THE IMPACT OF FINANCIAL AND MORAL INCENTIVES ON PERFORMANCE OF EMPLOYEES ORGANIZATION

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ABSTRACT

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AHMED MOHAMMED SALIHI , BISHTIWAN
MASTER’S IN BUSINESS ADMINISTRATION MASTER'S THESIS

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The purpose of this thesis is to analyze the Impact of Financial and Moral Incentives on Performance of Employees Organization, To analyze the impact of financial and moral incentives on employee performance in organizations experimentally, this chapter outlines the study's methodology, using a quantitative experimental method based on data collected through questionnaires. Numerical analysis is utilized, and tables and figures are used to present the results. The distribution of participants by gender is presented, with data obtained from a sample of 280 participants. Among them, 104 were identified as female, and 176 as male. The researcher relied on the Independent Samples T-Test to identify the differences between the categories regarding the gender dimension towards the study variables. The results of the analysis in indicate that the calculated t value for the first axis, which was (0.214) and based on the means of the arithmetic averages which were (40.96) for males and (39.63) for females, shows that there are no statistical differences between the viewpoints of the study sample regarding the first axis according to the gender dimension differences among the individuals in the sample. This can be confirmed by the calculated significance level value which was (0.176), higher than the default significance level for the study, which is (1%). The researcher highlighted some findings, and among the most important results: technology plays a dynamic role in

employable economic growth at present. where measurable outcomes are closely linked to revenues and customer satisfaction, financial incentives such as bonuses, profit-sharing, and performance-based wages have been shown to significantly enhance employee motivation and productivity.

Keywords: Impact of Financial, Moral Incentives, Performance, Employees Organization

ÖZET

ÇALIŞANLARIN PERFORMANSI ÜZERİNDE FİNANSAL VE MANEVİ TEŞVİKLERİN ETKİSİ

AHMED MOHAMMED SALIHI , BISHTIWAN
İŞLETME YÖNETİMİ YÜKSEK LİSANS TEZİ

Danışman: Doç.Dr. Aytaç GÖKMEN
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Bu tezin amacı, çalışanların performansı üzerindeki finansal ve manevi teşviklerin etkisini analiz etmektir. Çalışan performansı üzerindeki finansal ve manevi teşviklerin örgütlerdeki etkisini deneysel olarak analiz etmek için, bu bölüm çalışmanın metodolojisini ana hatlarıyla açıklamakta ve anketler yoluyla toplanan verilere dayalı nicel bir deneysel yöntem kullanmaktadır. Sayısal analizden yararlanılmış ve sonuçları sunmak için tablolar ve şekiller kullanılmıştır. Katılımcıların cinsiyete göre dağılımı, 280 kişilik bir örneklemden elde edilen verilerle sunulmuştur. Bunlardan 104'ü kadın, 176'sı ise erkektir. Araştırmacı, çalışmada yer alan değişkenlere ilişkin cinsiyet boyutu açısından kategoriler arasındaki farklılıkları belirlemek için Bağımsız Örneklemler T-Testine başvurmuştur. Analiz sonuçları, birinci eksen için hesaplanan t değerinin (0,214) olduğunu ve erkekler için (40,96), kadınlar için (39,63) olan aritmetik ortalamalara dayanarak, örneklemdeki bireylerin cinsiyet farklılıklarına göre birinci eksene ilişkin görüşlerinde istatistiksel farklılık olmadığını göstermektedir. Bu durum, hesaplanan anlamlılık düzeyi değerinin (0,176) olmasıyla, yani çalışmanın varsayılan anlamlılık düzeyi olan (%1)'den yüksek olmasıyla doğrulanmaktadır. Araştırmacı bazı bulguları vurgulamış ve en önemli sonuçlardan biri olarak: teknolojinin günümüzde istihdam edilebilir ekonomik büyümede dinamik bir rol oynadığı belirtilmiştir. Ölçülebilir sonuçların gelirler ve müşteri memnuniyeti ile yakından ilişkili olduğu yerde, primler, kâr paylaşımı ve performansa dayalı ücretler gibi finansal teşviklerin çalışan motivasyonunu ve verimliliğini önemli ölçüde artırdığı gösterilmiştir.

Anahtar Kelimeler: Finansal Teşviklerin Etkisi, Manevi Teşvikler, Performans , Çalışanlar , Örgüt

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INTRODUCTION

Organizations operating within a highly competitive and fast-moving industry such as telecommunications are continually trying to seek newer ways of performance enhancements that might help gain an unmistakable edge over the rest of their rivals. The conscious application of both monetary and non-monetary incentives is the most feasible avenue that can achieve the above-mentioned objective (Riaz et al. 2018). Such kinds of rewards stand instrumental in encouraging the motivation of employees, thus enhancing job satisfaction and thereby overall organizational performance. It has long been known that financial incentives, such as bonuses, profit-sharing plans, and performance-based compensation, are effective ways to motivate employees (Gerhart and Fang 2014).

These tangible rewards address employee efforts and successes directly, which can result in increased productivity and a greater commitment toward the attainment of company goals. A mutual relationship between the organization and the employees could be achieved when financial incentives are appropriately designed to link individual performance to broader company objectives. On the other hand, moral incentives tapping into the intrinsic motives of the workers, creating belonging and a meaningful purpose inside the company, may be presented by such issues as career growth possibilities, recognition, and creating a happy work environment (Cerasoli et al. 2014).

In the case of sustained employee commitment and loyalty, these non-monetary incentives may pay off big time. It helps develop a positive corporate culture where the workers are appreciated, valued, and motivated to give their best performance. Such corporate culture appreciation is valued more than money by workers. Combining moral and monetary rewards creates a holistic strategy aimed at improving workers' performances, which brings immediate productivity and continued organizational loyalty. This, as explained by (Pradhan and Jena 2017), will present a holistic framework for achieving success in the telecom sector, which requires continuous performance and innovation to remain competitive.

In the context of telecommunications companies, the efficient use of both financial and moral incentives becomes even more important, because consumer needs and technical breakthroughs are in constant flux. These businesses largely depend on the technological ability, inventiveness, and flexibility of their employees to be competitive and able to meet the continuous demands of a changing market. Therefore, a comprehensive reward program needs to focus on both financial and moral benefits to attract, retain, and motivate high achievers (Jyoti and Rani 2017).

Whereas financial incentives may have an immediate and significant effect on employee performance by providing tangible rewards for the achievement of specific outcomes, moral incentives take a little more time to manifest their impact on employees' work motivation, job satisfaction, and organizational commitment, as reported by studies. Examples *are bonuses and pay-for-performance programs, which raise motivation temporarily and build a results-oriented work culture. It does, but when employees feel their efforts are genuinely valued and appreciated through promotion opportunities, a pleasant workgroup environment, or public display of achievements effect on long-term engagement is larger and longer* (Kuvaas et al. 2016).

Indeed, a comprehensive package of incentives leveraging monetary and ethical rewards may make all the difference in encouraging both short-term high performance and long-term loyalty with continuous improvement in the fiercely competitive telecom sector, where quick adjustment to the continuously changing technological scenarios and customer expectations holds the key to success (Riaz et al. 2018). This is a two-way approach, important for the overall performance of the sector, as this strategy enhances production and strengthens corporate culture. Furthermore, the financial and moral incentives can either be highly effective or completely useless, depending on several factors, including organizational culture, individual employee characteristics, and specific details of job tasks within the telecommunications companies themselves (Landry et al. 2017).

Technical professionals might feel more motivated, for example, by *rewards emphasizing knowledge and problem-solving, while employees working in customer service might appreciate more those rewards that emphasize people and customer satisfaction. Similarly, workers in firms characterized by a high level of teamwork and collaboration will appreciate moral incentives like career development opportunities* *and recognition more than those in firms that have highly competitive environments, in which monetary compensation may be the biggest driving factor*.

With rapidly changing technology and changes in what customers demand, the fine details in the use of financial and moral incentives in understanding employee performance among telecommunication organizations become important. This, therefore, aids organizations in crafting an incentive strategy that best suits the varied motivations of the workforce and ascertains that short-run performance goals among other long-run objectives are duly met (Ihsanullah and Ihsanullah 2024).

Furthermore, setting up an incentive mechanism that is sensitive to the needs and characteristics of the workforce would enable telecommunications companies to devise more efficient reward structures that are not only geared towards better performance in the short term but also create a culture of long-term employee engagement, loyalty, and organizational success. For this reason, incentives and employee needs must be strategically aligned in such a way that brings about a resilient and flexible staff able to prosper in a continuously changing sector. Based on that the current study aims to explore the impact of financial and moral incentives on the performance of employees in Asiacell company.

CHAPTER I
BACKGROUND AND THEORIES RELATED TO THE STUDY MODEL

The chapter is a proper foundation for the study, with several crucial elements involved. It starts by considering the background of the study, covering historical and current perspectives on financial and moral incentives within organizations. Following this, an analysis of theories that may explain how these kinds of incentives influence employees' performance is presented. Under this theoretical context, the chapter then identifies the exact problem being addressed. The problem statement arises from the gaps in literature or practical challenges observed in the field and therefore clearly justifies the rationale for the importance of the study.

The chapter next presents the objectives of the study, detailing what it wants to achieve or find as an outcome. The objectives are to be designed with much care in addressing the problem identified and ensuring a contribution both to academic knowledge and its practical application. The most salient feature of this chapter is the discussion of the theoretical contribution the study is expected to make. This section should outline how the study will extend, test, or enhance existing theories and, where possible, provide new insights or frameworks to enhance our understanding of incentives and employee performance. The chapter also points out the significance of the study, as it has implications for organizational practices, policy-making, and future research directions. It articulates the value of the research findings for both academic and practitioner audiences. The setting of the research is introduced: Asiacell Telecommunications Company in Iraq. This section provides appropriate background information on the company and the larger Iraqi telecommunication sector, based on which the case study will elucidate why this is an apt context and significant in nature. The last part develops the key issues that are vital to the research argument; these can include defining in detail the nature of the telecommunications industry apart, which may influence the variables.

1.1 RESEARCH BACKGROUND

Theoretically, financial incentives have conventionally been viewed as the major determinant of employee performance in many cases, especially for those industries where the output is usually measured, such as sales or customer service metrics. There have been a considerable number of studies conducted on moral and financial incentives regarding their impact on motivation, job satisfaction, and overall performance of employees across different industries, including telecommunications. Studies have demonstrated that performance-based pay systems can significantly improve employee productivity and organizational outcomes in the telecommunications sector (Cerasoli et al. 2014), (Landry et al. 2017), (Riaz et al. 2018).

It is also shown from studies that rewards and better performance go together, which again confirms that good performance, irrespective of the industry, has conventionally been associated with financial rewards (Larkin Pierce and Gino 2012). The telecom industry in question needs to offer competitive financial benefits to ensure skilled staff can be attracted and retained, especially in countries where skilled labor is in very high demand. Telecommunication companies guarantee organizational success in the long run through attractive employment opportunities in the competitive labor market and ensure higher performances from their employees with significantly generous financial rewards.

(Lazear 2000) demonstrated that productivity at one of the well-known telecommunication companies increased tremendously by 44% when it adopted a piece-rate compensation structure. This landmark study shows how significant financial incentives, particularly in close association with personal performance, can also significantly raise productivity levels and motivate individuals toward organizational objective accomplishments. It is very important to establish that financial incentives may not always be attractive to everyone. Some recent scholarship has pointed out that this relationship is complex, with findings indicating that individual preferences, the nature of a particular job, and organizational culture are potent predictors of effectiveness for any particular incentive program.

Financial rewards have conventionally been seen as crucial to organizational motivation. They consider tangible rewards as a way of appreciation and recognition of their contribution towards the attainment of the company's objectives. Pay systems like wages, salaries, performance bonuses, and profit-motivation programs that relate performance to rewards motivate workers to work harder to earn more. However, it is when employees start focusing more on financial return than the companionship aspect that a contract-based corporate relationship is forged. A company will find it hard to reap its full creative potential and long-term loyalty from such customers due to its superficiality in a client. Thus, credits may not ensure long-term employee interest or work satisfaction, even though these may allow for short-term performance boosts (Pavlidou 2021).

(Gneezy and Rustichini 2000) demonstrated that in some cases the introduction of financial rewards has a negative impact on performance; this is the so-called *"crowding out"* effect. This is evidenced when extrinsic incentives, as derived from rewards, lower intrinsic motivation in that the individual focuses on the benefits other than the core of the task or professional development. Expanding on this idea, subsequent research has also explored, to its fullest, the possible danger of overreliance on monetary incentives, especially in highly competitive environments. For example, *Deci*, (Koestner and Ryan 2017)

> *Over-reliance on such practices may have the unintended effect of undermining intrinsic motivation and, as a result, hamper the sustainable performance and innovation that corporate leaders need in industries like telecommunications, where creativity, innovation, and relationship-building with customers are crucial*.

In this respect, human factors such as job functions, organizational culture, and individuals' perceptions can also determine whether the use of financial incentives will be effective or not. Financial incentives are bound to pay off when they are in line with employees' personal goals, so says the study of (Aguinis et al. 2020), and when the reward system is perceived as fair and transparent. On the other hand, incentives may become less effective if employees perceive that financial benefits are being distributed unjustly or go against their values. Conversely, ethical motivators such as recognition, opportunities for professional development, and the creation of a positive work environment are increasingly being recognized for their role in enhancing employee motivation and productivity in the long run.

Moral incentives are believed to meet the psychological needs of individuals as one seeks appreciation, significance, and identity at work. By encouraging others and fostering respect, one can enable giving of oneself freely to create trust within the organization. Opportunities for training, verbal comments, and prizes ensure reinforcement of effort and raise morale and motivation among employees. Moreover, the correspondence between the activities that workers perform, and the beliefs and values of an organization defines the aspects that exceed a monetary reward. Organizations that rely exclusively on punitive approaches to motivating their employees are preposterous and even terrifying as they don't take into consideration moral stimuli that increase work satisfaction, reduce fluctuation, and enhance creativity in problem-solving processes (Ushakov 2021).

In this respect, various researchers have given considerable attention to moral incentives, which play an important role in motivating employees, especially in knowledge-intensive industries such as telecommunications. (Deci et al. 2017) conducted a meta-analysis and showed that offering extrinsic rewards might undermine intrinsic motivation, hence underlining the importance of non-financial incentives. Moral incentives that foster intrinsic motivation for innovation and creativity may be particularly relevant to the telecommunication industry. Other types include recognition, career enhancement prospects, balance in work-life, and meaning. For a sector or an industry like the telecommunications industry, which is essentially knowledge-intensive, intrinsic motivation-enhancing moral incentives may attain relevance particularly when innovation and creativity continue to drive performance and excellence. (Miao et al. 2013) confirm that inherent motivation positively affects employees' creativity within the Chinese telecommunication industry.

The research by (Kuvaas et al. 2016) and (Cerasoli et al. 2014) has also explained that moral incentives, by tapping into intrinsic motivation, increase job satisfaction and organizational commitment and lead to employee loyalty in the long run. Research by (Gerhart and Fang 2015) also supports this and stipulates that intrinsic motivation plays a far greater role in complex, creative tasks that require cognitive flexibility. In the field of telecommunications, which is so demanding in high levels of technical expertise and customer-centric performance, moral incentives are of special importance for retaining top talent and fostering a culture of innovation.

It may be observed that moral and monetary incentives applied together may lead to positive employee performance. This would mean that employees who are emotionally valued and satisfied with their pay would be more creative, productive, and committed to their jobs. However, due to the differences in individual attitudes, business culture, and specific industry situations, the application of such incentives can only be partially successful. For example, *in industries in which justification of selling is a big factor, financial rewards are more influential on moral incentives for creative or nonprofit organizations. Reward management must, therefore, direct its attention to diverse employee motivators for acknowledged organizational differences to address incentive systems founded on the demographic characteristics of employees* (Liu 2022).

While financial incentives are bound to promote short-term performance improvement, moral incentives are a better option for developing long-term engagement. This is particularly so in industries like telecommunications, where the need for flexibility and imagination for success cannot be overstated. A meta-analysis by (Garbers and Konradt 2014) reported that the efficacy of financial incentives varies dramatically as a function of task type and organizational context, thereby implying that there is no single fit-all solution when it comes to incentives.

The performance of employees in telecommunication organizations is very vital because the rapidly growing technological advancement and competitiveness of the sector require high levels of efficiency, innovation, and productivity. Organizations use a mix of both financial and moral incentives to optimize their employees' performances. These have an effect on motivation, job satisfaction, and overall productivity, which directly affect organizational performance and competitiveness (Gerhart and Fang 2015).

In improving employee performance, a combination of financial and moral motivators can be the most efficient approach, addressing both intrinsic and extrinsic motivational factors. This agrees with the integrative model of extrinsic and intrinsic motivation in the workplace that was suggested by (Landry et al. 2017). Their study implies that when properly balanced, extrinsic rewards complement rather than undermine intrinsic motivation. Such an approach assumes even greater importance in the telecommunication industry given the rapid pace of technological change and the high degree of competition it faces. According to Deloitte's study on the future of the telecom workforce in 2021, there is also an increased focus on holistic talent management both financial and non-financial incentives to meet the distinctive challenges this industry faces.

Rewards and recognition, therefore, are known methods that are closely associated with increasing the performance of employees, but their application largely depends upon the use of their two key components. Moral incentives are long-term motivation, and the reward provides an intrinsic fabric that fosters loyalty as opposed to the short-term motivation of financial incentives that may get a job done but with no durability. Only those organizations that unlock the possibilities for both extrinsic and intrinsic rewards can build a loyal, effective, and highly engaged workplace for long-term organizational growth and development (Alhashedi 2021).

In this regard, (Pink 2018) stresses the fact that for knowledge-based industries, the most vital intrinsic drivers of motivation are autonomy, mastery, and purpose. This might be implemented in a telecommunication company by presenting professional development opportunities to the employees in the frame of their jobs, giving them a meaningful job, and underlining the liaison between a person's contribution and the organization's objectives. This blend of approaches would give telecommunications organizations the foundation needed to develop far more sophisticated incentive systems that guarantee high performance and increased innovation, flexibility, and commitment within a labor force on a long-term basis.

The fast pace of change characterizing the telecommunications industry makes the incentives landscape even more incomprehensible. As (Bayo-Moriones and Larraza-Kintana 2009), note, the changing nature of technology and market forces sometimes gives a greater edge to one form of incentive over another at different times. Besides, internationality in many telecommunication firms has made it indispensable to consider cultural factors when designing effective incentive schemes (Newman and Nollen 1996). The performance of employees largely depends on both financial and moral incentives within telecommunication organizations. While financial incentives may bring rapid results in terms of employee performance improvement, moral incentives ensure the loyalty and commitment of personnel to the enterprise in the longer term. A properly organized system of financial and moral incentives would be key in the recruitment, retention, and motivation of highly competent staff in this highly dynamic and competitive industry.

The key to ensuring the maximum performance of the employee in any telecommunication organization lies in achieving a delicate balance between financial and moral incentives. Although financial incentives can drive short-term performance, moral incentives remain important to keep the workers interested in the organization over a longer period, alongside upholding its culture. Organizations that offer both kinds of incentives doubtless will have higher levels of employee satisfaction with reduced turnover rates and increased worker productivity (Kuvaas 2006).

Despite the abundance of literature on incentives and their effects on performance, there are still gaps in our understanding of the subject, particularly in the context in which the majority of telecommunications firms operate. There are very few if any, studies that examine how the relative effectiveness of various incentive schemes may differ for such disparate job classes as customer service agents and technical personnel. Furthermore, little is known from earlier research on the long-term effects of changes in different incentives on employee performance and subsequent organizational results in the dynamic environment of a telecommunications company. This background presents a rationale for further research into the detailed effects of financial and moral incentives that affect employee performances in telecommunication organizations, given the peculiar characteristics and challenges this dynamic industry withstands.

1.2 RELEVANT THEORIES

Expectancy theory by Victor Vroom, 1964, is still a broad framework where workers are driven not only by material returns but with even moral means also. Motivation occurs as the result of three constituent parts that, according to scientists, combine, and interact in a specific order: Expectancy, Instrumentality, and Valance E-I-V. The latter stands for the degree to which one believes their efforts will result in some relevant outcome. Concerning incentives, workers must therefore believe that greater effort can generate improved performance that warrants reward. Instrumentality reflects the belief that good performance will result in a valued outcome (Lloyd and Mertens 2018). For example,

> *An individual employee may perceive that meeting the sales target is linked to a bonus as a financial reward or an acknowledgment as a moral reward. Valence is the value an individual ascribes to the rewards. In this respect, various employees may perceive various outcomes, and everything counts in the comprehension of the efficiency of different types of incentives* (Zhu and Raza 2021).

The use of financial incentives most clearly corresponds with the theory's valence component. To many employees, a bonus, a pay raise, or some other profit-sharing arrangement is an approach the majority of the concept would consequently enable one to presume that since employees achieve such positive value, therefore employees are indeed motivated. While moral incentives refer to inner motives like work satisfaction, organizational culture, and the ethical atmosphere of the firm, financial incentives are normally conceptualized as an external benefit that could motivate people to achieve more (Akinboade and Kinfack 2023).

Various organizations in telecommunication use different types of monetary benefits like bonuses, increments, and commissions to develop employees' performance. Some studies indicated that financial incentives would have a direct relationship with the motivational factor of an employee. The output of the employees is enhanced; employee turnover decreases; and through such incentives, the employees strive for the organizational objectives. Financial incentives bear relevance only if the reward system is integrated into the objectives and individual performances of the employees (Aslam and Latif 2020).

(Baumann and Bonner 2017) examined how Expectancy Theory explains motivation in teams, emphasizing the role of beliefs on collective self-efficacy. Moral incentives, on the other hand, appeal to motivation that is intrinsically situated in the person, and there they are just as effective. Public acknowledgment of achievements tends to receive high valence from employees whose identity, pride, and acceptance are invested in gaining respect and esteem at work. Where independence and trust mean a lot to an individual, offering him or her greater responsibility or wider latitude in making decisions will no doubt be the greatest motivator. Similarly, if employees are oriented towards personal growth and career development, opportunities for learning and professional growth will contribute to long-term loyalty and commitment. Further, for the individuals squarely resonates of the organization squarely resonates, the opportunity to meaningfully contribute to organizational objectives can be a potent motivator that sends them on a mission to create something consistent with their values.

(Lloyd and Mertens 2018) applied the Expectancy Theory in an entrepreneurial context, which also proved to be relevant in the understanding of not only employee motivation but also entrepreneurial drive. Moral incentives help not only in improving the individual's performance but also in developing a work environment that fosters and encourages further commitment and innovation. A study conducted by (Purvis et al. 2015), applying the Expectancy Theory to the knowledge-sharing activities of IT professionals, discovered that knowledge-sharing is highly motivated by both extrinsic rewards and intrinsic motivators.

Vroom's Expectancy Theory provides a better understanding of both the financial and moral incentives that motivate workers. Considering the interaction between efforts, performance, and outcome desirability, an organization may establish more effective incentive systems answering diverse employee preferences and motivations. Its relevance, as seen from the latest research, underlines the importance of this theory in organizational behavior and current human resource management practices.

According to the Equity theory by (Adams 1965), perceptions of equity in the workplace are considered a crucial determinant of employee motivation. In this regard, one compares one's input with one's output, that is, efforts against rewards, with that of one's peers. For better performance, financial and moral incentives should be in line with these perceptions of fairness. Financial motivators include bonuses and salaries, which should be competitive and well-divided to avoid perceptions of inequity. Recognition and growth opportunities are moral motivators that also need to be well distributed for employees to feel their worth and dignity.

Self-determination theory, developed by (Deci and Ryan 2000), expresses a balance between intrinsic and extrinsic motivation. Intrinsic motivation, depending on moral incentives, is rooted in psychological needs for autonomy, competence, and relatedness, while extrinsic motivation, in turn, is powered by financial rewards and other external influences. On the other hand, SDT holds that an optimal mix of financial and moral incentives will provide maximum employee performance and ensure well-being and engagement for employees within the organization.

In 1959, Frederick Herzberg introduced the Two-Factor Theory, which divided the factors that influence job satisfaction and motivation into two separate categories: hygiene factors and motivators. Hygiene factors are those extrinsic aspects of the job environment. If these are absent, then dissatisfaction results. These include salary, job security, working conditions, company policies, and interpersonal relationships. Financial incentives generally fall into this category. But mere availability may only prevent dissatisfaction without motivating or pleasing them on its own. On the other side, intrinsic motivators include factors leading to job satisfaction and high motivation: recognition, achievement, personal growth, advancement, and the work itself. Morally boosting factors are therefore fully in line with these motivators; intrinsic satisfaction is central to them. Their presence alone can considerably reinforce employee engagement and job satisfaction coupled with better performance.

On the contrary, the two-factor theory appears to be effective to date as different evidence with diversity in context suggested that Herzberg's Two-Factor Theory related to issues of job satisfaction in nursing jobs-intrinsic motivators, (Alshmemri et al. 2017) provides evidence, especially recognition and opportunities for growth emerge as the factor of prime importance with relevance for the contemporary healthcare contexts.

In this line, the suitability of Herzberg's theory research was conducted by (Kotni and Karumuri 2018), who concluded that hygiene factors and motivators are important in different aspects related to employee performance. Financial incentives, though hygiene factors, have been shown to help a person keep away dissatisfaction but cannot sustain motivation for a longer period. That means that an equilibrium of appropriate hygiene factors combined with decent salaries for the feelings of financial-structural security and motivators relevant to personal growth, recognition, and challenging work ensure better performances while improvements within the scope of employee satisfaction have to be found more sustainable.

In 1990, Edwin Locke and Gary Latham codified the Goal-Setting Theory: specific, challenging goals result in higher performance compared to vague or easy goals. There are some important implications of this theory for financial and moral incentives. First, clearly, according to this theory, well-defined goals are more effective than vague ones. Challenging, yet attainable, goals also lead to higher performance compared to easy goals. There has to be, more importantly, commitment to the goals by individuals for the goals to be effective. Performance is also enhanced through feedback regarding progress toward goals. (Latham and Locke 2018) provided a review of 50 years of the goal-setting theory and reiterated its validity and its application in different contexts, self-regulation, and subconscious goals. (Neubert and Dyck 2016) integrating goal-setting theory with other motivational theories created a more complete framework for understanding workplace motivation.

Maslow's Hierarchy of Needs, proposed by (Maslow 1943), describes five layers of human needs: from basic physiological needs to self-actualization. Financial incentives address mainly the lower levels of needs, such as physiological-e.g., sustenance safety-e.g., job security. On the other hand, moral incentives satisfy the higher levels of needs: esteem linked to recognition and respect, and self-actualization, which involves personal growth and fulfillment. The Maslow framework suggests that organizations should have a balanced approach by offering financial incentives and opportunities for moral rewards. In this way, employees will feel secure but also motivated to realize their full potential through recognition, personal development, and making valued contributions.

(Jensen and Meckling's 1976) Agency Theory has highlighted the principal-agent relationship wherein the alignment of the goals of employees (agents) with those of the organization (principals) is a critical ingredient for the reduction of conflict of interest. Incentive structures are of primary importance in the mitigation of agency problems. Financial rewards ensure addressing the issue of goal incongruence by offering a tangible motivation to meet organizational objectives. Meanwhile, moral incentives like building trust, loyalty, and a sense of purpose make employees more committed and interested in the general organizational goals. It is when financial and moral incentives are combined that organizations can develop a more united and productive workforce.

1.3 STATEMENT OF THE PROBLEM

One major challenge in designing and implementing an effective incentive system involves certain decisions that an organization is to arrive at in the fast-moving and fiercely competitive world of telecommunications. Besides improving the performance of the employees, the systems have to be designed to ensure their long-term engagement with the organization for its sustainable success. This complexity of the task is rooted in several intertwined factors. As indicated by (Kuvaas et al. 2020), organizations should balance the need to foster long-term employee involvement in growth with the need to ensure short-term success. Also, incentives that allow flexibility and innovation, without compromising operational efficiency, are needed given the continuous technological changes taking place within the industry (Brynjolfsson et al. 2021).

The diversity of the workforce in telecommunications companies also comes with different motivational drivers, making it challenging to have a universally effective design of incentive structures. Incentive systems will need to be globally applicable, since telecommunications are a global industry, requiring the same level of success and applicability in different cultural and geographic contexts; this adds to the complexity in design and implementation (Shin et al. 2017).

On this aspect, (Gerhart and Fang 2015) gave the importance of ascertaining an optimal tradeoff between the level of financial and moral incentives to derive the maximum contribution of employees with a lesser possibility of causing any negative adverse impacts. In such industries as telecommunications where results comprise a lot of intangible factors including customer satisfaction and innovation, the design of performance-based incentives is more challenging to implement (Bloom et al. 2020).

In this context, one of the most crucial factors that predetermine the success and competitiveness of a modern organization is employee performance. Therefore, organizations across the globe strive to find a way to boost employee performance. There exist two major ways of achieving this objective, namely financial and moral incentives. The financial rewards involve remunerations, bonuses, and salary packages that are always easy to handle since they can be related directly to the economic value of the products and services. Intrinsic incentives involve recognition, ensuring career growth opportunities, and making the people feel part of the organization; they therefore appeal to the intrinsic motivations that emanate from the emotional and psychological needs of the employees. Eventually, it will be synergizing the two kinds of incentives that will improve effective engagement and employee performance within organizations. The approach balances the scale between the financial rewards for moral motivators, hence holistically developing the incentive framework that ensures continuous performance improvements (Nnubia 2020).

