



Impact of Salary and Recognition on Job Performance: A study of Nangarhar University Lecturers, Afghanistan

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ABSTRACT: Organizations seek to gain a competitive advantage by applying different strategies in today's competitive environment. Due to intense competitive pressure, organizations attempt to gain a competitive advantage using employee skills, abilities, and expertise. Organizations offer different kinds of incentives, like salary and recognition, to ensure proper utilization and increase employee performance. Satisfied employees become more dedicated, committed, and loyal to organizations than other employees without a proper incentive system. The purpose of this study was to determine the impact of salary and recognition on the job performance of university lecturers at Nangarhar University, Afghanistan. The questionnaire method was adopted to collect data using Likert scales ranging from 1 to 5. Data were collected from 210 respondents and analyzed using SPSS version 27. The Pearson product-moment correlation was applied to determine the impact of salary and recognition on job performance. The result of the study showed that there is a significant correlation between salary and employee performance. In addition, it was also found that there was a significant correlation between recognition and employee performance.

KEYWORDS: Job performance, Recognition, Salary, University Lecturers, Nangarhar University.

INTRODUCTION

The ability of an organization to achieve its business goals and have a sustainable competitive advantage over other organizations largely depends on employee performance. Performance is defined as the relationship of an employee ability to carry out his/her duties, meet management standards and accomplish goals of the job (Masri & Abubakr 2019; Sahibzada & Pandya, 2023). In today's competitive environment, organizations must motivate their employees to succeed. However, considerable basic research has shown that employees should be motivated both financially and non-financially to increase their productivity and performance. Researchers have also defined different ways to motivate employees to achieve better performance. No organization can succeed without the motivation of its employees. Meanwhile, some basic research has shown that financial rewards like salary, rewards, etc. positively influence employees and increase their performance, but recognition must be given to committed employees to keep them motivated, appreciated, and committed (Luthans, 2000; Danish & Usman, 2010). Recognition has a significant impact on the motivation and satisfaction of the employees (Vijayakumar & Subha 2013). Employees in an organization want to feel appreciated, so recognition is a critical factor in motivating employees to perform better. Appreciating an employee for something he or she has done for your organization is considered recognition. Recognition is given to an employee when they achieve a specific goal (Nelson 2012). Employee recognition has been identified as a strong motivational tool that enriches employees' energies toward achieving organizational goals and objectives (Imran et al. 2014). Employee recognition can strengthen employee behavior through positive feedback or highlight the achievement of a specific goal or task (Mone, et al., 2011). Recognition is a strong motivational factor that enriches employees' energy toward the completion of an organization's goals and objectives (Imran et al. (2014). It increases the output of employee and help in attracting new talented employees (Nelson, 2012).

Another basic incentive to employees in an organization is salary, which motivates them to increase their performance in the organization. It increases employee satisfaction, productivity, and performance. Sharma and Bajpai (2011) defined that salary as a type of periodic payment from an employer to an employee based on contract. Pay is a significant incentive to motivate the behavior of employees (Taylor and Vest, 1992). According to Massudi (2013), salary and recognition are the major motivational factors for employees.



LITERATURE REVIEW

Performance is the association between an employee's ability to perform his/her job, fulfill management expectations, and reach the job target (Masri & Abubakr 2019; Sahibzada & Pandya 2022). Most scholars have researched the impact of salary and recognition on job performance and have found that there is a positive and significant impact on employee performance. According to Deeprose (1994), stated that effective recognition should be provided to increase employee performance and productivity. The basic need for employees in an organization is to appreciate it because they want to feel that the job they are doing for the organization is valued. Hussain et al. (2019) also revealed that recognition of employees has a significant and positive effect on employee performance. Kerubo and Thomas (2022) also revealed that there is a significant relationship exist between recognition and employee performance. According to Nelson (2012) the reason behind leaving the job or duty is lack of insufficient recognition. In addition to this motivating factor, salary is also one of the motivating factors that can increase the performance of employees. According to Nagaraju and Pooja (2017), salary has a positive impact on employee performance and productivity. The efficiency of employees increases because of salary. Ahmed and Shabbir (2017) also revealed that a fair salary concerning their job motivates employees, and they feel positively rewarded. In addition, Lazear (1986) stated that performance-related pay directly affects a worker's performance by creating output through pay.

