Employee Performance Reward and Recognition Inequity in the Western Cape Provincial Department of Transport and Public Works

MR Jansen
Department of Social Development, South Africa

P Hlongwane
University of South Africa, South Africa

Abstract: Performance reward amongst employees in the Western Cape Department of Transport and Public Works (WCPDTPW) has been viewed with mixed reactions as a result of fundamental discrepancies associated with the process. The aim of this paper is to explore employee perspectives in relation to performance reward and recognition discrepancies between the lower skilled and highly employees in the Western Cape Provincial Department of Transport and Public Works. Equity theory is applied to explain how perceived inequity in terms of outcomes or rewards could affect employees' motivation to perform in the future. Qualitative research methodology was utilised whereby semi-structured interviews were employed to collect data. A sample of sixteen research participants was selected from the WCPDTPW using a purposive sampling strategy. Data were collected through face-to-face semi-structured interviews. Collected data were analysed using qualitative content analysis. The findings of the paper revealed that participants had negative perceptions concerning performance appraisal and rewards. Moreover, the management of the performance appraisal process is regarded as ineffective and unfair. This process has revealed fundamental performance reward discrepancies between lower-skilled employees and highly skilled employees. Therefore, this paper recommend that the WCPDTPW should also consider non-financial rewards for good performance as a token of appreciation and a means of keeping employees motivated. Moreover, supervisors and managers who are bequeathed with the responsibility of evaluating employee performance should be trained on the ethical considerations of performance appraisal to eliminate bias. Finally, this paper contributes to the body of knowledge and literature with regard to understanding complex issues associated with performance management systems, in particular, the employee performance reward and recognition.

Keywords: Management, Performance appraisal, Performance management, Performance management system, Reward

1. Introduction

This paper explores employee perspectives in relation to performance reward and recognition discrepancies between the lower-skilled and highly skilled employees in the Western Cape Provincial Department of Transport and Public Works (WCPDTPW). The awarding of performance reward forms an integral part of the performance management process. If the performance management system is not implemented fairly, it is bound to compromise the work performance of employees (Makhubela, Botha & Swanepoel, 2016). This could be attributed to the fact that the awarding of performance rewards tends to be the focal point of performance management, which should not be the case. In Sharma, Sharma and Agarwal’s (2016) view, performance reward is one of many facets of the performance management process and should not be the primary focus. Accordingly, performance management consists of parts that interact and work together seamlessly to accomplish predetermined objectives (Bacal, 1999). Therefore, the performance management system cannot succeed if only certain parts or aspects are over-emphasised and attended to whilst the other facets are neglected.

Performance reward amongst employees in the WCPDTPW has been viewed with mixed reactions as a result of fundamental discrepancies associated with the process. Moreover, there is a high discrepancy in terms of performance reward between lower-skilled employees and highly skilled employees in the WCPDTPW. In the 2013/2014 financial year, 51 (17.6%) out of 290 lower-skilled employees were given performance reward, while 158 (51.5%) out of 307 highly skilled employees were given performance reward, while 158 (51.5%) out of 307 highly skilled employees
Employee Performance Reward and Recognition Inequity in the Western Cape Provincial Department of Transport...

received performance reward (Department of Transport and Public Works (DTPW), 2014). The number of beneficiaries of performance reward seems to vary in accordance with the salary bands or grades. Moreover, during the 2014/2015 financial year, approximately 65 (13.8%) out of 471 lower-skilled employees were given performance reward whereas 131 (47.3%) out of 277 highly skilled employees received reward (DTPW, 2015). In addition, during the 2015/2016 financial year, 149 (31.6%) out of 472 lower-skilled employees received performance reward, while 148 (47.9%) out of 309 highly skilled employees were rewarded for their performance (DTPW, 2016). Based on discrepancies that occur during the performance appraisal process, Bekele, Shigutu and Tensey (2014) argue that there is an absence of objectivity in performance appraisal process. Therefore, this paper addresses the question, what are the reasons for performance reward and recognition discrepancies between the lower skilled and highly skilled employees in the WCPDTPW? Answers to this question could contribute to the understanding of different factors that contribute to performance reward inequity in the aforementioned department. Equally important, the concomitant recommendations thereof could assist human resource practitioners, managers and researchers specialising in performance reviews to address factors that affect the implementation of performance reward.

