

# The Effect of Reward System On Employee Creativity In Oromia Credit And Saving Share Company (Ocssco) Case of Bale Zone Branch.

Girma Taye Niguse<sup>a</sup> and Habtamu Getachew<sup>b</sup>

<sup>a</sup>Oromia forest and wild life enterprise

<sup>b</sup>Oromia Credit And Saving Share Company

---

## Abstract

Reward System plays a vital role in enhancing employee creativity. The main objective of the study was to investigate the effect of reward system on employee creativity in Oromia Credit and Saving Share Company (OCSSCO) case of Bale zone branches. Simple random sampling techniques was used to select a sample of 158 respondents from target population of 260. Data was collected using open & close ended questionnaire. The general objective of this study was effect of reward system on employee creativity in Oromia Credit and Saving Share Company case of Bale Zone Branches and in order to answer the research questions, the researcher used a software SPSS 21 version for data operation and analysis. The result of descriptive statistics indicated that practice level of both intrinsic & extrinsic rewards in OCSSCO is low. In addition, the results of Pearson correlation shows there is a significant and positive relationship between extrinsic reward, Intrinsic reward & employee creativity. Moreover, the result of regression analysis indicates almost 76.3% of employee creativity is explained by extrinsic & intrinsic rewards. Similarly, the result indicates intrinsic reward is more contributing factor to employee creativity than extrinsic reward. Therefore, the researcher concluded that in addressing employee creativity and for accomplishment of organizational goal, it is important for the management to make effective use of both extrinsic & intrinsic reward system for their employees. In addition, the management needs to assess reward practice of similar institutions & make necessary adjustments.

*Keywords:* Extrinsic Reward; Intrinsic Reward; Employee Creativity

---

## 1. Introduction

Reward Systems is a vital aspect of any organization. They can actively engage and renew the overall sense of community and mission of an organization. A properly administered system of rewards can provide incentive for quality workmanship and staff performance. Likewise, a poorly administered reward system can lead to low morale, unproductive performance, and even lead to a high percentage of staff turnover. Rewarding and recognizing employees is a ticklish business. It can motivate people to explore more effective ways to do their jobs or it can utterly discourage such efforts (Tella et al., 2007).

According to Markova and Ford (2011) the real success of companies originate from employees' would be ingress to use their creativity, abilities and know-how in favour of and as a result motivational factor of employees lies in their performance.

Likewise, Danish and Usman (2010) suggested that effective reward system leads to increased satisfaction for employees; recognition of accomplishments; a desire to attain high standards; a means to achieve personal and social goals; high productivity and feeling of competence and freedom.

The overall aim of reward system is to support the objectives by helping the organization to have the skilled, committed and well-motivated work force it needs.

According to equity theory, the adequacy of such rewards would be to a large extent depend on the value the employees place on the inputs they bring to the job in the form of education, experience, training, time, effort etc., with the outcomes (rewards) such as pay, promotions, praises and recognitions they receive as a result of performing the job (Fajana, 2002).

According to Maduabum(2006) individuals who feel that they are being rewarded inequitably are most likely to be de motivated to perform effectively and are much more prone to stay away from work (absenteeism) or to leave the organization altogether (turn over). This could spell doom for the organization.

As stated by Perry et al. (2006) if the rate at which people are leaving the organization or avoiding joining the organization is so high, the organization must investigate the underlying causes and may be a function of poor reward system, negative job attitudes, low job satisfaction and the state of the labour market.

Effective reward systems should always focus on the positive reinforcement. Positive reinforcement encourages the desired behaviour in organizations. This encourages employees to take positive actions leading to rewards. Reward programs should be properly designed in the organization so as to reinforce positive behaviour which leads to better performance (Torrington & Hall, 2006).

It is a fact that success in every organization depends on the quality of its human resources which is perhaps the most intangible aspect of the organization, hence the most important. Plants, machinery and financing cannot generate income without manpower.

Paying attention to the principal needs of the individual and enjoying fair reward distribution inside and outside of the organization are among the major principles in any reward system (Otieno, 2006). The reward system is one of the parts of human resource management performance and service compensation management as task undertakes to design and execute employees' wage and benefits systems. The highly motivated employees serve as the competitive advantage for any company because their performance leads an organization to well accomplishment of its goals (Rizwan and Ali, 2010).

A major challenge confronting managers in the 21st century is how to use the potential capabilities of employees to enhance and accelerate organizational innovation. To achieve this goal, employees can use their intellectual capabilities to activate positive organizational changes by using their knowledge and creativity to empower such changes (Alirezai & Tavalaei, 2008).

According to Brian (2005) the unreliable reward system brings the 'compensatory damage' that has hugely detrimental effects to the financial performance of the organization. It results in significantly reduced human productivity, increased human conflict within the organization, and perceptions of internal unfairness. The reward program still can be doubted and questioned on its value and the fairness or equity level in its dissemination among employees.

Johnson & et al. (2010) outlines the aims of reward system to include: attract, retain and motivate employee, to support the attainment of the organization's strategic and short term objectives by helping to ensure that it has the skilled, competent, committed and well-motivated work force it needs, to meet the expectations of employees that they would be treated equitably, fairly and consistently in relation to the work they do and their contribution.

The study by Ramita et al. (2015) find out that providing employee with extrinsic rewards is relatively straightforward as compared to intrinsic in building Employees' creativity in the short-term by motivating them to work towards one specific organizational goal. However, the focus would be industrial employees at managerial level ignoring the majority operational staff members who are the main actors in profitability of the organization. On the other hand, managerial staffs are the decision makers and less concerned with reward system as they are part of system builders.

The research carried out by Bashir et al., (2014) find out that there is relationship between employee motivation and Employee performance. In addition, the study find out that intrinsic reward and employee perceived training effectiveness leads to employee motivation & performance. However, the study by these scholars failed to consider extrinsic rewards which may affect employee motivation and performance.

The gap in knowledge has thus necessitated the proposed study.

Therefore, this study aimed at examining the effect of reward system on employee creativity in Oromia Credit

and Saving Share Company case of Bale Zone Branches.

However, in Oromia Credit & Saving S.Co reward system is hardly attached to quality and individual contribution, benefit packages and working facilities in the company are unattractive & promotion system of the company is very much complained.

According to OCSSCO annual report from 2015 to 2016 stated that, there has been tremendous increase in well experienced staff turn over from time to time.

### **Research Hypothesis**

The study would be guided by the following research Hypotheses

H1. There is relationship between intrinsic reward and employee creativity.

H2. There is relationship between extrinsic reward and Employee creativity.

H3. Extrinsic reward has positive effect on employee creativity.

H4. Intrinsic reward has positive effect on employee creativity.

## **2. Literature Review**

In this chapter Literature Review of the research project is presented, followed by an elaboration on the relevance and justification of the study. Furthermore the key concepts of the study are stated which is followed by the reward system dimension and employee creativity in detail

### *2.1. Reward System*

Reward system consists of an organization 'processes and practices for integral rewarding its employees in accordance with their contribution, skill and competence and their markets worth. It is developed within the framework of the organ philosophy, strategies and policies and contains arrangements in the form of processes, practices, structures and procedures which would provide and maintain appropriate types and levels of pay, benefits and other form of reward (Armstrong, 2001)

Likewise, reward system according to Obisi (2003) is a prize given to employees as an inducement towards their performance. Robert (2005) also defined reward system as the process of developing and implementing strategies, policies and systems which help the organization to achieve its objectives by obtaining and keeping the people it needs and increasing their motivation and commitment.

