The Role of Reward in Teachers’ Job Satisfaction Towards Job Performance: A Literature Review

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ABSTRACT

Job satisfaction significantly influences teachers' commitment, productivity, and their decision to remain in the field of education. The growing trend of early retirement among teachers in Malaysia, as well as their transition to other professions, highlights a potential issue within the educational sector. This emphasizes the importance of understanding the factors contributing to teachers' job satisfaction. This paper aims to analyse the specific ways in which reward factors can amplify teachers' satisfaction, drawing on previous research to explore the effects and correlations between rewards and job satisfaction. The study begins by emphasizing the significance of job satisfaction among teachers in educational institutions. It observes that when teachers receive rewards and recognition tailored to their individual needs and preferences, it can significantly enhance their overall job satisfaction.

1. Introduction

Technical and vocational education and training (TVET) in Malaysia has evolved over the years to adapt to the changing needs of the nation’s industry. With globalization reshaping economies worldwide, the demand for skilled workers with both theoretical and practical skills has surged. This has led to the development of the National Dual Training System (NDTS) in Malaysia, a step towards bridging the gap between classroom-based learning and industry requirements. The National Dual Training System, introduced in 2005,
provides apprentices with the unique opportunity to experience both classroom training and on-the-job practical sessions with businesses. According to Affero and Hassan (2013), this dual system has allowed apprentices to garner not just theoretical knowledge but also crucial interpersonal and organizational skills, which are indispensable in today's dynamic work environment. Malaysia's journey in transforming its TVET system underscores the nation's commitment to producing a workforce that's not only technically competent but also adaptable to the ever-evolving demands of the globalized world. With systems like NDTS and the establishment of vocational colleges, Malaysia is steadily moving towards becoming a global contender in the realm of technical and vocational education. The introduction of a revised curriculum and certification at the certificate and diploma levels, known as Diploma Vocational Malaysia (DVM), is a significant step forward. This initiative likely aims to align vocational education with industry needs and provide students with practical skills and knowledge that can lead to meaningful employment opportunities.

Accordingly, changes in the technical and vocational education systems can indirectly impact lecturers by requiring them to continuously adapt, update their skills, and adjust their teaching methods to meet the evolving needs of their students and the educational system as a whole. In the implementation of this technical and vocational education system, the issue of job satisfaction arises among vocational lecturers at the Vocational College, which has been identified through preliminary surveys that have been carried out. Lecturers in technical and vocational education fulfill an essential job by teaching students' practical expertise and understanding in diverse domains, including engineering, healthcare, agriculture, and more. Nonetheless, they frequently encounter compensation-related obstacles, which can have an effect on the quality of teaching they deliver and their level of job satisfaction.

The focus on the relationship between reward factors and job satisfaction in the education system, particularly in the context of Malaysia's technical and vocational education and training (TVET) system, is a critical area of study. Understanding how rewards and incentives influence job satisfaction among educators and administrators in TVET institutions can have far-reaching implications for the quality and effectiveness of technical and vocational education in Malaysia. Adequate and competitive compensation packages, including salaries, allowances, and benefits, are essential for vocational lecturers. Ensuring that educators are fairly compensated for their skills and expertise can positively impact their job satisfaction.

2. Literature Review

2.1. A Review of Job Satisfaction

In recent years, academics from different organizations have undertaken studies on job satisfaction. Job satisfaction has a significant impact on work outcomes, and a worker's motivation can even enhance a teacher's performance and success in the school setting. Many studies have studied the influence of job motivation on job satisfaction globally (Hidayat, Patras, Windiyani, & Gunawan, 2023; Kumareswaran, Muhadi, & Sathasivam, 2022; Lim, 2022; Gusriani, Komardi, & Panjaitan, 2022; Omar, Idrus & Jamal, 2021; Ismail, Hamid, & Badlishah, 2021; Zainudin & Muhamad, 2021; Omar, Abdul Aziz, & Mohd Salleh, 2020; Ghazali, Mohd Khir, & Ismail, 2019; Muhd Khaizer, Self, & Cole, 2018).
Job satisfaction is an essential metric in human resource management, organizational behavior, and the general well-being of employees. It gauges the extent to which employees derive positivity from their jobs, hence impacting their performance, retention, and overall happiness. According to Affendi (2014), job satisfaction is attained when employees experience feelings of happiness, enjoyment, comfort, tranquillity, and positivity that arise from their attitudes and work experiences. Every satisfied employee will be motivated to perform their tasks with great skill. However, there are occasions when employees experience dissatisfaction with their employment and express it in a negative manner. These workers typically experience detrimental outcomes such as stress, frustration, anxiety, and fatigue. This situation has the capacity to reduce the level of job satisfaction and compensation (Ali et al., 2011). Research on job satisfaction is undertaken by taking into account several factors, such as the work environment, colleagues, salary, acknowledgment, and supervisor. This literature review concept paper will focus on analyzing the impact of reward components on job satisfaction.

