Even when individuals have acquired a strong capacity skills and knowledge. This do not always transform in to enhanced quality of work performance.

The problem lies not in the lack of skills, but the lack of strong incentive to use skills optimally. (Kamoche, 1997).

Even though some studies may argue that extrinsic and intrinsic motivation lead employee to different motivation. Which is gained form an externally influenced environment .While intrinsic Indicates that under certain circumference those who work for an organization are prepared to Under take a task for their own benefits and those tasks will be performed without financial Rewards payments, (Calder and Staw,1975).

B. The Negative Effects of Incentive in Organization Performance

In spite arguments supporting the positive effects of incentive on employee motivation, there are some views regarding the possibility of failure or some negative effects concerning the implementation of employee incentives. Some negative impact or effects of incentive especially financial incentives still exist. According to many study financial incentive cloud push the employees to work hard,often affecting the employees physical or psychological condition in the long run and affecting their social and other circumstance ,(Angari, 1999).

2.1.4.Incentive Plan Administration

According to Brayson, (2010) compensation a mangers frequently discuss a number of points that will be relates to the effective administration of incentive plan.

Incentive system are some important only when manger are willing to reward and accept or reinforce exceptional or to grant incentive based on different individual performance (Brayson, 2010)

Although, salary budget must be large enough to reward and accepted or reinforce exception performance. So that, incentive system must be based up on clearly defined and accepted Performance standard efficiently communication to employees. Therefore, the cost associated with plan administration must be determined. (Banjoko, 2006).

2.1.5. Benefits of Employee Performance

According to, Collins, (2012) employee incentive program are often used in industries where Performance is measurable. Such as sales incentive program provide rewards like cash. Gift cards or extra time to employee for reaching agreed up on goals. Typically incentives program have several benefits.

1. **Job Performance:** it is no secret that job performance has great success of any business. When employee are performing their jobs well productivity increase and company profitable implementing an employee incentive program helps to keep everyone engaged in their work and motivation program helps to keep everyone engaged in their work and motivation to do well. if the program is planned and laid out to incentive can last for quite sometime, (Dora, 2012).

2. **Job satisfaction**: anyone who works in any industry likes to feel appreciated and values in their job. If employees go to work each day feeling through their employer really values their contribution, they will be motivated to work hard and will never look elsewhere. Incentive Program are one way to improve job satisfaction and create a crappies work environment for both employers and employees. (Nora, 2012).

3 . **Team Work** : there are many businesses that excel with the employee working together as steam. When a group of employee is working toward a common goal. It helps everyone a side their own issues for the goal of the team. Basing incentive programs on team goals rather than individual goals will encourage employees to work to gather and to pull their own weight individually. It wise to make the incentive reachable with a said effort. So all members of the team stay focused and believe that they can reach the goal (palemer. 2012).

4.**Company saving**: incentive program doesn't only benefit the employees. The company can also realize saving that are greater than the rewards they are greater than the rewards they are fewer sick days taken, fewer recruitment costs and less employees turnover ,(, 2012).

2.1.6.Guidelines of Creating an Effective Incentive Plan

According to season, Baumand Tom, 2013 there are four guidelines for creating effective plan. Theseare:-

1. Develop strategy plan

2. Develop best practice

3. Determine shareholders required return on investment and

4.Create implement and communication the incentive compensation plan

1.Develop a strategic plan:

Developing and communicating a formal strategic plan creates a unified direction for the company that provides a platform for performance expectation,decision making and personnel development without a formal strategy, it is impossible to design an incentive plan that Promotes behaviors constitute with overall corporate goals and strategy.

2.Develop best practice

The second step is to develop and implement standard best practices within the business. Developing best practices establishes expectation for all position in the company and enables management to hold employee accountable for their performance. These best performance Practices vary depending on the type of work, size of company and structure of the organization. The key is to identify the critical process that affect business and then standardize and communicate them finally employees must be held accountable for complying wit hand using the company's best practice.