Besides, the constantly changing nature of the telecommunications industry makes it even more challenging to develop efficient incentive structures. The constant developments in technology and changes in market conditions call for organizations to be flexible and adaptable in their motivational approach. Incentive structures that are effective today may lose their impact as conditions in the industry change and therefore need regular evaluation and adjustment to ensure they align with emerging trends and organizational goals. For example, (Bayo-Moriones and Larraza-Kintana 2009)

> *mentioned that technological changes and shifts in market conditions can strongly affect the efficiency of various incentive mechanisms; therefore, context-specific and dynamic approaches are required to ensure that employees' motivational levels and organizational performance are sustained over time*.

Telecommunications organizations particularly Asiacell in Iraq also must design incentive schemes that help retain top talent in a fiercely competitive labor market while also enhancing performance (Nyberg et al. 2018). According to (Khatri et al. 2019), ethical concerns are equally significant in this process, especially in an industry that handles sensitive customer data and operates essential infrastructure. Moreover, the rapid growth of remote and hybrid working models disrupts the telecommunications industry, and the effectiveness and utility of traditional reward systems are reevaluated (Mas and Pallais 2020). Another persistent challenge lies in designing mechanisms that link individual employee goals to companywide success to keep them motivated and help achieve overall success (DeVaro et al. 2017).

In the telecommunication industry, financial and moral incentives are required to ensure high performance by employees, especially in regions like the KRI and Iraq, where companies are facing high competition and rapid changes in technology. Financial incentives, such as performance bonuses linked to sales targets, are important in sales-driven roles. Moral incentives imply rewards that, rather than financial in nature, nurture an employee's self-esteem, recognition, and identification with organizational values.

> Examples *include appreciation, recognition programs, career growth opportunities, and favorable working conditions. In the modern context of the telecommunications industry, where often technical expertise is an important factor for success, moral incentives can be expressed through career development opportunities, work-life balance, and recognition of one's contribution to common goals.*

This, according to (Ryan and Deci 2000), enhances employee satisfaction and long-term commitment to an organization. Research also showed that intrinsic motivation which is linked to greater levels of creativity, dedication, and work satisfaction is influenced by moral incentives (Gagne and Deci 2005). Telecommunication companies usually utilize these moral incentives to enhance cooperation, creativity, and continued participation, particularly within dynamic and inventive markets.

Nevertheless, motivational tools have so far had uneven influences on employees' performances and satisfaction in terms of the division between financial incentives like bonuses and salary increases, and moral ones like recognition and praise. Companies like Asiacell face difficulty in deciding whether any one kind of incentive can effectively retain workforce motivation. Similarly, it is equally hard to attain an appropriate balance between financial and moral motivators to achieve high performance. Overemphasizing a single kind of incentive may yield some unintended results, such as diminished return on investment or dissatisfaction from employees.

Besides, not much is known about the interrelations between financial and moral incentives and their influence on securing the long-term commitment of employees based on shared organizational values. This lack of knowledge hinders managers from developing an incentive plan that encompasses both high performance and employee loyalty. The resolution of these challenges is necessary for creating an effective motivational framework that is sustainable and meets organizational goals. From this basis, and with the identification of the causes of the main problems of the research, material and non-material incentives were considered effective solutions that would enhance the performance of Asiacell employees in the field of telecommunication.

1.4 RESEARCH QUESTIONS

The main research question that will guide this study is: What can be learned regarding the impact of incentives on employees' performance? To be precise, the research will study to what extent financial and moral rewards impact employee performance. The study also seeks to establish how the characteristics of the organization and the dynamics in the workforce influence the effectiveness of such incentives. By addressing such dimensions, this study aspires to contribute to the in-depth comprehension of factors that motivate employees and enhance their performance, thus adding to the theoretical and practical frameworks of employee motivation and performance management.

In this context, studies have shown that a balanced approach in both financial and moral incentives plays a vital role in driving employee performance in telecommunication organizations. Financial rewards might offer temporary motivation, but the success of employee engagement over the long term often emanates from intrinsic satisfaction obtained through moral incentives (Miao et al. 2013), (Zhao and Seibert 2006).

Researchers have also indicated that further research is needed to understand how these forms of incentives combine and can be optimized for employees' performance within volatile industries such as the telecommunications industry. Precisely based on that, this study only investigates the impacts of the two forms of incentives on employees' performance in high-technology and telecommunications firms, pointing out that moral incentives related to career development programs supplement financially driven incentives towards stimulating performances.

1.5 PURPOSE OF THE STUDY

The focus of this study on the effect of financial and moral incentives on employee performance in telecommunication organizations particularly Asiacell company in Iraq is an investigation into how different types of incentives-financial due to bonuses, salaries, benefits, and moral ones such as recognition, job satisfaction, and organizational culture-affect the performance, motivation, and productivity of employees. This study seeks to explore the major drivers of employee performance in telecommunication organizations, the effectiveness of such incentives, and provide practical recommendations on how to enhance performance through specific incentive strategies.

Therefore, the present study, also aiming to compare the effects of both financial and moral incentives, is supposed to contribute to disclosing the best ways of distribution of financial premiums and moral cheers for positive motivation of the targeted staff and overall organizational staff. Second, the research would aim to provide recommendations in a prescriptive way to the management on designing effective incentive systems that are aligned with the organization's goal yet maintain the health of the workers and their satisfaction levels. Finally, this study attempts to make a few constructive contributions to the development of theories relating to incentive processes and their consequences for organizational effectiveness and employee performance. This overarching goal embodies several key goals, such as:

1. Discuss the short-run and long-run impacts of different incentive programs on motivational levels, productivity, and retention of the employees working in Asiacell Company.
2. Examine how the varying natures, such as intense competition and rapid technological changes, within Asiacell, will impact the effectiveness of each type of incentive scheme.
3. Assess how different schemes of incentives will impact workers' performance, which is key to the performance of Asiacell.
4. Establish what effects different motivational programs have on such aspects as well-being, work-life balance, performance, and happiness of employees in the extremely stressful telecom industry.

5. To identify how employee performance and incentive structure relate to organizational outcomes in Asiacell Company.
6. To study incentive system design that allows adaptability-agility in telecom organizations namely Asiacell company facing relentless technological changes.
7. Based on the above, to develop evidence-based recommendations for the design and implementation of effective incentive systems that carefully balance financial and moral motivators in Asiacell company.

1.6 STUDY SIGNIFICANCE AND THEORETICAL CONTRIBUTION

This present study is significant in determining how financial and moral incentives influence employee performance in Asiacell Company, considering rapid technological changes and a highly competitive market inherent in telecommunication companies. In addition, financial and moral incentives are considered crucial for changing the behaviors and performance of employees. It will also present valuable findings that might be useful in management practices within telecommunication companies, understanding how those incentives interact and influence employee performance and output.

As indicated by (Akinboade and Kinfack 2023) financial incentives in the form of bonuses, commissions, and salary increments have been widely recognized to increase short-term motivation and improve performance. In telecommunication companies where many employee roles include sales targets, performance-linked incentives may drive competitive behavior and improve performance (Khan and Iqbal 2022).

The generally high rates of turnover in telecommunication companies result in operational disruptions and higher hiring costs. Some proven moral incentives include opportunities for professional growth, ethical working conditions, and recognition to strongly improve job satisfaction and intentions of quitting, which is so highly relevant within the telecom industry where human skilled labor creates the heart of innovative and appealing customer services (Ghaffari and Abolhasani 2022).

Certain elements of moral incentives that may help an enabling corporate culture include intrinsic drive, enjoyment from the work itself, and compatibility of values with those of the company. Innovation with a sense of importance and creating an environment within the company can further enhance their capacity for creativity and solving problems in this highly dynamic telecommunications industry (Aral Brynjolfsson and Wu 2012). Several recent studies argue that a balanced combination of monetary and moral incentives shows the best impact. Tangible performance results come with financial incentives, while moral incentives work towards loyalty, intrinsic motivation, and long-term engagement of workers. This will balance, and where there is a balance, definitely there is the sustainability of success within telecommunication organizations facing high pressure and competition.

Theoretically, the current study also contributes because it investigates the influence of financial and moral incentives on the performance of employees within Asiacell Company. In this respect, studies highlight the significant role that efficient systems of incentives play in any organizational setting within the dramatically developing telecommunications sector in the context of digital transformation challenges (Khatri et al. 2019). Emerging research also highlights the necessity of balancing financial and non-financial incentives, with increasing attention on how this balance influences employee engagement and organizational commitment (Kuvaas et al. 2018).

The current study offers deeper insights into the long-term impact of various incentive types on employee performance and retention in high-tech industries, shedding light on trends and best practices (Nyberg et al. 2018). The relationship between incentives and improvement in telecommunications has also attracted fresh attention, not least as organizations work out the opportunities and challenges of 5G technology development (Lee and Walsh 2016). Cross-cultural research, furthermore, indicates that cultural contingencies significantly impact how different incentive structures yield differing outcomes within worldwide telecommunications companies. These findings give useful advice on the design of culturally adaptive incentive systems that drive performance and ensure inclusiveness.

Knowing the extent of financial and moral incentives in modern telecommunications organizations, the manager can develop an incentive system that is beyond the short-term improvements in performance. This will be well-placed in supporting the goals of the managers about the stimulation of long-term employee satisfaction, retention, and organizational commitment through a supportive and motivating work environment. This strikes the proper balance between financial rewards and moral incentives of recognition, career development opportunities, and a sense of purpose that helps in bringing about a more active and committed workforce which leads to higher productivity, and greater job satisfaction, and returns the telecom company a sustained competitive advantage.

1.7 THE CONTEXT OF STUDY

Data from this study are empirical in nature and have been gathered from a large telecommunication organization named Asiacell working in Iraq and the KRI. The target sample population was drawn from a wide array of professions including managers, technicians, IT experts, and communication experts within the company. It means that for a representative sample, a wide range of participants from the top-management level down to the lower working class in an organization will be selected to capture a multidimensional perception of the operation and culture.

Since its establishment in 1999, Asiacell has gone through an impressive history of regional growth and expansion. Curiously enough, it has to be noted that the company had a very successful beginning although it started small with a few trial telephone lines. In 2003, Asiacell had marked its strong presence within the Kurdistan Region, and within two years, it spread to all the main cities of Iraq from north to south. The speed with which it has grown bears evidence of certain traits of its operational effectiveness and strategic vision.

Asiacell is the leading market in Iraq in digital services and mobile phone services, with more than 14.7 million members by the end of 2022. Due to poor technologies, its 4G coverage in every governorate of Iraq is unbeaten. Additionally, its network covers 99.06% of the world's population, which no other cellular provider in Iraq has surpassed as of the time being. This wide coverage reflects not only the technological capabilities of the company but also its commitment to closing Iraq's digital divide.

Since Asiacell is anything but an entity that interests itself in business alone, at the heart of everything lies the commitment to corporate social responsibility and community involvement. Giving something in return to those communities in which it exists is inscribed into its DNA. Asiacell has committed itself to leading from the front in Iraq, especially in the field of corporate citizenship, through the development of sustainable initiatives for key stakeholders that drive improvement. The result should bring more harmony and inclusion into society as it integrates Iraqi society in general.

While Asiacell is majorly known for offering superior digital services and mobile communication solutions, the company views its role as going beyond that of a mere telecommunications provider. Being an Iraqi organization deeply rooted in the local community, the commitment of Asiacell goes way beyond the confines of the industry of telecommunications. It undertakes an array of activities that reflect a holistic approach to corporate responsibility in terms of commitment to social welfare. What makes Asiacell unique, especially within the socio-economic context of Iraq, is the multifaceted way it has approached business and community engagement. This effort at marrying technological advancement with social responsibility may well be instructive for other corporations working in developing or post-conflict regions.

While balancing commercial interests with the needs of the community, Asiacell positions itself not just as a telecom giant but as a key contributor to the social and economic development of Iraq. More importantly, Asiacell is an ideal subject to study in light of the integral business approach it assumes, including technological innovation, market-leading, and social responsibility; with its diverse workforce, wide market presence, and community development it forms an excellent background to discuss multifarious issues relating to organizational behavior, corporate strategy, and social impact regarding the Iraq/KRI telecommunication industry.

1.8 MAIN CONCEPTS

Financial incentives refer to any benefits in monetary form given to employees to motivate them to reach goals, improve performance, or behave in a way that the organization works to reach. Financial incentives include increases in salary, commission-based pay systems, profit-sharing plans, stock options, and performance-based awards. Because financial incentives tend to directly fulfill the financial needs of employees, this extrinsic form of motivation can be an effective short-term motivator. However, as employees may get used to such rewards, their impact tends to weaken over time if not combined with other motivational tools. As the effects of monetary motivation often vary based on factors like industry and job nature and also vary concerning individual preference, organizations should implement them efficiently for their workforce.

Moral incentives can be defined as non-monetary rewards or recognition appealing to the morals, values, or innate motivators for the achievement and growth of an individual. These motivational factors attempt to encourage involvement by satisfying higher-order needs such as esteem, recognition, and self-actualization. Examples *of moral incentives include public recognition or awards, opportunities for* *professional development, increased autonomy or authority, work tasks with a sense of significance and purpose, and genuine positive feedback. Moral incentives tend to have longer-term effects on employee involvement and job satisfaction because of the use of internal motivation. They are especially apt for knowledge workers, creative professionals, and employees in mission-driven enterprises, as they align with the higher echelons of Maslow's hierarchy of needs*.

Employee performance refers to the quality, effectiveness, and efficiency of employees' activities aimed at performing their duties and realizing organizational goals. Performance encompasses both results achieved, and actions taken to realize those results. The concept of employee performance is multidimensional and goes beyond mere productivity. It is a concept covering aspects such as creativity, teamwork, quality of work, and observance of organizational values. A good performance management system considers qualitative and quantitative assessments of the appraisal for a proper comprehension of the employee's contribution.

CHAPTER II
LITERATURE REVIEW

The primary aim of this chapter is to critically review the existing literature on the most pivotal study variables: financial incentives, moral incentives, and employee performance. The chapter will also provide a theoretical background in depth by examining the impact of individual financial incentives and collective moral incentives on employee performance individually and collectively. It will discuss definitions, conceptual models, and empirical examination of such variables, including interconnections as well as their effects on employee performance. Further, the chapter will also reflect gaps in existing literature, emerging trends, as well as context issues that might be capable of moderating or mediating the effect of these incentives on performance. Through the integration of different perspectives, the chapter will establish a solid foundation of the processes through which financial and moral incentives drive employees' performance and, consequently, contribute to effective incentive strategies in organizational settings

2.1 LITERATURE ON INCENTIVES

The concept of incentives raises a lot of consideration, especially since the beginning of the search for qualified employees capable of achieving the organization's goals efficiently; this is because incentives play a major role in employee performance and productivity, as the importance of incentives stems from the need to appreciate the employee and appreciate efforts (Bagobiri and Paul 2021).

Appreciating people's efforts by giving them incentives is a significant factor in satisfying the individual's internal desires, and the individuals' skills are not enough to allow them to work with high competence unless there is an incentive system that encourages their internal motivations and then leads to very diligent efforts (Aguinis et al. 2020).

The theory of incentives also has been of keen interest, especially in terms of recruiting and retaining high-caliber employees who can efficiently help bring about the accomplishment of an organization’s goals. Incentives play a significant role in influencing employee productivity, which not only acknowledges and rewards employees for their accomplishments but also helps to align employees’ drives with the overall goals of the organization (Aguinis et al. 2020), (Akinboade and Kinfack 2023).

One of the most powerful tools for satisfying workers’ inner requirements and building feelings of contentment is through recognizing and valuing their efforts within well-designed incentive programs. Even where individual ability and expertise are crucial, they cannot guarantee the best productivity unless coupled with a fine incentive system that promotes inner motivation and incentivizes staff to deliver consistent hard work (Deci Koestner and Ryan 2017).

In general, material rewards can be seen as being among the most powerful factors in having employees labor sincerely when there are appropriate rates to meet the individual’s requirements. On the other hand, low and unfair rates are the major reasons for overlooking work that is needed and low productivity when the provided rates do not meet the individual’s requirements (Gerhart Fang 2015). In addition, it should be pointed out that material rewards are among the conventional incentives that are immediate and prompt and easily recognize the effort of the individual. Additionally, material incentives can be positive such as bonuses, assistance, promotion, and even additional money on the wage, or negative things such as keeping employees away from bonuses and promotions or even lowering their wages (Ghaffari and Abolhasani 2022).

Incentives are stimuli that motivate people to start, change, or stop a particular activity, psychologists claim. As motives for motivation, incentives shape decisions and guide behavior toward intended targets (Zhu and Raza 2021). Incentives either result from internal psychological states or extrinsic incentives that lead people to perform certain things. Incentives are simply outcomes of unsatisfied human needs, which are the ultimate sources of motivation (Zhao and Seibert 2006). For instance, fatigue generates the need for rest, and hunger generates the need for food. Achievement, acceptance, and belonging needs are also strong motivators on a more general psychological level (Pavlidou 2021). According to Maslow's 1943 needs hierarchy, people are driven by their physiological, safety, social, esteem, and self-actualization needs that shape their behavior and performance in most aspects of their lives, including the workplace (Rynes et al. 2004).

A successful organization can exploit the skills and qualifications of its employees efficiently, so researchers have worked hard to come up with a comprehensive description of how to enhance the professional efficiency of employees and how management chooses active individuals, as well as how to link the goals of organizations to the personal goals of individuals whose performance will improve. In this context, successful organizations have put in place an active incentive system capable of influencing employee performance in a way that pushes them to work harder and maintain the organization's goals. It is noted that motivating employees may help them overcome many of their obstacles at work (Carvalho et al. 2020).

Research conducted by (Ihsanullah and Ihsanullah 2024), explored employees who are motivated are likely to work at higher levels, which contributes to the overall performance and effectiveness of the organization. These results are consistent with broader organizational behavior studies, which consistently indicate that motivated employees are more committed, innovative, and capable of achieving company goals. In the telecommunication sector, where competencies and technical advancements require high performance, creating an interesting work environment is central to growth and competitiveness.

In this regard, a well-designed incentive scheme can enable individuals to rise above workplace problems, becoming more resilient and creative. Thus, companies can realize the full potential of their workers and ensure long-term prosperity by providing an environment in which workers feel valued and encouraged. The managers need, however, to make good faith and earnest efforts to create credibility and a culture of peace, security, and respect to encourage others. It is necessary to bear in mind that no success of one is blocked by praising or clapping the hard work and accomplishments of others, therefore it must either be done directly to those deserving of them or in front of a crowd of people (Garbers and Konradt 2014).

Incentives play also an important role in determining how workers act and perform on the job. Personal satisfaction, delight, or feeling of accomplishment from completing a task are the origins of intrinsic motivations. Truly motivated employees are satisfied with their work, whether it is in overcoming difficult challenges, contributing to meaningful projects, or being innovative (Nnubia 2020). Conversely, extrinsic rewards are external incentives like pay raises, bonuses, promotions, or awards. Through the provision of concrete benefits, these rewards motivate performance and reinforce desired behavior (Kuvaas et al. 2017).

In this respect, several variables, including personal interests, job positions, and organizational environment, affect the effectiveness of incentives. The best outcomes are obtained by a combination of extrinsic and intrinsic incentives (Latham and Pinder 2005). While moral and psychological incentives like autonomy, appreciation, and career advancement generate long-term dedication and job satisfaction, financial incentives have the potential to improve performance in the short term (Lazear 2000).

Organizations can formulate strategies that increase employee engagement, improve motivation, and align individual efforts with corporate objectives by understanding and implementing the psychology of rewards. Organizations can maintain high levels of innovation and production by creating a culture where employees feel valued, motivated, and rewarded (Liu 2022).

According to (Carvalho et al. 2020), incentives are one of the determinants of employee performance, which is subject to many influencing factors. Since incentives are responsible for maintaining workers' motivation and interest in performing work, they must be the priority agenda for human resource management. Strategies that maintain workers' motivation must be given priority by organizations to ensure alignment with their objectives. Motivation is an energy that drives employees to deliver their best performance. Workers can fail to maximize their output if there are insufficient intrinsic and extrinsic rewards. Employee performance is ultimately determined by how effectively each person performs his or her duties and obligations to help drive the company to success. Enhancing the quality of performance involves staff members' continuous training and development as well as rewarding excellence and goal attainment.

One of the most crucial aspects of effective human resource management is that incentives have a vital function to play in employee motivation, increasing workplace productivity, and ensuring organizational success. They can be divided into two broad categories: material incentives and moral incentives (Armstrong and Taylor 2023). Both influence employee behavior, motivation, and job satisfaction differently. There needs to be an adequately balanced system of incentives with material and moral incentives for sustainable organizational achievement (Robbins and Judge 2018).

Both financial and moral rewards are essential tools for employee motivation and organizational success. While monetary rewards fulfill extrinsic needs and increase short-term productivity, moral rewards improve intrinsic motivation, commitment, and healthy workplace culture. Employee motivation, productivity, and overall job satisfaction could all be significantly improved by having an effectively balanced reward system with both forms of remuneration. Organizations can foster a culture where workers feel valued, engaged, and committed to common goals by learning and adopting these strategies (Gerhart and Rynes 2003).

Moral incentives boost job satisfaction, motivation, and long-term commitment, whereas material rewards serve to cater to the short-term needs of workers and their monetary welfare. Employee performance and motivation are improved according to studies when extrinsic and intrinsic rewards are combined (Cerasoli et al. 2014). To ensure that actions amongst employees contribute to performance overall, incentives should be structured so that they support the strategic goals of the organization (Kaplan and Norton 1996).

Effective incentives can be achieved by adjusting them to cater to individual needs and interests. As (Kooij et al. 2011) have contended, younger workers might list career growth possibilities as their number one priority, whereas older workers might list retirement pensions. In working to stay motivated and assured, workers must believe that the incentive system is equitable and transparent (Greenberg 1990). Continuously tracking the effectiveness of incentive programs and modifying them as needed based on feedback and shifting organizational imperatives (Lawler 2003).

According to (Gana and Bababe 2011), an incentive and payment strategy plays an imperative part when it comes to making employees keen to produce quality output and drive corporate objectives towards fulfillment. Giving incentives gives businesses a strong tool with which to motivate employees to work at their best and produce high-quality output. All of the researchers like (Arnolds and Venter 2007), (Pouliakas 2008), and (Pinar 2008) have all conducted extensive research on how employee behavior and business performance are affected by monetary and non-monetary incentives. Their studies show that properly designed incentive programs can have a big impact on employee motivation, engagement, and overall job satisfaction.

Organizations utilize a variety of remuneration methods to reward and acknowledge exceptional performance. These methods can be non-cash (e.g., reward plans, training programs, flexible work regimes, and a positive workplace) or cash (e.g., bonuses, pay raises, or share awards). Regardless of whether these rewards come in many different forms, they all have the effect of motivating staff to work above and beyond expectations in their jobs (Arnolds and Venter 2007).

While non-monetary rewards address intrinsic motivations and create a sense of purpose, belonging, and self-improvement, monetary rewards tend to be short-term motivators that fulfill extrinsic needs. Both reward mechanisms offer a balanced strategy for motivating employees, which makes them feel appreciated and enabled to contribute to the company's success. Organizations can build a high-performance culture that generates competitiveness and sustainable growth by tying incentives to organizational objectives (Bagobiri and Paul 2021).

2.2 FINANCIAL INCENTIVES

Financial incentives are used most frequently as performance-based interventions for increasing productivity, retaining employees, and accomplishing short-term and long-term organizational objectives. Although they have the potential to enhance performance directly, their lasting effects are most effectively achieved by being used with moral incentives as a complete motivational plan (Arnolds and Venter 2007), (Kooij et al. 2011).

Providing financial rewards to employees can also demonstrate to them that the organization appreciates their efforts, which can increase their loyalty and job satisfaction. Employees occupy a strategic role and position in any organization. They are responsible for converting input into productive outputs. Monetary rewards can be of various types, such as stock options, profit-sharing plans, performance-based bonuses, and signing bonuses. These rewards usually aim to pull in and hold on to superior performers and inspire them to put in their optimum effort (Reshika 2023).

By directly adding to their wealth, material, financial, or economic incentives are concrete, pecuniary, or economic incentives that seek to enhance the morale and contentment of employees. Extrinsically driven or being driven by incentives that come from outside sources rather than intrinsic satisfaction, is the primary focus of such incentives. The best method by which financial incentives should be provided is when they are seen as being fair, transparent, and aligned with what workers expect (Pfeffer 1998).

The cornerstone of employee happiness and motivation is a well-designed pay system. Competitive pay is comparable to an employee's job, level of experience, and worth to the organization. Employees are more productive and less inclined to look for other jobs if they believe their salary is fair and comparable to their market value and skill level (Milkovich and Newman 2008). Retaining talented workers and maintaining their motivation requires regular compensation changes based on tenure, experience, or job performance. Frequent and open compensation increases lower turnover and persuades workers to remain with the company. Workers will be more inclined to stay highly productive and committed if they notice financial development prospects within the workplace (Rynes et al. 2004).

One-time payments or regular financial rewards are frequently given for sales quota over-achievement, project completion, or superior performance. Bonuses provide employees with a clear and direct incentive to perform better by rewarding outstanding performance. Monetary incentives linked to performance are reported to foster motivation and attainment, especially in settings that prioritize outcomes (Gerhart and Rynes 2003). Offering wellness programs, company-paid medical care, and health benefits to staff is important in enhancing job satisfaction and reducing levels of stress. Complete health care makes staff feel safer and appreciated, and this enhances productivity and reduces absenteeism (Dulebohn et al. 2009).

Employers who offer corporate cars pay transport costs or offer commute benefits enabling employees to more effectively manage daily expenses. Especially where commuting costs are high, these types of benefits improve job satisfaction and lower stress about transport costs (WorldatWork 2020). Profit-sharing arrangements align the interests of employees with those of the company by offering them a direct interest in profitability. Workers who receive stock options or a portion of the company's profits feel more accountable and in charge, which results in long-term commitment and higher productivity (Kruse 1996).

In general, tangible incentives can be considered as one of the most effective factors in encouraging employees to work honestly when there are appropriate rates that meet the needs of the individual. On the contrary, low and unfair rates are a major factor in ignoring the required work and low productivity when the rates given do not meet the needs of the individual (Cerasoli et al. 2014). In addition, it is worth mentioning that tangible incentives are one of the old incentives that are both quick and immediate and instantly appreciate the efforts of the individual. Also, tangible incentives may be positive such as bonuses, assistance, promotions, and exceptional extra cash on the salary, or they may be negative such as depriving employees of bonuses and promotions or even reducing their salaries (Deci et al. 2017).

To satisfy employees' short-term financial needs and promote quick improvement in performance, monetary rewards are required. Long-term incentives, however, could not be maintained based on reliance alone on financial rewards. If the rewards decrease or fall short, employees driven by cash alone may lose interest at work. A combination of monetary and moral rewards a mix of chances for career advancement, workplace recognition, and positive company culture, therefore, forms an effective balanced strategy that the best motivating approaches should possess. Organizations can implement an integrated whole system of incentives for long-term employee commitment, loyalty, and happiness as well as short-term performance.

2.2.1 The Advantages and Disadvantages of Financial Incentives

Financial incentives are highly known to be an effective way of motivating employees and improving organizational efficiency. The environment, the nature of work, and individual situations all influence their effectiveness and implications. A detailed discussion of the pros and cons of financial incentives is presented below, supported by findings from relevant research and studies.

2.2.1.1 Financial Incentives' Advantages

Human beings are social, with an inbuilt need to establish and cultivate meaningful relationships with others. This includes in the workplace, where employees need to establish a connection not only with colleagues but also with the business. When employers recognize and appreciate employees for their work through rewards, it establishes a sense of gratitude, belonging, and emotional attachment. This affective bond provides a feeling of belonging between the organization and the employee, strengthening the relationship and causing the employee to identify more strongly with the company (Akinboade and Kinfack 2023), (Baumeister and Leary 1995).

Financial compensation, whether in the form of bonuses, salary increments, or performance-based pay, not only enhances employees' purchasing power but also significantly improves their quality of life and job satisfaction. By enabling employees to meet their personal and family needs more comfortably, financial incentives foster a sense of security and well-being. This, in turn, boosts their commitment to the organization and enhances their psychological health, creating a positive feedback loop that benefits both the employee and the employer (Jadallah 1997). Research by Herzberg, Mausner, and (Snyderman 1959) supports this notion, indicating that a secure financial situation reduces workplace stress and increases job satisfaction, thereby improving overall employee morale and productivity.

Financial incentives support goal congruence between firms and workers. Workers are more likely to focus their efforts on the strategic objectives of the firm when rewards are tied to concrete performance measures. This enables individual efforts to contribute directly to organizational success, resulting in a harmonized and goal-congruent workforce (Aldubekhi 1991). For example, performance-based incentives such as bonuses for achieving revenue targets or improving customer loyalty encourage employees to work on activities that contribute to the strategic goals of the company (Milkovich and Newman 2008). Not only does this enhance individual performance but also the achievement of broader organizational objectives.

Besides, social exchange theory provides a theoretical model for understanding the effects of incentives on the employer-employee relationship. According to this theory, workplace relationships are founded on a system of reciprocal exchanges, in which employees give their skills, effort, and commitment in return for rewards, recognition, and support from the organization. When employers provide rewards for good performance, they fulfill their part of this deal, reasserting a sense of fairness and reciprocation in the employee. This, in turn, inspires employees to repay with increased loyalty, effort, and dedication, which makes a cycle of mutual benefit positive (Cropanzano and Mitchell 2005).

The impact of incentives on loyalty and relationship development between employees is particularly evident in organizations that emphasize a positive and inclusive workplace culture. For example, *organizations that celebrate employee achievement through public recognition, team awards, or personalized incentives experience greater employee engagement and retention* (Gagné and Deci 2005). Not only do these practices strengthen the employee's emotional bond with the company, but they also build camaraderie and a sense of shared purpose among employees.