2. Performance Reward and Recognition

Employees’ perception about the performance appraisal results could be beneficial depending on a number of factors, thus employee’s attitude, personality, motives, interests, past experiences and expectations from the institution (Sanjeev & Singh, 2014). In this regard, Kumaran and Sangeetha (2013) argue that employees’ perceptions of the fairness and effectiveness of the performance system are frequently shaped by how they perceive their manager’s attitudes; their understanding and application of the system as well as the culture of the institution. Hence, it is imperative for managers to conduct the performance appraisal process appropriately and to be knowledgeable about how to provide information regarding performance improvement. At the same time, managers ought to know how to present constructive criticism in relation to performance if it is useful and relevant to employees. In a study by Matlala (2011), it was found that employees generally have a negative perception of the fairness of the performance management system. This could be attributed to the fact that employees tend to view their managers as incompetent to assess their performance or provide guidance for performance improvement (Makhubela, Botha & Swanepoel, 2016). Employee perceptions of performance management process is however an important factor that needs to be considered when employees are rewarded for their performance (Khan & Ukpere, 2014). In this regard, if employees have a perception that there are no uncertainties about job performance coupled with a view that they are receiving the necessary support from management, they are likely to be efficient, productive and embrace the performance appraisal process (Sachane, Bezuidenhout & Botha, 2018).

The outcome of performance appraisal could be determined by numerous factors, which may tend to be positive or negative. In this case, Abbas (2014) argues that one critical factor that affects the performance appraisal outcome is the appraisal source and suggests that employee performance could be evaluated through multiple sources, such as supervisors, managers, self, peers and even clients. Clearly, the perception of fairness and accuracy of employees towards performance appraisal could also affect rewards and recognition for such performance. Al-Zawahreh and Al-Madi (2012) state that employees are bound to compare their rewards to what has been received by other employees within and outside the institution. This could be attributed to the fact that employees would aspire to establish whether or not there is equity in performance rewards. On one hand, Seyama and Smith (2015) point out that when employees notice incompatibility between their performance and outcome (rewards and recognition), their efforts and commitment could deplete rapidly. On the other hand, when employees are equitably rewarded and recognised, they are likely to increase their efforts and remain loyal to their institutions. According to Al-Zawahreh and Al-Madi (2012), inequity in terms of performance rewards and recognition could result in increased levels of job dissatisfaction. Consequently, job dissatisfaction may lead to high employee turnover in the institution due to burnout. Indeed, the perceived levels of performance reward equity and fairness could immensely influence employee tenure, commitment and engagement (Scott, 2011).
Makhubela et al. (2016) assert that the effectiveness of performance management processes and fairness are influenced by numerous factors such as appraiser’s knowledge, setting measurable goals, employee participation, fair performance appraisal process, and management commitment. Further, Makhubela et al. (2016) highlight the managers lack the requisite knowledge for conducting a successful performance appraisal process, which could negatively affect performance reward and recognition. At the same time, the absences of clear and measurable performance standards seem to be problematic in terms of allocating performance benefits. Additionally, Seyama and Smith (2015) argue that complaint regarding performance reward inequity emerge due to inconsistent application of performance reward criteria, absence of transparent rating methods. Subsequently, when employees feel that unfair performance standards are applied to measure and reward their performance, they may tend to react negatively (Banks, Patel & Moola, 2012).