3.Determine Shareholders Required Return on Investment

Company performance standard must be met before any individual bonuses are paid employee works for a company are paid a salary to carry out their job responsibility the expectation is if everyone performs up to certain standards, the company will be profitable, an owner should expect to be compensated for the risk that he/she tasks beyond their salary. This means there is a very a certain level of financial performance the company must meet before any type of bonus pool is created. This financial performance is individual and determined by the owners expectation. One the owner feel she/she has been compensated for risk taken,bonus pool is established employee must understand that is the company does not perform to expected standards, no individuals bonus are paid out.

4.Create, Implement And Communicate the Incentive Compensation Plan

The starting point for creating an incentive plan is to compare the current base compensation and employee bonuses paid in similar companies salary survival is available from a variety of sources including personal administrative services and the bureau of labor statistics one it is determine how to the company compared to other business, target bonus can be set for each Person in the plan, according to their position and responsibilities (Johnson,2005).

2.2.Employee Performance

According to Freeman,2010. Employee performance is rating system used in most
Corporations to determine the abilities and output of an employee.
Performance is divided into Five components. These are:

Planning, monitoring, developing, rating rewarding in the planning phase/stage/ goals are set help measure the employee work time so see if they are able to maintain the goals set or each new goals.

Monitoring is the phase in which the goals are looked at to see how will one is doing to meet them. This is can also be a feedback stage in which employers determine if progress is being Seen or not,(Rebcca, 2013).

During developing stage an employee is supposed to improve any poor the performance that has been seen during the time frame one has been working at the company. The rating is to summarize the performance based on number system to determine where the scale of persons.

At the end of cycle is rewarding stage. This stage is designed to reward to and recognize

2.2.1.Measures of Employee Performance

According to Ruth, 1985, employee performance measurement and determine and employees status or opportunity for advancement for this reason performance management program must consist of methods that enable fair and accurate assessment of employee performance. To assist with measuring employee performance, employers first establish performance standards

Generally Ruth suggests that there are three types of performances measurement techniques these are:

1.Graphic rating scale

2.Management by objective

3.Force ranking

1.Graphic Rating Scale: graphic rating scales are ideal for production oriented work

Environments as well as other work places that more at a fast place, Such as those found in the food and beverage industry. A rating scale consists of a list job duty, performance standards and scale usually from 1-5 for employee performance. This method for measuring employee performance requires just like other method, however if can be complemented relatively quickly, Which is a plus for supervision who manage large department or competing assignment in an environment that leaves little for work force management duties. (Ruth,1985).

2.Management by objective: are useful for measuring the performance of employees in supervision or managerial position. Management by objective starts with identity employee goals and from that point the employee and her manger lisle the section of management by objective consists of the time lines for achieving each goal .The employee performance is measured by how many of her goals accomplished with the designated time frame, (Ruth, 1985).

3.forced ranking:- the top performance comprise roughly 20% of the workforce, average performances 70% and the lowest performing employees make up about 10% of the work force. Forced ranking measures employees achievement against those of their peers, instead of comparing the employees current evaluation period against the employee own past performance. For these reason. Forced ranking leads it self to creating a very competitive work environment (Banjoko, 2006).

2.2.2.The Relationship of Incentive and Employee Performance

According to Gana, 20011, incentive is a mechanisms aimed at achieving a specific change in behavior, where as performance refers to an inducement

for a desired action

Organizations have resorted in to the adoption of relevant and appropriate incentive in order to encourage employees to elicit their best while increasing effort, (Shild, 2002). In addition to Yap,Manjuna and Rajesh 2012 also suggest that incentive is used by organization in order to reach certain goals ,encourage a certain behavior and team spirit for collective awards. Incentive systems are not universally applicable, but are likely to play a role in enhancing individual effort or performance where the conditions the schemes designed are right. A balanced incentive Program introduced in an organization is likely to motivate employees and as a result lead to improve performance (Bernardin, 2008).

CHAPTER THREE

3.RESEARCH METHODOLOGY

3.1.Study Area Description

This research is on wolkite a town, wokite town separate woreda in south-western Ethiopia. The second administrative center of the Central Ethiopia Regional State, and Gurage Zone. The town has a latitude and longitude of 8°17'N37°47'E and an elevation between 1910 and 1935 meters above sea level. According to the government, at a distance of 158 km from Addis Ababa. This study would be conducted to the assessment of incentive benefits package and employee job Performance in case of wolkite branch.