Furthermore, Johnson et al. (2010) outlines the aims of reward system to include: attract, retain and motivate employee, to support the short term objectives by helping to ensure that it has the skilled, competent, committed and well-motivated work force it needs, to meet the expectations of employees that they would be treated equitably, fairly and consistently in relation to the work they do and their contribution. An effective reward program may have three components: immediate, short-term and long term. This means immediate recognition of a good performance, short- term rewards for performance could be offered monthly or quarterly and long- term rewards are given for showing loyalty over the years (Schoeffler, 2005).

Immediate rewards are given to employees repetitively so that they can be aware of their outstanding performance. Immediate rewards include being praised by an immediate supervisor or it could be a tangible reward. Short term rewards are made either monthly or quarterly basis depending on performance. Examples of such rewards include cash benefits or special gifts for exceptional performance.

. These rewards are very strategic for retaining the best human resources (Yokoyama, 2010). Similarly, Harris (2012) defined a reward as an object or event that induces approach and consummator behaviour Neckermann and Kosfeld (2008) draw a distinction between two basic types of rewards namely: Intrinsic rewards and extrinsic rewards.

### 2.1.1. *Intrinsic Rewards*

Intrinsic rewards often called non-financial rewards are inherent of an activity and their administration is not dependent upon the presence or actions of any other person or thing. Intrinsic is concerned about the feeling of being recognized, praised for a job well done and participation in whatever we do.

On the other hand, intrinsic reward is a psychological reward that employees get from doing meaningful work and performing it well (Thomas, 2008). Intrinsic reward is simply the internal feelings of satisfaction, growth, autonomy and self-competence an individual experience during his/her career. According to Allen et al. (2004) it comprises achievement, challenge, autonomy, responsibility, variety, personal and professional growth, status recognition, praise from supervisors and co-workers, personal satisfaction, feeling of self-esteem, self-discernment, creativity, opportunity to use one's skills efficient and ability feedbacks.

The effect of non-monetary incentives has employees "empirically been job proven. Lewis (2013) posits that praise and recognition are effective ways of motivating employee behaviour in the organization as they are considered the most important rewards.

Aktar et al.(2012) contend that nonmonetary incentives which are represented by recognition, learning opportunities, challenging work and career advancement, have been found to be an effective tool in motivating workers and consequently increase their performance. This incentive is highly appreciated probably due the opportunity it offers in terms of skill development of the workers which in the long run could be translated to higher monetary reward.

#### 2.1.1.1. *Empowerment:*

Empowerment has been implicitly defined in the literature under different terms such as participative decision making (Lawler, 1992), job enrichment (Hackman & Oldham, 1980), delegation (Chen & Aryee, 2007).

For more illustration, employees would be psychologically empowered and motivated by empowering leaders' practices and behaviour. Put another way, empowering leaders provide autonomy to their employees in the workplace, which in turn make employees to recognize that they are autonomous and have a freedom to produce novel and creative ideas (Gange&Deci, 2005).

Supporting this point, Ahearne et al. (2005) highlighted practices and behaviors of empowering leadership that are related to creativity. Specifically, providing autonomy in the workplace, encourage employees to participate in the decision making. These practices by empowering leaders are strongly related to creativity. To emphasis this point, creativity literature found that job autonomy and participation in the decision making are antecedents for employee creativity (Coveney, 2008).

Employee participation in decision making improves effectiveness and innovation and at the same time it enhances employee motivation and trust in the organization Maurer (2001). An equal opportunity of participation in decision making can be effective in giving employees a sense of pride and ownership. When the employees are empowered to take action, it gives them the ownership of their job. The empowerment helps them to take responsibility of their job and impact of their performance on the organization. This increases their creativity and self-esteem. Organizations can make employee creative by providing chances to pursue their own thoughts by designing employee involvement programs like participative management and quality circles.

The participative management would be allow the employee to share their thoughts at one platform and participate in joint decision making. In quality circles, less than ten employees meet with their supervisor to discuss and control quality issues (Bohander& Snell,2004). This would be create a strong sense of accomplishment and ultimately increases their creativity and job satisfaction (Howell & Higgins, 1990; Kanter, 1983)

The motivation of the employee to voice their ideas is increased when given an opportunity to share their perspectives in participative decision making.

Personal growth opportunities: Employees at all levels of organization recognize the importance of continually upgrading their skills and of progressively developing their careers. This is the philosophy of continuous development. Many people now regard access to training as a key element in the overall reward package. The availability of learning opportunities, the selection for training courses and programs and emphasis placed by the organization on the acquisition of new skills as well as the enhancement of existing ones, can all act as powerful motivator.

Workers who are more involved in their jobs design display more work commitment and experience lower turnover (Jauch&Sekaran, 1978).

#### 2.1.1.2. *Recognition:*

Recognition is to acknowledge someone before their peers for desired behaviour or even for accomplishments achieved, actions taken or having a positive attitude. Appreciation on the other hand centres on showing gratitude to an employee for his or her action. Such rewards help employees to gauge their performance and know whether they are doing good or bad (Sarvadi, 2010)

Unfortunately, many managers seem to be too busy to recognize the positive contributions of their employees, only taking the time to correct the mistakes and solve the problems. Recognition of a job well done or full appreciation for work done is often among the top motivators of employee performance (Koch, 2005) and (Stuart, 1992).

Singe et al. (2009) provides advice to any leader of change as being one of the most important tasks when they to recognize state: “learn and appreciate pro refer to an attitude adjustment in starting to recognize any and all achievements of all employees in an organization, and call it.

According to the Carrot Principle by Gostick and Elton (2009) the most successful managers provide their employees with frequent and effective recognition. You get people to do more by rewarding their good work than by punishing their bad behaviour, and employees who feel appreciated are less likely to be disloyal or to leave the organization.

Furthermore, recognition can come in several forms such as employee awards, pay raises, promotions, and physical and verbal support. The key is not necessarily what recognition is bestowed, but the fact that the employee is being recognized. Further to this it is important to provide a forum for this recognition so the employees can receive the accolades in front of their peers. Nothing can be more motivating than to receive an award honoring achievement in front of the entire company during a formal awards ceremony. This would be help motivate others to strive to achieve high results so they too can be rewarded for quality work (Hopkins, 1995).

Another important function of recognition for work is that it provides feedback concerning the competence of one's job performance. Thus praise indicates that one has done his or her work correctly and according.

Depending upon the form in which such feedback is given it can be used to correct the past errors or set future goals for performance (Locke &Latham, 1998). Recognizing achievement can also be achieved by regularly holding me progress towards targets, explaining the o enlargement of the job to provide scope for more interesting and rewarding work (Nzuve, 1999). To the standard hand indicates that one has not met the standards.

#### 2.1.1.3. *Praise:*

According to Tom et.al, (2004) the concepts of "recognition" and "praise" are two critical components for creating positive emotions in organizations.

Employee appreciation centres on showing gratitude to an employee for his or her action. Such rewards help employees to gauge their performance and know whether they are doing good or bad (Sarvadi, 2010).

Besides, the need to feel appreciated is deeply ingrained in all employees. Being appreciated through praise helps employees develop a positive self-concept and it meets their needs for esteem, self-actualization, growth and achievement (Lussier, 1997).