3. Theoretical Framework on Performance Reward and Recognition

The theory that is utilised to understand how perceived inequality in relation to performance rewards and recognition could affect employee motivation to perform better in the future is equity theory. This theory was developed by John Stacey Adams (1965), and it states that employees constantly weigh their perceived inputs to a job or task against the rewards received for the work undertaken (Banks et al., 2012). In fact, equity theory indicates that employees are likely to perform optimally once they perceive some degree of fairness in terms of performance rewards (DeNisi & Griffin, 2016). As applied to this study, this theory holds that the independent variable, performance reward should be expected to be influenced by dependent variables such as fairness, consistency and transparency because employees may attempt to reduce performance efforts when they believe that they are being unfairly rewarded for good performance, thus in comparison to other employees in the institution (DeNisi & Griffin, 2016). Almusam (2016) argues that equity theory requires that employees should be treated fairly with due consideration of their immense contribution to their work.

Al-Zawahreh and Al-Madi (2012) point out that employee could be easily frustrated when they put efforts into their work without commensurate reward and recognition for such endeavours. Banks et al. (2012) acknowledge that when employees perceive a referent person to be rewarded more for similar efforts a sense of disgruntlement could emerge. According to Al-Zawahreh and Al-Madi (2012), employees who are disgruntled due to inequitable performance reward and recognition could engage in actual or psychological restoration of equity. Essentially, actual restoration of equity suggests that dissatisfied employees reduce their performance efforts; demand additional rewards; alternatively, damage equipment of the employer. Psychological restoration of equity denotes that distressed employees attempt to convince themselves that inequitable performance rewards and recognition is fair, thus distorting facts.

4. Methodology and Data Collection Procedures

For the purpose of this study, a qualitative research methodology was applied. Specifically, a qualitative case study design was used. This methodology was chosen primarily because it could be useful in exploring the experiences and perceptions of research participants. In this regard, Schurink (1998) explains that a qualitative research approach brings about participant accounts of meaning, experiences or perceptions. In addition, Welman and Kruger (1999) support the use of the qualitative research approach for the description of groups, (small) communities and institutions. Boeiji (2010) on the other hand, states that the purpose of qualitative research is to describe and understand social phenomena in terms of the meaning people bring. Verhoeven (2011) adds that in qualitative research, elements are studied on their own turf, in their normal surroundings.

The population from which the sample was drawn comprised permanently appointed employees classified as lower-skilled (i.e. food service aids, trade workers, machine operators, switchboard operators, admin clerks) to highly skilled (i.e. assistant directors, deputy directors, professional technicians) on salary level 1 to 12 in the WCPDTPW. The researcher used the purposive sampling method for the current study. The purposive sampling method is based on the judgement of the researcher regarding the characteristics of a sample (Bless & Higson-Smith, 2000). Therefore, the purposive sampling was used to purposefully select research participants who were deemed suitable and would contribute
in terms of yielding the required information for the study. Essentially, the aim of this sampling method is to obtain the information from the source (Verhoeven, 2011). Purposive sampling comes with some benefits and risks. A benefit, for example, is that it has some value, especially when it is used by an expert who knows the population under study (Bless & Higson-Smith, 2000). Nevertheless, the risk associated with purposive sampling method is that it relies more heavily on the subjective considerations of the researcher than on the objective criteria, and it is also critiqued for its samples being non-representative (Bless & Higson-Smith, 2000). The target population consisted of approximately 2 201 employees from whom a sample of 16 employees was selected to participate in the study. The sample was classified into four categories ranging from lower-skilled to highly skilled, within various salary bands and from which four participants per category were selected (see Table 1). A qualitative content data analysis was applied in order to make sense of data collected through interviews.