3.2.Research Design

The research methodology used in the study was descriptive research design because the researcher describes the characteristics of individuals situation in order to get adequate and accurate information. The researcher would be used both qualitative and quantitative approach. Qualitative approaches was focus on believes, attitudes or behaviors of the respondent. Whereas quantitative approach was measurable and manageable approach that can calculate or assign in frequency and percentage value which make the data reliable and valid. Under this study,the researcher focus on the issue related with incentive benefits package of Ethio-telecom, Wolkite Branch.

3.3.Data Type and Source

To accomplish the study, the researcher was use both primary and secondary types of data. The researcher collected the primary data from the employee of the organization through Questionnaires and secondary data from annual report book of the organization.

3.4.Target population

The research is carry out in the area of operation of wolkite Ethio-Telecom.
The study population consists of total of 37 employees stationed at the company.
The researcher would be targeted employees of the Ethio-telecom which includes
Managers, Professionals and Clerical staff employees of the company.

3.5. Sample size and sampling Technique

The study was use census inquiry to collect data from employees. The reason for. .This is to cover all employees. There is small number of employees that is 37 employees in the organization. To increase the accuracy the study use census inquiry type method.

3.6. Methods of Data Collection

The researcher was collected data about the assessment the incentive benefits package employee job performance from primary and secondary sources. The data was collected from employee by using close ended questionnaires and by reading annual report and manual of the organization.

3.7. Method of Data Analysis

The researcher use quantitative method of analysis; the collect data was analyzed by using percentage, frequency. After analysis, the researcher tries to present the data in tables and statement form and finally tries to draw important conclusion based on the analysis information and give some useful recommendations that were use for the organization.

3.8.Ethical consideration

All possible ethical issues were given consideration in the course of this study. The names of data sources would keep anonymous during data analysis. They would be in formed that their participation would be based on their free will, and so each of the participants signal consent form. Ethical issues are expect to be take in to account in all stages of the research. In this study the following ethical issues was consider in the research process. Firstly permission were ask from department of public administration and development management, secondly,

Explanation of the objective and significance of the study to participant, thirdly, confidentiality, anonymity, and willingness ought to be insured and mention to participant. Generally, willingness and freedom of with participant guarantee of anonymity gave a high value of ethics.

CHAPTER FOUR

4. DATA ANALYSIS AND INTERPRETATION

This chapter focuses on presentation analysis and interpretation of the impact of incentive benefit package on employee job performance . the analysis part tried to assess profile of the respondents . To this end 30 (Thirty) questionnaires were distributed to the respondents and finally 100% of questionnaires were filled and returned to the researcher. The data obtained from the respondents were presented and analyzed by using tables and percentage frequency respectively.

4.1. PERSONAL PROFILE OF THE RESPONDENTS

Table 4.1.1. Respondents Demographic Characteristics

No		Respondents	
		Frequency	Percentage
1.	Sex of the respondents		
	a. Male	20	66.67
	b. Female	10	33.33
	Total	30	100
2.	Age of the respondents		
	a. 18-25	7	23.33
	b. 26-35	11	36.67
	c. 36-45	6	20
	d. 46-55	4	13.33
	e. Above 55	2	6.67
	Total	30	100

Source: own surver, 2025

According to item 1 of the above table 4.1, from the total number of respondents regarding sex characteristics, majority 20(66.67%) of them were males where as 10(33.33%) of them were female.

Item 2 of the tabla 4.1, regarding the age characteristics 11(36.67%) of them were found between 26-35 age level, 6(20%) of them were found between 36-45 age level, 7 (23.33%) of them were found between 18-25 age level, 2(6.67%) of them were found at the age of 55 and above and 4 (13.33%) of them were found between 46 -55 age level.