Organizational studies focus on highlighting that if the employees feel they are valued and appreciated, then they are also more likely to feel committed as well as attached to the owner of the establishment (Zhu and Raza 2021). Rewards, which can be money or other compensation, are tangible forms of praise, which notify the employees of their efforts being noticed and cherished. This recognition not only increases morale but also solidifies the employee's affective commitment to the company. As that commitment increases in intensity over time, employees become more likely to show increased loyalty and dedication, often extending their assigned job responsibilities in an attempt to ensure that the company prospered (Meyer and Allen 1991), (WorldatWork 2020).

Other than motivating current employees, competitive compensation packages also play a significant role in attracting and retaining quality employees. Competitive pay and benefits render an organization more appealing to highly skilled and educated workers, reducing turnover and the expense of recruiting and training new employees (Angari 1999). (Cappelli 2000) found that firms with well-structured financial reward programs experience reduced employee turnover and increased stability in their workforce. This stability also plays a critical role in guaranteeing operational efficacy and building a culture of continuity and trust within the organization.

Financial incentives also promote an outcome-oriented organizational culture. By compensating workers for the achievement of specific goals, organizations create a culture that values performance and progress. This kind of culture not only encourages workers to meet expectations but also challenges them to exceed expectations, encouraging innovation and excellence (Locke and Latham 1990). The establishment of performance objectives and providing financial rewards for their attainment provides a sense of purpose and direction, which can result in increased employee engagement and firm performance.

Financial incentives are a multifaceted tool that can inspire employee performance, enhance job satisfaction, and link personal efforts to organizational goals. With immediate and concrete rewards, these incentives stimulate employees to perform better, be more productive, and contribute valuable to the company's overall success. They also help recruit and retain quality employees, reduce turnover, and foster a culture of performance and continuous improvement. The empirical results of various studies underscore the importance of financial incentives in creating a motivated, stable, and high-performing workforce.

2.2.1.2 Financial Incentive Disadvantages

Financial incentives may make employees value short-term returns at the expense of long-term sustainability, even though they may bring immediate results. This may lead to overworking, burnout, and physical and mental health consequences (Al-Jahni 1998). The work of (Deci et al. 2017) emphasizes that extrinsic rewards may sometimes promote stress and decrease long-term motivation. Financial incentives at times overlook human circumstances, such as age, health, or domestic issues, which generate work imbalances and conflict. Social relationships and injustice can be a result of this in the workplace (Jadallah 1997).

Workers become bitter and dissatisfied if they believe rewards are not being equally distributed (Pfeffer 1998). In creative, quality-oriented, or service-delivery jobs where the numbers are not predominantly emphasized, economic rewards have minimal impact. For instance, scientific performance research, library work, security, and supervision duties cannot always be quantified in financial terms or associated with output metrics (Aldubekhi 1991), (Angari 1999).

Research reveals intrinsic motivation is increasingly important in the case of intellectual and creative work (Amabile 1996). The temptation to attain monetary incentives sometimes results in immoral behavior that is detrimental to an organization's culture and reputation, such as shortcuts, fabrications, or disregarding cooperation. Corporate corruption and scandals have been attributed to high-stakes monetary incentives (Gneezy Meier and Rey-Biel 2011). Employees may become accustomed to working only for financial rewards rather than personal fulfillment or a sense of purpose if they place too much emphasis on financial rewards, and this may undermine intrinsic motivation (Jadallah 1997). According to psychological research, creativity and long-term interest depend heavily on intrinsic motivation (Deci and Ryan 2000).

Some of the key benefits of money incentives include purchasing power, performance, and instant motivation. They also have key disadvantages in that they can only be used for certain tasks, inequalities, and possible health hazards. Organizations should pursue a balanced strategy that blends monetary incentives with non-money benefits like praise, possibilities for professional growth, and a quality working environment to achieve optimal effectiveness. This comprehensive approach addresses workers' long-term happiness and job satisfaction while enabling them to stay committed, motivated, and aligned with business objectives.

2.3 MORAL INCENTIVES

Moral incentives are abstract benefits that strengthen emotional and psychological fulfillment by focusing on appreciation and respect for workers' efforts. As opposed to money awards, which provide instant gratification, moral incentives motivate pride, loyalty, and inner drive, leading staff members to stay focused and committed to the company's success. By linking corporate objectives and personal aspirations, moral incentives have been proven again and again to be central to establishing long-term employee dedication (Deci and Ryan 2000). In addition to increasing job satisfaction, a well-designed moral incentive system establishes a culture of gratitude, teamwork, and ongoing improvement.

One of the strongest ethical motivators is to promote employees based on their performance and hard work. It is an investment in the future of the employees within the company as well as a reward for past success. Opportunities for skill development, career growth, and added responsibility are all provided through promotions, and these factors all have an impact on employee motivation and satisfaction (Armstrong and

Taylor 2023). Workers will be more dedicated and strive for excellence every day if they see a clear career advancement in the company.

Recompensing employees with formal programs like employee of the month awards, yearly excellence ceremonies, or public announcements in meetings motivates other staff to work on high levels and reinforces good tendencies. It is indicated through studies that as workers' performance and labor are reinforced publicly, their motivation would be significantly higher (Gagné and Deci 2005). Workers emotionally bond with the company more whenever they feel valued, and their job happiness as well as productivity increases. Allowing workers to have flexible work hours or more days off is a great method of rewarding their commitment. Apart from promoting morale, this incentive allows employees to gain a good balance between work and life, lowering stress and burnout. Organizations that highly value work-life balance have higher employee retention and productivity rates since the importance of well-being at work is on the rise (Kossek et al. 2014).

Creating a culture of respect, trust, and open communication ensures that employees feel valued and supported in their roles. A work environment that fosters inclusiveness, appreciation, and mutual respect contributes to higher employee engagement and collaboration, which are essential for long-term organizational success. When employees experience a positive workplace culture, they are more likely to contribute innovative ideas, support their colleagues, and remain committed to their roles (Robbins and Judge 2018)

The feeling of influence and relevance among employees increases when they are assigned serious responsibilities, leadership projects, or decision-making assignments. Employees assigned more responsibilities possess increased engagement and self-perceived efficacy, resulting in creative problem-solving and thinking. Employees become empowered if they have the authority to do so, making them more self-assured and willing to continue to improve their abilities and performance (Bandura 1997).

A corporate culture that invests in and respects its people is significantly shaped by moral incentives. Long-term employee loyalty, job satisfaction, and more substantial workplace relationships are all fostered by corporations that recognize and reward effort through non-financial incentives. Workers who are emotionally invested in their work and appreciated by their company are more inclined to go the extra mile and deliver innovative, proactive, and enthusiastic service to the success of the company. Businesses can build an employee base that is not only highly productive but highly engaged and committed as well by adding moral incentives to their overall motivational strategy. This will guarantee consistent performance and growth.

2.3.1 Research Models on Incentive and Employee Performance

Financial incentives are immediate by fulfilling extrinsic motivators like money and job security, but moral incentives promote long-term involvement by fulfilling employees' higher-order psychological needs of meaning, autonomy, and self-growth (Deci and Ryan 2000). The optimal method of obtaining long-term organizational performance is likely a carefully designed incentive system with both money and moral incentives. Money's impact and moral incentives on employees' performance are multidimensional and situational. Moral incentives tend to promote intrinsic motivation, long-term commitment, and improved performance. These include opportunities for growth and development in career, value of work, and acknowledgment (Pink 2009). Alternatively, monetary incentives like profit-sharing arrangements, rewards, and raises can maximize temporary job achievement and performance (Pouliakas 2008). Companies are required to create incentive plans that will speak to their objectives, staff composition, and talent pool so that they feel the highest degree of congruence between employee performance and organizational achievement (Arnolds and Venter 2007).

A business will be more successful in a competitive economy if it optimizes the use of the abilities and skills of its workers. To achieve this, researchers and management researchers have created conceptual models that are meant to increase worker competence, recognize high-performing employees, and harmonize business objectives with employees' desires (Gana and Bababe 2011). Alignment has significant effects on employee morale, performance, and dedication to organizational activities.

Regular studies indicate that successful companies use high-energy incentive systems that have a positive impact on employees' behavior, motivating individuals to work harder and adhere to corporate goals (Desa and Asaari 2020), (Abdullah et al. 2020). Beyond the monetary reward, for example, *reward schemes, career* *development opportunities, and suitable working conditions may foster an environment that encourages individual and organizational success. A proper blend of moral and monetary rewards, suited to the particular circumstances of the organization, can greatly improve workers' performance and facilitate sustained organizational success. Firms can maximize employee potential and stay competitive in their field by aligning staff goals with organizational goals and creating a culture of appreciation and progress*.

(AbuHaimed 2020) studied the impact of material and moral incentives on employees' performance at Nesma Holding Company in Jeddah. The study used the descriptive analytical approach, and the sample size was 60 employees from the company. Based on that, 60 questionnaires were distributed and all of them were returned, thus complete data collection. The study revealed that Nesma Holding Company has an effective incentive system that encourages employee satisfaction. Moreover, the study identified a significant positive relationship between employee performance and material incentives, and between employee performance and moral incentives, with the conclusion that incentives have a critical role in enhancing workforce productivity.

(Bagobiri and Paul 2021) studied the effect of incentive management practices on the performance of employees in telecommunications companies in the Kaduna metropolis. The study aimed to establish the effect of both monetary and non-monetary incentive management practices on employees' performance in telecommunications companies in the Kaduna metropolis. The study used a survey design method, collecting primary data from the respondents through a specially designed questionnaire. The target population of the research was employees from the head offices of four chosen telecommunication companies in Kaduna City which provide information about internet access and call network reception for calls from residents in Kaduna City. Since the sample size was estimated by employing the census sampling method, the sample for the study was a replica of the population. The major data of the study were collected by a self-administered questionnaire. The findings of the study illustrated that monetary and non-monetary incentive management strategies had significant effects on employees' performance in Kaduna City telecommunication companies. Based on the findings of the study, telecommunication firms ought to continuously review their existing financial and non-financial incentive management schemes and design new incentive programs to encourage employees to exceed their current performance levels.

(Reshika 2023) researched the effect of monetary incentives on the productivity of employees in the firm. Monetary incentives were one of the compensations that were thought to have a direct correlation with the performance of employees. With more revenues or incentives, employee performance improves. This encourages employees to meet targets and inspires them to work more. One of the most prevalent financial incentives that help workers in career development is a salary increase. The form of financial incentives employed by the company, such as commissions, bonuses, profit sharing, and stock options, are addressed in this study along with worker performance. For data collection from sample units of individuals that have been randomly selected, the current study applied a questionnaire survey method. The employees that are working are the ones completing this survey. Financial incentives and worker performance within the organization are related, as evidenced by the results. Financial incentives are the optimal method for inspiring worker performance, as is evidenced by the results.

(Muhammad and Muhammad 2023) investigated how the incentive system is affecting employees' performance in terms of its negative and positive implications. A sample of 118 General Company for Maritime Transport employees were chosen randomly to participate in the study. Structured questionnaires were utilized by researchers as instruments to obtain information and Statistical Package for Social Sciences (SPSS) for its analysis in line with an analytical methodology. In contrast with material incentives, the results demonstrated that moral incentives affected workers' performance much more significantly positively. Furthermore, both material and moral incentives did not impact staff performance negatively, which shows that no negative component of the system of incentives affected particular employees.

(Ihsanullah and Ihsanullah 2024) in their research examined the influence of motivational variables on employees' performance within the telecommunication sector. The researchers rendered their sample representative by obtaining data on a specific category of respondents using the method of stratified random sampling. 120 workers in Nangarhar's telecommunication industry were selected as the research subject, and the study compared the relationship between different motivating factors and how they affect performance. Employee performance and motivating factors were positively correlated, and motivating factors were correlated with improved employee performance. This is important as it shows the importance of effective motivating processes within the organization. To increase the effort and motivation of employees, intrinsic and extrinsic motivational drivers such as money, career development, rewards, and a pleasant working environment are required.

(Alshaghdali 2024) conducted an analytical theoretical study to investigate the role of incentives on employees' performance in the firm. The descriptive nature of the study was based on a literature review of some previous studies, both Arab and foreign, which explained the incentive concept in light of its importance, goals, techniques, and theories. The results showed that material incentives influence organizational employees' performance, i.e., the economic factor role for organizational members who may earn low wages. The performance of the employees in them is also influenced positively and ethically by moral incentives. This introduces the need for the company to sponsor the employees for numerous social issues, namely subsidization and sponsorship assistance, and how they influence the subject's morale and psychological health.

2.4 EMPLOYEE PERFORMANCE MODELS

The term performance is used to refer to the goals organizations aim to achieve through their employees, linking activities and goals via employees' tasks in organizations. That is, the activities, tasks, and roles of individuals that make up their work must be executed properly in consideration of the capabilities of competent employees to do so. Employee performance can be defined as the execution of various activities and tasks that make up their work (Anwar et al. 2015).

The performance of employees is among the organizational human resource development and management principles that are essential. The performance of the employees is to what extent the employees can perform the tasks of the job or how effectively they assist the company in achieving its goals. *Generally, employee performance is not merely the accomplishment of tasks but also the effectiveness with* *which the work is accomplished the quality, and the creativity. This concept is a vital link between organizational goals and individual effort* (Campbell and Wiernik 2015).

An orderly, integrated strategy of management and development is called for since workplace performance is a complex, multi-faceted issue. Organizations will succeed in the long term in the world economy at high speed if they place high on their agendas creating inspiring, development-promoting work cultures, possess strong performance management systems, and encourage an adaptive learning culture. *The capacity to effectively manage and improve employees' performance will continue to be a vital force behind organizational achievement as work continues to transform with the continually advancing technology and shifting employee expectations* (Cascio and Montealegre 2016).

Business organizations are better placed to manage the demands of today's business environment when they invest in organizational and individual performance improvement. Organizations can make their workers adaptable, engaged, and able to bring long-term success when they promote a culture of ongoing learning and development. *The synergy effect is also achieved when company and individual performance goals are aligned. This leads to a sense of purpose and involvement among workers, ultimately contributing to greater degrees of engagement and productivity* (Jyoti and Rani 2017). *Performance by employees is an integral part of organizational development and health and a gauge of personal contribution. The base for sustainable success in an increasingly changing world can be established by companies with an emphasis on improvement in performance on the organizational as well as personal levels* (Zhu and Raza 2021).

On a managerial level, employees' performance is how a competent and highly competent employee executes tasks and responsibilities in the workplace. In the improvement of staff performance, the management and staff must have a genuine and credible relationship. *Since performance reports hold important information to examine, comprehend, and quantify the competency of employees, they serve as the basis for development* (Abdullah et al. 2020), (Pradhan and Jena 2017).

(Aguinis 2019) observed that in this situation, employee performance is both what individuals do and what occurs as a result of what they do. It considers employees' efforts and contributions towards the success of the company, not just what they deliver. The overall perception of an individual employee about their job and influence within the company is reflected in their performance. (Al-Saidi et al. 2013) argue that, although job descriptions or employment contracts indicate, employee performance also entails the utilization of talents, abilities, and motivation to accomplish certain tasks. Moreover, employees usually engage in extracurricular tasks outside their actual responsibilities, such as helping new employees and offering innovative ideas, further improving organizational performance (Schoorman et al. 2007).

Employee performance is a complex construct that relies on willingness as well as the capacity to work, as postulated by (Latham and Pinder 2005). Although the capacity to work including skills, knowledge, competencies, and physical and mental preparedness is certainly vital, it is not independently able to ensure maximum efficiency. Equally vital is the willingness to work, whose principal motivator is motivation. The interlink between capability and motivation is the basis of employees' performance, and as such, organizations must recognize and promote this connection to create a high-performance workforce (Aslam and Latif 2020).

One of the key determinants of an organization's long-term success and competitive edge is employee performance. To properly respond to the needs and challenges of the market, Organizations must accord high priority to enhancing employee performance in today's fast-changing business environment, which is marked by uncertain technical innovations and shifting environmental conditions (Barney and Wright 2020). Improving employee performance promotes organizational development and guarantees adaptability in a more competitive and dynamic environment (Aguinis 2019).

There are two levels at which the development of company performance may be controlled: organizational and individual. At the organizational level, performance development means establishing processes, frameworks, and cultures to promote cooperation, creativity, and effectiveness. This includes undertaking strategic initiatives that support the company goals, such as training schedules, leadership growth frameworks, and systems of performance management (Jung and Avolio 1999). Individual performance enhancement aims to improve the abilities, motivation, and competencies of employees. Tailored training, mentoring, and incentive systems that enable employees to realize their full potential can help achieve this (Jabeen 2017).

The actions undertaken by individuals or groups working in an organization that produces qualitative and quantitative outcomes are referred to as employee performance (Robbins and Judge 2017). One type of performance is any action aimed at improving the business operations of the organization. Employees must be strategically involved in all organizational assignments to guarantee excellent performance (Raineri 2017). Performance consists of the output that the workers produce as a result of their work, which is motivated by their knowledge and skills. Employee performance in an organization is a merge of their abilities, skills, and efforts; this brings forth production and advancement of the organization's objectives.

An individual's skills, knowledge, and competencies certainly constitute the foundation of their performance capacity. These constantly change as a result of training, education, and learning through experience (Noe et al. 2021). Though formal education equips employees with the theoretical understanding necessary for a given job, on-the-job training and ongoing professional development programs allow them to keep improving their skills and adjust to changing needs in the workplace.

(Besides Kolb's 1984) experiential learning theory highlights the fact that direct experience is a critical factor in developing problem-solving abilities and decision-making capability. Organizations can develop a setting whereby employees not only perform at their optimum level but also stay committed and interested in further development through fostering motivation and competency development (Akinboade and Kinfack 2023). Physical and mental preparedness are also essential elements of an employee's ability to work. Physical preparedness includes general health and energy levels, both of which have a direct impact on an individual's ability to work efficiently. Physically healthy employees are likely to have higher stamina, less fatigue, and more resistance in stressful working conditions (Alhashedi 2021).

On the other hand, mental preparedness involves such key mental capabilities as concentration, memory, and emotional control, all of which are required for effective work performance (Hobfoll 1989). Well-prepared mentally, employees can better cope with stress, stay focused, and make good decisions in difficult situations. Psychological and physical preparedness can significantly be enhanced by organizations that accord high importance to employee health in the form of work wellness campaigns, stress elimination programs, and health drives (Ryan and Deci 2000). Employers can enhance overall performance at the workplace among workers, and improve job satisfaction, performance levels, and organizational performance by nurturing a healthy organizational climate that advocates psychological resilience as well as an active way of living.

Whereas the work capacity provides the foundation for work, a willingness to work compels employees to optimize their skills and knowledge. Motivation, by (Ryan and Deci 2000), refers to the psychological energy that energizes, facilitates, and prolongs behavior for the achievement of organizational goals. Motivation is a complex idea fueled by both intrinsic and extrinsic motivations (Akinboade and Kinfack 2023). Intrinsic motivation is derived from the internal self and is powered by personal satisfaction, interest, or a sense of accomplishment. For example, *a worker who finds meaning in his work or enjoys the challenge it presents tends to be intrinsically motivated* (Deci and Ryan 2000). Extrinsic motivation is powered by external stimuli such as pay, bonuses, promotions, or complements. While extrinsic rewards can function, in the short term, empirical research suggests that intrinsic motivation is more resilient and yields higher levels of involvement and satisfaction (Gagné and Deci 2005).

The relationship between the capacity to work and the willingness to work is not one way but reinforcing and dynamic. A highly capable but unmotivated worker (high capacity but low willingness), for instance, may work below expectation, while a moderately capable but highly motivated worker may work beyond expectation. This indicates the necessity to address both sides simultaneously to optimize the performance of employees (Aslam and Latif 2020).

Organizations can optimize this interaction by building an enabling work environment that stimulates both skill acquisition and motivation. For example, *providing opportunities for continuous learning and career advancement can optimize an employee's motivation to work, whereas reward and recognition can optimize their ability to work* (Garbers and Konradt 2014), (Pfeffer 1998). *In addition, the encouragement of an autonomy culture, in which workers are permitted to determine* *how they perform their work, can foster intrinsic motivation and lead to higher engagement* (Cerasoli et al. 2014).

To gain optimum employee effectiveness, organizations need to adopt a holistic approach that is designed to address the ability as well as the motivation to work. *Employees' ability to work can be enhanced by systematic training and development activities and access to learning resources that enhance their competencies and knowledge* (Noe et al. 2021). Physical and psychological well-being programs, such as employee wellness initiatives and flexible working practices, can enhance employees' willingness to perform their work (Hobfoll, 1989). Using recognition programs, career development, and the generation of purpose can enhance employees' willingness to work (Gagné and Deci 2005).

Furthermore, extrinsic and intrinsic motivation can be increased by promoting open communication, autonomy, and the establishment of a trusting culture. Although the quality of being capable of working is a significant determinant of whether an employee will succeed, encouraged motivation to work should be ensured. Organizations can achieve maximum efficiency and service/ production by addressing both sides and establishing a workforce that not only is informed and talented but also highly motivated and engaged.

2.4.1 Significance of Employee Performance

Employee performance is a cornerstone of organizational achievement for several compelling reasons. High-performing employees drive the achievement of key organizational objectives, such as revenue expansion, enhanced customer satisfaction, and improved operational effectiveness. (Campbell and Wiernik 2015) point out that employee performance forms a critical link between individual tasks and institutional objectives, ensuring the effective execution of organizational strategies. *Effectiveness and efficiency in employee performance have a direct relationship with productivity enhancement, and this translates into real organizational benefits* (Zhu and Raza 2021), (Huselid 1995) argues that organizations with a highly qualified workforce experience robust productivity and financial performance improvements, reflecting the direct impact of human capital on organizational performance.

Employees' performance is of specific importance in the administrative process because performance is increased by applying incentive policies as a way of influencing administrative bodies to work with energy and dynamism, and to prompt managers to follow up on their subordinates' tasks and responsibilities continuously, which motivates the subordinates to perform efficiently, and this is reflected in their employee performance (Abdullah et al. 2020), (Aslam and Latif 2020). *Employee performance is the level of attainment and accomplishment of the work that constitutes an individual's job and indicates how well the individual performs to meet the job requirements, as employee performance is of utmost significance to different institutions through the maximum utilization of their strengths and human resources so that the institution becomes developed and handles all the variables efficiently that crop up while doing work* (Akinboade and Kinfack 2023).

Employee Performance is also understood to be the main axis upon which the actions of managers orbit, as it is the most critical goal of the organization, as the efficacy of the performance of any organization and in any sector depends upon the efficacy of the performance of its human assets, which are supposed to execute the given duties with all efficiency, and for organizations to ensure this, the department of human assets within them executes a crucial and complicated function at the same time, which is the function of evaluating employees (Pradhan and Jena 2017).

Besides financial outcomes, better employee performance brings about employee engagement and job satisfaction. Workers whose work has value are more active and committed to their workplace. (Harter et al. 2002) found a notable correlation between employee performance and job satisfaction, highlighting the significant contribution of performance towards creating a positive and satisfying working environment. Also, a high-performing workforce raises the reputation and long-term competitiveness of an organization.

Employees who consistently deliver high-quality products and services create long-term market differentiation. (Barney and Wright 2020) views human capital more precisely, employee performance as a valuable strategic asset enabling organizations to attain sustainable competitive advantage. Put briefly, employee performance is not only key to the realization of short-term business goals but also paramount in creating a motivated workforce and developing a long-term strategic edge in a competitive business world (Alhashedi 2021).

2.4.2 Determinants and Factors Affecting Performance

Motivation, a key component of employee success, is influenced by internal and external factors. Extrinsic motivation is controlled by reward or punishment delivered by others, but intrinsic motivation is governed by the internal satisfaction that is obtained from the work itself (Gagné and Deci 2005). *Unlike controlled motivation, which is based only on external sources, contemporary research based on self-determination theory demonstrates that facilitating autonomous motivation where workers internalize organizational values and goals leads to more sustainable, high-quality performance* (Deci et al. 2017). Long-term productivity and employee engagement can be facilitated by developing a work environment that honors relatedness, competence, and autonomy.

Job satisfaction of employees also has an impact on their performance. Employee commitment and participation in company goal attainment increase when they are satisfied with their job and employers (Harter et al. 2002). Intra-organizational socialization, making workers integrated and active agents, is a significant factor in increasing performance and success in companies (Can et al. 2009). Healthy socialization supports cooperation among workers, thereby enabling smooth operation, healthy debate, and unity at work. Managers ought to develop an environment that supports organizational sociability practices and social relationships since organizational sociability is not acquired (Pradhan and Jena 2017).

Employee performance is a complex phenomenon that includes work achievement, creativity, flexibility, and contextual adaptability. It is the source of competitiveness, motivation, and productivity by acting as a necessary bridge between effort at the individual level and organizational performance (Garbers and Konradt 2014). Organizations can design effective interventions that improve employees' competencies when they have an overall grasp of the drivers of performance, including organizational and environmental variables and characteristics of individuals. Several internal and external variables interact dynamically with each other to affect work environment performance. Declarative knowledge (also known as report knowledge), procedural knowledge, expertise based on skills, and motivation are notable internal drivers of performance (Cerasoli Nicklin and Ford 2014). External factors such as organizational support and the working environment are equally important in making performance easier or more difficult to achieve. Understanding these determinants is critical for organizations to achieve maximum employee productivity, job satisfaction, and overall organizational performance (Aslam and Latif 2020).

2.4.2.1 Internal Determinants of Performance

Report knowledge refers to theoretical familiarity with a task, such as facts, fundamentals, objectives, and job prerequisite knowledge. It is typically identifiable through written testing, such as paper-and-pencil testing or report presentation. It is basic and occasionally acquired through educational background, instruction programs, or personal study. Report knowledge entails being familiar with the “what” and “why” of a profession, such as organizational goals, professional standards, and procedural rules. For example, an employee in a healthcare setting must be familiar with medical vocabulary, patient care rules, and legislation. Standardized tests, examinations, or written reports are commonly used to establish an individual’s understanding of theoretical concepts. Declarative knowledge (a report knowledge component) has been designated as a leading predictor of performance on the job by (Kraiger Ford and Salas 1993) for technical skill or rule-following job positions.

Declarative knowledge provides staff with the foundation they require to perform and decide efficiently (Kraiger et al. 1993). Moreover, cognitive learning theory states that the accumulation of theoretical knowledge enhances problem-solving ability and workplace flexibility (Anderson 1982).

Procedural and skill knowledge implies knowledge of putting job activities into practice. It combines cognitive awareness with physical or technical action, typically requiring physical and mental faculties. Procedural knowledge is action-based and involves “how to” things efficiently. Problem-solving, decision-making, and critical thinking fall under the relevant cognitive competencies required across industries. Physical or technical skills such as operating equipment, coding, or performing surgery. In addition to this, the desire to apply knowledge and skills effectively in everyday contexts.

Procedural knowledge is usually measured through practice tests, simulations, or job performance tests. It is suggested by (Anderson 1982) that procedural knowledge is acquired through repeated practice and experience and plays a central role in the acquisition of tasks. Additionally, (Schmidt and Hunter 1992) highlight the significance of cognitive as well as practical skills in job performance prediction in a variety of industries. They discovered that general intellectual capacity, with the development of practical skills, leads to increased job performance. This conforms to experiential learning paradigms which posit that learning by doing enhances information retention and skill level (Kolb 1984).

Motivation is a critical determinant of performance, such as the will to work on a task, effort exerted and resolve to continue despite challenges. Motivation is a multifaceted term to which intrinsic and extrinsic factors make input namely intrinsic motivation is an individual drive fueled by inner satisfaction, curiosity, or a sense of accomplishment. In addition, extrinsic motivation is an external reward, such as pay, praise, or promotion. Persistence is also the capacity to sustain effort over extended periods, even when faced with challenges or setbacks.

Motivation can be assessed through self-report questionnaires, behavioral ratings, or performance measures. (Deci and Ryan’s 1985) Self-Determination Theory (SDT) emphasize the role of intrinsic motivation in creating high performance and job satisfaction. According to their research, employees who feel inherent pleasure and significance in their work are more productive and committed. Similarly, (Locke and Latham’s 2002) Goal-Setting Theory also focus on the importance of specific goals and feedback in sustaining effort and motivation. Based on their study, workers perform better when they have specific, difficult goals and ongoing feedback. Furthermore, reinforcement theories indicate that positive reinforcement such as rewards and praise increase motivation and long-term commitment to tasks (Skinner 1953).

2.4.2.2 External Determinants of Performance

Organizational support refers to the availability of resources, equipment, and assistance by an organization to enable employees to perform their work effectively. This includes access to training programs, mentorship, technological tools, and supportive management. Performance is influenced directly by employees' perceptions of how much the company cares about their welfare and appreciates their effort, as proposed by perceived organizational support theory (Eisenberger et al., 1986).

According to a study by (Eisenberger et al. 1986), the perceived organizational support is positively related to employee motivation, job satisfaction, and performance. When employees are supported, there is a great likelihood that they will work up to their abilities and achieve enhanced levels of production. Performance improvement in organizations may be achieved by investing in workers' development opportunities, providing factual examples, and establishing a rewards and recognition culture.

According to the goal-setting theory, performance is improved by specific, difficult goals instead of easy or vague goals (Locke and Latham 2002). Cognitive ability, personality, emotional intelligence, and learned skills are only a few examples of *the abilities and traits of a person. The significance of human traits to match the demands of the job and the culture of an organization is highlighted by person-job fit and person-organization fit theories* (Kristof-Brown et al. 2005). Role ambiguity, psychological empowerment, and job clarity are all work perception dimensions. Psychological states influence work outcomes according to the job characteristics model, wherein work outcomes are influenced by critical job attributes such as autonomy, feedback, task identity, task relevance, and skill variety (Hackman and Oldham 1976).