### 5. Results and Discussion

This section presents the perspectives of the research participants regarding performance reward and recognition discrepancies between lower-skilled and highly skilled employees. In this case, employee perspectives were aligned with the following sub-themes:

#### 5.1 Lack of Recognition for Good Performance by Junior Employees

Some participants expressed concerns that their good performance was not rewarded and recognised appropriately. This happened despite the fact that the staff performance management policy of the Western Cape Provincial Government clearly stipulates that meritorious performance of employees should be recognised and rewarded (Republic of South Africa, 1997; Republic of South Africa, 2001). Furthermore, rewarding and recognising good performance is key to preserving and building the identity of employees, giving their work meaning; promoting their development and contributing to their health and well-being (Brun & Dugas, 2008; Gudla & Veni, 2012; Ismail & Ahmed, 2015; Khan & Ukpere, 2014; Njanja, Maina, Kibet & Njagi, 2013). To corroborate that performance was not rewarded, some participants contended that:

> The lower levels do not have any proof of what they do thus their work is not seen. Even though you are complimented by a client for a job well done, it is not taken into account and you are not rated higher by your supervisor. The higher levels have outcomes that are seen and documented thus they have proof (Participant 14).

> In a way it is justifiable and good enough reasons. Those that worked hard deserve a reward but it is unfair if those who does not deserve it gets a reward. The lower-level employees will be motivated if they get rewarded. Many times the lower-level employees must do the work of the higher-level employees yet the higher-level employee will be rewarded (Participant 15).

> The higher-level employees feed on the hard work put on by lower-level employees, yet they do not apply the simple principles of management which is to appreciate your staff and always keep them motivated. If the lower-level employees’ key performance areas were to draft 10 letters a day and he/she drafts 15 letters for the senior, the senior will be seen as the person who delivers on time and yet fails to give thanks/recognise the lower-level employees’ efforts (Participant 12).

The findings of this study indicate that some participants were of the opinion that employees needed to be supported to improve performance. Additionally,
they expressed a need to transparent and fair process. These findings were supported by Gudla and Veni's (2012) view that managers should be fair in assessing, recognising and rewarding employees for meritorious performance in order to improve employees' self-esteem. Moreover, if managers or supervisors give little or no recognition, the employee is likely to have a negative view of the appraisal process or be dissatisfied by his or her work (Bekele et al., 2014). In this sense, the basic purpose of employee recognition is to motivate employees to work harder in the course of achieving the objective of an institution.

5.2 Unfair Performance Rating Process

Some participants are concerned about the unfairness of the performance rating process which present challenges with regard to performance rewards and recognition for lower skilled employees. In this regard, the following concerns were expressed:

Not all the time. The person that does my review doesn't know what I do on a daily basis. How can someone score you who does not know what you do and is not with you on a daily basis? They score you on the things that they remember. For example, on the day I did not wear my protective clothing they should have reprimanded me but instead it is used to lower my performance rating (Participant 14).

The lower-level employees do all the hard work and deliver as per the key performance areas required and sometimes surpass them and their efforts are seen and noticed by the end user but the supervisor takes all the credit and is actually scared to reward the lower-level employees (Participant 12).

As said before, it is unfairly awarded. The lower levels are not seen and can only move up if they get more opportunities. That's the reason why I am currently busy with doing my matric (Participant 15).

The performance appraisal process to needs to be handled fairly as since it has a direct influence on the work performance, salary progression and performance rewards and recognition of the employee (Femi, 2013). In Khan and Ukpere's (2014) view, the performance appraisal process that is deemed the central component of the performance management process, which is highly significant and sensitive in nature hence, objectivity and fairness must prevail. Some of the participants believed that training supervisors and managers on performance appraisal processes could address unfair performance rating processes. In fact, appraisers should be trained to carry out the performance appraisal process for reliable data and objective appraisal processes (Agyare, Yuhui, Mensah, Aidoo & Ansah, 2016). Some participants stated the following:

The supervisors or managers must be given training on how to handle the performance reward system and what to look at. They must be aware of their subordinates' work, what they do and know who are the ones that perform. For example, who plays computer games or watch movies during working hours (Participant 15).

Teach everyone in a supervisory role and who signs off on PERMIS [performance management information system] what fair assessment entails. And to credit ideas to the right persons (Participant 2).