Table 4.1.2 Respondents educational level

No	Item	Respondents	
		Frequency	Percentage
1	The educational level of the respondents a. Certificate b. Diploma c. Degree d. Master degree e. PHD	 3 5 15 7 –	 10 16.67 50 23.33
	TOTAL	30	100

Source: **own surver, 2025**

As indicated on table 4.2.2 regarding educational status of respondents replied as follows: 10 (10%) have certificate, 5(16.67%) have diploma, 15(50%) have degree, 7 (23.33 %) have masters degree

Table 4.1.3. Respondents experience or service

No	Item	Respondents	
		Frequency	Percentage

1	Respondents experience or service a. Less than one year b. 1 – 3 c. 4 – 7 d. Above 7	5 6 13 6	16.67 20 43.33 20
	Total	30	100

Source: **own surver, 2025**

As it can see from above table 4.1.3 from the total number of respondents 5(16.67%) experience or service less than one year,6(20%) of respondents replied that 1-3 year,13(43.33%) of respondents replied that 4-7 years and 6 (20%) of employees experience above 7 years.

4.2 .EMPLOYEES ATTITUDE TOWARD SALARY OF THE ORGANIZATION

The first thing for which people engage in different business activities is that to satisfy their basic needs. To fulfill these needs employees want sufficient enough salary. The researcher asked the employees about their salary and they collect the following responses.

Table 4.2. Employees Attitude towards Salary

No	Item	Response	Frequency	Percentage
1	Are you happy with your salary?	Yes	17	56.67
		No	3	10
		To some extent	10	33.33
		Total	30	100

Source: **own surver, 2025**

According to table 4.2, respondents give the response about happiness of salary 17 (56.67%) of the respondents replied yes, 3 (10%) of the respondent replied that no, and 10(33.33%) of the respondent replied that satisfy to some extent this implies that ethio-telecom, Wolkite branch employees relatively good attitude about this salary.

4.3. INCENTIVE BENEFITS AND PERFORMANCE

Incentive is generally developed to generate employee motivation , satisfaction, and greater performance. It is incentive and benefits are higher performer than non-motivated or employee who did not get incentive and benefits.

Table 4.3 Incentive Benefits and Performance

No	Item	Response	Number of respondent	Percentage
1	Is there any benefit you get from the organization which motivates you better performance?	Yes	18	60
		No	5	16.67
		To some extent	7	23.33
		Total	30	100
2	If your answer for the above question is yes what kind of incentive did you offer?			
		Financial	5	16.67
		Non-financial	2	6.67
		Both	23	76.66
		Total	30	100
		High-contribution	6	20

3	How do you rate level of contribution of incentive plans and benefit package to increase employee performance?	Medium-contribution	10	33.33
		Neutral	7	23.34
		Low-contribution	4	13.33
		No-contribution	3	10
		Total	30	100

Source: **own surver, 2025**

According to table 4.3, 18(60%) of respondents replied that they get benefit from the organization to better performance , 5(16.67%) of respondents replied that they do not get benefit ,and 7(23.33%) of respondents replied that they get incentive in some extent for better performance .This implies that employees of ethio-telecom,wolkite branch gets benefits to motivate better performance.

As presented on table 4.3.1,from the total number of respondents 5 (16.67%) replied that they get financial kind of incentive , 23(76.66%) of respondents reply getting both financial and non-financial benefit, and 2(6.67%) replied getting non- financial incentive. this implies that the organization provide both types (financial and non-financial incentive) to employee

As it can see from table 4.3, 6(20%) of respondent rate as high-contribution , 10(33.33%) of respondents replied as medium- contribution , 7(23.34%) were replied neutral, 4(13.33%) were replied low-contribution, 3(10%) were respond no-contribution form. this researcher conclude that the organization incentive and benefit package relatively medium-noncontributing implies that Ethio-telecom, wolkite branch incentive plan and benefit package plays a better role for better performance.

As it shown in the above table, there is a good performance. Working environment is surrounding of the organization which includes location, size, building facilities, recreational service etc. This working environment affects employees performance either positively or negatively.