Transformational leadership, in particular, has been found to increase employee performance by motivating and encouraging staff to perform beyond expectations (Bass and Riggio 2006). Performance is also greatly increased by good performance management systems, including regular feedback and development opportunities (DeNisi and Murphy 2017). Availability of the right tools, equipment, and technology is essential to attain peak performance. Perceived ease of use and perceived utility influence technology acceptance and successful use in improving performance, as the Technology Acceptance Model (TAM) hypothesizes (Davis 1989).

The work environment has both the physical and psychosocial circumstances under which employees work. Examples of *factors under this include ergonomic* *working environments, workplace safety, workplace culture, and workplace relationships. A good work environment promotes creativity, teamwork, and health, all of which contribute to improved performance.* However, a bad or unhealthy work environment can yield stress, burnout, and decreased productivity. Organizations can strengthen the work climate by promoting work-life balance, and safety in the workplace, and creating a respectful and inclusive culture.

Moreover, understanding the determinants of individual performance allows organizations to develop targeted interventions that address both internal and external factors. For example: *Tailored training programs can enhance report familiarity and procedural skills, allowing employees to be well-equipped to perform their work. Reward systems, recognition programs, and career progression opportunities can boost employee motivation and commitment. Work-life balance, mental health, and professional development policies can offer a conducive environment for sustained high performance*.

Organizations can foster a harmonious environment that creates motivation, optimizes performance, and facilitates long-term success by efficiently managing such extended variables. An acknowledgment of employee performance as a dynamic construct influenced by an interrelationship of multi-aspect organizational, environmental, and human factors is essential. To thrive in today's competitive market, a multi-aspect model of managing performance that addresses classical and modern insights is necessary. Future studies may investigate how newer work arrangements, including telecommuting and the gig economy, affect determinants of performance, how artificial intelligence works in performance management, and how performance drivers differ across cultures.

2.4.3 Dimensions of Employee Performance

Employee performance is multi-dimensional and more than task accomplishment. It involves a myriad of tasks and skills that come together to make an organization successful. The four core aspects of employee performance task performance, contextual performance, adaptive performance, and proactive performance are now all included in the broader definition of performance. According to (Griffin et al. 2007), this multifaceted perspective recognizes the significance of actions that promote the organizational, social, and psychological environment in addition to the capacity to adjust to shifting work circumstances. Agility and flexibility are now essential elements of employee success in the context of quickly changing corporate contexts. Employees who can handle uncertainty, welcome change, and support organizational resilience are becoming more and more valued by organizations (Sherehiy and Karwowski 2014).

The most important expectations and responsibilities attached to a particular job position are referred to as task performance. It encompasses on-time, accurate, and quality performance of tasks. The customer satisfaction rate or the number of deals closed could be a measure of the job performance of a representative. Task performance is the easiest to measure out of all the employees' contributions to firm objectives. It is the foundation of both corporate success and individual productivity (Akinboade and Kinfack 2023).

Task performance is the skill with which workers conduct tasks that are direct input to the technological core of the company. These tasks must be done to realize certain organizational objectives and are typically spelled out in job descriptions. Task performance, like making products, providing services, or completing projects successfully, is usually quantifiable. To meet project deadlines, an application programmer writes quality code. Meeting monthly sales quotas as a salesperson (Borman and Motowidlo 1997). A teacher who improves student performance through engaging instruction. As it has a direct influence on the working efficiency of the organization and its capacity to deliver products or services, task performance is vital. High task performance guarantees that the technological core is run smoothly so that the firm attains its goals.

Task performance is a significant aspect of overall work performance and is, above all, related to organizational results, (posit Motowidlo and Van Scotter 1994). Organizational citizenship behavior (OCB), or contextual performance, is the name for selfless acts that are more than one must do but are beneficial to the organization as a whole. Helping other employees, contributing to company projects, and creating a positive work environment are just a few. Long-term success depends on teamwork, collaboration, and company culture, all of which are supported by contextual performance.

Contextual performance improves organizational efficiency by establishing an environment of positive and cooperative workplace culture (Organ 1988). The capacity of an employee to adjust to new situations, learn new things, and cope with unexpected problems is known as adaptive performance. This aspect is especially crucial in dynamic and fast-changing industries (Schoorman et al. 2007). Those actions that support the organizational, social, and psychological environment in which the technological core works are referred to as contextual performance. While task performance is necessary for executing tasks, these kinds of actions are needed to encourage teamwork and ensure a positive workplace culture even if they are not strictly required for the job, offering to assist coworkers with their tasks (Pradhan and Jena 2017).

(Carvalho et al. 2020) also indicated that encouraging is a contextual performance that good working relationships as a description of organizational citizenship, also guiding new employees or engaging in team-building exercises. Team performance, employee morale, and overall organizational performance are all boosted through contextual performance. In addition to instilling a feeling of commitment and belonging, it provides an enabling environment that helps the employees complete their tasks quickly (Raineri 2017).

Adaptability is required to sustain productivity and competitiveness in today's fast-paced work environment. Adaptability is one of the most reliable predictors of achievement in unpredictable and dynamic work settings (Pulakos et al. 2000). Adaptive performance refers to the employee's ability to adapt and function effectively under new or changing conditions and demands. Adaptability is crucial in today's changing business world to manage technological advancements, market fluctuations, and organizational changes.

According to (Robbins and Judge 2017), obtaining new software or tools to augment the work process is adaptive performance. Apart from acclimating to a shift of job or duty after being promoted. Sufficiently managing emergent threats as well is also a measure of adaptive performance, such as a project scope revision. Adaptive performance keeps workers productive and effective despite change. It is particularly beneficial for industries that are vulnerable to rapid innovation or disruption because it allows companies to remain competitive and resilient (Abdullah et al. 2020).

Innovative performance is the development and application of new ideas, practices, or solutions that improve organizational outcomes. It gauges a worker's innovativeness and inclination to break the rules of the existing order. Innovation results in organizational advancement and keeps companies ahead of the competition. Creative performance is required to attain long-term competitive advantage, according to (Janssen 2000). It has been contended that modern concepts of performance should include (Pulakos et al. 2000). In addition, (Collins and Parker 2010) mentioned that self-driven, forward-looking behaviors designed to enhance work environments or individual growth are referred to as proactive performance.

Well-performing employees who work proactively take the initiative, look ahead to potential problems, and look for ways to enhance their contribution to the company. For instance, initiating new ideas or methods for enhancing processes. Also, obtaining further education or qualifications to upgrade one's skills, detect possible risks, and establish contingency plans. Innovative performance generates innovation and ongoing improvement in the firm. It encourages initiative culture and forward thinking that serves individuals and the firm as a whole by giving employees autonomy over their work (Aguinis 2020).

2.4.4 Empirical Research on Employee Performance

Employee performance is the most significant area of research, especially in management and business studies. In this regard, researchers have centered on the role of employee performance in various fields, some of which will be examined in this section. In research, (Dessler 2020) revealed that employee performance has generally been rated to be one of the determinants of organizational achievement, and it is among the most important sites for managerial action in every sector. It is also the foundation on which organizational efficiency, productivity, and competitive advantage are built. As indicated by (Aguinis 2019) how employees perform their assigned duties has a direct correlation with an organization's ability to achieve its strategic objectives and remain market-relevant in a more competitive globalized economy. High performers not only guarantee operational effectiveness but also innovation, customer satisfaction, and profitability, thereby rendering employee performance an important organizational performance driver.

(Anwar et al. 2015) showed through their research that to ensure employees perform at the highest level, organizations need to accord the greatest concern to performance appraisal as part of their HRM functions. Appraisal is an extremely vital and complex activity, which evolved gradually to develop as a professional undertaking with clearly cut rules and principles. This activity is typically overseen by competent staff using scientifically and objectively determined criteria while assessing the performance of employees. Performance assessment provides timely feedback to HRM, which enables managers to make informed decisions regarding training, development, promotion, as well as other HR activities. By matching performance assessment with organizational objectives, HRM can better guide employees toward organizational objective achievement.

(Dahkoul 2018) conducted a related study in Jordan within the context of employee performance, which was particularly in the industrial sector. The research was about employee satisfaction, management practices, and training effects on employee performance and the moderating role of employee engagement. Dahkoul employed the survey method and collected empirical data using the questionnaire administered to 100 administrative and executive managers. The research identified that employee satisfaction, management standards, and training are critical factors that influence the performance of employees. These factors enhance the commitment and engagement of employees and therefore lead to improved performance outcomes. The research stresses the importance of developing a positive workplace culture, adequate training, and high management standards for enabling the performance of employees.

As stipulated by (Desa and Asaari 2020), employee performance is a top agenda for managers since it is the determiner of achieving organizational objectives. Any public or private organization counts on its human resources to perform. Employees in this context are assigned the role of performing the work of getting the work done effectively and efficiently, and their performance is what makes the organization successful. If employees perform optimally, then the organization is likely to accomplish strategic goals, overcome changes in the market, and maintain a competitive edge in business lines. Researchers also mentioned that high performers provide innovation, operating efficiency, and customer satisfaction, which are requirements for sustaining long-term growth and profitability. It is not simply a managerial privilege, therefore, to design an organizational setting that inspires, constructs, and retains talent, but a strategic imperative for the success of an organization.

(Abdullah et al. 2020) also conducted research to identify the impact of information systems on enhancing the performance of academics in academia. The researchers employed a sampling approach for data collection from academic experts, and finally, 305 valid questionnaires were received. The responses were analyzed using partial least squares (PLS) analysis, which is a robust statistical technique that is suited for testing complex relationships among variables. The findings showed that information systems are key in contributing to academic members' performance enhancement. Specifically, bringing technology tools and systems on board was reported to mechanize operations, enhance the accessibility of key information, and facilitate communication, and cooperation between lecturers. All these do not just boost productivity levels individually but, ultimately, lead to an increase in the entire academic institution's efficiency and efficacy levels. The research emphasizes using information systems as an enabler to maximize employees' performance, particularly in knowledge environments like academic institutions, where prompt access to information and effortless collaboration are keys to success.

Ultimately, employee performance is a critical component of organizational success that impacts efficiency, productivity, and competitiveness. The study of (Dahkoul 2018) and (Abdullah et al. 2020), among others, highlights the crucial impact of factors like employee satisfaction, financial and moral incentives, management norms, training, and information systems towards enhancing performance. The role of HRM in measuring and coordinating workers' performance following organizational objectives also has a critical impact. By putting these factors first, organizations can create a high-performing culture that drives innovation and ensures long-term success.

2.5 HYPOTHESES DEVELOPMENT

Vast studies have tried to establish the relationship between remuneration or financial incentives and the performance of employees in business organizations including telecommunications. (Garbers and Konradt 2014) showed that financial incentives had different levels of efficiency concerning different task types in different organizational contexts. This finding further underlines the complexity of designing incentive systems in that one-size-fits-all does not work; rather, incentive strategies have to be fitted with specific task requirements and a wider organizational environment if their impact is to be maximized. (Jenkins et al. 1998), in a meta-analysis, illustrated that such monetary rewards correspond with positive performances. However, their findings indicated that such strengths of financial incentives also rely on the specific setting and precisely how the reward system is framed and implemented.

The fact that, to some limit, financial rewards can enhance performance, but very high financial rewards tend to yield eventual diminishing returns also appears from the study by (Gneezy and Rustichini 2000). Their work has highlighted the importance of designing compensation strategies that balance their design carefully to avoid negative effects associated with over-incentivization. Together, these studies suggest the importance of a sensitive and contextual approach to planning incentives. According to (Aguinis et al. 2020), additional inducements assist objectives in areas where there is already a personal goal alignment. The influence of incentives comes to the fore in practical ways when they are seen to be fair and, hence, delivered transparently and equitably. Employee perceptions that the distribution was unfair, opaque, or even against their beliefs and ideals will make them fail. Based on the above theory and evidence the following hypothesis is proposed:

H1: *Financial incentives have a significant positive impact on employee performance*

Moral incentives include those factors that have a close relationship with the culture of an organization and the internal work environment, thus helping improve intrinsic motivation. Moral incentives should ensure long-term benefits in improving employee performance, satisfaction, and engagement by focusing on other than monetary aspects, such as recognition of individual contributions, a sense of belonging, ethical practices, and fairness in the work environment.

(Amabile 1993) deals with the interactive relationship between intrinsic and extrinsic motivations, even to the point of asserting that even moral incentives-which are especially effective in enhancing intrinsic motivation also be vulnerable to the presence and form of extrinsic rewards. Similarly, (Harrison and Kessels 2004) conducted research on remuneration and reward systems in telecommunication companies and came up with the same conclusion that the optimal mix between financial and moral incentives results in the best outcome regarding employee satisfaction, participation, and performance. The following hypothesis was put out in light of the theory and supporting data mentioned above:

H2: *Moral incentives have a significant positive impact on employee performance*

(Akinboade and Kinfack 2023), explored the interactions between financial and non-financial incentives in the telecommunications industry, demonstrating quite different impacts on the issues of employee motivational level. They found out in their research study that while financial incentives trigger employees for a short period, the non-monetary ones, comprised of job satisfaction and recognition, provide long-term motivational factors in their performance. (Khan and Iqbal 2022) investigated the effects that financial and moral incentives had on employee motivation at telecommunication companies. Their findings indicate that financial rewards enhance sales performance and the achievement of short-term goals, while moral incentives, which involve career advancement opportunities, have a greater impact on overall job satisfaction. (Ghaffari and Abolhasani's 2022) research on how the synergistic impacts of combining bonus-type financial incentives with recognition-and-trust-type moral incentives could help enhance the productivity of workers in telecommunication firms. They have indicated the critical importance of an integrated, well-aligned incentive system in optimizing employee motivation to result in better performance.

(Zhu and Raza 2021) studied the effects of financial and moral awards on employees' performance in the telecommunication industry. They reported that monetary rewards have a direct and traceable influence on performance outcomes, whereas moral rewards play an important role in enhancing employee well-being and fostering overall organizational commitment. (Aslam and Latif 2020) indicated that financial and moral incentives had contrasting roles to play in developing the motivational levels of employees. They showed that financial incentives have a more specific impact on improving short-run performance metrics. On the other hand, moral incentives are necessary to develop long-term motivation, ensure the resiliency of performance, and prevent the occurrence of employee burnout. Based on the above theory and evidence the following hypothesis is proposed:

H3: *A combination of financial and moral incentives enhances overall employee performance more effectively than either type of incentive alone*

Monetary awards have a bigger reception among lower-ranking employees. In contrast to the senior-level ones, because generally, frontline workers emphasize more practical, tangible fiscal benefits, senior workers value moral incentives like appreciation, meaning, and ethical harmony as rewarding (Deci and Ryan 1985). From personal experience, it is noted and logically corresponding with the self-determination theory that volition caused by an internal reward system based on ethical appraisal and social attention causes immediate motivation; still, simultaneously favors the long-run development of results. Employee's roles and levels in organizations moderate the outcome of financial rewards. (Rynes Gerhart and Minette 2004) examined pay as motivators. They present evidence of the huge variations that exist across employee groups and contingencies for the motivational functions of pay. Similarly, Trevor, (Reilly and Gerhart 2012) studied pay dispersion, along with some of its consequences, such as the function of performance from pay dispersion across various organizational levels, thus showing specificity in pay structures relative to roles or positions in hierarchies.

Indeed, moral incentives may prove more permanent in their effects on employee performance than material ones. Thus, Gneezy and Rustichini 2000 showed that, under particular conditions, offering monetary awards may even reduce performance since, under particular conditions, there exist non-monetary reasons for people to perform worse. Similarly, (Grant and Berg 2011) have also focused on prosocial motivation, which is linked with moral incentives, to guarantee sustained performance and increase the well-being of employees. They used intrinsic drivers and altruism as a driver in the workplace.

H4: *Moral incentives have a more sustainable impact for the long term on employee performance than financial incentives.*

H5: *The effectiveness of financial and moral incentives varies based on employee roles and characteristics.*

CHAPTER III
RESEARCH METHODOLOGY

To experimentally analyze the impact of financial and moral incentives on employee performance in organizations, this chapter explains the study's methodology, using a quantitative empirical method based on data collected via surveys. The numerical analysis is used, and tables and figures are employed in presenting the findings. From this perspective, this chapter also elaborates on data sources, statistical population, sampling, measurement on a scale, and other relevant methodological concerns. Additionally, the second part talks of primary analytical processes like validity and reliability tests, factor analysis, and data analysis processes utilized for checking the measurement model of the research.

3.1 DATA COLLECTION

Data collection instruments included a structured questionnaire designed to gather quantitative data on participants' the impact of financial and moral incentives on employee performance within organizations.

3.2 DATA ANALYSIS

Data analysis involved descriptive statistics such as frequencies, percentages, and measures of central tendency to analyze survey responses using Spss version 26. Statistical methods such as correlation analysis and regression modeling were employed to examine relationships between variables and identify financial and moral incentives on employee performance within organizations

3.3 VARIABLES OF RESEARCH

3.3.1 Dependent Variable

Financial Incentives: Periodic rewards encourage employees, and companies provide transportation allowances for employees, linking promotions and advancement in jobs, which becomes beneficial to employees' interests within organizations

3.3.2 Dependent Variable

Moral Incentives: Appreciation and praise serve as an additional motivation for performance, and their periodic renewal is essential for maintaining their motivation at work. The benefits of participating in training courses to enhance employee performance at work.

3.3.3 Independent Variable

Employee Performance is represented through training programs that help employees prepare for modern work methods, and employees possess the necessary knowledge related to the tasks they are assigned. Incentive systems and applied rules contribute to achieving work efficiency and effectiveness.

3.4 RESEARCH FINDINGS

In this chapter, the results will be explained after being processed by the SPSS version 26 software by the researcher.

Distribution Of the Study Gender

Table 1: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	176	53.7	62.9	62.9
	Female	104	31.7	37.1	100.0
	Total	**280**	**85.4**	**100.0**	

Table 1: displays the distribution of participants according to their gender, with data obtained from a sample of 280 respondents. Among them, 104 identified as females, 176 as males. The researcher notes that our society has customs, traditions, and norms that restrict it, which is why the percentage of males working in organizations and government agencies is higher than that of females. Figure 1: illustrates this.

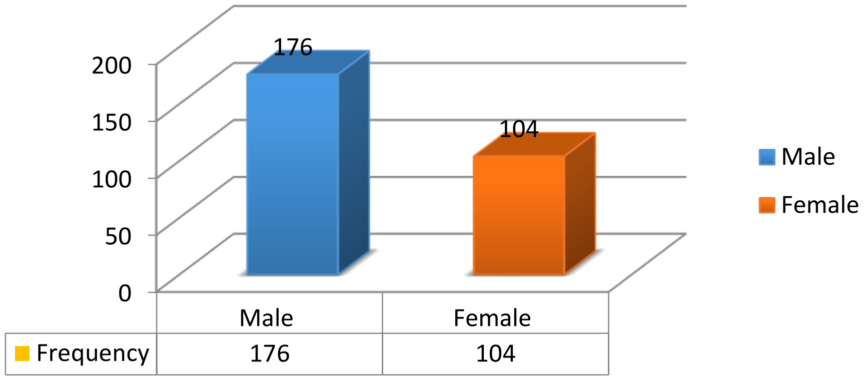

Figure 1: Gender

Table 2: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 30 years	37	11.3	13.2	13.2
	31–37 years	161	49.1	57.5	70.7
	38-45 years	70	21.3	25.0	95.7
	46-54 years	5	1.5	1.8	97.5
	55 and above	7	2.1	2.5	100.0
	Total	**280**	**85.4**	**100.0**	

From the table 2: we notice that the largest percentage of respondents was from the age group (31-37 years), which reached 57.5%, followed by the age group (38-45 years) at 25%, and finally the group (Less than 30 years) at a lower percentage of 13.2%. and finally the group (55 and above) at a lower percentage of 2.5%. and finally the group (46-54 years) at a lower percentage of 1.8%. Figure 2: illustrates this.

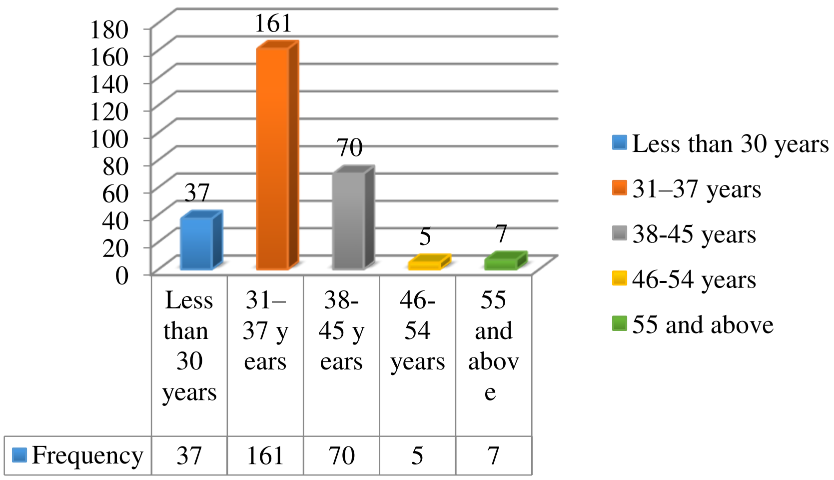

Figure 2: Age

Table 3: Level of Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Ph.D	1	.3	.4	.4
	Master	3	.9	1.1	1.4
	Bachelor	199	60.7	71.1	72.5
	Vocational School	77	23.5	27.5	100.0
	Total	**280**	**85.4**	**100.0**	

Through table 3: we notice that the largest percentage of respondents was from the (Bachelor's) category, reaching 71.1%, followed by the (Vocational School) category at 27.5%, while the (Master's) category had the lowest percentage at 1.1%. while the (Ph.D) category had the lowest percentage at 0.4%.The Ph.D category has the lowest percentage, and figure 3: illustrates this.

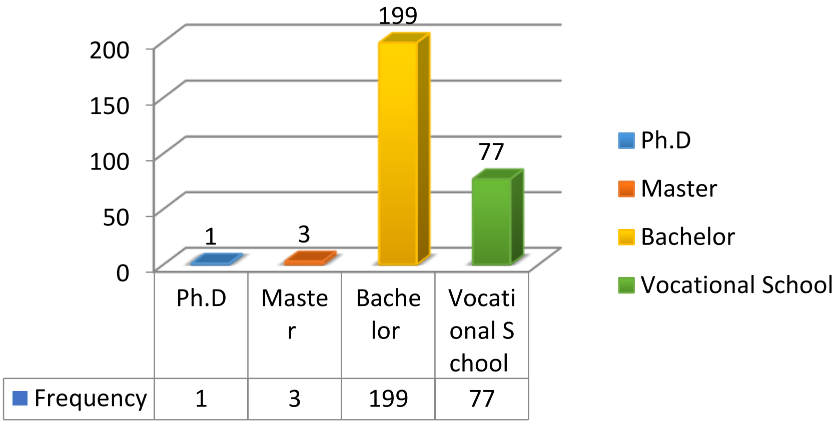

Figure 3: Level of Education

Table 4: Overall Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 5 years	23	7.0	8.2	8.2
	5-10 years	68	20.7	24.3	32.5
	11-15 years	110	33.5	39.3	71.8
	16-20 years	47	14.3	16.8	88.6
	21 years and more	32	9.8	11.4	100.0
	Total	**280**	**85.4**	**100.0**	

From the table 4: we notice that the largest percentage of respondents was from the Overall Experience group (11-15 years), which reached 39.3%, followed by the age group (5-10 years) at 24.3%, and the group (16-20 years) at a lower percentage of 16.8%. and the group (21 year and more) at a lower percentage of 11.4%. and finally the group (Less than 5 years) at a lower percentage of 8.2%. Figure 4: illustrates this.

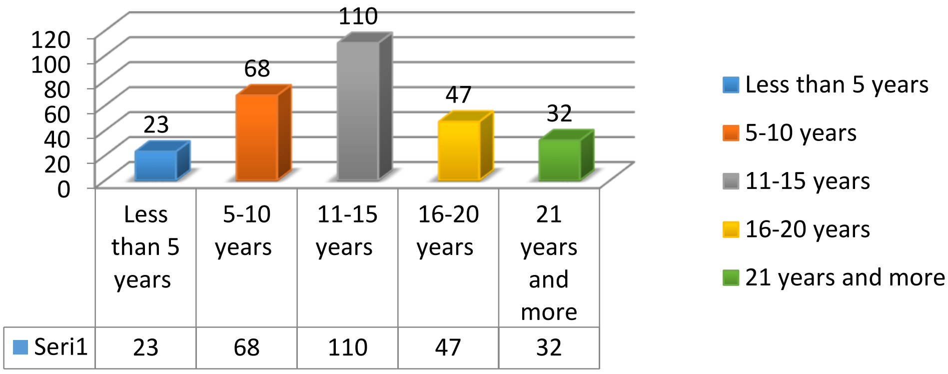

Figure 4: Overall Experience

Table 5: Job Position

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Managers	26	7.9	9.3	9.3
	Technicians	75	22.9	26.8	36.1
	IT Exports	179	54.6	63.9	100.0
	Total	**280**	**85.4**	**100.0**	

From table 5: we notice that the largest percentage of respondents was from the category of (IT Exports) at 63.9%, followed by the category of (Technicians) at 26.8%, and the category of (Managers) at a very small percentage of 9.3%. Figure 5: illustrates this:

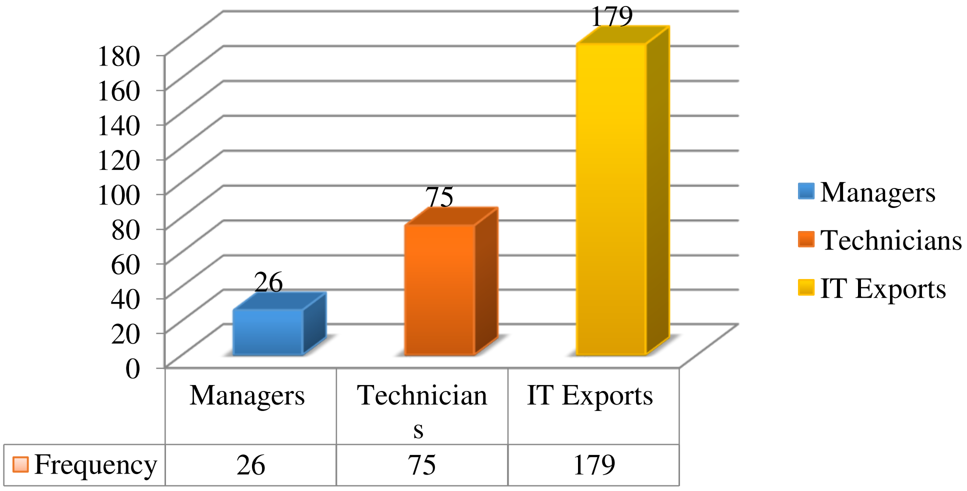

Figure 5: Job Position

The second axis

Part 1: Financial Incentives (FI)

Table 6: Periodic Rewards Encourage Employees to Strive to Achieve the Company's Goals

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	6	1.8	2.1	2.1
	Disagree	9	2.7	3.2	5.4
	Neutral	46	14.0	16.4	21.8
	Agree	86	26.2	30.7	52.5
	Strongly Agree	133	40.5	47.5	100.0
	Total	**280**	**85.4**	**100.0**	

From table 6:The data reveals opinions regarding Periodic rewards encourage employees to strive to achieve the company's goals. Among respondents, 2.1% strongly disagree with the notion, comprising 6 individuals. Additionally, 3.2% express disagreement, with 9 individuals holding this view. the respondents, 16.4% Neutral with the notion, comprising 46 individuals .In contrast, a majority, totaling 30.7%, agree that the represented by 86 individuals. Furthermore, 47.5% strongly agree with this statement, constituting 133 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Periodic rewards encourage employees to strive to achieve the company's goals, including a notable contingent that strongly affirms their rewards.

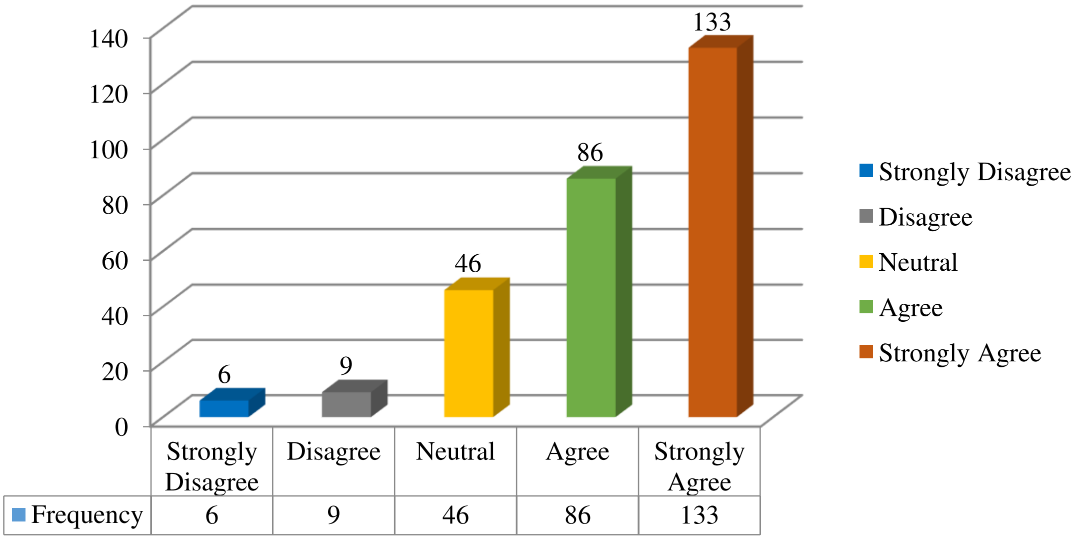

Figure 6: Periodic rewards encourage employees to strive to achieve the company's goals

Table 7: Our company provides suitable incentives for overtime work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	12	3.7	4.3	4.3
	Disagree	15	4.6	5.4	9.6
	Neutral	34	10.4	12.1	21.8
	Agree	89	27.1	31.8	53.6
	Strongly Agree	130	39.6	46.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 7: The data reveals opinions regarding Our company provides suitable incentives for overtime work. Among respondents, 4.3% strongly disagree with the notion, comprising 12 individuals. Additionally, 5.4% express disagreement, with 15 individuals holding this view. the respondents, 12.1% Neutral with the notion, comprising 34 individuals .In contrast, a majority, totaling 31.8%, agree that the represented by 89 individuals. Furthermore, 46.4% strongly agree with this statement, constituting 130 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Our company provides suitable incentives for overtime work, including a notable contingent that strongly affirms their company provides suitable incentives.