Similarly, Avalos (2007) feels recognition is emerging in this changing universe as a critical linchpin in the rewards platform. She believes that employees work for much more than a pay check. They want to be recognized for their efforts.

Therefore, employers should show appreciation and give employees credit for their work. Praise for a job well done is probably the most powerful, yet least costly and most underused

#### 2.1.2 Extrinsic rewards

Also known as financial or tangible or monetary is majorly financial in nature. It is called “extrinsic” because it is external to the w not it is granted. It comprise such elements as pay, fringe benefits, job security, promotion,

social climate, competitive salaries, pay raises, merit bonuses, compensatory time off etc. (Mahoney and Lederer, 2006) motivation tool.

In addition, extrinsic rewards drive workers morale and the distribution of these rewards always has loomed large in companies, especially in accordance with performance evaluations in present globalization eras.

#### 2.1.1.4. Pay:

Money is ranked at the top for creating motivation because people require money to fulfil the basic necessities of life so it motivates the employees more than any other incentive (Rynes et al., 2004).

According to Kahn et al.(2010) paying is a vital factor which affects employee's creativity. Different motivating elements like promotion and bonuses, and suitable payment compensation have significant connection with higher performance (Oyebanju, 2009). Similarly, McNamara (2006) outlined compensation to include issues regarding wage and/ or salary programs and structures accruing from job descriptions, merit-based programs, bonus-based programs, commission based programs and so on, while benefits typically refers to retirement plans, health life insurance, disability insurance, vacation, employee stock ownership plan and so on.

Furthermore, Gomez et al., (2006) viewed employee compensation as comprising of base pay and fringe benefits. Base pay or cash pay is the direct pay provided by employers for work performed and these include salary, overtime pay, shift allowance, uniform allowances and pay contingent on performance like merit awards, incentive pay, bonuses and gain sharing.

#### 2.1.1.5. Fringe Benefits

A benefit that workforce is given with their job in addition to pay are called fringe benefits. The employee creativity is influenced by the availability of fringe benefits. The provision of fringe benefits would be create an optimistic, creative work environment and increases output and sales. Creative workforce would be lead to organizational excellence, prosperity, excellent quality and cost control. In fact fringe benefits play a significant role to motivate employees because they compel the workforce to put extra efforts as much as the incentive of money does. No doubt money is a big factor to motivate the employee, but the fringe benefits have their own importance. It is important for managers to realize that the employees must be given the better working conditions along with the fringe benefits so that they give their best.

#### 2.1.1.6. Bonuses

According to Finkle (2011) bonus is form of reward that organizations use to reward employees for exemplary performance that is if they have performed higher or exceed their set targets, this hence makes them eligible. According to Jane (2009) bonuses are considered taxable to employees, but are considered an expense of doing business and a tax benefit to the employer.

#### 2.1.1.7. Promotion:

The advancement of an employee from one job position to another job position that has a higher salary range, a higher level job title, and, often, more and higher level job responsibilities, is called a promotion. Sometimes a promotion results in an employee taking on responsibility for managing or overseeing the work of other employees. Decision making authority tends to rise with a promotion as well. Heath field (2005) viewed promotion as desirable by employees because of the impact it has on pay, authority, responsibility, and the ability to influence broader organizational decision making.

It is related to the fundamental concept that employees are motivated when they are provided with the means to achieve their goals (Armstrong & Murlis, 2004).

Likewise, the philosophy behind motivating through responsibility was expressed as follows in McGregor's theory Y: 'the average human to accept but also to seek responsibility'. intrinsically motivating are that, first, individuals must receive meaningful feedback about their performance, second, the job must be perceived by employees as requiring them to use abilities they value in order to perform the job effectively, and third individuals must feel that they have a high degree of self-control over setting their own goals and over defining the paths to these goals (Armstrong & Murlis, 2004).

Therefore, there is positive relationship between promotion practices and perceived performance of employee. Poisat (2006) agrees that employees generally value the need for autonomy and authority, and that they prefer a job that would require increased responsibility and risk. If organizations want to accelerate performance of employees in the organization, fair promotional opportunities should be given to employees.

Furthermore, in managing people who work for the organization, the management has to play smart in retaining, attracting and motivating them.

This is to avoid people from leaving to another organization and this would be result in the organization as a lost. The definition of the rewards is explained as any object or event that generates approach behaviour and consumption, produces learning of such behaviour, and is an outcome of decision making (Schultz, 2007). Consequently, reward play a vital role in determining the significant performance of an organization and it is positively associated with employee outcomes like creativity.

## 2.2. *Employee Creativity*

One performance dimension that has received increasing interest among practitioners and researchers alike is the creative performance of employees (Coelho et.al, 2011)

### 2.2.1. *Nature of creativity*

Due to its undisputable relevance to individual, groups and organizations, the concept of creativity has been widely discussed over the last decades in a variety of disciplines including psychology, sociology, organizational behaviour, and IS (Styhre and Sundgren, 2005). It is an alliterative scheme that divides creative studies into the following categories: person, process, press, and product. The person category includes research on personal characteristics. These may reflect personality, for example, and there has been copious research on the traits that characterize creative persons (Runco, 2004).

Even so, environmental changes have forced organizations to think creatively to help ensure their survival (Sadegi et.al. 2010). According to Boden (1998), there are three main types of creativity, involving different ways of generating the novel ideas: a) the “co combinations of familiar ideas .the generation the of “explain new ideas by the exploration of structured involves the transformation of some dimension of the structure, so that new structures can be generated. Several recent studies have examined the influence of reward on employees’ c behaviors.

Followers’ creativity achievement degree of psychological involvement in creative processes (Carmeli&Schaubroeck, 2007). Considerable evidence indicates that employee creativity can fundamentally contribute to organizational innovation, effectiveness, and survival (Shalley, Zhou, & Oldham, 2004).

Piccolo and Colquitt (2006) concluded that on employee creativity, including idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. Also, George and Zhou (2007) considered three alternative ways in which supervisors could enhance employee creativity: through providing developmental feedback, through displaying interactional justice, and through being trustworthy.

Creative individuals have several features that distinguish them from their less creative peers, that is, they have a rich body of domain-relevant knowledge and well-developed skills; they find their work intrinsically motivating; they tend to be independent, unconventional, and greater risk takers; and they have wide interests and a greater openness to new experiences (Simonton, 2000).

Many studies have identified creativity as an outcome that focuses on new and useful ideas (Shalley and Gilson, 2004). Individual creativity consists of: 1) Need for achievement; 2) Locus of control; 3) Encounter to ambiguity conditions; and 4) Creativity-related skills (Shilling, 2008).

Several recent studies have examined the influence of reward on employees’ c behaviors. Followers’ creativity achievement degrees of psychological involvement in creative processes (Carmeli&Schaubroeck,2007). Considerable evidence indicates that employee creativity can fundamentally contribute to organizational innovation, effectiveness, and survival (Shalley, Zhou, & Oldham, 2004). Piccolo and Colquitt (2006) concluded that on employee creativity, including idealized influence, inspirational motivation, intellectual stimulation and

individualized consideration. Also, George and Zhou (2007) considered three alternative ways in which supervisors could enhance employee creativity: through providing developmental feedback, through displaying interactional justice, and through being trustworthy.