Table 4.4 WORKING ENVIRONMENT AND PERFORMANCE

NO	Item	Response	Number of response	percentage
1	How much you are satisfied with your work environment?	High level	21	70
		Medium level	7	23.33
		Not satisfy	2	6.67
		total	30	100
2	Do you have good relationship with the management team of the organization?	Yes	7	23.33
		To some extent	19	63.33
		Never	4	13.34
		Total	30	100
3	If your answer is yes for the above question does the relationship help to increase performance?	Yes completely	8	26.67
		Rarely	17	56.67
		Neutral	5	16.66
		Total	30	100

Source: **own surver, 2025**

According to table 4.4. form the total respondents 21 (70%) replied that high level of satisfaction with their working environment, 7(23.33%) of replied at medium level of satisfaction with their working area, and 2(6.67%) of respondents also replied that not satisfy with the working environment of Ethio-telecom, Wolkite branch. This implies that satisfied with their working environment. This implies the employee that majority of Ethio telecom,Wolkite branch employees of Ethio telecom are more interested in their performance due to the environment, is highly satisfied

As it is shown in the above table ;the researcher asked the respondents to know whether employees have relationship with the management team or not . from this 7(23.33%) were has a relationship, 19(63.33%) were relative relationship with a management team, and 4(13.34%) were never relationship. This implies that employee have a good relationship with a management team .this implies it helps employees are stand for better performance.

In addition on table 4.4, the respondents give the following information about their relationship with a management team to increase their performance form this 8(26.67%) replied yes,17(56.67%) replied rarely, and 5(16.66%) replied neutral. This implies employees of Ethio - telecom wolkite Branch have poor relationship with the management team. This implies the management team of the branch should renew and review their relationship with employees for a great performance.

4.5.INCENTIVE OR BENEFIT IMPLEMENTATION AND JOB

Incentive either financial or non - financial incentive is very important to increase employee performance. In this section the researcher analyzed types of incentive pay the organization and implementation.

Table 4.5. Incentive Implementation and Job

No	Item	Response	Frequency	Percentage
1	Is the benefit of the organization made you stay in your job?	Strongly Agree	5	16.67
		Agree	16	53.33
		Neutral	4	13.33
		Strongly Disagree	1	3.33
		Disagree	4	13.34
		Total	30	100
2	The organization provides overtime payment to employee after working hours	Very high	–	
		High	3	10
		Neutral	–	
		Low	17	56.67
		Very low	10	33.33
		Total	30	100
3	The organization provide incentive for employees with their performance	Yes	20	66.67
		No	2	6.67
		To some extent	8	26.66

		Total	30	100

Source: own surver, 2025

According to table 4.5 the respondents of the study area give the following data about whether the benefit of the organization made stay or not. Form this 5(16.67%) were strongly agree, 16(53.33%) were agree, 4(13.33%) were neutral, 4(13.34%) were disagree, 1(3.33%) were strongly disagree. This implies that incentive implementation in the organization is at good position. This implies that employees in the organization is made stay at their job.

As it is shown on table 4.5, respondents give the following information about over time payment. Form is 3(10%) were high,10(33.33%) were very low, 17(56.67%) were low, This indicates that the organization relatively no offers over time payment to employee. This show that employees work over time in their job.

In addition to table 4.5; the respondents give the following response in relation with payment of incentive with their performance. From this 20(66.67%) were get the incentive with their performance. form this 8(26.66%)replied as getting incentives based on their performance in some extent and 2(6.67%) were replied not payment based on their performance. This implies that the organization provides incentive based on their performance.

4.6. THE IMPACT INCENTIVE ON ORGANIZATION PERFORMANCE

Table 4.6 respondents response on the impact of incentive benefit package on the organization performance, as follows;

No	Item	Response	Frequency	Percentage
1	What do you think the impact of your current payment on your performance?	Very good	5	16.67
		Good	14	46.67
		Neutral	3	10
		Bad	3	10

		Very bad	5	16.66
		Total	30	100
2	Do you think that companies performance increase when it improves its incentive benefit package?	High	20	66.67
		Average	8	26.66
		Low	2	6.67
		Total	30	100
3	Do you think that the number you serve in a day increase because of your current payment?	Yes	5	16.67
		To some extent	3	10
		No	22	73.33
		Total	30	100

Source: **own surver, 2025**

As depicted on table 4.6, respondents give the following information about the impact of current payment on job performance, form this 5(16.67%) were very good , 5(16.67%) were very bad, 14(46.67%) were good, 3(10%) were neutral, and 3(10%) were bad, This implies that the current payment is good. This implies that organizations performance is good because of the payment.