According to Makhubela et al. (2016), employees tend to hold a view that their managers are not skilled enough to discuss and rate their performance or coach them on how to improve their performance. Furthermore, it is imperative that supervisors and subordinate employees receive adequate training on the performance appraisal instrument, rating scales. Specifically, managers should know how employee performance should be measured in order to ensure that each party's rights and responsibility safeguarded during the performance appraisal interviews (Fletcher, 2004).

Some participants highlighted the importance of transparency during the performance appraisal process. Performance appraisal should be concerned with procedural fairness, respect for the individual, mutual respect and transparency of the decision-making process (Armstrong, 2006). One participant expressed a concern as follows:

There's a need to promote transparency. Managers should be sent to workshops to understand the purpose of the performance rewards. Employees must be encouraged to diarise all the extra work they are doing over and above of their normal duties to be able to present evidence when required (Participant 8).

Based on the concerns flagged above, it is important that both higher- and lower-skilled employees...
have a common understanding of the performance appraisal processes and performance standards. Unclear performance standards and process could lead to inconsistencies in the management of performance appraisal processes. Despite the good intentions of performance management, participants expressed negative views about the performance rating process. Therefore, it is evident that the performance review process becomes clouded by feelings of dissatisfaction and they are characterised by injustice in the WCPDTPW.

5.3 Work Experience

The research findings indicate that work experience is viewed as a contributing factor in terms of why lower-skilled employees are not awarded performance rewards in the same manner as the highly-skilled employees. In support of this finding, Kotur and Anbazhagan (2014) argue that it is commonly believed that work experience might play an important role in the performance of individuals. This assertion was supported by one of the participants in this study, who reasoned thus:

Maybe because of the years of experience of the higher levels. It is unfair that the lower levels are not seen and looked down on. They are seen as not good enough even though we are just as important. The lower levels should also be given extra tasks and be rewarded (Participant 15).

From this finding, it is evident that the WCPDTPW makes efforts to please highly skilled employees for their contribution whilst neglecting the lower skilled employees. The view that the rewards are biased towards higher-level employees seems to resonate amongst most participants in the lower-skilled category. The participants lamented the fact that the reward system favours managers whilst the junior employees do most of the work. The following statements were captured:

I think the reasons why few lower-skilled employees receiving less performance rewards than their respective highly skilled employees have to do with the attitude and mentality of the bosses. There’s more respect attributed to highly skilled workers that compels senior management to try their utmost best to keep the highly skilled employees happy and feel appreciated. Secondly, it could be that highly skilled employees are not so easy to find in comparison with lower-skilled employees (Participant 8).

Apart from the importance of work experience, some participants raised the issue of extra responsibilities on the part of senior employees. Some of the employees are of the view that senior managers have more responsibilities and therefore ought to be rewarded for their efforts. It seems some employees associate extra work responsibilities or tasks with high performance rewards.

The higher levels are the ones that perform because they have more tasks. I don’t really know as said before (Participant 10).

The higher the level the higher is the responsibility (Participant 4).

Most lower-skilled employees indicated that they experienced injustices because of their positions in the department. The perception of both highly and lower-skilled employees is that highly skilled employees are mostly rewarded or recognised because of their level of responsibility, number of tasks and scarce skills. However, the practice of awarding performance rewards based on position is not in line with the SPMS that clearly stipulates that performance should be managed in a non-discriminatory manner in order to enhance service delivery in the provincial departments of the Western Cape (Western Cape Government, 2001:1). In other words, such controversial awarding of performance rewards is considered an act of discrimination that could inadvertently impede service delivery due to poor employee morale.