### *2.2.2. Interaction of Extrinsic and Intrinsic Rewards Practices and Employee Creativity*

The different perspectives of “utilitarian different emphases on intrinsic or extrinsic rewards system toward the effectiveness of employee’s innovation never focus those of “total rewards” framework combines both equilibrium in rewards management. The total reward model presented by ACA in 2006 not only includes monetary reward and security benefits, but also emphasizes on intrinsic motivations such as performance recognition, work-life balance, and employee development.

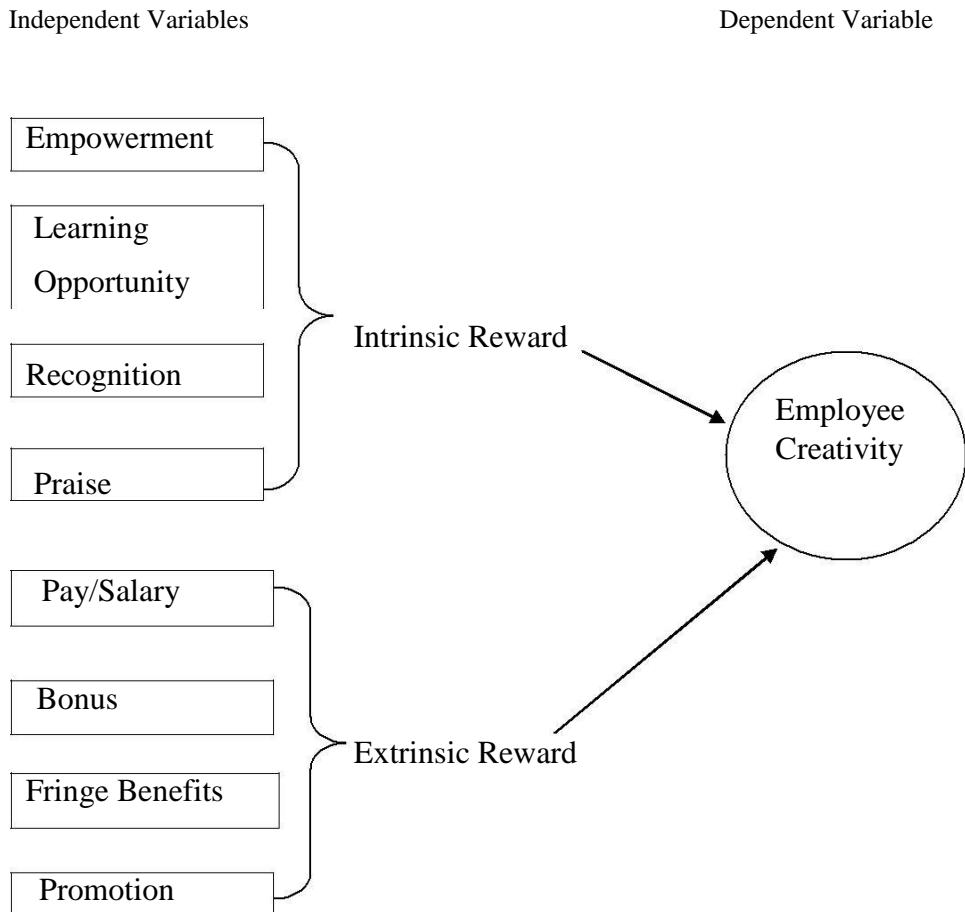
Additionally, the newest work on reward systems by Kerr (2008) emphasizes the optimal mix of multiple types of financial, prestige and job content rewards for strong responsibilities and contributions.

Some studies focusing more on people’s into usage of both intrinsic and extrinsic rewards would be beneficial for top management team’s entrepreneurial performance in Small and Medium Sized Enterprises as well as for technical worker’s performance technology-intensive firms in (Lee et al., 1999). Borrowing those logics, it can be expected that there would be interaction effect of intrinsic and extrinsic reward approaches to positively

According to Mumford (2000) a combination of extrinsic and intrinsic rewards might be the most effective way of boosting creativity: independence, providing time to pursue topics of personal professional interest, or reducing administrative burdens, may prove useful reward strategies particularly when accompanied by pay incentives, bonuses, and patent right Moreover, rewards and incentives have an additional benefit: They indicate to employees what kind of performance is desired by the management and are thus valuable means of communicating corporate values and goals to individual employees (Wong, 2003). Reio and Callahon (2004) concluded that both intrinsic and extrinsic rewards motivate the employees towards actualization of organizational goals.



### 2.3. Conceptual Framework



Source: From literature

### 3. Methodology of the Study

Research methodology consists of different research methods which contribute significantly to the specification of the means through which exploration into a research operation becomes a reality (Krathwohl & Smith, 2005). The method must be described in detail as possible to enable other researchers in the area make meaning out of the research (Wiersma & Jurs, 2005).

To achieve the objective of the study and arranging conditions for collection and analysis of data the researcher would be used descriptive type of research design. It involves collecting information by administering a questionnaire to a sample of respondents from OCSSCO Bale Zone Branches to find out the effectiveness of reward system in influencing their creativity.

According to Ngechu (2004) descriptive study is concerned with finding out the what, where and how of a phenomenon. It also portrays an accurate profile of persons, events or situations (Robson, 2002). A descriptive study is undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation. Descriptive studies are undertaken in organizations to learn about and describe the characteristics of a

group of employees, as for example, the age, educational level, job status, and length of service for this research; researcher would be used quantitative research approach.

The target population of the study consisted of 260 employees of OCSSCO stationed at Bale Zone Branches. OCSSCO Bale Zone would be selected for the study because this organization has the largest numbers of staffs with experience than other zones. Besides, there has been tremendous increase in staff turn over from time to time in Bale zone branches searching for green pasture join another organization). Sekaran (2005) defined a population as the entire group of people, events or things of interest that the researcher wishes to investigate.

### 3.1. Reliability of the instrument

Variable	Items	Cronbach's Alpha Value
Pay salary	6	0.819
Firings Benefit	2	0.748
Bonus	2	0.571
Promotion	3	0.764
Employee empowerment	3	0.726
Opportunity	2	0.815
Recognition	2	0.799
<b>Praise</b>	2	0.858
Intrinsic reward	13	0.824
Extrinsic reward	9	0.913
Employee Creativity	6	0.866

A higher value shows a more reliable generated scale. Cooper & Schindler (2008) has indicated 0.7 to be an acceptable reliability coefficient. In the above table extrinsic rewards had the highest reliability ( $\alpha=0.913$ ) followed by intrinsic rewards ( $\alpha=0.824$ ). This illustrates that all the scales were reliable as their reliability values exceeded were above the prescribed threshold of 0.7.

According to Mugenda and Mugenda (2003) the quality of a research study depends to a large extent on the accuracy of the data collection procedures and the instruments or tools used to collect data must yield the type of data the researcher can use to accurately answer his or her questions. The questionnaire was then revised to remove the errors and deficiencies identified during the pretest. The questionnaires were also analysed to find out whether the methods of analysis were appropriate.