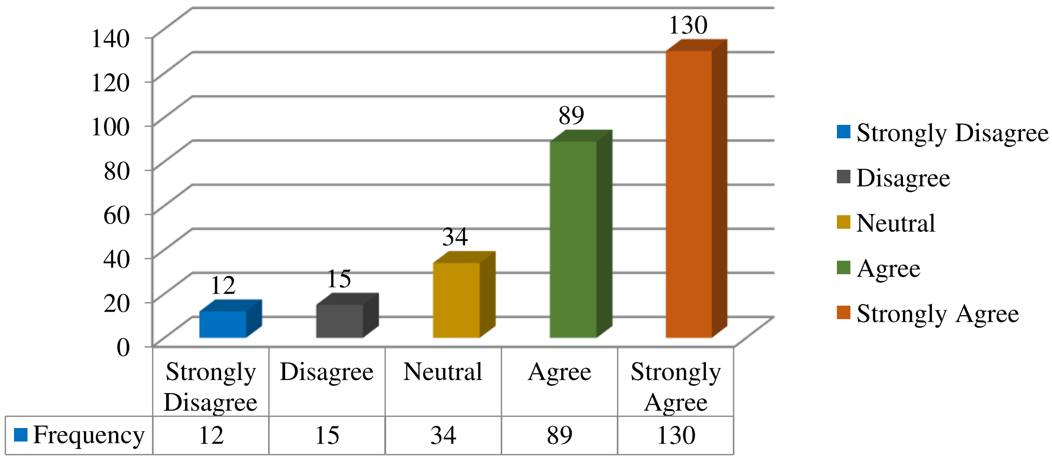

Figure 7: Our company provides suitable incentives for overtime work

Table 8: Our company helps provide loans to employees

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	10	3.0	3.6	3.6
	Disagree	18	5.5	6.4	10.0
	Neutral	39	11.9	13.9	23.9
	Agree	78	23.8	27.9	51.8
	Strongly Agree	135	41.2	48.2	100.0
	Total	**280**	**85.4**	**100.0**	

From table 8: The data reveals opinions regarding Our company helps provide loans to employees. Among respondents, 3.6% strongly disagree with the notion, comprising 10 individuals. Additionally, 6.4% express disagreement, with 18 individuals holding this view. the respondents, 13.9% Neutral with the notion, comprising 39 individuals .In contrast, a majority, totaling 27.9%, agree that the represented by 78 individuals. Furthermore, 48.2% strongly agree with this statement, constituting 135 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Our company helps provide loans to employees, including a notable contingent that strongly affirms their company helps provide.

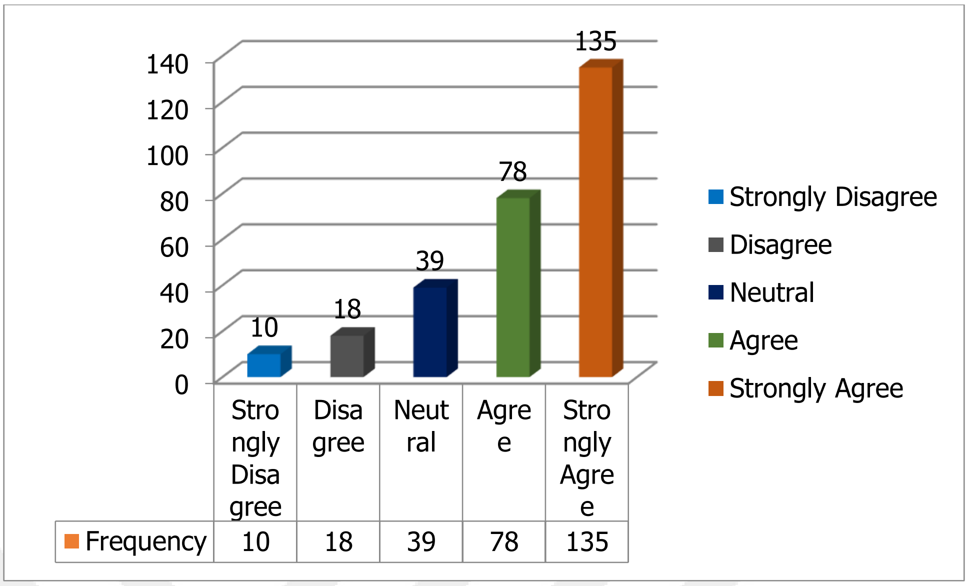

Figure 8: Our company helps provide loans to employees

Table 9: Our company provides transportation allowances to employees

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	14	4.3	5.0	5.0
	Disagree	49	14.9	17.5	22.5
	Neutral	34	10.4	12.1	34.6
	Agree	53	16.2	18.9	53.6
	Strongly Agree	130	39.6	46.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 9: The data reveals opinions regarding Our company provides transportation allowances to employees. Among respondents, 5.0% strongly disagree with the notion, comprising 14 individuals. Additionally, 17.5% express disagreement, with 49 individuals holding this view. the respondents, 12.1% Neutral with the notion, comprising 34 individuals .In contrast, a majority, totaling 18.9%, agree that the represented by 53 individuals. Furthermore, 46.4% strongly agree with this statement, constituting 130 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Our company provides transportation allowances to employees, including a notable contingent that strongly affirms their company provides transportation.

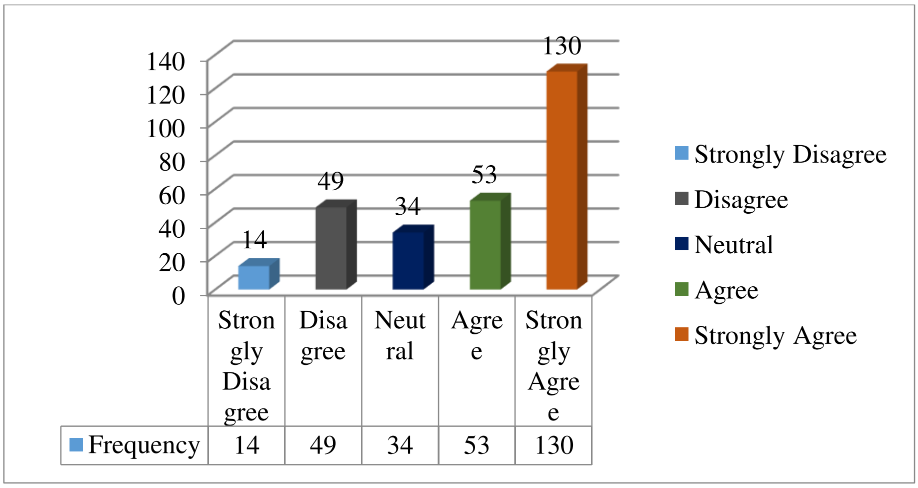

Figure 9: Our company provides transportation allowances to employees

Table 10: Our company continuously improves the material working conditions, which helps increase employee loyalty

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	10	3.0	3.6	3.6
	Disagree	22	6.7	7.9	11.4
	Neutral	17	5.2	6.1	17.5
	Agree	86	26.2	30.7	48.2
	Strongly Agree	145	44.2	51.8	100.0
	Total	**280**	**85.4**	**100.0**	

From table 10: The data reveals opinions regarding Our company continuously improves the material working conditions, which helps increase employee loyalty. Among respondents, 3.6% strongly disagree with the notion, comprising 10 individuals. Additionally, 7.9% express disagreement, with 22 individuals holding this view. the respondents, 6.1% Neutral with the notion, comprising 17 individuals .In contrast, a majority, totaling 30.7%, agree that the, represented by 86 individuals. Furthermore, 51.8% strongly agree with this statement, constituting 145 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Our company provides transportation allowances to employees, including a notable contingent that strongly affirms their company provides transportation.

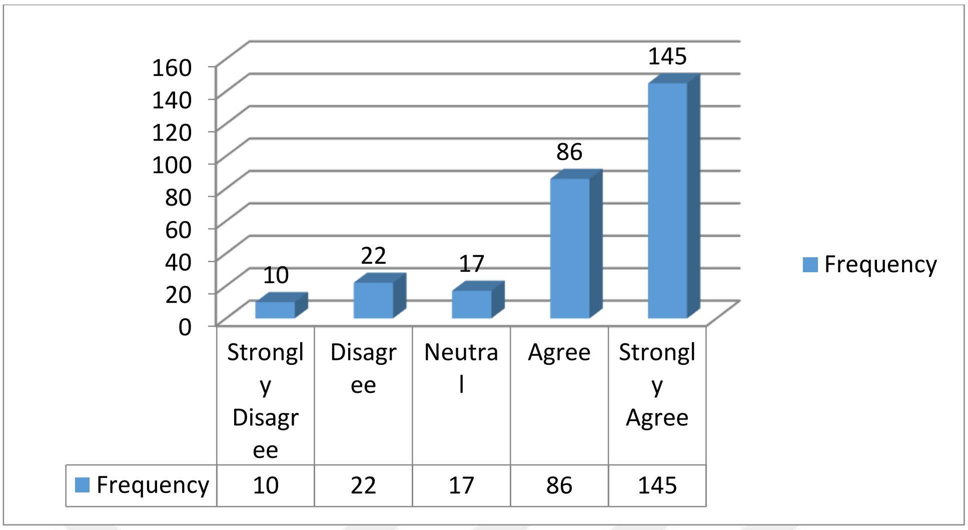

Figure 10: Our company continuously improves the material working conditions, which helps increase employee loyalty

Table 11: The financial incentive generates the desire and willingness to work outside of official working hours

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	.6	.7	.7
	Disagree	26	7.9	9.3	10.0
	Neutral	59	18.0	21.1	31.1
	Agree	107	32.6	38.2	69.3
	Strongly Agree	86	26.2	30.7	100.0
	Total	**280**	**85.4**	**100.0**	

From table 11: The data reveals opinions regarding The financial incentive generates the desire and willingness to work outside of official working hours. Among respondents, 0.7% strongly disagree with the notion, comprising 2 individuals. Additionally, 9.3% express disagreement, with 26 individuals holding this view. the respondents, 21.1% Neutral with the notion, comprising 59 individuals .In contrast, a majority, totaling 38.2%, agree that the, represented by 107 individuals. Furthermore, 30.7% strongly agree with this statement, constituting 86 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging financial incentive generates the desire and willingness, including a notable contingent that strongly affirms their financial incentive generates.

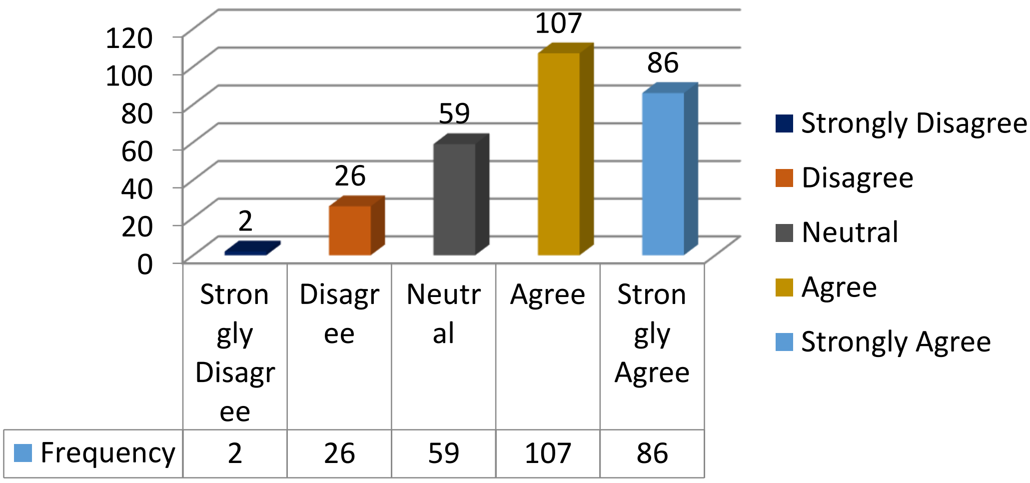

Figure 11: The financial incentive generates the desire and willingness to work outside of official working hours

Table 12: Employees in our company prefer material incentives or moral incentives

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	9	2.7	3.2	3.2
	Disagree	13	4.0	4.6	7.9
	Neutral	45	13.7	16.1	23.9
	Agree	98	29.9	35.0	58.9
	Strongly Agree	115	35.1	41.1	100.0
	Total	**280**	**85.4**	**100.0**	

From table 12: The data reveals opinions regarding Employees in our company prefer material incentives or moral incentives. Among respondents, 3.2% strongly disagree with the notion, comprising 9 individuals. Additionally, 4.6% express disagreement, with 13 individuals holding this view. the respondents, 16.1% Neutral with the notion, comprising 45 individuals .In contrast, a majority, totaling 35%, agree that the, represented by 98 individuals. Furthermore, 41.1% strongly agree with this statement, constituting 115 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging Employees in our company prefer material incentives, including a notable contingent that strongly affirms their company prefer material incentives or moral incentives.

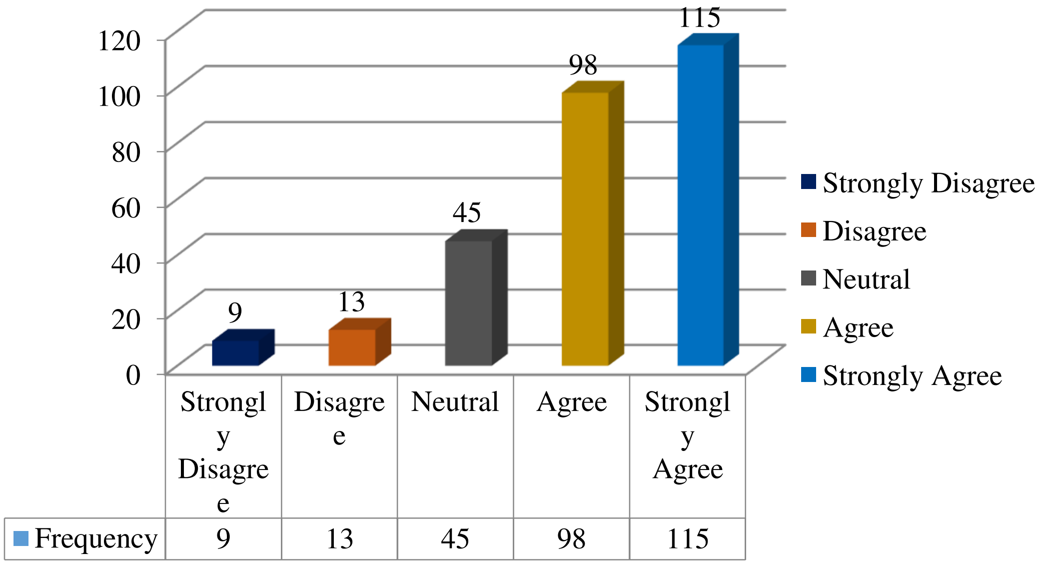

Figure 12: Employees in our company prefer material incentives or moral incentives

Table 13: Our company's efforts to link promotions and advancement to positions become a matter that serves the interests of employees and the company

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	9	2.7	3.2	3.2
	Disagree	21	6.4	7.5	10.7
	Neutral	38	11.6	13.6	24.3
	Agree	96	29.3	34.3	58.6
	Strongly Agree	116	35.4	41.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 13: The data reveals opinions regarding Our company's efforts to link promotions and advancement to positions become a matter that serves the interests of employees and the company. Among respondents, 3.2% strongly disagree with the notion, comprising 9 individuals. Additionally, 7.5% express disagreement, with 21 individuals holding this view. the respondents, 13.6% Neutral with the notion, comprising 38 individuals .In contrast, a majority, totaling 34.3%, agree that the, represented by 96 individuals. Furthermore, 41.4% strongly agree with this statement, constituting 116 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging company's efforts to link promotions and advancement to positions, including a notable contingent that strongly affirms their to positions become a matter that company's efforts to link promotions and advancement to positions.

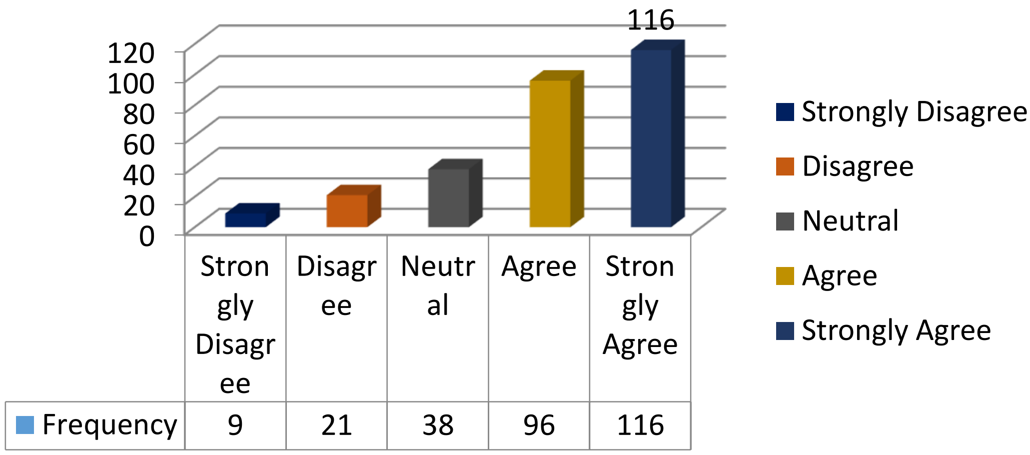

Figure 13: Our company's efforts to link promotions and advancement to positions become a matter that serves the interests of employees and the company

Table 14: Our company achieves a system of exceptional bonuses to encourage employees to accomplish work efficiently

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	1	.3	.4	.4
	Disagree	15	4.6	5.4	5.7
	Neutral	55	16.8	19.6	25.4
	Agree	110	33.5	39.3	64.6
	Strongly Agree	99	30.2	35.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 14: The data reveals opinions regarding Our company achieves a system of exceptional bonuses to encourage employees to accomplish work efficiently. Among respondents, 0.4% strongly disagree with the notion, comprising 1 individuals. Additionally, 5.4% express disagreement, with 15 individuals holding this view. the respondents, 19.6% Neutral with the notion, comprising 55 individuals .In contrast, a majority, totaling 39.3%, agree that the, represented by 110 individuals. Furthermore, 35.4% strongly agree with this statement, constituting 99 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging company achieves a system of exceptional bonuses, including a notable contingent that strongly affirms their to positions become a matter that company achieves a system of exceptional.

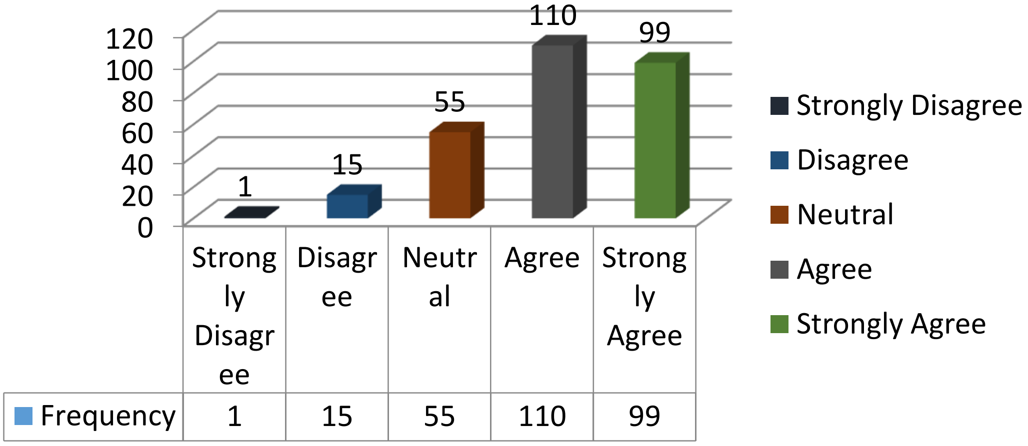

Figure 14: Our company achieves a system of exceptional bonuses to encourage employees to accomplish work efficiently

Table 15: Our company provides appropriate individual material incentives for work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.5	1.8	1.8
	Disagree	15	4.6	5.4	7.1
	Neutral	55	16.8	19.6	26.8
	Agree	100	30.5	35.7	62.5
	Strongly Agree	105	32.0	37.5	100.0
	Total	**280**	**85.4**	**100.0**	

From table 15: The data reveals opinions regarding Our company provides appropriate individual material incentives for work. Among respondents, 1.8% strongly disagree with the notion, comprising 5 individuals. Additionally, 5.4% express disagreement, with 15 individuals holding this view. the respondents, 19.6% Neutral with the notion, comprising 55 individuals .In contrast, a majority, totaling 35.7%, agree that the, represented by 100 individuals. Furthermore, 37.5% strongly agree with this statement, constituting 105 individuals. This breakdown showcases varying perspectives, with a significant portion acknowledging company provides appropriate individual material incentives for work, including a notable contingent that strongly affirms their to positions become a matter that company provides appropriate individual material incentives for work.

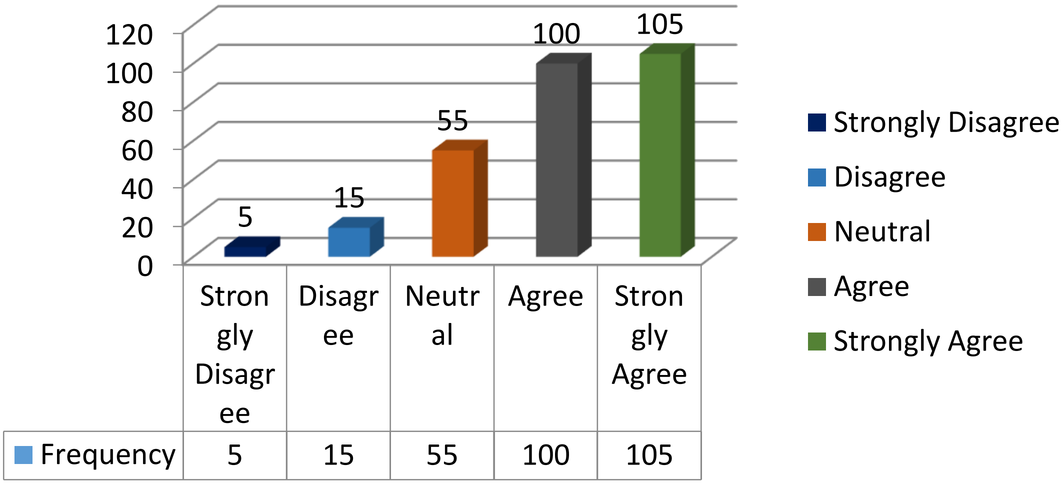

Figure 15: Our company provides appropriate individual material incentives for work

Part 2: Moral Incentives (MI)

Table 16: Appreciation and praise are an additional incentive to perform the assigned tasks to the fullest

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	13	4.0	4.6	4.6
	Disagree	6	1.8	2.1	6.8
	Neutral	14	4.3	5.0	11.8
	Agree	125	38.1	44.6	56.4
	Strongly Agree	122	37.2	43.6	100.0
	Total	**280**	**85.4**	**100.0**	

From table 16: The data reveals opinions regarding Appreciation and praise are an additional incentive to perform the assigned tasks to the fullest. Among respondents, 4.6% strongly disagree with the notion, comprising 13 individuals. Additionally, 2.1% express disagreement, with 6 individuals holding this view. the respondents, 5% Neutral with the notion, comprising 14 individuals .In contrast, a majority, totaling 44.6%, agree that the, represented by 125 individuals. Furthermore, 43.6% strongly agree with this statement, constituting 122 individuals.

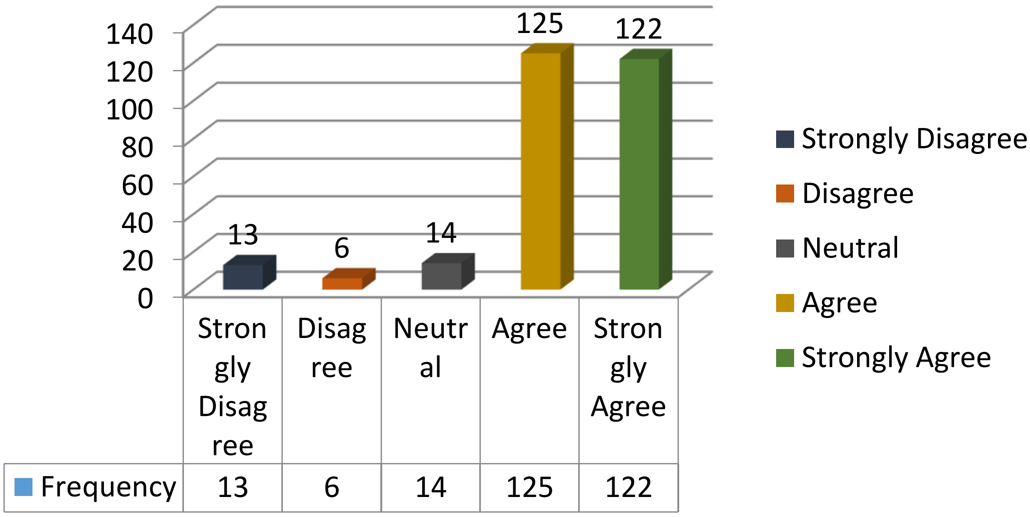

Figure 16: Appreciation and praise are an additional incentive to perform the assigned tasks to the fullest

Table 17: Our company works to provide appropriate services for the work

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	13	4.0	4.6	4.6
	Disagree	21	6.4	7.5	12.1
	Neutral	14	4.3	5.0	17.1
	Agree	96	29.3	34.3	51.4
	Strongly Agree	136	41.5	48.6	100.0
	Total	**280**	**85.4**	**100.0**	

From table 17: The data reveals opinions regarding Our company works to provide appropriate services for the work. Among respondents, 4.6% strongly disagree with the notion, comprising 13 individuals. Additionally, 7.5% express disagreement, with 21 individuals holding this view. the respondents, 5% Neutral with the notion, comprising 14 individuals .In contrast, a majority, totaling 34.3%, agree that the, represented by 96 individuals. Furthermore, 48.6% strongly agree with this statement, constituting 136 individuals.

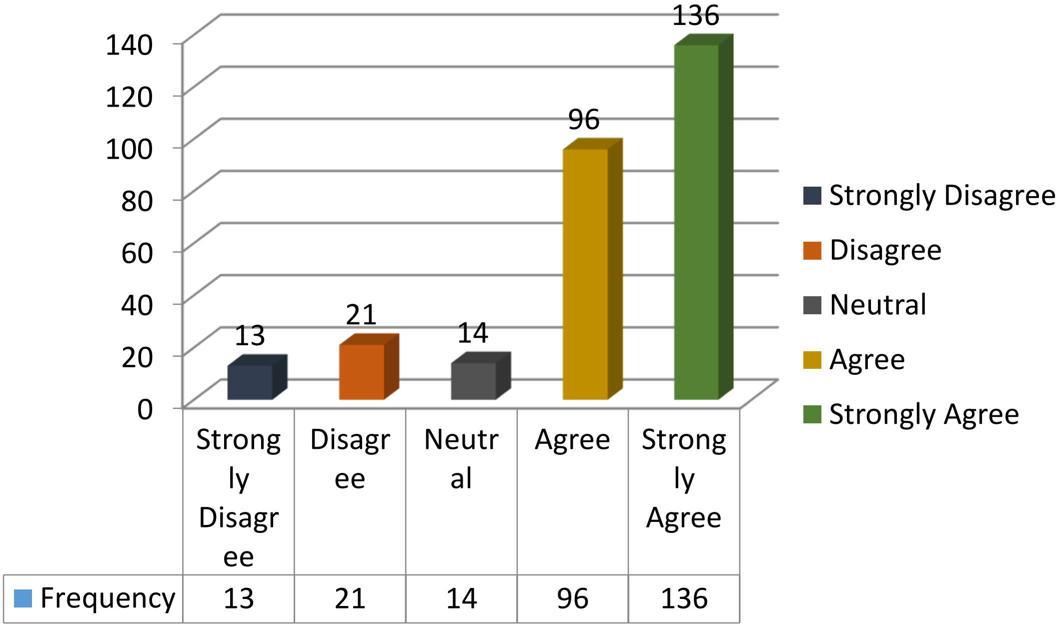

Figure 17: Our company works to provide appropriate services for the work

Table 18: Our company works to provide appropriate collective motivation methods

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	16	4.9	5.7	5.7
	Disagree	39	11.9	13.9	19.6
	Neutral	26	7.9	9.3	28.9
	Agree	83	25.3	29.6	58.6
	Strongly Agree	116	35.4	41.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 18: The data reveals opinions regarding Our company works to provide appropriate collective motivation methods. Among respondents, 5.7% strongly disagree with the notion, comprising 16 individuals. Additionally, 13.9% express disagreement, with 39 individuals holding this view. the respondents, 9.3% Neutral with the notion, comprising 26 individuals .In contrast, a majority, totaling 29.6%, agree that the, represented by 83 individuals. Furthermore, 41.4% strongly agree with this statement, constituting 116 individuals.

