

Rewards and Work Performance of Academic Staff at a Private University

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ABSTRACT

This study is based on a survey of academic staff at a private university in Selangor. The primary goal of this survey is to discover the most influential reward that influences the work performance of the academic staff at this university. A total of 90 questionnaires were distributed, and the data obtained were analyzed using Statistical Package for Social Science (SPSS) version 27.0. Regression analysis was used to evaluate the data collected. The salary amount and fringe benefits were chosen as the types of reward for this study. The results reveal that the most influential reward influences the work performance of academic staff at this private university as a fringe benefit. As a result, the findings of this study are aimed at supporting the university in managing and overseeing the rewards given to academic staff in order to optimize their work performance even further, delivering quality education to students, providing opportunities for career growth, and enhancing the university's reputation.

Keywords: Academic staff, Rewards, Salary, Fringe benefits, Work performance.

1. INTRODUCTION

Human resources play a crucial role in the growth and development of an organization, and they are one of the most valuable assets and primary foundations that a company should possess. The quality of human resources greatly influences the organization's performance in reaching its objectives. As a result, employees can be controlled when human resources management improves their skills, which will improve their performance. In other words, it is acknowledged that the quality of human resources (HR) influences the success of an organization—human resources in an organization, namely employees (Darmawan et al., 2020). In the area of higher education, the relationship between academic staff rewards and work performance has long been a topic of intense interest. Through their contributions to knowledge, teaching, and learning, educators, researchers, and scholars play a crucial role in influencing the future of society within the dynamic and intellectually lively environment of academia. Folurunso, Adewale, and Abodunde (2014) agreed that the academic staff's work performance is crucial because quality tertiary education is essential for developing the academic staff required for universal primary education. Therefore, understanding how different types of recognition, rewards, and incentives affect the work performance and devotion of academic professionals is not only a matter of academic curiosity but also holds immense implications for the quality and sustainability of education and research. However, study evidence indicates that the relationship between monetary reward and work performance is complicated. For example, Hussain Khan et al. (2012) found a substantial positive relationship between the variables, although Fehr and Falk (2002) and Pinto (2011) reported a negative correlation between the variables. Thus, this survey was done to evaluate the influence of monetary and non-monetary rewards on academic staff work performance. In this survey, the element of monetary reward is the salary amount, and the element of non-monetary reward

is fringe benefits. This study focuses primarily on the academic staff of a private university in Selangor.

2. LITERATURE REVIEW

The phrase work performance has several interpretations. Claudia (2015) defined performance as the quality and quantity of tasks efficiently accomplished by persons, groups, or organizations. Performance is a fundamental concept of a person to distinguish components of the performance process that consist of behavioral participation towards the intended outcome (Borman and Motowidlo, 1993). According to Ahuja (2006), good job performance is demonstrated by productivity, efficiency, and effectiveness while working, the quality of work generated, and profitability.

The reward may be described as whatever an individual receives for performing a certain activity or task that has a significant role in boosting the performance of employees and the firm's output (Nisar et al., 2016). Eisenberger et al. (1998) stated that reward systems play a crucial role in encouraging employees to work proactively. Frye (2004) confirmed that income pay is positively correlated with performance. Furthermore, it was shown that reward plays a crucial role in human capital-intensive organizations in attracting and retaining skilled workers. Whereas, Spitzer (2002) in Nisar et al. (2016) emphasized that despite the fact that monetary rewards are often accepted by employees, they should not always be utilized as motivational tools. In other words, employers should also be aware of non-monetary rewards.

It is considered that giving employees a suitable salary on a regular basis will allow them to satisfy their needs and hence drive them to work harder. Similarly, incentives like paid study leave, holiday bonuses, housing or automobile loans, and health care may make employees happier, enhance their lifestyles, and encourage them to do their jobs more efficiently. According to PeretomodePeretomode (2012), some factors that motivate people to do well at work include a good salary, praise, advancement, and job security. In addition, good business practice dictates that corporations keep up with inflation by rewarding employees with market-based salaries in order to reduce worker strikes and bad performance (Amstrong, 2007).

Non-monetary rewards (fringe benefits) consist of non-monetary advantages, such as recognition, training, and development tailored to employees' requirements, and flexible work hours. Fringe benefits incentives provide employees with a strong sense of employment stability and security. Providing fringe benefits to employees may maximize the performance of the organization, and the objective of the rewards is to link exceptional job performance with opportunities (Heyman & Ariely, 2004). This means that fringe benefits are an important component in order to improve work performance (Artz, 2010).