#### 4. Results and Discussion

Table 4 Descriptive Statistics of Study variables

Items	Mean	Std. Deviation
<b>Extrinsic Reward</b>		
Salary payment by the company is according to individual contribution	3.27	1.165
• There is pay by organization for Overtime work done	2.08	1.317
There is timely salary increment by the company	2.95	1.097
Pay decisions are linked to organizational goal achievement	3.14	1.271
The company pay competitive salary in relation to similar microfinance institutions	2.74	1.276
There is individual based performance appraisal system in which pay increase with individual achievement in the organization	3.32	1.427
<b>Cumulative pay</b>	2.92	1.259
There is bonus pay by the company for goal achievement on regular basis	2.45	1.458
There is competitive Bonus by the company in relation to similar microfinance institutions	2.47	1.322
<b>Cumulative Bonus</b>	2.46	1.390
There is attractive benefit package in the company	2.42	1.267
There is competitive Bonus by the company in relation to similar microfinance institutions	2.43	1.309
Everyone in the company has an equal opportunity for promotion	2.52	1.475
<b>Cumulative Fringe Benefits</b>	2.46	1.350
There is advancement of an employee's rank or position in an organizational hierarchy system	2.61	1.240
There is clear promotion system in the organization	3.14	1.228
<b>Cumulative Promotion</b>	2.87	1.230

Items	Mean	Std. Deviation
<b>Cumulative Extrinsic reward</b>	2.59	.984
<b>Intrinsic Reward</b>		
<b>Empowerment</b>		
There is certain degree of autonomy in planning & performing organizational activities	3.01	1.316
There is certain degree of responsibility for decision making regarding specific organizational tasks	3.08	1.396
There is possibility to share suggestion and ideas about your work and the organization as a whole	2.78	1.206
<b>Cumulative Empowerment</b>	2.95	1.300
There are opportunities in the company to learn & grow	2.48	1.384
There is skill-gap training by the company on regular basis	2.78	1.168
<b>Cumulative Learning Opportunity</b>	2.63	1.270
There is acknowledgment system of an individual or team behavior, effort and accomplishment in the company	3.02	1.319
<b>Cumulative Recognition</b>	3.02	1.319
There is regular expressions of appreciation for good work by manager/leader	3.13	1.327
<b>Cumulative Praise</b>	<b>3.13</b>	<b>1.320</b>
<b>Cumulative Intrinsic Reward</b>	2.96	. 1.081

Table 4.shows the grouping with the means and standard deviations of intrinsic reward, extrinsic reward & Employee creativity items. The means of extrinsic rewards and intrinsic rewards were 2.59 and 2.96, respectively. It indicates means of extrinsic reward and intrinsic rewards are low in both intrinsic & extrinsic rewards using likert scale.

The result shows, implementation level of extrinsic rewards in OCSSCO is below average in terms of PAY mean=2.92, SD=1.259, Bonus mean=2.46, SD=1.390, Fringe Benefits mean=2.46, SD=1.350 & Promotion mean = 2.87, SD= .984. This is an indication of poor extrinsic reward system practice existing in OCSSCO.

The result also presents, the practice level of Intrinsic rewards in OCSSCO is below average in terms of Learning Opportunity mean= 2.63,SD= 1.270, Recognition mean=3.02,SD=1.319, Empowerment mean= 2.95, SD= 1.3 & it is little above average in terms of only Praise mean= 3.13, SD= 1.327. This is also an indication of poor intrinsic reward system practice existing in OCSSCO.

However, Johnson & et al (2010) expressed the aims of reward system to include: attract, retain and motivate employee, to support the short term objectives by helping to ensure that it has the skilled, competent, committed and well-motivated work force it needs, to meet the expectations of employees that they would be treated

equitably, fairly and consistently in relation to the work they do and their contribution. Reio and Callahon (2004) concluded that both intrinsic and extrinsic rewards motivate the employees towards actualization of organizational goals. Furthermore, the respondents were also asked whether the current reward system of OCSSCO make them creative or not & their responses were near to neutral (mean 2.775, SD=1.03) indicating that there is some ambiguity whether the reward system of OCSSCO make them creative or not.

Table 4.1 Descriptive Statistics Type of reward

	N	Minimum	Maximum	Mean		Std. Deviation
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
Extrinsic	132	1	4	2.59	.086	.984
Intrinsic	132	1	5	2.96	.094	1.081

This section highlights the results from the analysis of data on the most preferred reward between extrinsic and intrinsic reward that among employees of Oromia Credit & Saving S.Co (OCSSCO).

The types of reward were arranged descending mean including standard deviation as shown in Table 4.1 Even though practice level of both intrinsic & extrinsic rewards by OCSSCO is low, intrinsic reward is the more preferred types of reward that lead to employee's in the workplace with relatively higher mean (M=2.96) by having standard deviation (SD=1.081) than Extrinsic reward with (M=2.59) and (SD=.984). But, the study conducted by Ramita et al.(2015) indicates extrinsic reward is the most preferred types of reward that lead to employee's creativity allowed by in intrinsic **reward**.

#### 4.1. Correlation Analysis

H1. There is relationship between intrinsic reward and employee creativity.

H2. There is relationship between extrinsic reward and Employee creativity.

Relationship between extrinsic rewards, intrinsic reward and employee creativity variables all extrinsic reward variables i.e., pay, fringe benefits, promotions, bonuses are positive and significantly related with employee Creativity, and all intrinsic rewards i.e. Empowerment, Learning Opportunity, Recognition & Praise are positive and significant to employee creativity. Correlation coefficient between pay and employee creativity (0.784) is the highest among all the variables and is significant at .01level (2-tailed). Promotion (0.740) and Benefit (0.630) are also significant at .01level (2-tailed). Bonus has a weakest correlation among extrinsic rewards but it is significant at .01level (2-tailed).

Literature suggests that providing employees with intrinsic rewards has the potential to enhance creative performance, many managers continue to emphasize the use of extrinsic rewards (e.g., monetary incentives and recognition) in an effort to stimulate their employees' creativity (Fairbank & Williams, 2001; Frese, Teng, & Wijnen, 1999; Van Dijk & Van den Ende, 2002).

Among intrinsic reward variables Correlation coefficient between Praise and employee creativity (0.840) is the highest among all the variables and is significant at .01level (2-tailed). Employee Empowerment (0.776) and Recognition (0.699) are also significant at .01level (2-tailed). Learning Opportunities has a weakest correlation among intrinsic rewards but it is significant at .01level (2-tailed). Extrinsic behavioural contingencies are significant elements to motivate behaviour. Additionally, each motivation type (extrinsic and intrinsic) has its

exclusive system; and when both meet, there is conflict. This conflict is based on Deci et al.,s (1999) statement that extrinsic rewards have a negative influence on intrinsic rewarding criteria. However, Eisenberger et al. (1999) strongly disagreed with the conclusions and recommendations by Deci et al. as they thought them to be problematic and more practical research was needed in their minds. Based on this the researcher’s studies reveal that there was positive and significant relationships between intrinsic and extrinsic reward system

Table 4.2 Correlation between Extrinsic& Intrinsic Reward and Employee’s Creativity Correlations

1	2	3	4	5	6	7	8	9	
ECRV	1								
Extrew	.752**	1							
Intrew	.867**	.794**	1						
Age	.167	.278**	.186*	1					
Ed.Level	.154	.133	.100	.483**	1				
Mar.Stat	.269**	.281**	.238**	.811**	.410**	1			
Experie	.068	.141	.194*	.420**	.199*	.555**	1		
Post	-.029	.013	.053	-.064	-.296**	-.118	-.058	1	
Salry	.318**	.461**	.465**	.447**	.261**	.298**	.269**	.161	1

\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed)

Demographic differences between respondents could have independent effects on creativity and explain the direct and indirect effects observed in this study (Madjar et al., 2002; Shin & Zhou, in press).