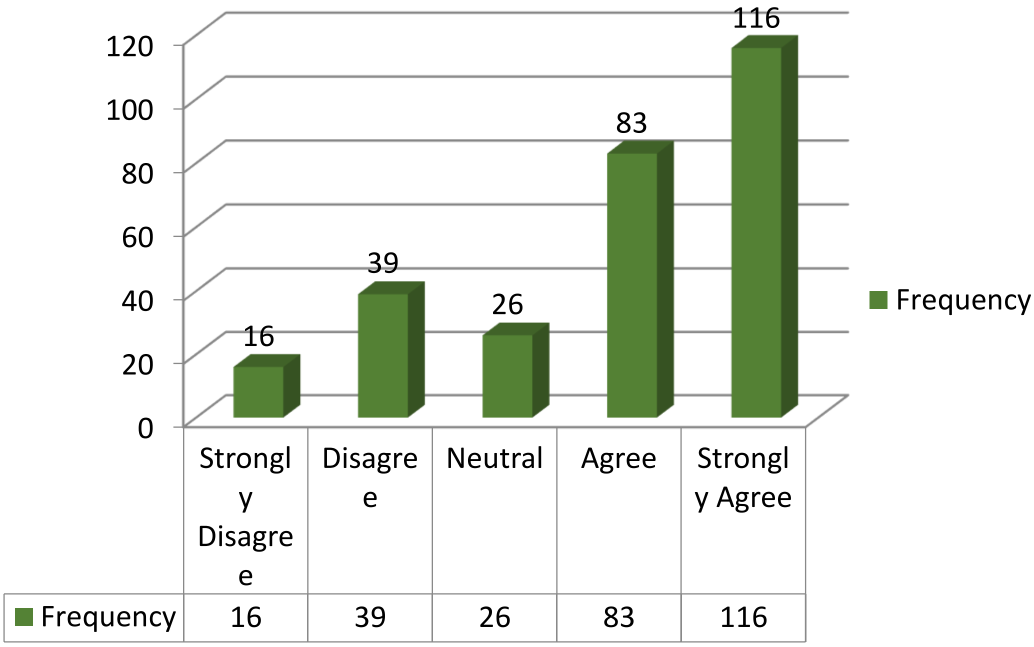

Figure 18: Our Company works to provide appropriate collective motivation methods

Table 19: Involving employees in decision-making is a moral incentive to perform and accomplish the required work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	2.1	2.5	2.5
	Disagree	11	3.4	3.9	6.4
	Neutral	6	1.8	2.1	8.6
	Agree	101	30.8	36.1	44.6
	Strongly Agree	155	47.3	55.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 19: The data reveals opinions regarding Involving employees in decision-making is a moral incentive to perform and accomplish the required work. Among respondents, 2.5% strongly disagree with the notion, comprising 7 individuals. Additionally, 3.9% express disagreement, with 11 individuals holding this view. the respondents, 2.1% Neutral with the notion, comprising 6 individuals .In contrast, a majority, totaling 36.1%, agree that the, represented by 101 individuals. Furthermore, 55.4% strongly agree with this statement, constituting 155 individuals.

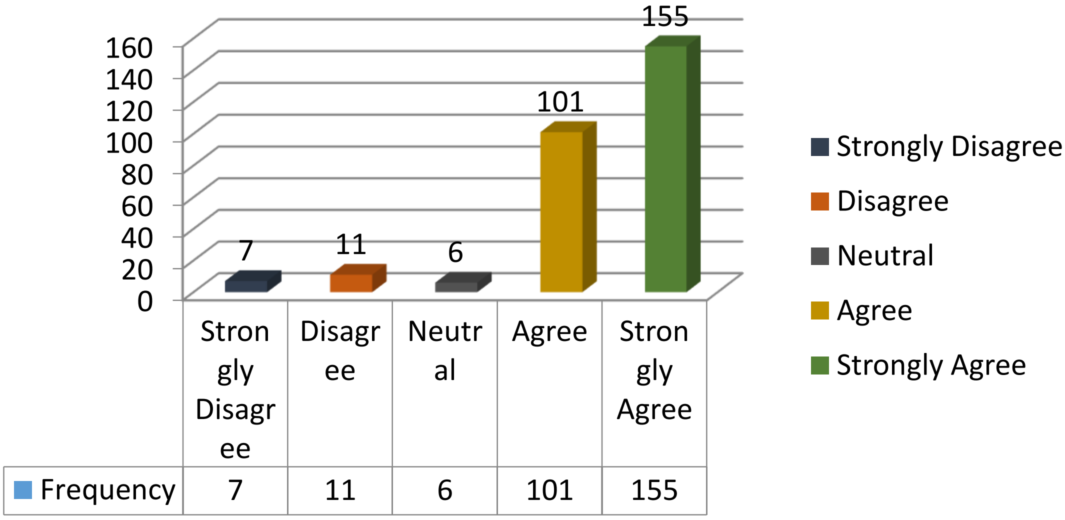

Figure 19: Involving employees in decision-making is a moral incentive to perform and accomplish the required work

Table 20: Our company places a thank-you sign for the distinguished employees in the company, which is renewed periodically to be an important incentive for them at work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	2.1	2.5	2.5
	Disagree	7	2.1	2.5	5.0
	Neutral	14	4.3	5.0	10.0
	Agree	114	34.8	40.7	50.7
	Strongly Agree	138	42.1	49.3	100.0
	Total	**280**	**85.4**	**100.0**	

From table 20: The data reveals opinions regarding Our company places a thank-you sign for the distinguished employees in the company, which is renewed periodically to be an important incentive for them at work. Among respondents, 2.5% strongly disagree with the notion, comprising 7 individuals. Additionally, 2.5% express disagreement, with 7 individuals holding this view. the respondents, 5% Neutral with the notion, comprising 14 individuals .In contrast, a majority, totaling 40.7%, agree that the, represented by 114 individuals. Furthermore, 49.3% strongly agree with this statement, constituting 138 individuals.

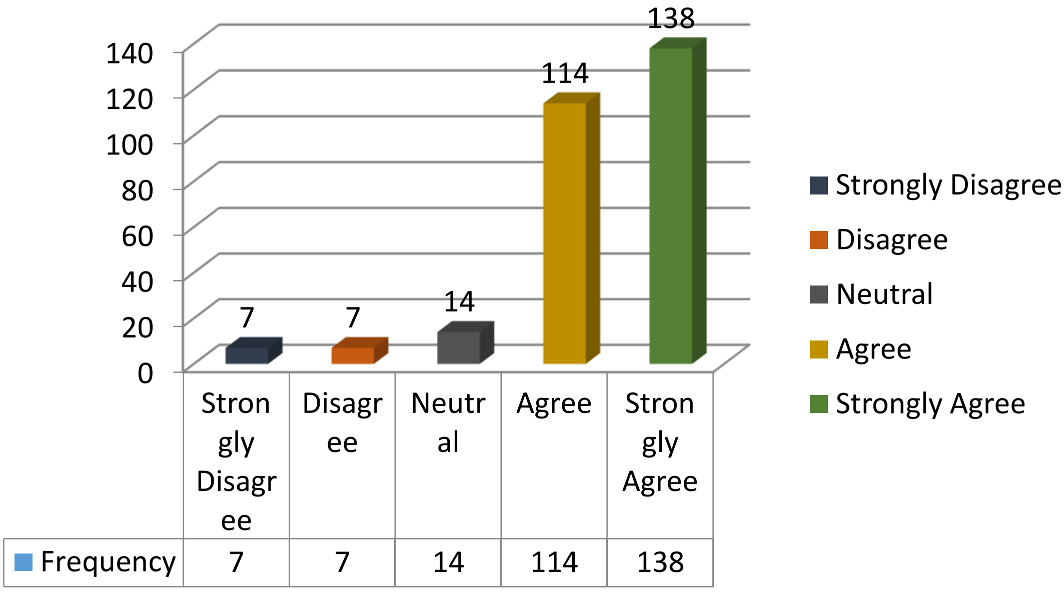

Figure 20: Our company places a thank-you sign for the distinguished employees in the company, which is renewed periodically to be an important incentive for them at work

Table 21: You feel job satisfaction with the work policies and regulations and your assignment to a leadership role in the company

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	8	2.4	2.9	2.9
	Disagree	12	3.7	4.3	7.1
	Neutral	15	4.6	5.4	12.5
	Agree	142	43.3	50.7	63.2
	Strongly Agree	103	31.4	36.8	100.0
	Total	**280**	**85.4**	**100.0**	

From table 21: The data reveals opinions regarding You feel job satisfaction with the work policies and regulations and your assignment to a leadership role in the company. Among respondents, 2.9% strongly disagree with the notion, comprising 8 individuals. Additionally, 4.3% express disagreement, with 12 individuals holding this view. the respondents, 5.4% Neutral with the notion, comprising 15 individuals .In contrast, a majority, totaling 50.7%, agree that the, represented by 142 individuals. Furthermore, 36.8% strongly agree with this statement, constituting 103 individuals.

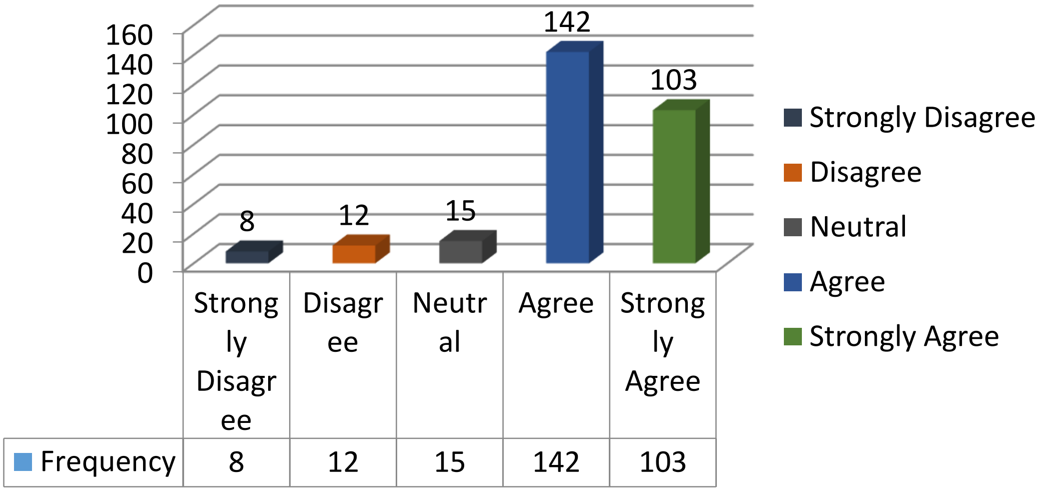

Figure 21: You feel job satisfaction with the work policies and regulations and your assignment to a leadership role in the company

Table 22: Our company provides certificates of appreciation to distinguished employees to encourage them to work efficiently

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	12	3.7	4.3	4.3
	Disagree	5	1.5	1.8	6.1
	Neutral	15	4.6	5.4	11.4
	Agree	122	37.2	43.6	55.0
	Strongly Agree	126	38.4	45.0	100.0
	Total	**280**	**85.4**	**100.0**	

From table 22: The data reveals opinions regarding Our company provides certificates of appreciation to distinguished employees to encourage them to work efficiently. Among respondents, 4.3% strongly disagree with the notion, comprising 12 individuals. Additionally, 1.8% express disagreement, with 5 individuals holding this view. the respondents, 5.4% Neutral with the notion, comprising 15 individuals . In contrast, a majority, totaling 43.6%, agree that the, represented by 122 individuals. Furthermore, 45% strongly agree with this statement, constituting 126 individuals.

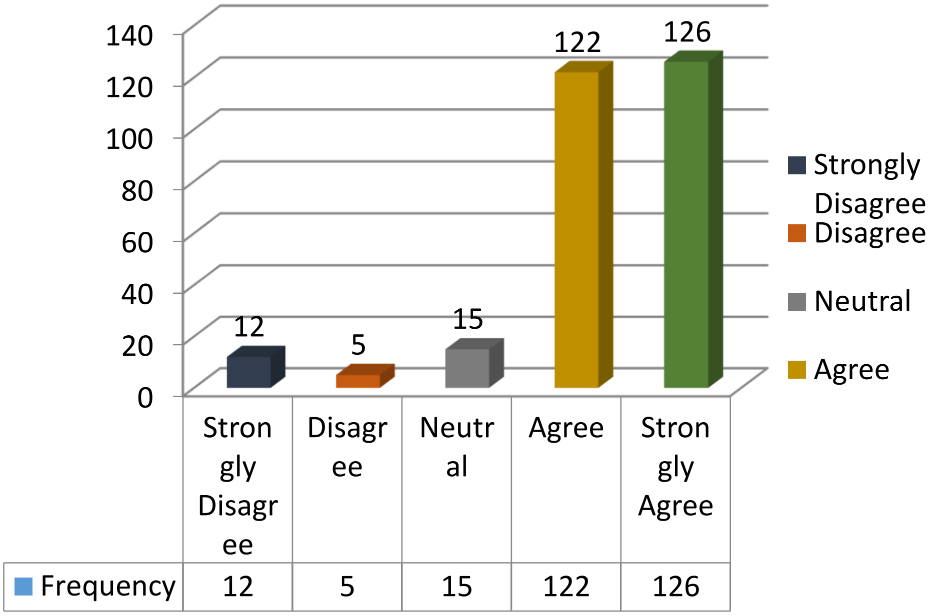

Figure 22: Our company provides certificates of appreciation to distinguished employees to encourage them to work efficiently

Table 23: Our company provides the benefits of participating in training courses to improve the performance of employees at work

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	2.4	2.9	2.9
	Disagree	10	3.0	3.6	6.4
	Neutral	16	4.9	5.7	12.1
	Agree	131	39.9	46.8	58.9
	Strongly Agree	115	35.1	41.1	100.0
	Total	**280**	**85.4**	**100.0**	

From table 23: The data reveals opinions regarding Our company provides the benefits of participating in training courses to improve the performance of employees at work. Among respondents, 2.9% strongly disagree with the notion, comprising 8 individuals. Additionally, 3.6% express disagreement, with 10 individuals holding this view. the respondents, 5.7% Neutral with the notion, comprising 16 individuals .In contrast, a majority, totaling 46.8%, agree that the, represented by 131 individuals. Furthermore, 41.1% strongly agree with this statement, constituting 115 individuals.

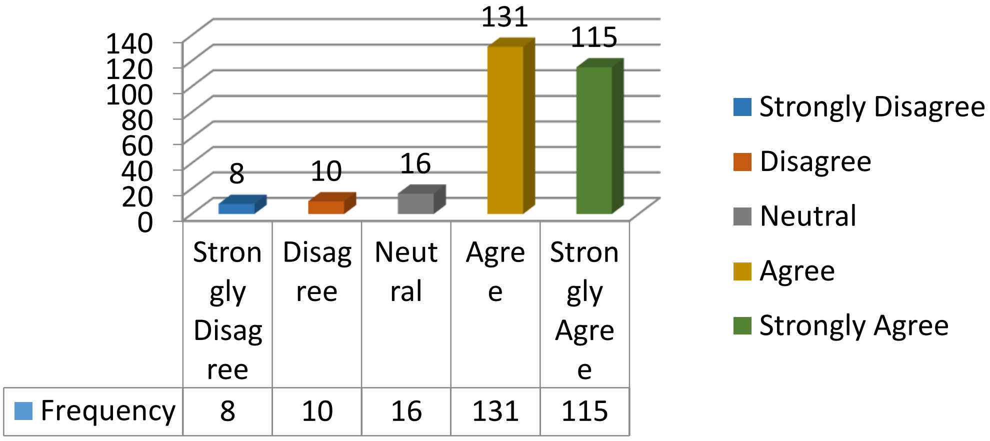

Figure 23: Our company provides the benefits of participating in training courses to improve the performance of employees at work

Table 24: Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.5	1.8	1.8
	Disagree	7	2.1	2.5	4.3
	Neutral	19	5.8	6.8	11.1
	Agree	131	39.9	46.8	57.9
	Strongly Agree	118	36.0	42.1	100.0
	Total	**280**	**85.4**	**100.0**	

From table 24: The data reveals opinions regarding Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals. Among respondents, 1.8% strongly disagree with the notion, comprising 5 individuals. Additionally, 2.5% express disagreement, with 7 individuals holding this view. the respondents, 6.8% Neutral with the notion, comprising 19 individuals .In contrast, a majority, totaling 46.8%, agree that the, represented by 131 individuals. Furthermore, 42.1% strongly agree with this statement, constituting 118 individuals.

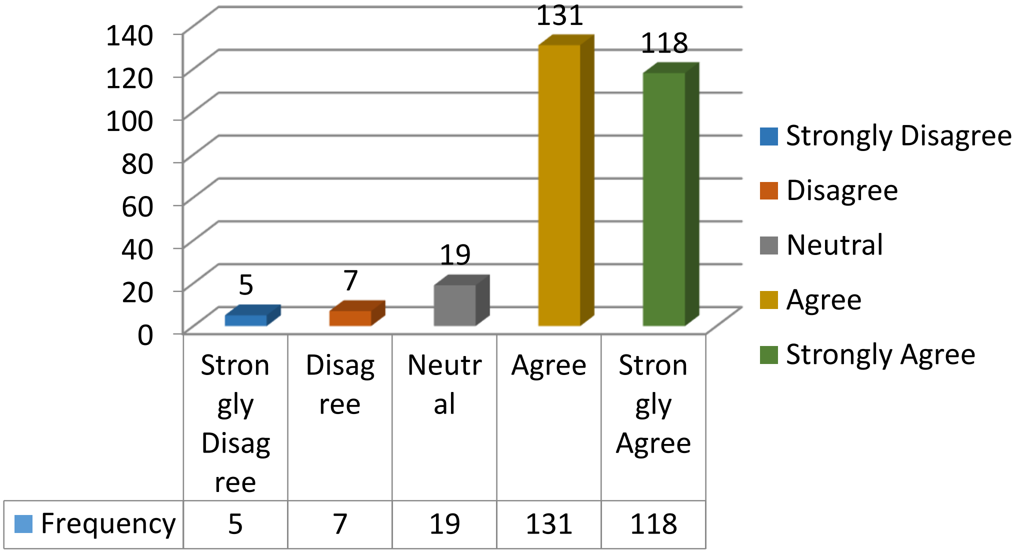

Figure 24: Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals

Table 25: Our company participates with employees in the decision-making process, which contributes to increasing their satisfaction and thus improving their performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	12	3.7	4.3	4.3
	Disagree	14	4.3	5.0	9.3
	Neutral	12	3.7	4.3	13.6
	Agree	109	33.2	38.9	52.5
	Strongly Agree	133	40.5	47.5	100.0
	Total	**280**	**85.4**	**100.0**	

From table 25: The data reveals opinions regarding Our company participates with employees in the decision-making process, which contributes to increasing their satisfaction and thus improving their performance. Among respondents, 4.3% strongly disagree with the notion, comprising 12 individuals. Additionally, 5% express disagreement, with 14 individuals holding this view. the respondents, 4.3% Neutral with the notion, comprising 12 individuals .In contrast, a majority, totaling 38.9%, agree that the, represented by 109 individuals. Furthermore, 47.5% strongly agree with this statement, constituting 133 individuals.

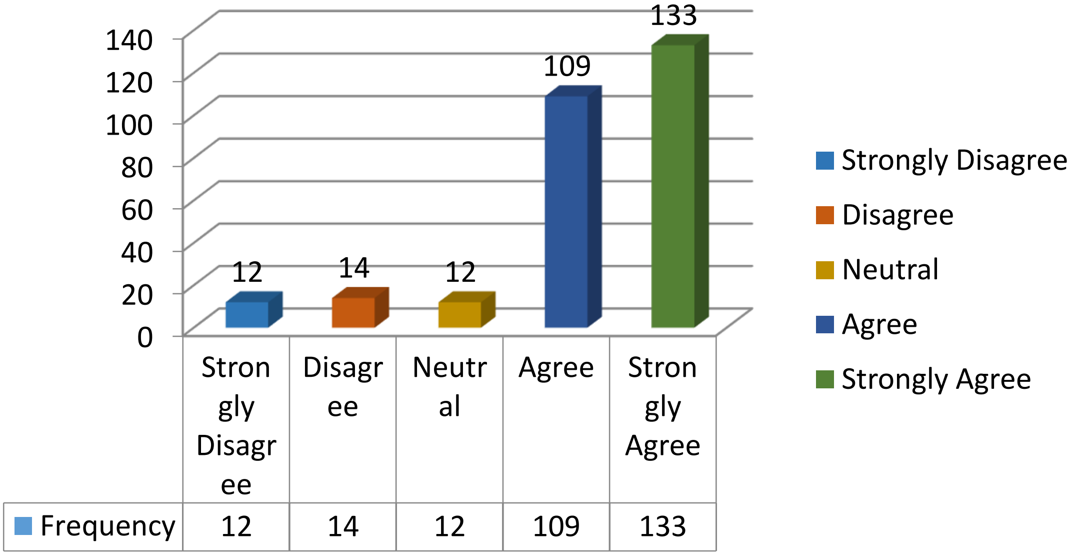

Figure 25: Our company participates with employees in the decision-making process, which contributes to increasing their satisfaction and thus improving their performance

Part 3: Employee Performance (EP)

Table 26: Employees complete the tasks assigned to them without delay

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	39	11.9	13.9	13.9
	Disagree	26	7.9	9.3	23.2
	Neutral	19	5.8	6.8	30.0
	Agree	91	27.7	32.5	62.5
	Strongly Agree	105	32.0	37.5	100.0
	Total	**280**	**85.4**	**100.0**	

From table 26: The data reveals opinions regarding Employees complete the tasks assigned to them without delay. Among respondents, 13.9% strongly disagree with the notion, comprising 39 individuals. Additionally, 9.3% express disagreement, with 26 individuals holding this view. the respondents, 6.8% Neutral with the notion, comprising 19 individuals .In contrast, a majority, totaling 32.5%, agree that the, represented by 91 individuals. Furthermore, 37.5% strongly agree with this statement, constituting 105 individuals.

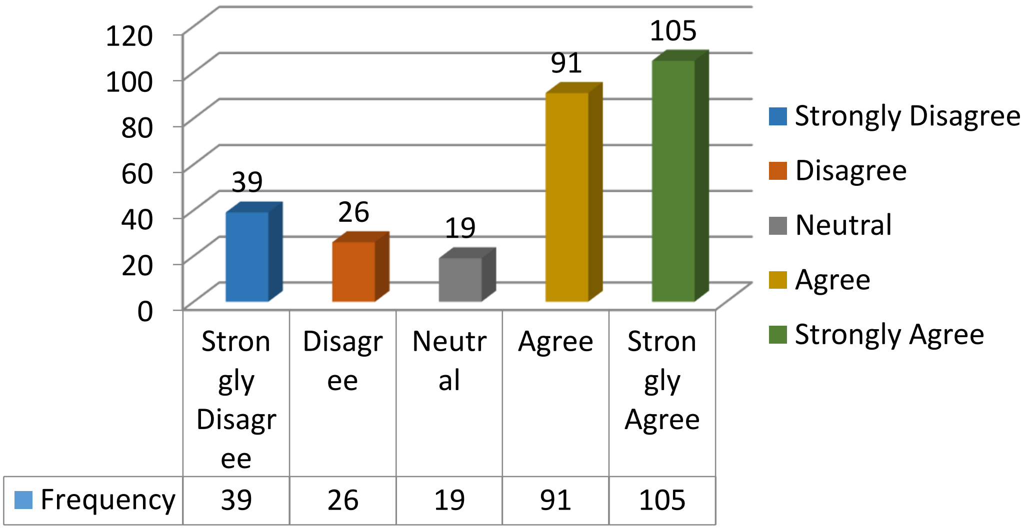

Figure 26: Employees complete the tasks assigned to them without delay

Table 27: Our company prepared employees to take on higher responsibility

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	36	11.0	12.9	12.9
	Disagree	25	7.6	8.9	21.8
	Neutral	26	7.9	9.3	31.1
	Agree	70	21.3	25.0	56.1
	Strongly Agree	123	37.5	43.9	100.0
	Total	**280**	**85.4**	**100.0**	

From table 27: The data reveals opinions regarding Our company prepared employees to take on higher responsibility. Among respondents, 12.9% strongly disagree with the notion, comprising 36 individuals. Additionally, 8.9% express disagreement, with 25 individuals holding this view. the respondents, 9.3% Neutral with the notion, comprising 26 individuals .In contrast, a majority, totaling 25%, agree that the, represented by 70 individuals. Furthermore, 43.9% strongly agree with this statement, constituting 123 individuals.

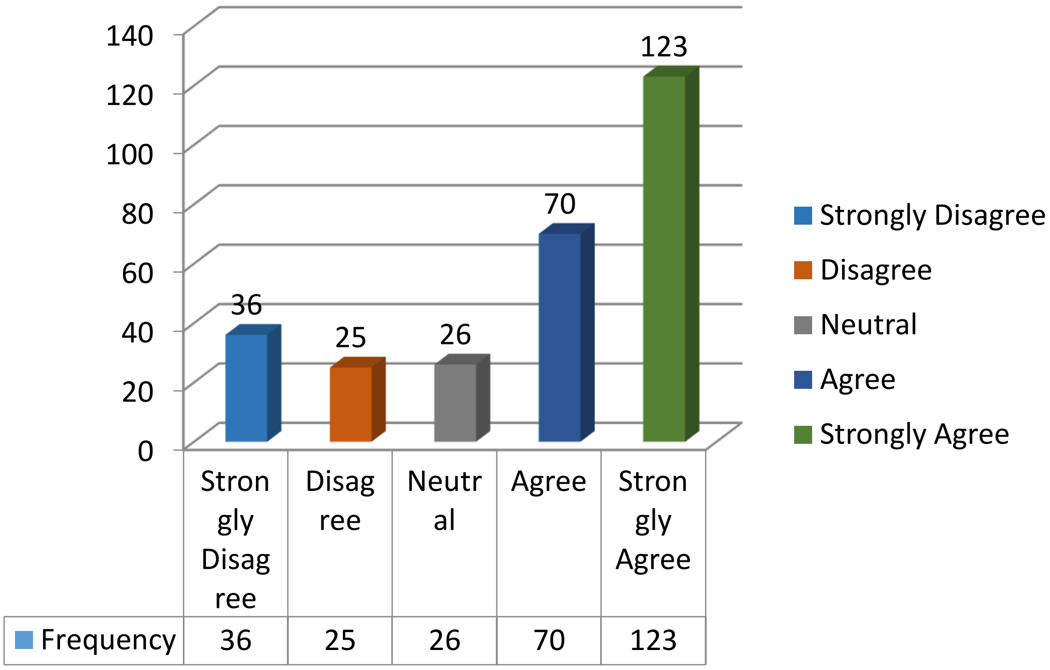

Figure 27: Our company prepared employees to take on higher responsibility

Table 28: The employees have the preference and abilities to adapt to the changes and new circumstances

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	36	11.0	12.9	12.9
	Disagree	19	5.8	6.8	19.6
	Neutral	21	6.4	7.5	27.1
	Agree	81	24.7	28.9	56.1
	Strongly Agree	123	37.5	43.9	100.0
	Total	**280**	**85.4**	**100.0**	

From table 28: The data reveals opinions regarding The employees have the preference and abilities to adapt to the changes and new circumstances. Among respondents, 12.9% strongly disagree with the notion, comprising 36 individuals. Additionally, 6.8% express disagreement, with 19 individuals holding this view. the respondents, 7.5% Neutral with the notion, comprising 21 individuals .In contrast, a majority, totaling 28.9%, agree that the, represented by 81 individuals. Furthermore, 43.9% strongly agree with this statement, constituting 123 individuals.

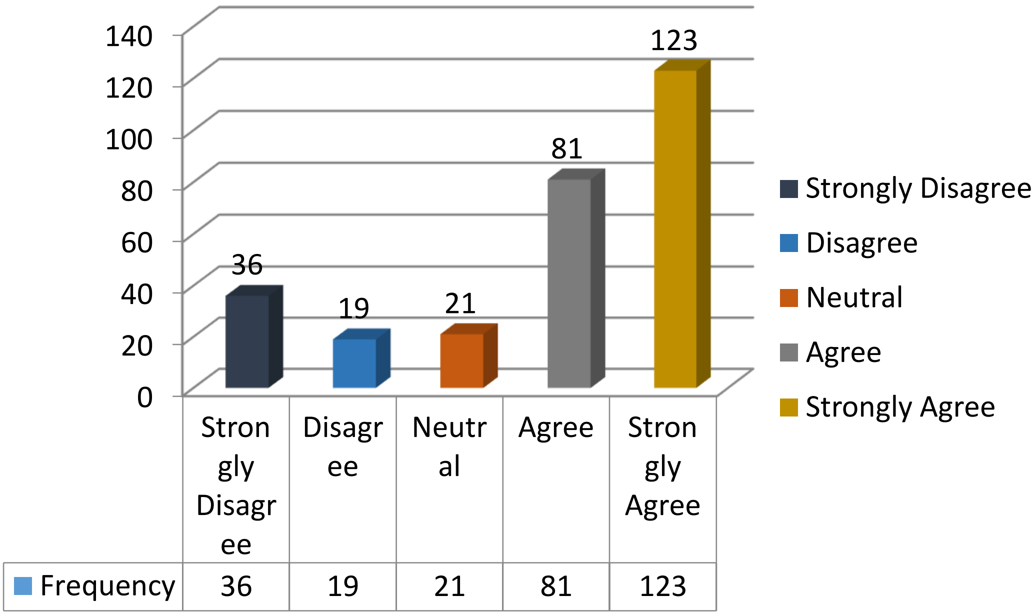

Figure 28: The employees have the preference and abilities to adapt to the changes and new circumstances

Table 29: The employees complete their duties according to the authorized standards

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	40	12.2	14.3	14.3
	Disagree	16	4.9	5.7	20.0
	Neutral	21	6.4	7.5	27.5
	Agree	78	23.8	27.9	55.4
	Strongly Agree	125	38.1	44.6	100.0
	Total	**280**	**85.4**	**100.0**	

From table 29: The data reveals opinions regarding The employees complete their duties according to the authorized standards. Among respondents, 14.3% strongly disagree with the notion, comprising 40 individuals. Additionally, 5.7% express disagreement, with 16 individuals holding this view. the respondents, 7.5% Neutral with the notion, comprising 21 individuals .In contrast, a majority, totaling 27.9%, agree that the, represented by 78 individuals. Furthermore, 44.6% strongly agree with this statement, constituting 125 individuals.