The salary of a teacher is important since it has a direct impact on their financial stability and sense of financial security. In order to achieve job satisfaction, it is necessary for teachers to have their fundamental requirements met and be able to support their families. Therefore, a fair and competitive salary is necessary. A progressively dynamic and evolving work environment has a direct influence on productivity and job satisfaction. Simultaneously, this suggests that when the teacher’s job satisfaction is met, they can perform their responsibilities and tasks particularly well (Patel & Chandra, 2022; Marius et al., 2022; Chika, Ekawarna, & Eddy, 2022; Eric et al., 2022; Richard, 2022; Bakir & Deveci, 2022; Mukuka-Hagane & Daka, 2018). Korlo and Akintunde (2016) identified several reasons that contribute to job discontent among teachers. These variables include administrative concerns, evaluation of student performance, inadequate management of disciplinary matters, excessive workload, insufficient wages, lack of professional respect, and limited opportunities for promotion.

According to Mathis and Jackson (2004), a crucial determinant of job satisfaction is the alignment between employees’ work expectations and the rewards they receive from their job. Employees who receive high salaries but are placed in an unproductive or boring work setting will likely leave their current organization because they lack internal motivation. Similarly, employees who work in a stimulating and supportive environment may leave if they are dissatisfied with the external rewards that reinforce Herzberg’s (1959) two-factor theory. Akintoye (2000) asserts that money continues to be the primary motivational technique. Money possesses substantial motivational influence and serves as a representation of security, authority, status, and a sense of accomplishment and triumph.

The research emphasizes that teachers who experience happiness or satisfaction with their duties are typically more inclined to exhibit conscientious motivation in their work. This drive can result in enhanced teaching methods and improved student academic achievements. On the contrary, a dissatisfied teacher might exert a negative impact on student learning. Salary is a crucial component in determining job satisfaction among teachers, but it is just one of several considerations. In order to achieve comprehensive work satisfaction and optimize educational outcomes for students, it is crucial to adopt a comprehensive approach that includes all areas of a teacher’s professional life. Further study should focus on exploring strategies for fostering an educational setting in which teachers experience recognition and assistance, including both monetary and professional aspects.
2.2. Job satisfaction in the Context of Herzberg’s Motivation-Hygiene Theory

Herzberg's (1959) Two-Factor Theory, alternatively referred to as the Motivation-Hygiene Theory, differentiates between variables that contribute to job happiness (motivators) and factors that contribute to job dissatisfaction (hygiene factors). According to Herzberg (1959), these two sets of criteria operate independently, indicating that enhancing the hygiene aspects does not enhance job happiness; it only diminishes job dissatisfaction. The motivational element has a direct impact on the task completed since it functions as an influence or is related to the work. Even though the "hygiene" factor—which includes the workplace, supervision, interpersonal relationships, status and pay, safety, and personal life—is an inherent part of work, it also serves as a catalyst for the highest level of worker satisfaction and individual dissatisfaction (Nordin et al., 2021; Ahad et al., 2021; Roszi et al., 2021; Nik Nurhalida et al., 2021; Nurhasanah et al., 2021; Yusaini et al., 2021).