5.4 Biasness

The findings suggest that performance appraisals might be influenced by the supervisor’s attitudes toward the employees and the perceived quality of their relationship. In that regard, this could stem from the way a supervisor feels about each subordinate employee and whether the supervisor likes or dislikes the subordinate employee (Javidmehr & Ebrahimpour, 2015). Essentially, the fact that a rater likes or dislikes a ratee could influence the appraisal ratings and determine the evaluation of the ratee’s performance (Bekele et al., 2014). Concerning this issue of biasness, some participants expressed their frustrations in this way:

Deserving workers that do not get performance rewards simple because they are not in good books with their managers or favourites of the officials.
vested with rights to reward high-performing employees, turn to be discouraged and dejected. This has potential to hamper their energy levels. In a long run, performance rewards discrepancy may influence the general performance of the organisation due to substantial amount of dejected people. This may also lead to high staff turnover (Participant 8).

If you do not have a good relationship with your supervisor, you can forget about the incentive. The supervisors do not have the backbone to back the hard work put on by the lower-level employees (Participant 12).

On the basis of the above concerns, it is important that supervisors evaluate employee performance with as little bias and discrepancies as possible. The fewer the errors and the less the bias in performance appraisal, the better the employee performance, satisfaction and efficiency of the performance reward system. The most common experience was the fact that the performance reward system was greatly affected by personal subjectivity to the extent that some supervisors used it to divide and rule where they rewarded their allies and punished their enemies (Matlala, 2011).

5.5 Manipulation of the System

The findings reveal that supervisors or raters manipulate ratings to obtain the desired results. In that sense, the system was seen to be open to manipulation and abuse due to subjectivity by supervisors and managers. Essentially, rater bias was experienced by some employees and the common theme in their concerns was the fact that supervisors impose their scores on subordinates. One participant expressed this concern as follows:

The lower-skilled employees get scored lower and is not the score we are supposed to get. The higher levels know how much money is available and make sure they get better ratings and take all the performance rewards (Participant 11).

Some participants think that junior employees should receive first preference in relation to performance rewards and recognition. The findings revealed that the performance rating system does not favour lower-level employees in terms of reward or recognition and is solely used to facilitate the payment of bonuses.

Performance bonuses should be allocated on a scale whereby the higher levels get a lower percentage and the lower levels get a higher percentage. The performance bonus of the higher level takes a bigger chunk of the budget. The department should reward the lower-level employees first. The department should adjust the performance reward system so that the whole team can be rewarded and not only an individual (Participant 11).

5.6 Less Challenging Tasks

The main reason for performance appraisal is to equip employees with skills, thus enhancing performance and productivity. Work performance can be improved by identifying the developmental needs of an employee and assisting such employee to become competent, ultimately enabling the individual to accomplish his or her task efficiently (Booyens, 2014). Subsequently, employees become more skilled, which contributes to increasing performance and productivity. One participant raised the following concern:

Management doesn’t give the lower levels the challenge to do more. Lower levels are not given extra tasks and not given the skills to be able to perform higher-skilled jobs, duties. Therefore, they cannot receive a reward (Participant 9).

There was a common view that the system is also not used to improve processes or to empower employees and therefore does not benefit lower-level employees in terms of growth and development. In fact, performance appraisal is more than just evaluating the performance of employees; it also addresses the development of employees in order to maximise their potential and to complement shortcomings in their abilities to execute tasks (Gudla & Veni, 2012). One of junior employees had this to say:

Even though the lower-skilled employees are not seen for performance rewards, they should be given more opportunities to study further, attend courses and helped to improve performance (Participant 13).

5.7 Poor Understanding of Performance Review Process

There is a lack of understanding of performance review processes among junior staff members to such an extent that they do not question controversial rating decisions by their immediate supervisors.
Some inconsistencies were attributed to the lack of knowledge on how the system is applied by both supervisors and subordinates. This is an important factor, which influences the perceived fairness of the appraisal system (Saeed & Shahbaz, 2011). Participants revealed that some of the staff members did not understand the rating system.

Most of the times, many lower-skilled employees lack in understanding performance review process, which is shown by not keeping proper record of the extra good work done in order to report on it when performance reviews are done. Employees at times thought that the extra tasks performed is just what is expected of them, i.e. many lower-skilled employees acted from time to time in higher positions without any remuneration, but think that they are just doing what is expected and never mention it during review (Participant 3).