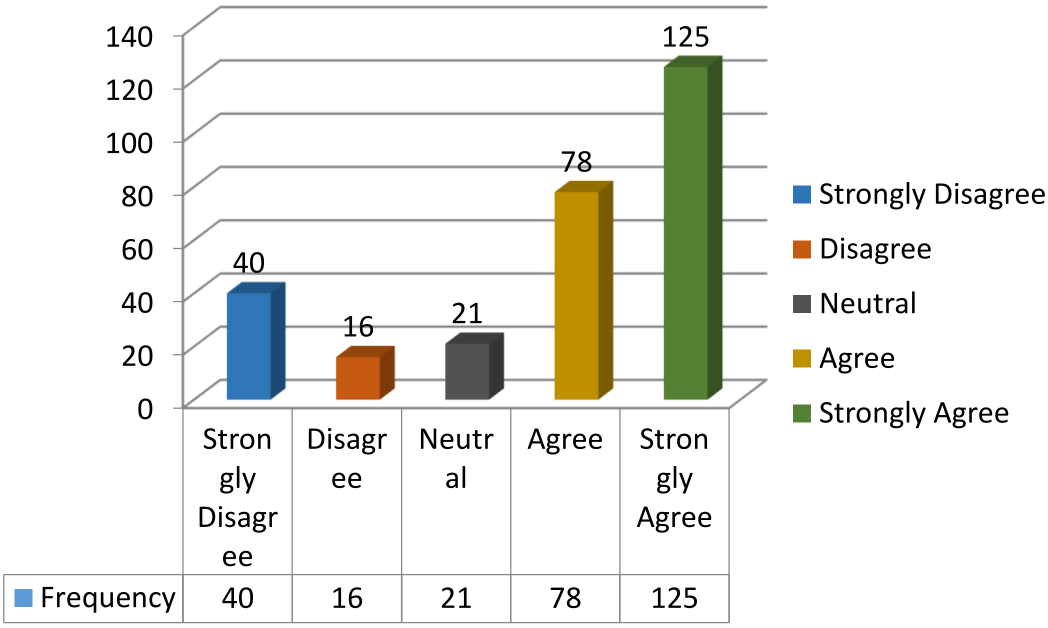

Figure 29: The employees complete their duties according to the authorized standards

Table 30: Skills developed by training programs help employees prepare for modern methods of doing business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	35	10.7	12.5	12.5
	Disagree	24	7.3	8.6	21.1
	Neutral	27	8.2	9.6	30.7
	Agree	103	31.4	36.8	67.5
	Strongly Agree	91	27.7	32.5	100.0
	Total	**280**	**85.4**	**100.0**	

From table 30: The data reveals opinions regarding Skills developed by training programs help employees prepare for modern methods of doing business. Among respondents, 12.5% strongly disagree with the notion, comprising 35 individuals. Additionally, 8.6% express disagreement, with 24 individuals holding this view. the respondents, 9.6% Neutral with the notion, comprising 27 individuals .In contrast, a majority, totaling 36.8%, agree that the, represented by 103 individuals. Furthermore, 32.5% strongly agree with this statement, constituting 91 individuals.

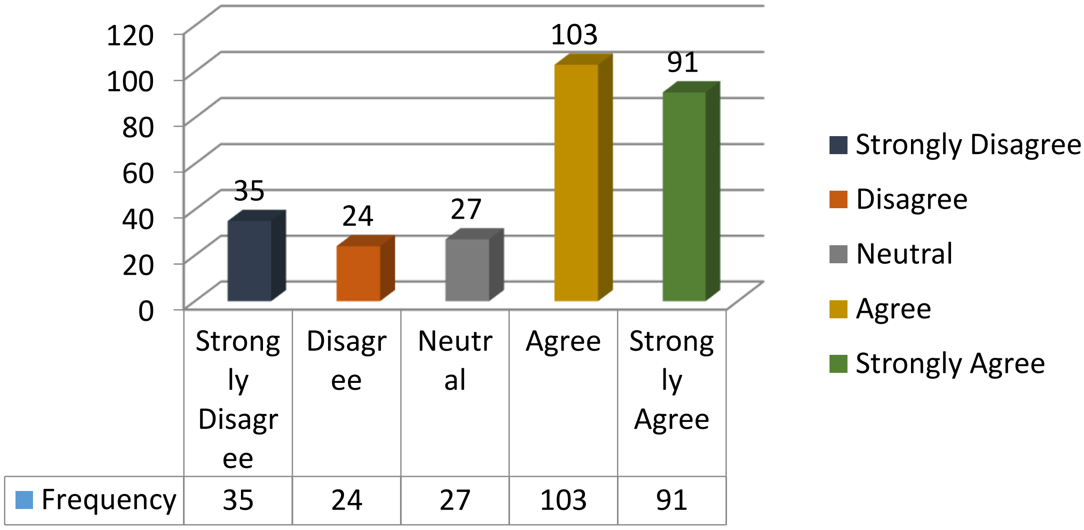

Figure 30: Skills developed by training programs help employees prepare for modern methods of doing business

Table 31: The necessary abilities and skills are available to employees to solve daily problems during work

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Strongly Disagree	33	10.1	11.8	11.8
	Disagree	31	9.5	11.1	22.9
	Neutral	24	7.3	8.6	31.4
	Agree	92	28.0	32.9	64.3
	Strongly Agree	100	30.5	35.7	100.0
	Total	**280**	**85.4**	**100.0**	

From table 31: The data reveals opinions regarding The necessary abilities and skills are available to employees to solve daily problems during work. Among respondents, 11.8% strongly disagree with the notion, comprising 33 individuals. Additionally, 11.1% express disagreement, with 31 individuals holding this view. the respondents, 8.6% Neutral with the notion, comprising 24 individuals .In contrast, a majority, totaling 32.9%, agree that the, represented by 92 individuals. Furthermore, 35.7% strongly agree with this statement, constituting 100 individuals.

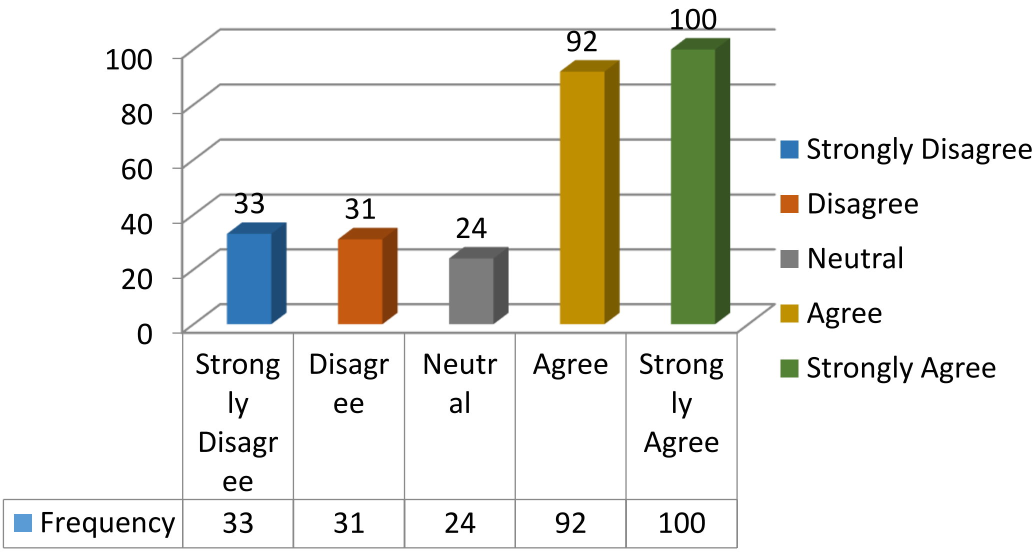

Figure 31: The necessary abilities and skills are available to employees to solve daily problems during work

Table 32: The employees have the necessary knowledge related to the work assigned to them

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	27	8.2	9.6	9.6
	Disagree	21	6.4	7.5	17.1
	Neutral	21	6.4	7.5	24.6
	Agree	102	31.1	36.4	61.1
	Strongly Agree	109	33.2	38.9	100.0
	Total	**280**	**85.4**	**100.0**	

From table 32: The data reveals opinions regarding The employees have the necessary knowledge related to the work assigned to them. Among respondents, 9.6% strongly disagree with the notion, comprising 27 individuals. Additionally, 7.5% express disagreement, with 21 individuals holding this view. the respondents, 7.5% Neutral with the notion, comprising 21 individuals .In contrast, a majority, totaling 36.4%, agree that the, represented by 102 individuals. Furthermore, 38.9% strongly agree with this statement, constituting 109 individuals.

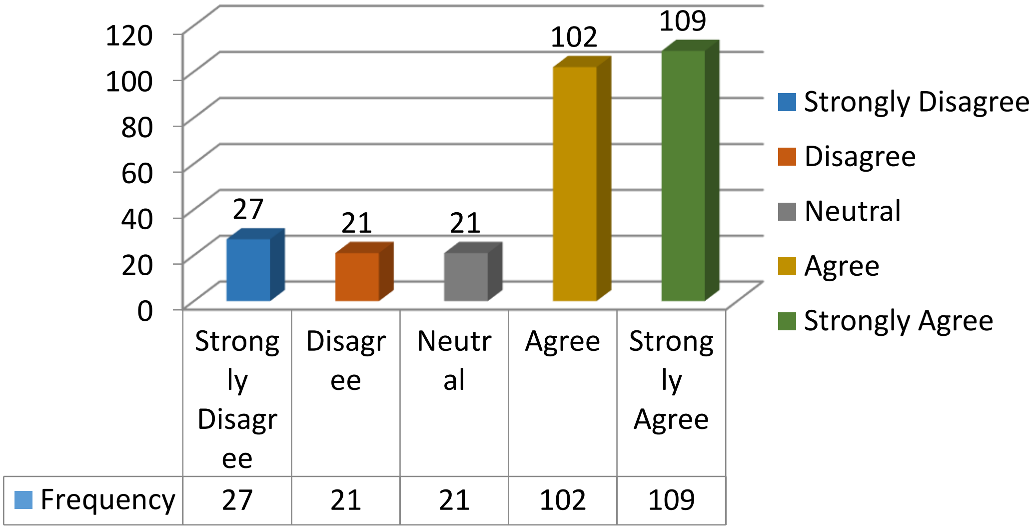

Figure 32: The employees have the necessary knowledge related to the work assigned to them

Table 33: Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	40	12.2	14.3	14.3
	Disagree	11	3.4	3.9	18.2
	Neutral	54	16.5	19.3	37.5
	Agree	45	13.7	16.1	53.6
	Strongly Agree	130	39.6	46.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 33: The data reveals opinions regarding Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance. Among respondents, 14.3% strongly disagree with the notion, comprising 40 individuals. Additionally, 3.9% express disagreement, with 11 individuals holding this view. the respondents, 19.3% Neutral with the notion, comprising 54 individuals .In contrast, a majority, totaling 16.1%, agree that the, represented by 45 individuals. Furthermore, 46.4% strongly agree with this statement, constituting 130 individuals.

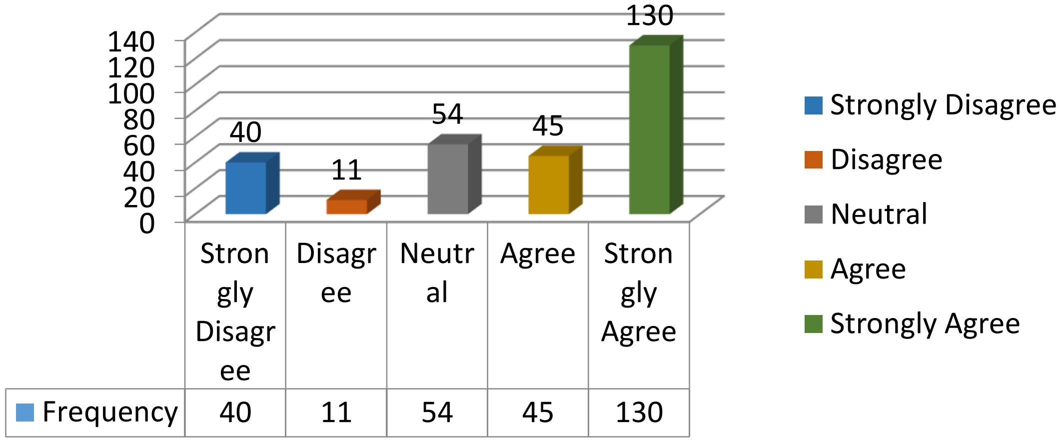

Figure 33: Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance

Table 34: The implemented incentive systems and rules contribute to the achievement of work efficiently and effectively

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	35	10.7	12.5	12.5
	Disagree	21	6.4	7.5	20.0
	Neutral	39	11.9	13.9	33.9
	Agree	90	27.4	32.1	66.1
	Strongly Agree	95	29.0	33.9	100.0
	Total	**280**	**85.4**	**100.0**	

From table 34: The data reveals opinions regarding The implemented incentive systems and rules contribute to the achievement of work efficiently and effectively. Among respondents, 12.5% strongly disagree with the notion, comprising 35 individuals. Additionally, 7.5% express disagreement, with 21 individuals holding this view. the respondents, 13.9% Neutral with the notion, comprising 39 individuals .In contrast, a majority, totaling 32.1%, agree that the, represented by 90 individuals. Furthermore, 33.9% strongly agree with this statement, constituting 95 individuals.

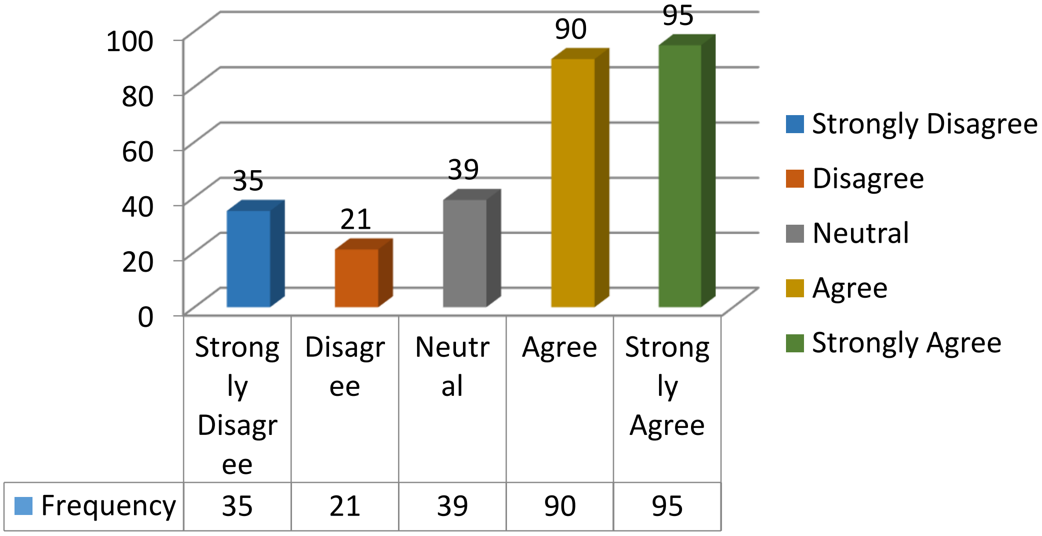

Figure 34: The implemented incentive systems and rules contribute to the achievement of work efficiently and effectively

Table 35: Our company applied an efficient incentive system that is connected to employee performance

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	15	4.6	5.4	5.4
	Disagree	17	5.2	6.1	11.4
	Neutral	12	3.7	4.3	15.7
	Agree	95	29.0	33.9	49.6
	Strongly Agree	141	43.0	50.4	100.0
	Total	**280**	**85.4**	**100.0**	

From table 35: The data reveals opinions regarding Our company applied an efficient incentive system that is connected to employee performance. Among respondents, 5.4% strongly disagree with the notion, comprising 15 individuals. Additionally, 6.1% express disagreement, with 17 individuals holding this view. the respondents, 4.3% Neutral with the notion, comprising 12 individuals .In contrast, a majority, totaling 33.9%, agree that the, represented by 95 individuals. Furthermore, 50.4% strongly agree with this statement, constituting 141 individuals.

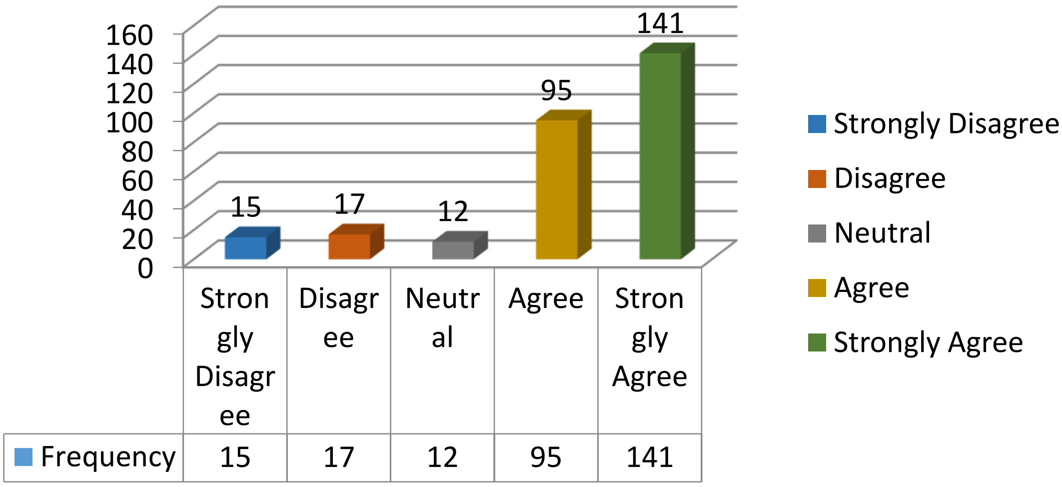

Figure 35: Our company applied an efficient incentive system that is connected to employee performance

Table 36: Statements Financial Incentives

no	Statements	Mean	Std. Deviation	Variance
X1	Periodic rewards encourage employees to strive to achieve the company's goals.	4.182	0.965	0.931
X2	Our company provides suitable incentives for overtime work.	4.107	1.086	1.178
X3	Our company helps provide loans to employees.	4.107	1.092	1.193
X4	Our company provides transportation allowances to employees.	3.843	1.310	1.717
X5	Our company continuously improves the material working conditions, which helps increase employee loyalty.	4.193	1.087	1.181
X6	The financial incentive generates the desire and willingness to work outside of official working hours.	3.889	0.972	0.945
X7	Employees in our company prefer material incentives or moral incentives.	4.061	1.023	1.046
X8	Our company's efforts to link promotions and advancement to positions become a matter that serves the interests of employees and the company.	4.032	1.069	1.142
X9	Our company achieves a system of exceptional bonuses to encourage employees to accomplish work efficiently.	4.039	0.893	0.798
X10	Our company provides appropriate individual material incentives for work.	4.018	0.974	0.950
	Total	**4.047**	**1.047**	**1.108**

Table 37: Statements Moral Incentives

no	Statements	Mean	Std. Deviation	Variance
X1	Appreciation and praise are an additional incentive to perform the assigned tasks to the fullest.	3.268	1.243	1.544
X2	Our company works to provide appropriate services for the work.	3.193	1.188	1.411
X3	Our company works to provide appropriate collective motivation methods.	3.189	1.214	1.473
X4	Involving employees in decision-making is a moral incentive to perform and accomplish the required work.	3.275	1.182	1.397
X5	Our company places a thank-you sign for the distinguished employees in the company, which is renewed periodically to be an important incentive for them at work.	3.286	1.232	1.517
X6	You feel job satisfaction with the work policies and regulations and your assignment to a leadership role in the company.	3.275	1.197	1.433
X7	Our company provides certificates of appreciation to distinguished employees to encourage them to work efficiently.	3.164	1.233	1.521
X8	Our company provides the benefits of participating in training courses to improve the performance of employees at work.	3.268	1.277	1.631
X9	Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals.	3.343	1.255	1.574
X10	Our company participates with employees in the decision-making process, which contributes to increasing their satisfaction and thus improving their performance.	3.489	1.221	1.491
	Total	**3.275**	**1.224**	**1.499**

Table 38: Statements Employee Performance

no	Statements	Mean	Std. Deviation	Variance
X1	Employees complete the tasks assigned to them without delay.	3.039	1.353	1.830
X2	Our company prepared employees to take on higher responsibility.	3.039	1.334	1.780
X3	The employees have the preference and abilities to adapt to the changes and new circumstances.	3.050	1.359	1.847
X4	The employees complete their duties according to the authorized standards.	2.936	1.340	1.795
X5	Skills developed by training programs help employees prepare for modern methods of doing business.	3.025	1.326	1.759
X6	The necessary abilities and skills are available to employees to solve daily problems during work.	3.168	1.343	1.803
X7	The employees have the necessary knowledge related to the work assigned to them.	3.254	1.324	1.753
X8	Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance.	3.143	1.412	1.994
X9	The implemented incentive systems and rules contribute to the achievement of work efficiently and effectively.	3.232	1.396	1.950
X10	Our company applied an efficient incentive system that is connected to employee performance.	3.236	1.384	1.916
	Total	**3.112**	**1.357**	**1.843**

Table 39: Statements Financial Incentives

elements	Strongly Disagree	%	Disagree	%	Neutral	%	Agree	%	Strongly Agree	%	Mean	Std. Deviation	Agreement percentage %
X1	6	2.1	9	3.2	46	16.4	86	30.7	133	47.5	4.182	0.965	83.64
X2	12	4.3	15	5.4	34	12.1	89	31.8	130	46.4	4.107	1.086	82.14
X3	10	3.6	18	6.4	39	13.9	78	27.9	135	48.2	4.107	1.092	82.14
X4	14	5	49	17.5	34	12.1	53	18.9	130	46.4	3.843	1.310	76.86
X5	10	3.6	22	7.9	17	6.1	86	30.7	145	51.8	4.193	1.087	83.86
X6	2	0.7	26	9.3	59	21.1	107	38.2	86	30.7	3.889	0.972	77.78
X7	9	3.2	13	4.6	45	16.1	98	35	115	41.1	4.061	1.023	81.22
X8	9	3.2	21	7.5	38	13.6	96	34.3	116	41.4	4.032	1.069	80.64
X9	1	0.4	15	5.4	55	19.6	110	39.3	99	35.4	4.039	0.893	80.78
X10	5	1.8	15	5.4	55	19.6	100	35.7	105	37.5	4.018	0.974	80.36
Total	**2.79**		**7.26**		**15.06**		**32.25**		**42.64**		**4.047**	**1.047**	**80.942**
	10.05				**15.06**		**74.89**						

The information in the above table relates to the frequency distributions, arithmetic means, and standard deviations of the responses regarding the content of statements (x1-x10), specifically describing the sample's opinions towards the Financial Incentives, which tends to agree at very good levels, as indicated by the percentages and the overall index. It shows that (74.89%) of the responding individuals agree with the content of these statements, while (15.06%) do not agree with the content of this dimension. The arithmetic mean was (4.047) and the standard deviation was (1.047). This indicates that the surveyed directorate reflects the Financial Incentives at good levels.

The highest agreement level regarding the statements in this dimension was on the statement (x2,x4) being equal, which reached (46.4%), with a mean of (4.107and 3.843) and a standard deviation of (82.14and 76.86). indicating that Our company provides suitable incentives for overtime work and Our company provides transportation allowances to employees.

While I have the lowest level of agreement on the statements of this dimension for item (x6), which reached (30.7%), with a mean score of (3.889) and a standard deviation of (0.972), indicating that The financial incentive generates the desire and willingness to work outside of official working hours.

Table 40: Statements Moral Incentives

elements	Strongly Disagree	%	Disagree	%	Neutral	%	Agree	%	Strongly Agree	%	Mean	Std. Deviation	Agreement percentage %
X1	13	4.6	6	2.1	14	5	125	44.6	122	43.6	4.20	0.98	84.07
X2	13	4.6	6	2.1	14	5	96	34.3	136	48.6	4.15	1.11	82.93
X3	16	5.7	39	13.9	26	9.3	83	29.6	116	41.4	3.87	1.25	77.43
X4	7	2.5	11	3.9	6	2.1	101	36.1	155	55.4	4.38	0.90	87.57
X5	7	2.5	7	2.5	14	5	114	40.7	138	49.3	4.32	0.88	86.36
X6	8	2.9	12	4.3	15	5.4	142	50.7	103	36.8	4.14	0.91	82.86
X7	12	4.3	5	1.8	15	5.4	122	43.6	126	45	4.23	0.95	84.64
X8	8	2.9	10	3.6	16	5.7	131	46.8	115	41.1	4.20	0.91	83.93
X9	5	1.8	7	2.5	19	6.8	131	46.8	118	42.1	4.25	0.83	85.00
X10	12	4.3	14	5	12	4.3	109	38.9	133	47.5	4.20	1.03	84.07
Total	**3.61**		**4.17**		**5.4**		**41.21**		**45.08**		**4.19**	**0.98**	**83.89**
	7.78				5.4		86.29						

The information in the above table relates to the frequency distributions, arithmetic means, and standard deviations of the responses regarding the content of statements (x1-x10), specifically describing the sample's opinions towards the Moral Incentives, which tends to agree at very good levels, as indicated by the percentages and the overall index. It shows that (86.29%) of the responding individuals agree with the content of these statements, while (5.4%) do not agree with the content of this dimension. The arithmetic mean was (4.19) and the standard deviation was (0.98). This indicates that the surveyed directorate reflects the Financial Incentives at very good levels.

The highest agreement level regarding the statements in this dimension was on the statement (x8,x9) being equal, which reached (.468%), with a mean of (4.20and 4.25) and a standard deviation of (0.91and 0.83). indicating that Our company provides the benefits of participating in training courses to improve the performance of employees at work, and Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals.

While I have the lowest level of agreement on the statements of this dimension for item (x2), which reached (34.3%), with a mean score of (4.15) and a standard deviation of (1.11), indicating that Our company works to provide appropriate services for the work.

Table 41: Statements Employee Performance

elements	**Strongly Disagree**	**%**	**Disagree**	**%**	**Neutral**	**%**	**Agree**	**%**	**Strongly Agree**	**%**	**Mean**	**Std. Deviation**	**Agreement percentage %**
X1	39	13.9	26	9.3	19	6.8	91	32.5	105	37.5	3.039	1.353	60.6
X2	36	12.9	25	8.9	26	9.3	70	25	123	43.9	3.039	1.334	60.6
X3	36	12.9	19	6.8	21	7.5	81	28.9	123	43.9	3.050	1.359	61
X4	40	14.3	16	5.7	21	7.5	78	27.9	125	44.6	2.936	1.340	58.6
X5	35	12.5	24	8.6	27	9.6	103	36.8	91	32.5	3.025	1.326	60.4
X6	33	11.8	31	11.1	24	8.6	92	32.9	100	35.7	3.168	1.343	63.2
X7	27	9.6	21	7.5	21	7.5	102	36.4	109	38.9	3.254	1.324	65
X8	40	14.3	11	3.9	54	19.3	45	16.1	130	46.4	3.143	1.412	62.8
X9	35	12.5	21	7.5	39	13.9	90	32.1	95	33.9	3.232	1.396	64.6
X10	**15**	**5.4**	**17**	**6.1**	**12**	**4.3**	**95**	**33.9**	**141**	**50.4**	**3.236**	**1.384**	**64.6**
total	**12.01**		**7.54**		**9.43**		**30.25**		**40.77**		**3.12**	**1.35**	**62.14**
	19.55				9.43		71.02						

The information in the above table relates to the frequency distributions, arithmetic means, and standard deviations of the responses regarding the content of statements (x1-x10), specifically describing the sample's opinions towards the Employee Performance, which tends to agree at very good levels, as indicated by the percentages and the overall index. It shows that (71.02%) of the responding individuals agree with the content of these statements, while (9.43%) do not agree with the content of this dimension. The arithmetic mean was (3.12) and the standard deviation was (1.35). This indicates that the surveyed directorate reflects the Employee Performance at good levels.

The highest agreement level regarding the statements in this dimension was on the statement (x2,x3) being equal, which reached (43.9%), with a mean of (3.03and 3.05) and a standard deviation of (1.33and 1.35). indicating that Our company prepared employees to take on higher responsibility, and The employees have the preference and abilities to adapt to the changes and new circumstances..

While I have the lowest level of agreement on the statements of this dimension for item (x8), which reached (16.1%), with a mean score of (3.14) and a standard deviation of (1.41), indicating that Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance.