Herzberg's (1959) theory states that the existence of specific factors known as "motivators" (such as the nature of the job, opportunities for advancement, status, and prestige) leads to job satisfaction (Figure 1). On the other hand, the absence of certain factors known as "hygiene" (such as pay, working conditions, relationships with supervisors and colleagues, and job security) leads to job dissatisfaction (Dugguh & Dennis, 2014). Compensation is commonly categorized as a hygiene component. If an employee perceives an inequity in their compensation, they will experience dissatisfaction. Nevertheless, simply augmenting remuneration does not result in enduring gratification; it frequently only results in transient fulfillment. There are two category of Herzberg’s (1959) Two-Factor Theory, which is:

i. Motivation Factors: These factors contribute to satisfaction and inspire employees to work harder. Examples include enjoying one’s work, achievement, recognition, responsibility, the nature of the work itself, opportunities for advancement, and personal growth.

ii. Hygiene Factors: These elements, if lacking, lead to dissatisfaction and a decrease in motivation. They encompass aspects such as working conditions, relationships with co-workers, organizational policies and rules, base wages and salary, status, and the quality of supervision.

Regarding rewards and job happiness, Herzberg's (1959) theory states that while extrinsic rewards such as compensation and bonuses must be sufficient to prevent dissatisfaction, they do not serve as the primary motivator of actual job satisfaction. On the contrary, intrinsic rewards are directly related to the intrinsic qualities of the job and the level of employee engagement and recognition, making them more effective in increasing job satisfaction. For example, a bonus might be considered a hygiene element when it is regarded as a conventional part of the compensation package. However, it can serve as a motivator when it is linked to acknowledging exceptional individual or team accomplishments that exceed normal expectations. The Ghanaian government has implemented monetary incentives to enhance job satisfaction among academics in the country (Akafo & Boateng, 2015). Despite the mentioned efforts, academics in the nation have experienced significant job unhappiness due to dissatisfaction with financial
2.3. The Concept of Rewards

Rewards play a significant role in shaping an employee’s dedication, effectiveness (Khan et al., 2021) and performance (Zulkiflee et al., 2021). According to studies by Joseph et al. (2021), Iwu et al. (2018) and Nadzri, Rosli, Bakar, and Baharudin (2015), receiving compensation that is commensurate with one’s effort is a key factor in determining job satisfaction. Extrinsically motivated rewards, such as salary, bonuses, and benefits, can also impact job satisfaction. Competitive compensation and attractive benefit packages can make employees feel valued and content in their roles. Furthermore, this relationship is influenced by the prevailing socio-economic conditions of the country, as indicated by Richard (2022). A well-designed pay system that is competitive, fair, and aligned with employees’ contributions and market standards can positively impact job satisfaction, motivation, performance, and retention (Bryson, Forth & Stokes, 2017).

The reward system is concerned with the formulation and implementation of strategies and policies aimed at rewarding the public fairly and consistently according to the values of the organization. It is also about the design, implementation, maintenance, and communication of the reward process to help the organisation implement it (Demir, 2020). According to Malhotra et al. (2007), rewards are defined as a type of financial compensation, physical services, and benefits that employees receive as part of their employment. Employers anticipate that employees will successfully complete the assigned tasks to their satisfaction, while employees also anticipate that employers will ensure their compensation is enough after fulfilling their expected responsibilities (Eshun & Duah, 2011). According to Jackson (2004), compensation serves as a kind of remuneration for individuals who perform organisational tasks, typically in the form of salary, incentives, and benefits.

Incentives also contribute to shaping an individual’s job satisfaction within their professional trajectory. Tanjung (2020) describes reward as a type of revenue that is received either directly or indirectly. Organisations determine remunerations by evaluating job performance and estimating appropriate compensation for eligible and equitable assignments (Hernita, 2015) based on the contributions and qualities of the task performed (Jamali & Syaiful, 2020). Substantial financial rewards can be obtained either directly or indirectly. Direct financial reward encompasses the remuneration that an employee receives in the form of wages, salaries, bonuses, commissions, incentives, merit-based pay, stock options, and other similar forms of compensation. Direct financial rewards consist of two components: basic compensation and variable salary, which are determined based on performance (Mathis & Jackson, 2004). Salary, or income, is a sort of compensation received in exchange for work performed. It serves as a significant catalyst for motivation and plays a role in fostering professional growth inside the organization. Workers anticipate receiving compensation that is proportionate to the level of work they carry out. However, if their satisfaction with the compensation is lower, it indicates that the wage may not meet their anticipated standards. Management should consider this element while making judgements about employee salary provision. Enhancing the wage structure will bolster self-motivation and elevate organisational productivity (Alrawahi et al., 2020).
A well-structured reward system can help organizations attract and retain talented employees. When employees feel that their contributions are appreciated and rewarded, they are more likely to stay with the company and remain engaged in their work. Hence, the examination of the correlation between rewards and job happiness is a topic of significant interest and can be a valuable area for future research and scholarly study. (Pancasila et al., 2020). Herzberg et al. (1959) found that reward elements have a significant impact on job satisfaction compared to other factors. An individual’s level of motivation in their chosen vocation is directly influenced by the magnitude of the rewards or income they receive. The study emphasizes the salary or income earned following the completion of the employment task. If employees feel that their wages are not proportional to the work they do, they may exhibit defensive behavior within the organization. This could include actions such as reduced productivity, decreased engagement, or even turnover.