The lower levels do not know how to do reviews and complete the forms. They are not trained on how the system works. They accept their supervisor comments and ratings. The lower-level employees do not know how to motivate their performance or extra duties (critical incidents). The reason why the higher-level employees get every year is because they copy and paste their incidents. The system requires typing skills and computer literacy, which the lower level mostly does not have and they are not properly orientated. The evidence of performance is not kept (Participant 5).

Another reason could be because the lower-skilled employees are not aware of how to measure their performance/work against the performance criteria. In light of the latter, they will not know how to write and argue their performance reviews to their superiors which means they just leave and it becomes another compliance matter. Staff members who did not obtain a financial reward often feel devalued by ostracising those who have received a reward. Therefore, some participants felt that attachment of the monetary reward creates an environment where people constantly anticipate high scores during performance appraisal.

5.8 Financial Constraints

The absence of financial performance rewards due to budget constraints creates tension between supervisors and subordinates. The research participants articulated mixed views regarding financial rewards:

Due to budgetary constraints, everyone cannot get a performance bonus. Department should look at alternative type of rewards or incentives. For example, give an employee a half day off work as reward for outstanding performance or introduce employee of the month system or thank you in staff meetings. It feels good to be recognised. Supervisors and managers should show more appreciation on an ongoing basis (Participant 5).

Cut the monetary rewards. It will save government a lot of money because it will never be a fair process. There will always be an employee left out that deserves a reward. Acknowledge everyone for the part they play in the organisation (Participant 7).

Some participants are against the monetary reward and recognition that is granted by the department to those who have performed significantly above expectations. The participants highlighted that the monetary rewards tend to cause friction among the team members. Staff members who did not obtain a financial reward often feel devalued by ostracising those who have received a reward. Therefore, some participants felt that attachment of the monetary reward creates an environment where people constantly anticipate high scores during performance appraisal.

6. Conclusion and Recommendations

Based on the primary findings of this research, it is clear that nebulous performance rating processes are responsible for inequity in relation to
performance rewards or recognition between the lower skilled and highly skilled employees in the WCPDTPW. This has created a situation where lower skilled employees feel that their meritorious performance is not valued by the department. Noteworthy, the issue of work experience and added job responsibility appears to be view as one of the key factors that contribute to performance reward inequity between the lower skilled and highly skilled employees. Whilst the issue of work experience is crucial, the finding reveal that performance management review processes are riddled with unfairness and biasness. It seems that managers impose inappropriate rating scores on junior employees, in particular, lower skilled employees, thus manipulating the performance review processes. Lower skilled employees lack knowledge about performance review process such that they are unable to question controversial decisions taken by their managers. Although the WCPDTPW may wish to reward each employee for good performance, financial constraints make it difficult and it the main highly skilled employees tend to receive financial rewards. Although can be used to pay performance bonuses, employers should also consider non-financial rewards as a solution towards the unavailability of funds, and that could perhaps enhance an employee’s self-respect and esteem. However, since lower skilled employees are likely to compare themselves with the “referent other,” thus, highly skilled employees, they are bound to feel disgruntled when most of the highly skilled employees receive rewards while only few lower skilled employees receive rewards. As a matter of fact, this in consonant with the equity theory which states that individuals will continuously compare their inputs and outcome to that of their peers in order to establish a degree of fairness and consistency in terms of rewards. Following this, it is recommended that the department should consider offering intensive training to junior employees, managers or supervisors and make efforts to ensure performance review process does not disadvantage junior employees in relation to rewards. Nevertheless, a related study need to be undertaken that would investigate the issue of performance reward and recognition inequity between males and females in the WCPDTPW. Since, the findings of this study cannot be generalised to other settings due to small sample, it recommended that a larger quantitative study should be undertaken to investigate performance rewards and recognition inequities.

References