As it is seen form table 4.6, respondents give following information whether companies performance increase when it improves its incentive package. From this 20(66.67%) were high, 8(26.66%) were average, and 2(6.67%) were low. This indicates companies performance increase if the companies payment improve its incentive package.

In addition on table 4.6, respondents give the following information to the researcher. Form this 5(16.67%) were replied yes, 3(10%) were replied to some extent, and 22(73.33%) were replied that implies that the current payment not increase current performance. This indicates the company is disadvantageous to serving the customer by employee because of bad current payment

4.7. EMPLOYEES ATTITUDE TOWARDS INCENTIVE PACKAGE OF THE ORGANIZATION

Table 4.7 Employee opinion about incentive package

1	How do you see your organization incentive benefit package system implementation with compared to other organization?	Very good	6	20
		Moderate	21	70
		Bad	3	10
		Total	30	100
2	What is your overall evaluation about the organization incentive package	Very good	6	20
		Moderate	19	63.33
		Bad	5	16.67
		Total	30	100

Source: **own surver, 2025**

According to table 4.7, respondents give the following information to the researcher about incentive package compared with other organization. Form this 6(20%) were very good, 21 (70%) were, 3(10%) were bad.this indicates that organizations incentive package is good related with others.

In addition to table 4.7, respondents view the organization as follows. Form this 6(20%) were very good, 19(63.33%) were moderate, and 5(16.67%) were bad. This implies that the organization over all incentive packages is better.

CHAPTER FIVE

5. CONCLUSION AND RECOMMENDATION

The objective of the paper is to analyze impact of incentive benefit package on employee job performance in Ethio- telecom, Wolkite branch..... .it also suggests possible solutions to the problem of incentive benefit package to conduct the research, primary and secondary data which were significance for the study to come up with better results. In general is chapter concludes the main findings of the study and forwards possible recommendations.

5.1. Conclusions

Based on the analysis of the data the researcher forwarded the following conclusion

- The researcher concluded that the organization employees are belong to in more productive age group i.e the organization able to produce something good and achieved the goals in a good manner. Due to this the organization can be competitive in today's technological and rapid environment.

- According to the finding the organization female employees are dominated by male employees. This situation creates a complain on the mind of females and decrease the effort of them to increase the performance of the organization.

- Form the finding the organization have more knowledgeable, skillful and experienced employees. Due to this reason the organization can exploit the opportunities which are found in their environment like that can increase sales volume.

- As the finding reveals that the organization employees pays above 8000 birr is more than those who pay below 8000 birr. This suggests that

employees of the organization relatively can satisfy there basic needs in the current market.

- As findings suggests that employees of the organization are interested in their salary based on this fact employees of the organization do not cease their jobs since they are satisfied by their payment.

- Based on the analysis employees of the organization has gotten benefit to motivate for better performance. Do to this employees of the organization are very motivated and initiated for their better performance.

- The researcher understand that the organization offer both financial and non- financial incentive benefit package. This imply the organization not only focus on single type of incentives.

- The analyze suggests the employees rates levels of the incentive plans is good position. This suggests employees are not forced to cease their jobs due to incentive shortages

- With regarding working environment, employees of the organization feels that conducive for their working . This leads employees are satisfied in their environment.

- In the organization there is a good relationship between management and employee. This relationship

- Rese archer analyze that the relationship between employee and management has impact on
  job performance

- The benefits provided by the organization feels the employee influence to stay in their job

- The financial incentive offered by the organization dominate the organization than non- financial incentives.

- The organization low provides overtime payment to employee

- ❖ As researcher understands, the organization incentives offer to employee based on their performance
- ❖ The researcher concludes that current payment positively affect their performance
- ❖ As analyze reveals when the companies improve its payment the organization performance also increase
- ❖ The findings suggests that current payments would not improve customer services in a day
- ❖ Based on finding the organization incentive benefit package is better than others

5.2. RECOMMENDATION

Depending on the finding of this study the following recommendations were forwarded

➢ On the employees attitude towards salary

Most of employees of the organization are not satisfied with their salary. Then the organization should:

- Provides different incentives to employee as much as possible.
- Being wise incentive benefit packages feels happy in the organization.