3. Research Method

The research will employ an empirical analysis approach, drawing data from previous studies to evaluate the correlation between rewards and job satisfactions.

4. Results

The employment of Maslow’s Hierarchical Needs Theory demonstrates that the provision of incentives effectively fulfils the fundamental needs of teachers (Ali et al., 2016). Widodo and Damayanti (2020) conducted a study on job satisfaction among vocational teacher lecturers in Bogor City, West Java. Their findings support the hypothesis that rewards play a crucial role in developing effective human resource management within organizations. Rewards have a positive impact on team morale and can effectively enhance job satisfaction. The organisation’s reward system is strategically developed and implemented to equitably incentivize employees. Furthermore, this compensation system is implemented equitably based on an employee’s accomplishments (Ali & Anwar, 2021). Meanwhile, Daka and Chiwoya (2022) found that in a study on job happiness, specifically focusing on compensation and incentives, teachers reported a moderate level of job satisfaction. To enhance teacher job satisfaction, it is necessary to enhance incentives such as home loans, travel allowances, tuition allowances, and other such benefits. Prior research has demonstrated that incentives possess the capacity to motivate individuals to engage in beneficial actions, fostering a drive to improve, exert greater effort, and allocate more energy towards attaining favourable outcomes (Al-Nsour, 2012). Hence, it is important to enhance the appeal and competitiveness of the college profession by providing comparable incentives to those offered in other fields. Additionally, it is crucial to provide leadership training to school administrators, enabling them to efficiently and effectively manage teachers and resources in order to prevent teacher dissatisfaction.

Furthermore, Oduwole and Ekunday (2022) conducted a study that revealed a significant correlation ($r = 0.115, P<.05$) between the consistent provision of additional benefits and the level of job satisfaction among teachers. The findings establish a strong correlation between the fixed provision of fringe benefits and teacher job satisfaction in Ogun State, Nigeria. The results align with Nyamubi’s (2017) findings, which indicate that teachers express contentment with both monetary and non-monetary rewards, such as community backing. The individuals express satisfaction with a just compensation package linked to their efforts, prospects for professional growth, a transparent system for evaluating individual performance, timely advancement, and essential working circumstances.
Akande (2014) discovered a substantial correlation between prompt salary payment, promotion, additional perks, professional growth, and employee job performance. Arrey (2014) shows that teachers’ salaries have a considerable impact on their attitude towards work, whereas the provision of salaries to instructors has a little effect on their work attitude. Fadeyi, Sofoluwe, and Gbadeyan (2015) demonstrate a substantial correlation between teacher salary, advancement, and student academic achievement. Furthermore, it unveiled a noteworthy correlation between fringe benefits and classroom management.

At SMK Negeri Kota Jambi, Saudagar and Candra’s (2020) study looked into the effects of rewards and teacher commitment on job satisfaction. The findings revealed that rewards had a significant effect on job satisfaction. The cumulative reward value totalled 2,867, while the t-table value was 1,996. Hence, the finding of the analysis (2,867 > 1,996) suggests a moderately significant correlation between reward and job satisfaction. Moreover, there is a statistically significant relationship between teacher reward and commitment to job satisfaction, as shown by the F count score of 17,591, which exceeds the F table score of 3.13. Based on this study, it is suggested that school administrators or principals at state vocational schools in Bandar Jambi give priority to enhancing teacher job satisfaction. This initiative will improve the competency and motivation of all educators, specifically in performing their duties as lecturers, eventually resulting in the achievement of school goals. Moreover, Omar, Abdul Aziz, and Mohd Salleh (2020) revealed that salary is significantly and positively influence job satisfaction among the Polytechnic academic employees, especially the employees in the Department of Tourism and Hospitality. Moreover, the findings also suggested that the employees of the Department of Tourism and Hospitality agreed that salary had the highest influence to their job satisfaction followed by job security and lastly working condition.