The relationship between intrinsic reward & Employee creativity was investigated using Pearson product-moment correlation coefficient. The result of the study indicates there is a strong, Positive correlation between intrinsic reward & employee creativity [r=0.867, n=132, p<.0001], with high levels of intrinsic reward associated with high level of employee creativity.

The relationship between extrinsic reward & Employee creativity was investigated using Pearson product-moment correlation coefficient. The result of the study indicates there is a strong, Positive correlation between extrinsic reward & employee creativity [r=.752, n=132, p<.0001], with high levels of extrinsic reward associated with high level of employee creativity. The study by Ramita et al. (2015) also agrees with this finding.

4.2. Regression Analysis

H3. Extrinsic reward has positive effect on employee creativity.

H4. Intrinsic reward has positive effect on employee creativity.

Table 4.3: Regression Analysis Model Summary

Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
2	.873 <sup>a</sup>	.763	.759		.443

a. Predictors: (Constant), Intrinsic, Extrinsic

b. Dependent Variable: Creativity

The result obtained in R square tells us how much of the variance in the dependent variable (Employee

Creativity) is explained by the model (which includes the variables of extrinsic & intrinsic rewards). The finding in the table 4.3 indicates 76.3% of employee creativity is explained by extrinsic & intrinsic rewards. While the remaining 23.7% could be due to the effect of extraneous variables.

The Adjusted R square is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable, from the findings in the above table the value of adjusted R square was 0.763 and indication that there was variation of 76.3% on employee creativity due to changes in intrinsic rewards and extrinsic rewards.

Table 4.4 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.767	.116		6.581	.000
	Extrinsic	.157	.065	.171	2.423	.017
	Intrinsic	.610	.059	.731	10.367	.000

a. Dependent Variable: ECRV

$$Y = 0.767 + .171X_1 + .731X_2$$

$$ECRV = .767 + .171Ex + .731In$$

From the above regression equation it is clear that holding intrinsic rewards & extrinsic rewards to a constant zero, employee creativity would be 0.767, a unit increase in extrinsic reward would lead to increase in employee creativity in Oromia Credit & Saving S.Co by 0.171 units and a unit increase in intrinsic rewards would lead to increase in employee creativity by 0.731 units in Oromia Credit & Saving S.Co. Overall intrinsic reward had the greater effect on employee creativity than extrinsic reward in Oromia Credit & Saving S.Co.

#### 4.3. ANOVA presentation summary

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	81.261	2	40.630	207.194	.000 <sup>b</sup>
	Residual	25.297	129	.196		
	Total	106.557	131			

a. Dependent Variable: Employee Creativity

b. Predictors: (Constant), Extrinsic Reward, Intrinsic Reward

From the table 4.5, it is identified that the value of F-stat is 207.194 is significant as the level of significance is less than 5% ( $p < 0.05$ ). This indicates that the overall model was reasonable fit and there was a statistically significant association between reward system dimension and employee creativity.

## 5. Conclusion

In the current competitive business environment, the organizations are facing a lot of challenges and among these issues, getting the right employees and retaining them is one of the most important ones. In addition, today, the benefit of human resource is measured to be one of the most important advantages of any organization; and in order to acquire the results with the highest efficiency and effectiveness from human resource, motivation of employee is very essential. In fact, employees will do their highest when they feel or hope that their hard work are to be rewarded by their managers. In this regard, many factors are available that change employees\_ performance such as worker and employer relationship, working conditions, job security, training and opportunity of development, and overall rewarding policies of the company. In addition, among the factors which impact employee performance, motivation, as a result of rewards, is the most important aspect. Motivation is defined as the growth of different processes which express and control peoples\_ behaviour to achieve some specific goals (Baron, 1983). Therefore, understanding its importance is very necessary for all organizations managers.

The result of the study indicates practice level of both extrinsic & intrinsic rewards by OCSSCO is low using likert scale .Likewise, the research finding shows there is positive & significant relationship between extrinsic reward, intrinsic reward and employee's creativity. Similarly, the finding of the study indicates 76.3% of employee creativity is explained by extrinsic & intrinsic rewards. While the remaining 23.7% could be due to the effect of extraneous variables

The result reveals that all extrinsic reward variables i.e., pay, fringe benefits, promotions; bonuses are positive related with employee Creativity. If extrinsic reward system of OCSSCO is improved, there would be a chance to increase employee creativity

Finally, the result of the study indicates there is a difference between the effect of intrinsic and extrinsic rewards on employee creativity. The result shows, intrinsic rewards are more contributing factors to the employee's than extrinsic rewards creativity among Employees of OCSSCO.



## References

- Alirezaei A, Tavalaei R (2008). Innovation in the organizations. *J. Manag. Hum. Resource Oil Ind.*, 2(3): pp69-70.
- Armstrong, M. (2001). *A Handbook of Human Resources Management Practice* (8th edition). London: Kogan Page Limited.
- Atkar, S., Sachu, M. M. and Ali, M. E. (2012). The Impact of Rewards on Employee Performance in Commercial Banks in Bangladesh: An Empirical Study. *Journal of Business and Management*, 6 (2), pp. 9-15.
- Allen, R. S., Takeda, M. B., White, C. S. and Hemis, M. M. (2004). Rewards and Organizational Performance in Japan and United States: A Comparison. *Compensation and Benefits Review*, 36 (1), pp. 7-14
- Amabile TM. (1997). Motivating Creativity in Organizations. *California management review*.40(1): PP 42
- Anderson, N., De Dreu, C. K. W., & Nijstad, B. A. (2004). The routinization of innovation research: A constructively critical review of the state-of-the-science. *Journal of Organizational Behavior*, 25: pp147-173.
- Armstrong, M., & Murlis, H. (2004). *Reward Management: A Handbook of Remuneration strategy and Practice*. 5th Ed. London, UK: Kogan Page Limited.
- Avalos, A. (2007). Recognition: A Critical Component of the Total Rewards Mix. *Journal of Business and Psychology*, 5(6): pp32 –35.
- Barrett, H., Balloun, JL. & Weinstein, A. (2005), the impact of creativity on performance in non-profits, *Int. J. Nonprofit. Sect. Mark.* 10: pp 215- 221
- Basadur, M. (2004). Leading others to think innovatively together: Creative leadership. *The Leadership Quarterly*, 15, 103-121.
- Bashir, M, Ghazanfar, F., Abrar, M., & Dar, A. T. (2014). Mediating role of employee motivation in relationship to post-selection HRM practices and organizational performance. *International Review of Management and Marketing*, 4(3), 224-238.
- Brian, G. (2005), 'Ensuring That Your Reward And Per Create Compensatory Damages'-22.. *Organization*,
- Boden, M.A. (1998), "Creativity and artificial-356.
- Bohlander, G. and S. Snell, 2004. *Managing Human Resources* (13th ed.). Mason: Thompson.
- Bollen, K. A. (1989). *Structural Equations with Latent Variables* (pp. 179-225). John Wiley & Sons, 56
- Chen, Z. X., & Aryee, S. (2007). Delegation and employee work outcomes: An examination of the cultural context of mediating processes in China: *Academy of Management Journal*
- Cruz, N.M., Perez, V.M., & Cantero, C.T. (2009). The influence of employee motivation on knowledge transfer. *Journal of Knowledge Management*, 13(6), 478–490.
- Coelho, F. Augusto, M., & Lages, L. F. (2011). Contextual factors and the creativity of frontline employees: The mediating effects of role stress and intrinsic motivation. *Journal of Retailing*, 87(1), 31–45.
- Coveney, B. (2008) *Assessing the organisational climate for creativity in a UK Public Library Service: a case study*
- Danish, R. Q. & Usman, A. (2010). Impact of Reward and Recognition on Job Satisfaction and Motivation: An Empirical Study from Pakistan. *International Journal of Business and Management*, 5(2), 159-167
- Drach-Zahavy, A., Somech, A., Granot, M. and Spitzer, A. (2004). Can we win them all? The benefits and costs of structured compared with flexible innovation-implementation approaches, *Journal of Organizational Behavior*, 25, 217-234.
- Ekvall, G., Arvonen, J. and Waldenstorm, L.I. (1996). *Creative organizational climate. Construction and validation of a measuring instrument*. Faradet, Report 2 the Swedish Council for Management and Work Life Issues: Stockholm.
- Fairbank, J. F., & Williams, S. D. (2001). Motivating creativity and enhancing innovation through employee suggestion system technology. *Creativity and Innovation Management*, 10, 68–74
- Finkle, L. (2011). *Motivating Employee Performance Through Year End Bonuses*. Retrieved from <http://ezinearticles.com/?Motivating-Employee-Performance-Through-Year-End-Bonuse&id=5658825>
- Fairbank, J. F., & Williams, S. D. (2001). Motivating creativity and enhancing innovation through employee suggestion system technology. *Creativity and Innovation Management*, 10, 68–74.
- Friedman, R.S. (2009), "Reinvestigating the effect" *Research Journal*, Vol. 21 No. 2, pp. 258-264
- Gagne, M., & Deci, E. L. (2005). Self-determination theory and work motivation: *Journal of Organizational Behavior*. Vol 26. pp. 331-362
- George JM, Zhou J (2007). Dual tuning in a supportive context: Joint contribute of positive mood, negative mood, and supervisory behaviors to