➢ On incentive benefit performance

Most employees benefited from the organization. However, some feels satisfied then them organization should:

- Reward employees for their good performance and this feels satisfied by incentive benefit
- Increase incentive packages so as to create the sense benefited for the organization
- Improve over time payment to increase benefit of the employee

➢ **On the working environment**

Almost, all employee of the organization are satisfied with their working environment. But some of them are dissatisfied them the organization should:

- Increase facilities to entertain and recreate employees in the organization
- Establish a good relationship with the management also increase good feeling in their working environment
- Focus on individual to determine their interesting areas.

➢ **On the incentive implementation and job**

Approximately all of employees are interested with the implementation of incentive but some are not then the organization should:

- Improve incentive implantation to stay employee at their job
- Provides miscellaneous utility in order to satisfy employee.
- Increase the financial and non- financial aspects of incentive benefit package
- Establish performance pay system to improve the job and also employees are becomes beneficially.

➢ **On the impact of incentive on performance**

Almost all of employees increase their job performance when incentive increase but the organization does not do. Thus the organization should:

- Increase substantially to increase the employees job performance positively

- Improve current payment to use the maximum potential of current employees to increase their performance.

✧ Generally, the organization should increase its effort in all area of incentive benefit package to increase the performance of the employee and the organization so as to achieve the goal.

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APPENDIX

WOLKITE UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

Questionnaire to be fill by employees of Ethio telecom at Wolkite branch

Dear respondents the main objective of this questionnaire is that focus on the assessment of incentive benefits package on employee job performance in case of Ethio telecom Wolkite Branch .The researcher selected the topic as requirement of BA degree in Management wolkite university. The questionnaire that you fill has two parts. The first part requires you to give personal background information. The second part attempts to assess incentive benefits package related with your organization since your information has a great value for the following close ended questionnaire.

- No need of writing you name
- Read the question carefully
- Put (**x**) mark for close ended question in the box

part I

Questions related to your personal background information

1. Age: 18-25 ☐ 26 -35 ☐ 36 -45 ☐
   46-55 ☐ above 55 ☐

2. Sex: Male ☐ Female ☐

3. Educational level: Certificate ☐ Diploma ☐ Degree ☐

Masters degree ☐ PhD and above ☐

4. Experience or service year: Less than 1 year ☐ 1-3 year ☐

4 -7 year ☐ above 7 year ☐

PART II

Questions related to your organization about incentive benefits package

1. Are you happy with your salary?

Yes ☐ No ☐ To some extent ☐

2. IS there any benefit you get from the organization which motivates you better performance

Yes ☐ No ☐ To some extent ☐

3. If your answer for the above question is yes what kind of incentive did you offer?

Financial ☐ Non - financial ☐ Both ☐

4. How do you rate level of contribution of incentive plans and benefit package increase employee performance?

High contribution ☐ Medium contribution ☐

Neutral ☐ Low contribution ☐ No contribution ☐

5. How much you are satisfied with your work environment.

High level ☐ Medium level ☐ Not satisfy ☐

6. Do you have good relationship with the management team of the organization .

Yes ☐ To some extent ☐ Never ☐

7. If your answer is yes for the above question does the relationship help to increase performance.

Yes completely ☐ Rarely ☐ Neutral ☐

8. Is the benefit of the organization made you stay in your job?

Strongly agree ☐ Agree ☐ Neutral ☐

Strongly disagree ☐ Disagree ☐

9. The organization provides over time payment to employee after working hour?

Very high ☐ High ☐ Neutral ☐

Very low ☐ Low ☐

10. The organization provides incentive for employees use their performance?

Yes ☐ To some extent ☐ No ☐

11. What do think the impact of your current payment on your performance?

Very good ☐ Good ☐

Neutral ☐ Very bad ☐ Bad ☐

12. Do you think that companies performance increase when it improves its incentive benefit packages?

High ☐ Average ☐ Low ☐

13. Do you think that the number of customers you serve in a day increase because of current payment?

Yes ☐ To some extent ☐ No ☐

14. How do you see the organization incentive benefit package system implementation with related to other organization?

Very good ☐ Moderate ☐ Bad ☐

15. What is your over all evaluation about the organization incentive benefits package?

Very good ☐ Moderate ☐ Bad ☐