According to Ali et al. (2016), incentives and compensation are additional aspects that contribute to job satisfaction within an organization. The proof of employment is conducted in accordance with set standards as part of the compensation process. Ali and Anwar (2021) conducted a study on the impact of income awards, incentives, and benefits on employee motivation. Their findings demonstrate a significant difference in the correlation between salaries, benefits, incentives, and employee satisfaction within the organization. The study’s analysis indicated a significant positive correlation (r = .536**, p<0.01) between incentives as a motivational factor and job satisfaction. This shows a strong and positive relationship between rewards and contentment in the workplace. Therefore, this study proves that income is a determining factor in the pattern of individual work performance in employment. Yousaf, Latif, Aslam, and Saddiqui (2014) found that employees receive higher rewards when they meet specific performance standards that align with their abilities, expertise, and capacities. The positive correlation between job satisfaction and reward is seen in the significant reaction to appropriate compensation for skills, aligning with the perspective of Nandan and Krishna (2013) that a higher level of skill is linked to greater satisfaction.

However, a previous study conducted by Batool, Shahnawaz, and Habib (2022) explored the correlation between job satisfaction among science teachers in secondary schools in Rawalpindi District, Pakistan, using Herzberg’s (1959) Two-Factor Theory. The findings of this study indicated that there was no statistically significant relationship between salary and job satisfaction as well as and teachers job performance. The results of this study align with the findings of previous researchers (Estafianto, Fakhruddin, & Sutarto, 2020; Gersten, 2001), indicating that salary does not have a significant impact on job satisfaction and does not contribute to enhancing employee performance within
organizational contexts. Educators continue to effectively fulfil their professional responsibilities while expressing contentment with the remuneration they get as a foundational component of their compensation package.

Salary and reward have a significant and positive impact within the organization (Lee et al., 2022; Daka & Chiwoya, 2022; Oduwole & Ekunday, 2022; Saudagar & Candra’s, 2020; Adeoye, 2014; Malik, Danish, & Munir, 2012; Heneman, Greenberger, & Fox, 2002). Teacher satisfaction is closely linked to teacher performance in several ways. A satisfied teacher is generally more motivated, engaged, and committed, which can have a positive impact on their teaching efficacy and, consequently, on student outcomes. Teacher happiness in school is a complex issue that requires addressing both hygiene and motivational aspects. It entails establishing a setting that not only avoids dissatisfaction but also actively nurtures the factors that contribute to a satisfying educational experience.

5. Conclusion

Numerous factors that affect the rewards systems have an impact on job satisfaction. The impact of rewards serves as an important motivational element in organizations that employ objective measures of job satisfaction. Previous research has shown a significant correlation between reward components and the specific type of reward under investigation. Salaries, incentives, allowances, bonuses, and similar factors contribute to an individual's job happiness. From a theoretical perspective, incentive factors play a significant role in the advancement and growth of research on job satisfaction, particularly in technical educational institutions in Malaysia. In many regions of the world, there is a serious lack of skilled TVET teachers. In many regions of the world, there is a serious lack of skilled TVET teachers. Rewards and recognition could help keep excellent teachers employed. Thus, it is necessary to prioritize studies that examine remuneration in the field of Vocational College specifically. Offering remuneration that is proportional to the tasks performed will enhance teacher drive and performance. An effective reward system should recognize the unique contributions of TVET educators, support their development, and enhance the overall quality of vocational education and training. This condition also motivates teachers to be more determined and conscientious in fulfilling their role as educators who are committed to developing high-achieving students. In the end, organizations must take into account a comprehensive approach to employee happiness that encompasses not only a competitive salary but also other elements that contribute to a happy and rewarding work environment.

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Conflict of Interest

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