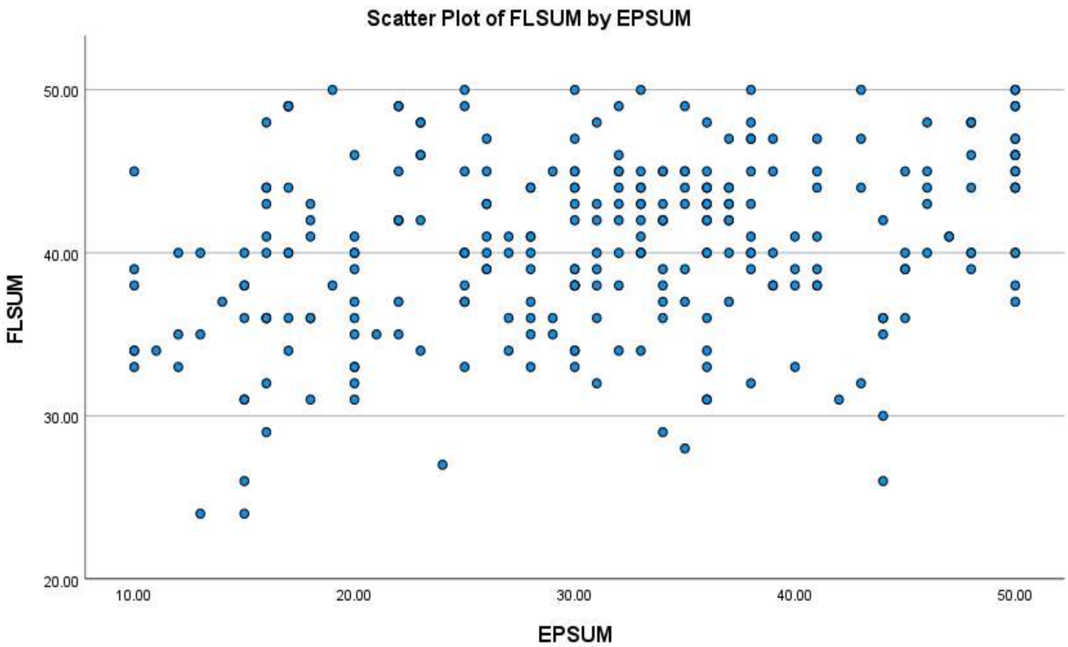

Figure 36: scalter plot of fl sum by ep sum

3.5 TESTING THE STUDY MODEL AND ITS HYPOTHESES

The aim of this chapter is to statistically test the main and sub-hypotheses of the study and to analyze its model to understand the relationships, effects, variance, and differences among its variables, and to verify the accuracy of the hypotheses, as follows:

First: Testing the Hypothesis of Relationships

The researcher attempts to test the main and secondary hypotheses related to the hypothesis of relationships, which are: (There is a statistically significant correlation between the first axis (Financial Incentives) and the second axis (Moral Incentives). and the three axis (Employee Performance)The researcher used the Pearson correlation coefficient as a suitable statistical tool to identify the correlation between the study variables with descriptive data, and the accuracy of this hypothesis will be verified as follows:

1. The relationship according to the overall index

The results of the correlation analysis between the study variables, according to the overall indicator shown in table 27: indicate that there is a significant positive correlation between those variables at the indicator level and at high levels. The Pearson coefficient between the first axis variable and the second axis variable was found to be (0.807**) with a significance level of (1%). This result demonstrates a direct relationship between the two variables, leading us to conclude that (increased attention to financial and moral incentives on employee performance within organizations).

2. The relationship according to the partial index

A) Is there a relationship between the first axis (the importance of financial and moral incentives on employee performance within organizations) and the dimensions of the second variable (the impact of financial and moral incentives on employee performance within organizations) both individually and collectively.

In order to achieve a more comprehensive understanding of the correlation relationships between the study variables at the level of each dimension, both individually and collectively, and according to the partial index, the results of Table 42 indicate that there are significant positive correlations between the first axis variable and the dimensions of the second axis variable. The strongest individual significant correlation was found between the first axis and Financial Incentives , which was (0.780**) at a significance level of (1%), followed by a strong individual significant correlation between the first axis and Moral Incentives at (0.765**) at a significance level of (1%). The least strong individual significant correlation was between the first axis and Employee Performance , which amounted to (0.724**) at a significance level of (1%).

These outputs support the correlation analysis based on the overall index and the general index, indicating that as (the impact of financial and moral incentives on employee performance within organizations), this leads to an increase in the impacts (Financial Incentives, Moral Incentives, Employee Performance) of employee performance within organizations. In other words, the results of the relationship analysis at the micro level strongly support the results of the relationship analysis between the main study variables at the macro and general levels. Therefore, the null hypothesis, "There is no significant statistical correlation between the first axis and the dimensions of the second axis, individually or collectively," is rejected. The alternative hypothesis is accepted, which states, "There is a significant statistical correlation between the first axis and the dimensions of the second axis, individually or collectively."

Table 42: Correlation relationships between the first axis and the dimensions of the second axis, individually and collectively

the importance of financial and moral incentives on employee performance within organizations	The first axis variable	
	The second axis variable	
Person correlation=0.780** Sig = 0.00	***Financial Incentives***	The impact of financial and moral incentives on employee performance within organizations.
Person correlation=0.765** Sig = 0.00	***Moral Incentives***	
Person correlation=0.724** Sig = 0.00	***Employee Performance***	
Person correlation=0.807** Sig = 0.00	**The overall index**	

The outputs of the correlation analysis between the study variables according to the overall index in Table 43: indicate a significant positive correlation between these variables at an acceptable level for the index. The correlation coefficient between the variable of reliance on the study sample (on the importance of financial and moral incentives on employee performance within organizations) and the second axis variable collectively (the impact of financial and moral incentives on employee performance within organizations.) was (0.169 **) at a significance level of (1%). This result demonstrates a direct relationship between the two variables, leading us to conclude that an increase in reliance on the study sample (impact of financial and moral incentives on employee) results in an increase in the effects of (impact of financial and moral incentives on employee performance within organizations).

According to this result, the researcher concludes that there are acceptable and significant levels of correlation between the study variables among the surveyed youth in the Kurdistan region, indicating that as the sample's desire to rely on financial and moral incentives increases, so does their impact on employee performance within organizations.

In order to understand the interrelated relationships between the study variables comprehensively and at every dimension level, according to a partial indicator, the results of table 43: show that there are significant positive correlations between the study sample's reliance on financial and moral incentives and employee performance within organizations, as well as the dimensions of the variables in the second axis, which is the impact of financial and moral incentives on employee performance within organizations. Specifically, there was a significant individual correlation between the study sample's reliance on financial and moral incentives on employee performance and financial incentives (0.287**) at a significance level of (0.016). After that, there was an acceptable significant individual relationship between the study sample's reliance on official security pages on social media and the emotional effects (0.318**) at a significance level of (0.015). Additionally, there was an acceptable significant individual relationship between the study sample's reliance on the effects of financial and moral incentives on employee performance and the moral incentives valued at (0.169**) and at a significance level of (0.003) at a significance rate of (1%).

Table 43: Correlation relationships between the first axis and the dimensions of the second axis, individually and collectively

Adoption of the study sample for official security pages on social media. (Often, Medium, Rarely)	**The second axis variable**	**The first axis variable**
Spearman correlation=0.287** Sig = 0.016	***Financial Incentives***	The impact of financial and moral incentives on employee performance within organizations.
Spearman correlation=0.318* Sig = 0.015	***Moral Incentives***	
Spearman correlation=0.169** Sig = 0.003	***Employee Performance***	
Spearman correlation =0.258** Sig = 0.004	**The overall index**	

Second: Testing the hypothesis of differences

The (Independent Samples T-Test) was used to identify the differences between the study variables based on personal characteristics formed from two categories such as gender. Additionally, the researcher used a one-way ANOVA to identify the statistical differences between the study variables according to personal characteristics that consist of more than two categories such as age, educational level, and years of work experience. Consequently, the outputs of these tests indicate the following:

1. Gender differences: The researcher relied on the Independent Samples T-Test to identify the differences between the categories regarding the gender dimension towards the study variables. The results of the analysis in Table 44: indicate that the calculated t value for the first axis, which was (0.214) and based on the means of the arithmetic averages which were (40.96) for males and (39.63) for females, shows that there are no statistical differences between the viewpoints of the study sample regarding the first axis according to the gender dimension differences among the individuals in the sample. This can be confirmed by the calculated significance level value which was (0.176), higher than the default significance level for the study, which is (1%).

Table 44: Gender differences

Study variables	Gender	N	Mean	Std. Deviation	t	sig
Financial Incentives	Male	176	40.9659	5.14243	2.014	.176
	Female	104	39.6346	5.67409		
Employee Performance	Male	176	31.2557	11.03073	.272	.568
	Female	104	30.8942	10.29084		
Moral Incentives	Male	176	36.3636	10.06627	-.220	.072
	Female	104	36.6250	8.75690		

This indicates that there is no significance in the differences related to (The impact of financial and moral incentives on employee performance within organizations(Financial Incentives)), which can be attributed to the gender trait. The computed value of (t) for the second main variable combined is (2.014) and the average values are (40.96) for males and (39.63) for females for the second main variable combined. This means that there are statistical differences in the perspectives of the study sample regarding the second main variable according to the gender differences among the individuals in the sample. This can be confirmed by the calculated significance level of (0.176), which is less than the default significance level of the study, which is (1%).

This indicates that there is no significance in the differences related to (The impact of financial and moral incentives on employee performance within organizations(Moral Incentives)), which can be attributed to the gender trait. The computed value of (t) for the second main variable combined is (0.272) and the average values are (31.25) for males and (30.89) for females for the second main variable combined. This means that there are statistical differences in the perspectives of the study sample regarding the second main variable according to the gender differences among the individuals in the sample. This can be confirmed by the calculated significance level of (0.568), which is less than the default significance level of the study, which is (1%).

This indicates that there is no significance in the differences related to (The impact of financial and moral incentives on employee performance within organizations(Employee Performance)), which can be attributed to the gender trait. The computed value of (t) for the second main variable combined is (-0.220) and the average values are (36.36) for males and (36.62) for females for the second main variable combined. This means that there are statistical differences in the perspectives of the study sample regarding the second main variable according to the gender differences among the individuals in the sample. This can be confirmed by the calculated significance level of (0.072), which is less than the default significance level of the study, which is (1%).

2. Differences According to Age Property: The results shown in Table 45: related to the one-way ANOVA analyzing the differences based on age property indicate that there are no statistically significant differences among employees within organizations regarding both the first and second axis variables according to age property. The calculated F values for each of them were (1.238, 1.240, 2.368) respectively, with degrees of freedom (3, 196), and the calculated significance levels were (0.267, 0.125, 0.267) respectively, which are greater than the default significance level of the study (14.6%). This confirms that there are no statistical differences in the opinions of the study sample towards the variables of the first axis (The importance of financial and moral incentives on employee performance within organizations.) and the second axis (The impact of financial and moral incentives on employee performance within organizations) according to the differences in the age attribute among the individuals of the sample.

Table 45: Differences by Age Characteristic

Study variables	Sum of Squares	df	Mean Square	F	sig
Financial Incentives	16.548	25	0.662	1.059	0.392
	158.824	254	0.625		
Total	**175.372**	**279**	**1.287**		
Moral Incentives	17.617	33	.534	0.832	0.731
	157.755	246	.641		
Total	**526.116**	**279**	**1.175**		
Employee Performance	39.870	39	1.022	1.811	0.004
	135.502	240	.565		
Total	**175.372**	**279**	**1.587**		

3. Differences by Education Level: The results in Table 46: related to the one-way analysis of variance to determine differences by education level indicate that there are no statistically significant differences in the performance of employees within organizations regarding both variables of the first and second axes according to education level, as the calculated F values for each were (0.864, 0.976) respectively, with degrees of freedom (5, 282). and with significance levels of (0.505, 0.433) respectively, which are greater than the assumed significance level of the study of (5%). This confirms that there are no statistical differences between the views of the study sample regarding the two variables of the first axis (the importance of financial and moral incentives on employee performance within organizations) and the second axis (the impact of financial and moral incentives on employee performance within organizations) according to the differences in educational level among the sample members.

Table 46: Differences by Educational Level Attribute

Study variables	Sum of Squares	df	Mean Square	F	sig
Financial Incentives	6.645	25	**0.266**	1.174	0.290
	58.841	254	0.232		
Total	**65.486**	**279**	**0.498**		
Moral Incentives	7.461	33	0.226	0.959	0.537
	58.025	246	0.236		
Total	65.486	279	0.462		
Employee Performance	6.645	25	0.266	1.455	0.052
	58.841	254	0.232		
Total	**65.486**	**279**	**0.498**		

4. Differences by Years of Work: The results in Table 46: related to the one-way ANOVA analysis, which aims to identify differences based on years of work, indicate that there are statistically significant differences (regarding employee performance within organizations)(Financial Incentives) concerning the first main variable according to years of work. The calculated value of (F) was (1.174) with

degrees of freedom (25, 254), and at a significance level of (0.290), which is below the nominal significance level of the study set at (5%). This confirms the existence of statistical differences in the opinions of the study sample regarding the first main variable, which is financial incentives, and illustrates the reasons behind these significant differences between years of work (less than 5 years and 5-10 years)

The results, according to the Levene test shown in Table 46: indicate significant differences in years of work concerning the primary variable. The average difference for years of work (less than 5 years and 5-10 years) was recorded at (6.645) with calculated significance levels of (0.266), which exceeds the default significance level of the study (5%). This means there are no statistical differences between employee performance regarding the primary variable. Meanwhile, the average difference for years of work (less than 5 years and 5-10 years) was recorded at (58.841) with calculated significance levels of (0.232), which is below the default significance level of the study (5%). This indicates that there are statistical differences between years of work regarding the primary variable.

As for the analysis of univariate to identify the differences according to the years of work as shown in Table 46: there are significant differences in the performance of employees within organizations towards the variable of the second axis (the effect of financial and ethical incentives on the performance of employees within organizations) (Moral Incentives) according to the difference of years of work among the sample members. The calculated values of (F) reached (0.959) with a degree of freedom (33, 246), and in terms of the values of the calculated significance level of (0.537), which is higher than the hypothetical level of significance of the study, which is (5%), i.e., there are statistical differences between the opinions of the study sample towards the second axis according to the difference of years of work among the sample members.

Table 47: Differences by Years of Work

Study variables	Sum of Squares	df	Mean Square	F	sig
Financial Incentives	40.108	25	1.604	1.382	.112
	294.860	254	1.161		
Total	334.968	279	2.765		
Moral Incentives	50.885	33	1.542	1.335	.114
	284.083	246	1.155		
Total	334.968	279	2.697		
Employee Performance	74.846	39	1.919	1.771	.005
	260.121	240	1.084		
Total	334.967	279	3.003		

5. Differences by Work Location: The results in Table 47: related to the one-way ANOVA analysis, which aims to identify differences based on work location, indicate the presence of statistically significant differences (regarding employee performance within organizations) concerning the first main variable according to work location. The calculated value of (F) was (1.382) with degrees of freedom (25, 254), and at a significance level of (0.112), which is less than the nominal significance level of the study, set at (5%). This confirms the existence of statistical differences in the opinions of the study sample regarding the first main variable, which is financial incentives, and explains the reasons behind these significant differences between work locations (Managers and IT Experts) in Table 47

The results, according to the Levene's test shown in table 47, indicate that there are statistically significant differences in the workplace concerning the primary variable. The average difference in years of work (Managers and IT Experts) was recorded at (40.108) with calculated significance levels of (1.604), which exceed the study's default significance level (5%). This means that there are no statistical differences in employee performance regarding the primary variable. At the same time, the average difference in years of work (Managers and IT Experts) was recorded at (294.860) with calculated significance levels of (1.542), which is below the study's default significance level (5%). This indicates the presence of statistical differences in the workplace concerning the primary variable.

As for the one-way analysis to determine the differences based on the work location, as shown in table (32-3), there are statistically significant differences in employee performance within organizations concerning the variable of the second axis (the impact of financial and ethical incentives on employee performance within organizations) (ethical incentives) according to the differences in work location among the sample individuals. The calculated values for (F) were (0.335) with degrees of freedom (33, 246), and the calculated significance level was (0.114), which is higher than the default significance level in the study, which is (5%). This means there are statistical differences in the opinions of the study sample regarding the second axis based on the differences in work location among the individuals in the sample.

3.6 RESULT

1. Gender differences: The researcher relied on the Independent Samples T-Test to identify the differences between the categories regarding the gender dimension

towards the study variables. The results of the analysis in Table 44 indicate that the calculated t value for the first axis, which was (0.214) and based on the means of the arithmetic averages which were (40.96) for males and (39.63) for females, shows that there are no statistical differences between the viewpoints of the study sample regarding the first axis according to the gender dimension differences among the individuals in the sample. This can be confirmed by the calculated significance level value which was (0.176), higher than the default significance level for the study, which is (1%).

2. Differences According to Age Property: The results shown in Table 45: related to the one-way ANOVA analyzing the differences based on age property indicate that there are no statistically significant differences among employees within organizations regarding both the first and second axis variables according to age property. The calculated F values for each of them were (1.238, 1.240, 2.368) respectively, with degrees of freedom (3, 196), and the calculated significance levels were (0.267, 0.125, 0.267) respectively, which are greater than the default significance level of the study (14.6%). This confirms that there are no statistical differences in the opinions of the study sample towards the variables of the first axis (The importance of financial and moral incentives on employee performance within organizations.) and the second axis (The impact of financial and moral incentives on employee performance within organizations) according to the differences in the age attribute among the individuals of the sample.

3. Differences by Education Level: The results in Table 46related to the one-way analysis of variance to determine differences by education level indicate that there are no statistically significant differences in the performance of employees within organizations regarding both variables of the first and second axes according to education level, as the calculated F values for each were (0.864, 0.976) respectively, with degrees of freedom (5, 282). and with significance levels of (0.505, 0.433) respectively, which are greater than the assumed significance level of the study of (5%). This confirms that there are no statistical differences between the views of the study sample regarding the two variables of the first axis (the importance of financial and moral incentives on employee performance within organizations) and the second axis (the impact of financial and moral incentives on employee performance within organizations) according to the differences in educational level among the sample members.

4. Differences by Years of Work: The results in Table 46 related to the one-way ANOVA analysis, which aims to identify differences based on years of work, indicate that there are statistically significant differences (regarding employee performance within organizations)(Financial Incentives) concerning the first main variable according to years of work. The calculated value of (F) was (1.174) with degrees of freedom (25, 254), and at a significance level of (0.290), which is below the nominal significance level of the study set at (5%). This confirms the existence of statistical differences in the opinions of the study sample regarding the first main variable, which is financial incentives, and illustrates the reasons behind these significant differences between years of work (less than 5 years and 5-10 years)

5. Differences by Work Location: The results in Table 47 related to the one-way ANOVA analysis, which aims to identify differences based on work location, indicate the presence of statistically significant differences (regarding employee performance within organizations) concerning the first main variable according to work location. The calculated value of (F) was (1.382) with degrees of freedom (25, 254), and at a significance level of (0.112), which is less than the nominal significance level of the study, set at (5%). This confirms the existence of statistical differences in the opinions of the study sample regarding the first main variable, which is financial incentives, and explains the reasons behind these significant differences between work locations (Managers and IT Experts) in Table 47.

As for the one-way analysis to determine the differences based on the work location, as shown in table 32, there are statistically significant differences in employee performance within organizations concerning the variable of the second axis (the impact of financial and ethical incentives on employee performance within organizations) (ethical incentives) according to the differences in work location among the sample individuals. The calculated values for (F) were (0.335) with degrees of freedom (33, 246), and the calculated significance level was (0.114), which is higher than the default significance level in the study, which is (5%). This means there are statistical differences in the opinions of the study sample regarding the second axis based on the differences in work location among the individuals in the sample.

CHAPTER VI
CONCLUSIONS

In the end, the researcher reached the following results :

- Technology performs a dynamical status in leveragable economic growth in nowadays.
- In industries with rapid growth, like telecommunications, where quantifiable outcomes are closely linked to revenue and customer satisfaction, financial incentives like bonuses, profit-sharing, and performance-based pay have been demonstrated to dramatically increase employee motivation and productivity.
- By attending to employees' psychological and emotional needs, moral incentives—such as acknowledgment, chances for professional growth, and cultivating a healthy workplace culture—play an equally significant role in boosting long-term job happiness and loyalty.
- simultaneously fulfills both extrinsic and intrinsic motivators, the results show that a balanced combination of financial and moral rewards results in the most long-lasting gains in employee performance.
- Moral incentives foster more involvement, trust, and commitment that benefit businesses over the long term, whereas monetary awards often promote short-term performance gains and instant behavioral changes.
- An organization's sense of belonging is strengthened by recognition and non-monetary benefits, which inspire employees to feel appreciated and respected. This increases organizational loyalty and lowers turnover rates.
- An over-reliance on financial incentives alone may have detrimental effects, such as encouraging unhealthy competitiveness, short-term thinking, or even displacing intrinsic drive, all of which can impede sustained innovation and creativity.
- Moral incentives provide workers a sense of direction and significance in their job, boosting their intrinsic drive to go above and beyond their duties and actively participate in corporate growth and innovation.

- Both kinds of incentives work in tandem; moral incentives foster an environment that is encouraging and motivating and improves overall performance, while financial incentives guarantee equitable and competitive remuneration.
- In highly competitive sectors where employee loyalty and expertise are essential for survival and growth, companies that proactively create dual incentive systems are more effective at luring and keeping top people.
- Financial pay is not the only factor that determines employee job happiness; it also much depends on whether workers feel valued, acknowledged, and provided with opportunity for both professional and personal development.
- In order to ensure fairness, transparency, and relevance across various employee groups, managers must modify incentive schemes to conform to the varied demands, cultural backgrounds, and expectations of their workforce.
- this study shows that maintaining employee motivation, improving organizational performance, and guaranteeing long-term competitive advantage all depend on incorporating moral and financial incentives into a holistic framework.
- It laid the groundwork for the study by defining the research topic and guiding the conversation using ideas like Herzberg's Two-Factor Theory, Expectancy Theory, and Equity Theory. The results demonstrate that both monetary and moral incentives influence employee motivation and performance in predictable but context-dependent ways, confirming the continued relevance of these ideas.
- It highlighted how the telecom sector is dynamic, requiring high levels of employee performance due to fierce rivalry and quick technical development. The result affirms that incentives are crucial instruments for maintaining both immediate productivity and long-term organizational commitment when they are designed appropriately.
- It offered a thorough analysis of the literature on moral and financial incentives, emphasizing earlier research findings and theoretical discussions. This study makes a contribution by reaffirming the general agreement that, particularly in knowledge-driven sectors like telecoms, financial incentives produce instant results but moral incentives encourage more commitment and inventiveness.
- emphasized. The current study backs up these conclusions by demonstrating that a hybrid strategy works better for addressing inner and extrinsic motivators in a diverse workforce.

- which was based on factual information from Asiacell in Iraq. The study achieved a comprehensive and accurate knowledge of how incentive systems operate in practice inside a telecoms corporation by using a representative sample of employees across different career levels.
- It shown that the efficacy of incentives is influenced by context-specific elements such employee demographics, job roles, and corporate culture. This supports the claim that incentive schemes ought to be adaptive and flexible rather than rigid.
- It reported that while moral incentives had a longer-lasting impact on employee engagement, loyalty, and work satisfaction, financial incentives greatly improved short-term performance measures like sales and productivity. These results are consistent with the theoretical predictions made in Chapter One.
- The perceived fairness and congruence of incentives with corporate objectives determine their efficacy. When reward programs were open, fair, and directly linked to both individual and group performance goals, workers expressed more motivation.
- the results confirm that organizations should not choose between financial and moral incentives but rather integrate them into a balanced strategy. Financial rewards address immediate performance pressures, while moral incentives strengthen organizational culture and long-term competitiveness.
- For Asiacell and similar telecommunications firms, the conclusion is clear: a dual incentive approach is not just beneficial but necessary for sustaining employee performance in a volatile industry. Incentives must be continuously evaluated and adapted to ensure they remain relevant in the face of technological, cultural, and market changes.
- Overall, the research shows that integrating financial and moral incentives into a coherent organizational strategy enhances not only employee performance but also job satisfaction, innovation, and retention. This positions incentive management as a cornerstone of sustainable organizational success in competitive sectors like telecommunications.

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APPENDICES

APPENDIX 1: SURVEY

Dear Respondent

I am pursuing a master's degree in Business Management in Türkiye. For study purposes, I am conducting a study titled "**The Impact of Financial and Moral Incentives on Employee Performance within Organizations**." The survey is being conducted to obtain empirical evidence and data in support of this study.

In this respect, your time to complete this survey is valued since your input will be of much importance to the understanding of how employee performance is influenced by monetary and moral rewards. The questions are designed to reflect your opinion and experience, and your honest input would be greatly valued.

Please rate your level of agreement or understanding by placing (√) in the corresponding box for each statement. Rest assured that all your responses will be treated with absolute confidentiality. Your responses will be kept confidential, and utilized solely for academic purposes, and no identifying data will be released. We appreciate the time and effort you have devoted to this valuable research.

Thank you for your participation!

Researcher

General Information about participants

1. **Gender:** Male ( ), Female ( ).
2. **Age:** Less than 30 years ( ), 31–37 ( ), 38-45 ( ), 46-54 ( ),
   55 and above ( ).
3. **Level of Education:** Ph.D. ( ), Master ( ), Bachelor ( ), Vocational School ( ).
4. **Overall Experience:** Less than 5 years ( ), 5-10 years ( ), 11-15 years ( ).
   16-20 years ( ), 21 years and more ( ).
5. **Job Position:** Managers ( ), Technicians ( ), IT Exports ( ),
   Telecom Specialists ( ), Other ( ).

This survey consists of three parts: part one: ***Financial Incentives (FI)***, part two: ***Moral Incentives (MI)***, and part three: ***Employee Performance (EP)***.

In each part, please read the statement and reply that displays your response to the statement using the scale below:

1= Disagree, 2= Strongly Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree,

Part 1: Financial Incentives (FI)

Items	**Statements**	**Strongly Agree**	**Agree**	**Neutral**	**Strongly Disagree**	**Disagree**
FI1	Periodic rewards encourage employees to strive to achieve the company's goals.	**5**	**4**	**3**	**2**	**1**
FI2	Our company provides suitable incentives for overtime work.					
FI3	Our company helps provide loans to employees.					
FI4	Our company provides transportation allowances to employees.					
FI5	Our company continuously improves the material working conditions, which helps increase employee loyalty.					
FI6	The financial incentive generates the desire and willingness to work outside of official working hours.					

FI7	Employees in our company prefer material incentives or moral incentives.					
FI8	Our company's efforts to link promotions and advancement to positions become a matter that serves the interests of employees and the company.					
FI9	Our company achieves a system of exceptional bonuses to encourage employees to accomplish work efficiently.					
FI10	Our company provides appropriate individual material incentives for work.					

Source: Muhammad, A.Y., and Muhammad, B.H. (2023). The Incentive System and its Implications (Positive and Negative) on the Performance of Employees: Search in General Company for Maritime Transport –Baghdad. *Journal of Techniques*, 5(1), 232-249.

Part 2: Moral Incentives (MI)

Items	**Statements**	**Strongly Agree**	**Agree**	**Neutral**	**Strongly Disagree**	**Disagree**
MI1	Appreciation and praise are an additional incentive to perform the assigned tasks to the fullest.	**5**	**4**	**3**	**2**	**1**
MI2	Our company works to provide appropriate services for the work.					
MI3	Our company works to provide appropriate collective motivation methods.					
MI4	Involving employees in decision-making is a moral incentive to perform and accomplish the required work.					
MI5	Our company places a thank-you sign for the distinguished employees in the company, which is renewed periodically to be an important incentive for them at work.					
MI6	You feel job satisfaction with the work policies and regulations and your assignment to a leadership role in the company.					
MI7	Our company provides certificates of appreciation to distinguished employees to encourage them to work efficiently.					
MI8	Our company provides the benefits of participating in training courses to improve the performance of employees at work.					
MI9	Our company nominates distinguished employees by sending them internally or externally to improve and develop performance to achieve the company's goals.					
MI10	Our company participates with employees in the decision-making process, which contributes to increasing their satisfaction and thus improving their performance.					

Source: Muhammad, A.Y., and Muhammad, B.H. (2023). The Incentive System and its Implications (Positive and Negative) on the Performance of Employees: Search in General Company for Maritime Transport –Baghdad. *Journal of Techniques*, 5(1), 232-249.

Part 3: Employee Performance (EP)

Items	**Statements**	**Strongly Agree**	**Agree**	**Neutral**	**Strongly Disagree**	**Disagree**
EP1	Employees complete the tasks assigned to them without delay.	**5**	**4**	**3**	**2**	**1**
EP2	Our company prepared employees to take on higher responsibility.					
EP3	The employees have the preference and abilities to adapt to the changes and new circumstances.					
EP4	The employees complete their duties according to the authorized standards.					
EP5	Skills developed by training programs help employees prepare for modern methods of doing business.					
EP6	The necessary abilities and skills are available to employees to solve daily problems during work.					
EP7	The employees have the necessary knowledge related to the work assigned to them.					
EP8	Our company has implemented a policy to encourage employees to present new ideas and methods to improve performance.					
EP9	The implemented incentive systems and rules contribute to the achievement of work efficiently and effectively.					
EP10	Our company applied an efficient incentive system that is connected to employee performance.					

Source: Saadi, M., Ali M.A., and Saad, M. Abed (2013). The role of managerial innovation strategies in improving employee job performance. A field study in Kufa Cement Factory, *Qadisiyah Journal of Administrative and Economic Sciences*, 15(4), 25-49.

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