- employee creativity. *Acad. Manage. J.*, 50(3): 508-522.
- Goetz, J.P. & Lecompte, M.D. (1984). *Educational Research: An Introduction*. Cape Town: Mc Gregory Publishers.
- Gomez -Mejia, L.R., Balkin, D.B., & Cardy, R.L. (2006) *Managing human resources*. New Jersey: Pearson Prentice Hall.
- Gostrick, A. & Elton, C. (2009). *The Carrot Principle*. New York: Free Press. Hackman, J.R., & Oldham, G.R. (1980). Work redesign. Reading: Addison-Wesley Hopkins, K. (1995). A challenge to managers: Five Ways to Improve Employee Morale. *Executive Development*, 8(7):26-28.
- Gregory, B.T. Harris, S.G. Armenakis, A.A. Shook, C.L. (2009). Organizational culture and effectiveness: A study of values, attitudes, and organizational outcomes, *Journal of Business Research*, 62/2 673–679
- Heath field, S.M. (2005). Promotion is often a reward to an employee for work contribution. *Journal of Human Resource Management*, 11(3): 45-48.
- Im, S., and Workman, J.(2004).Market orientation, creativity, and new product performance in high- technology firms, *Journal of Marketing*, 68, 114–132.
- Howell, J. M., & Higgins, C. A. 1990.Champions of tech- 2012 Baer 1117nological innovation.*Administrative Science Quarterly*, 35: 317–341.
- Jauch, L.R., & Sekaran, U. (1978). "Employee Orientation and Job Satisfaction among Professional Employees in Hospitals", *Journal of Management*, 4 (1): 43-56.
- Jane, M. (2009). Employee gifts, awards, bonuses - what's deductible? what's taxable?. Retrieved on May 13, 2013, from US Business Law/Taxes
- Johnson, R.E., Chang, C., and Yang, L., (2010). Commitment and motivation at work: the relevance of employee identity and regulatory focus, *Academy of Management Review*, vol. 35, no. 2, pp. 226-245.
- Khan, K. U., Farooq, S. U., & Ullah, M. I.(2010).The relationship between rewards and employee motivation in commercial banks of Pakistan. *Research Journal of international studies*, 14, 37-52.
- Kerr, J. L. (2008). Diversification strategies and managerial rewards: An empirical study. Retrieved on April 6, 2013 from *Academy of Management Journal*, 155-179
- Kothari, C.R. (2004). *Research methodology, methods and techniques*. New Delhi: New Age International Publishers.
- Karanja S. (2009). *Effects of Reward System on Employee Performance: A Case of Cooperative Bank Headquarters Nairobi*. (Unpublished. Mast
- Koch, J. (2005). Perpetual Thanks: Its Assets. *Personnel Journal*, 69(1):72-83.
- Lawler, E. E. (1992) *The Ultimate Advantage: Creating the High- Involvement Organization*. San Francisco, CA: Jossey-Bass
- Lussier, R.N. (1997). *Management*. Cincinnati: Western College Publisher.
- Lee, C., Law, K.S., & Bobko, P. (1999). The importance of justice perceptions on pay effectiveness: A two-year study of a skill-based pay plan. *Journal of Management*, 25 (6), 851-873
- Lewis, J.(2013).Differences between monetary and non-monetary incentives. Accessed on 4th Jan, 2016 at [www.smallbusiness.chron.com/](http://www.smallbusiness.chron.com/)
- Locke, E.A., & Latham, G.P. (1998). *A Theory of Goal Setting and Task Performance*. Upper Saddle River, NJ: Prentice Hall.
- Markova, G. & Ford C. 2011. Is money the panacea? Rewards for knowledge workers. *International Journal of Productivity and Performance Management*, Vol. 60 No. 8, 813-823.
- Madjar, N., Oldham, G. R., & Pratt, M. G. (2002) work and non-work sources of creativity support t *Academy of Management Journal*, 45, 757–767.
- Maduabum, C. (2006). *Reforming Government Bureaucracies in Nigeria. The Journey so far*. Lagos: ASCON.
- Mahoney, R. C. and Lederer, A. L.(2006).The Effect of Intrinsic and Extrinsic Rewards for Developing an Information Systems Project Success. *Project Management Journal*, 37 (4), pp. 42-45.
- Markova, G., & Ford, C. (2011). Is money the panacea? Rewards for knowledge workers. *International Journal of Productivity and Performance Management*, 60(8), 813–823.
- McNamara, C. (2008). *Employee benefits and compensation: Basics about employee motivation: Nuts-and-bolts guide to leadership and supervision in business*. Minneapolis, Minnesota: Authenticity Consulting LLC
- Mugenda, O.&Mugenda,A. (2003).*Research Methodology: Quantitative Approaches*, Acts Place, Nairobi.
- Mumford, M.D. (2000). *Managing Creative People: Strategies and Tactics for Innovation*, *Human Resource Management Review*, Vol.10, No.3, pp.313-351.