3. METHODOLOGY

The target population in this study is academic staff at a private university in Selangor. The researcher chose academic staff as the target population because, based on previous studies, most researchers prioritized the population among administrative and academic staff, and this

was done in other institutions. In this survey, the sample size was calculated using the (Tabachnick and Fidell, 2007) formula, which is as follows:

$$N > 50 + 8m$$

The above formula calculates sample size, where N is the sample size and *m* is the number of independent variables. Due to the fact that this study includes two variables, monetary reward (salary amount) and non-monetary reward (fringe benefit), the sample size for this survey is determined as follows:

N = Sample Size
<i>m</i> = Number of independent variables
$N > 50 + 8m$
$N > 50 + 8(2)$
= > 66 people

Therefore, the required sample size for academic staff is larger than 66. However, this study was able to collect a total of 90 respondents, which is more than adequate for its objective. The development of the questionnaire is based on a survey of the relevant literature.

The survey was prepared using Google Forms and disseminated to respondents via the university academic staff email platform. The questionnaire was also distributed via the WhatsApp application, where it was delivered to faculty and department WhatsApp groups containing academic staff. In order to achieve the study objective, the research instrument used is an online questionnaire that consists of three parts: Section A, which includes demographic questions; Section B, which contains questions regarding work performance; and Section C, which consists of questions about rewards.

In addition, the pilot test was undertaken to confirm that the questions included in the questionnaire were pertinent and suitable for the respondent to answer. The researcher used SPSS software to find out the value of Cronbach's alpha, which measures the reliability of the research instruments. The table below shows the reliability statistics of the instrument for the pilot test. The acceptable reliability value is between 0.71 and 0.99, where it is at the best level (Bond & Fox, 2007). Table 1 below shows the result of the reliability test.

Table 1: Reliability Test (Cronbach's Alpha) Analysis

Variables	No. of Question	Cronbach's Alpha Value
Academic staff's work performance	8	0.79
Monetary reward (Salary amount)	6	0.90
Non-monetary reward (Fringe benefits)	6	0.81

The regression analysis was employed in this study. A statistical method that incorporates more than one independent variable or predictor is linear regression analysis. This analysis is

used to identify the influence of one variable on another. This approach is useful in determining the dominant reward influencing academic staff work performance at this private university. The data analysis for this survey was using statistical software, namely Statistical Package For The Social Science (SPSS) version 27. The data collected then were analyzed using the software and the methods used include reliability (Cronbach's alpha), and simple linear regression.

4. RESULT

90 questionnaires were distributed to academic staff via the official e-mail of the university and WhatsApp groups containing academic staff. In this study, the analysis relied on questionnaires that were filled out and submitted.

In this study, the researchers employed regression analysis to achieve the research objective. This analysis was conducted to determine the effects of reward on work performance and to discover the reward that has the most significant effect on work performance.

Table 2: Linear Regression Result

Model	Unstandardized Coefficient	Standard Coefficient			
	B	Std. Error	Beta	t	Sig.
(Constant)	1.212	0.310		3.911	<0.001
Salary Amount	0.176	0.096	0.238	1.835	0.070
Fringe Benefit	0.559	0.092	0.645	6.059	<0.001
**p < 0.05 r ² = 0.431 F = 21.730 Sig. = < 0.001					

Table 2 illustrates the results of the regression analysis regarding the influence of academic staff salary amount and fringe benefits on their work performance. This study's R square score of 0.431 indicates a 43.1% change in the dependent variable (work performance) due to the influence of independent factors (salary amount and fringe benefit). Additionally, the table shows the significance between the two factors. The researcher determined, based on the table, that salary amounts do not have a significant impact on the work performance of academic staff since the p-value exceeded 0.05. In contrast, the value of fringe benefits is significantly associated with work performance ($\beta = 0.64$, p 0.05). Therefore, based on the findings of the regression analysis, it can be concluded that the dominant beta factor ($\beta = 0.645$) that influences the work performance of academic staff at this private university is the fringe benefit factor, which has a higher beta value than the salary amount factor.

5. CONCLUSION

In conclusion, the survey reveals that the non-monetary reward, which is the fringe benefit, is the dominant factor that influences the work performance of academic staff at this private university. The finding of the regression analysis showed that the fringe benefits factor has the

highest beta value, = 0.645 ($p < 0.05$), compared to the salary amount factor, which has a beta of = 0.238. Therefore, the non-monetary reward has a major impact on the academic staff's work performance at this private university. It may motivate the academic staff, attract and retain talent, and align their efforts with university goals. However, the monetary reward is equally vital to encourage work performance, but it should be regarded as fair and transparent. While monetary and non-monetary rewards are important, they are not the only factors that influence work performance; motivation and a supportive work environment are also critical. It is essential for sustained, high-quality performance to balance short-term and long-term rewards.

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