- Neckermann, S. and Kosfeld, M. (2008) Working for Nothing? The Effect of Non-Material Awards on Employee Performance, Goethe-University Frankfurt, Germany.
- Ngechu, M. (2004). Understanding the Research Process and Methods. An Introduction to Research Methods. Nairobi: Acts press.
- Nzuve, S.N.M., (1999). Elements of Organization Behavior. Nairobi. UoN press  
Obisi, C. (2003). Personnel Management. Ibadan: Jackbod Enterprises.
- Oldham GR, Cummings A (1996). Employee creativity: Personal and contextual factors at work. *Acad. Manage. J.*, 39(3): 607-634.
- Orodho, A.J., & Kombo, D.K. (2002). Research Methods. Nairobi: Kenyatta University.  
Oyegbaju, Omoloye (2009). Influence of Management of Change, Organization Communication Climate and Job Motivation on Staff Productivity in Academic and Research Libraries in Ibadan, Nigeria. *Fountain of Knowledge Journal of Library and Information Science*, 1(1)
- Perry, J.L., Mesch, D. & Paarlberg, L. (2006). Motivating Employees in a New Governance Era: The Performance Paradigm Revisited. *Public Administration Review*, Vol. 66 No 3 pp505-514.
- Piccolo RF, Colquitt GA (2006). Transformation leadership and job behavior: The mediating role of core job characteristics. *Acad. Manage. J.*, 49(2): 327-340.
- Pink, D.H. (2009). Drive: The surprising truth about what motivates us. New York, NY: The Penguin Group.
- Poisat, P. (2006). A Critical Analysis of Organizational Strategies for Employee Engagement. Port Elizabeth. Nelson Mandela: Metropolitan University.
- Ramita, A, Noor, A.M.N, Marlita, M.Y & Norlela, A. (2015). Reward & Employee Creativity. *Global Journal of Business and Social Science Review*, vol(2) pp 422-430
- Reichel, M., & Ramey, P. (1987). Conceptual Frameworks for Bibliographies Education. Theory to Practice. Littleton Colorado Libraries. Unlimited Inc
- Reio, G.T. & Callahan, J.I. (2004). Affect, Curiosity, and Socialization –related Learning: a path analysis of antecedents to job performance. *Journal of Business and Psychology*. Vol. 19 No 7 pp 3-22.
- Rizwan Q.D and Ali U. (2010). Impact of reward and recognition on job satisfaction and motivation. An empirical study from Pakistan. *International journal of business and management*. Available online at [www.ccsenet.org/ijbm](http://www.ccsenet.org/ijbm).
- Runco, M.A., (2004), Creativity, *Annu. Rev. Psychol.* 55:657–87
- Rynes Sara L., Barry Gerhart and Kathleen A. Minette, 2004. The importance of pay in employee motivation: Discrepancy between what people say and what they do, *Human Resource Management*, Winter, 43(4): 381-394.
- Sadegi-Mal-Amiri M, Raeisi M (2010). Conceptual model for creativity. *Police Dev. J.*, 7 (30): 98.
- Sarah, M. (2002). Bottom-line benefits special award corporate responsibility: Ethical concerns are a growing factor in staff motivation, says Sarah Murray. *Financial Times*, p. 11.
- Sarvadi, P. (2010). The Best Ways to Reward Employees. *Entrepreneur Magazine*. Retrieved February 27, 2010 from <http://www.entrepreneur.com>
- Schoeffler, B. (2005). Employee Incentive Plans. Make them Worthwhile. *Insurance Journal*. Retrieved April 18, 2005, from <http://www.insurancejournal.com/magazines/west/2005/04/18/features/54614.html>
- Shalley, C. E., Zhou, J., & Oldman, G. R. 2004. The effects of personal and contextual characteristics on creativity : Where should we go from here? *Journal of Management*, 30: 933–958.
- Susan M. Heathfield (2012). Paid personal days. Retrieved on May 15, 2013, from [humanresourceabout.com](http://humanresourceabout.com)
- Storey, J. (1992). *Developments in the Management of Human Resources*. Oxford: Blackwell.
- Senyucel, Z. (2009). *Managing Human Resource on 21st Century*. London: Ventus Publishing APS.
- Sekaran, U. (2005). *Research Methods for Business*. (2nd Ed.). New York: John Wiley & Sons, Inc.
- Shalley CE, Gilson LL (2004). What leaders need to know: A review of social and contextual factors that can foster or hinder creativity. *Leadersh. Q.*, 15: 34.
- Shalley, C.E., Gilson, L.L., Blum, T.C. (2009). Interactive effects of growth need strength, work context, and job complexity on self-reported creative performance. *Academy of Management Journal* 52, 489–505.
- Shilling M. (2008), *Strategic management*. Farhangi researches, First edit: 41.

- Simonton DK (2000). Creative Productivity, Age, and Stress: A Biographical Time-series Analysis of Ten Classical Composers. *J. Personal. Soc. Psychol.*, 35: 791-804
- Styhre, A. and M. Sundgren (2005), *Managing creativity in organizations: Critique and practices*. Houndmills, Palgrave Macmillan, England
- Taljaard, J. J. (2003). Improving job performance by using non-monetary reward systems to motivate low-skilled workers in the component industry. 117-119.
- Tella, A., Ayeni, C. O., & Popoola, S. O. (2007). Work Motivation, Job Satisfaction, and Organisational Commitment of Library Personnel in Academic and Research Libraries in Oyo State, Nigeria. *Library Philosophy and Practice*.
- Thomas, K (2008). The four intrinsic rewards that drive employee engagement. Retrieved Jan 31, 2016, from <http://www.iveybusinessjournal.com/topics/the-workplace/the-four-intrinsic-rewards-that-drive-employee-engagement>
- Torrington, D., Hall, L., & Taylor, S. (2006). *Human resource management* (6th ed.). Harlow, Essex, U.K.: Prentice-Hall.
- Trochim, W. M. K. (2006). Introduction to Validity. *Social Research Methods*, retrieved from [www.socialresearchmethods.net/kb/introval.php](http://www.socialresearchmethods.net/kb/introval.php), September 9, 2010.
- Wong S. and Pang L. (2003). Motivators to creativity in the hotel industry—perspectives of managers and supervisors”, *Tourism-559. Management*, 24(5),
- Wright, P. M., & McMahan, G. C. (1992). Theoretical perspectives for strategic human resource management. Retrieved on May 24, 2013, from *Journal of management*, 18(2), 295-320.
- Yokoyama, M. (2010). When to use Employee Incentive Gifts. Retrieved from <http://ezinearticles.com/?when-to-use-employee-incentive-gifts&id=647448>
- Yamane, Taro. (1967). *Statistics: An Introductory Analysis*, 2nd Edition, and New York: Harper and Row.
- Zanelli, J. C., Andrade, J. E. B. & Bastos, A. V. B. (2004). *Psicologia, Organizações e Trabalho no Brasil*, Artmed, Porto Alegre. Portuguese version only. Retrieved on May 11, 2013, from [intechopen.com](http://intechopen.com)
- Zhang, X., & Bartol, K. M. (2010). Linking empowering leadership and employee creativity: The influence of psychological empowerment, intrinsic motivation, and creative process engagement: *Academy of Management Journal* 53, 107-128
- Zhou, J., & Shalley, C. E. (2003). Research on employee creativity: A critical review and proposal for future research directions. In J. J. Martocchio, & G. R. Ferris (Eds.), *Research in personnel and human resource management*. Oxford, England: Elsevier.