Problem statement

In the context of higher education, the performance of lecturers plays an important role in academic success. It is also found that various factors including salary and recognition significantly influence job performance. The current salary and recognition policies did not sufficiently fulfill the needs and expectations of lecturers in Afghanistan, which leads them to dissatisfaction and poor performance. In developing countries like Afghanistan where education system is facing different challenges and problems. Therefore understanding the role between salary and recognition on job performance is needed to give information to decision makers to improve the job performance of university lecturers.

Importance of the study

The main aim of this study is to find the impact of salary and recognition on the job performance of university lecturers. There is so little research conducted on the impact of these variables on job performance at Nangarhar University. Therefore, this research will provide data and information to university lecturers, top management, and the Ministry of higher education that how these mentioned variables lead to higher job performance. This research will explore how salary and recognition affect job performance, enabling organizations to develop effective strategies that enhance overall productivity. In addition, these incentives are motivational tools, which influence employee's job satisfaction and commitment. Therefore, a well-managed salary and recognition system can significantly reduce turnover rates, increase loyalty and increase overall performance of the lecturers.

Objectives:

1. To evaluate the impact of salary on the job performance of university lecturers at Nangarhar University.
2. To determine the impact of recognition on the job performance of university lecturers at Nangarhar University.

Hypothesis

H₁: There is a significant relationship between employee salary and job performance.

H₂: There is a significant relationship between recognition of employees and job performance.

Research method and participants

This research was conducted at Nangarhar University, Afghanistan. Data was collected through a standardized questionnaire with a Likert scale which ranged from 1 to 5. In other words, 1 shows strongly disagree, 2 shows disagree, 3 shows neutral, 4 shows agree, and 5 shows strongly agree.

Total population of the study was 443, among which 210 sample were selected through Yamane (1967) formula with a 95% confidence level. All participant of the study were male. Data was analyzed through Statistical Package for Social Sciences (SPSS) version 25. The validity of the proposed model was examined. The reliability of recognition was 0.850, salary was 0.789, and performance was 0.891.



Table 1: Demographic statistics of the participants’ gender and education levels.

Number	Gender		Education Level		
	Male	Female	Bachelor	Master	Ph.D.
	210	0	94	98	18
Percentage	100	0	44.8	46.7	8.5

Table 1 of the study showed the descriptive statistic of the participants. It shows that all participants of the study are male. Among 210 participants, 94 participants were having bachelor degree, 98 participants were having master degree and 18 participants were having Ph.D. degree.

Table 2: Descriptive statistic of the salary

Salary range	Frequency	Percentage
25,000 to 35,000	125	59.5
35,000 to 45,000	53	25.2
45,000 to 55,000	32	15.3
Above 55,000	0	0
Total	210	100.0

Table 2 of the study presents the descriptive statistics of the salary range of respondents in a study presented in terms of frequency and percentage. It showed that from total (N=210) respondents 125 respondents were taking salary between 25000 to 35000, which becomes 59.5 percent of total percentage. 53 respondents were taking a salary between 35000 to 45000, which becomes 25.2 percent. 32 respondents were taking a salary between 45000 to 55000, which becomes 15.3 percent. In order to determine the impact of salary and recognition on job performance, we used correlation to find the relation between these variables. We show these correlations in the following tables;

Table 3: Pearson correlation of Salary and Job performance

		Salary	Job performance
Salary	Pearson correlation	1	0.557*
	Sig (2-tailed)		0.001
	N	210	210
Job performance	Pearson correlation	0.557*	1
	Sig (2-tailed)	0.001	

*p<.05. Correlation is significant at the 0.01 level (2-tailed).

Table 3 presents the results of a correlation analysis between salary and job performance, with a significance test. A correlation of 0.557 shows that there is a moderate positive relationship between salary and job performance. This means that as salary increases, job performance tends to increase. In simple words, we can say that by increasing the salary of university lecturers at Nangarhar University, their job performance will increase.

H₁: There is a significant relationship between employee salary and job performance.

Hence, H₁ is accepted because the salary of employees is significantly associated with their job performance.



Table 4: Pearson correlation between recognition and job performance

		Recognition	Job performance
Recognition	Pearson correlation	1	0.610*
	Sig (2-tailed)		0.001
	N	210	210
Job performance	Pearson correlation	0.610*	1
	Sig (2-tailed)	0.001	

*p<.05. Correlation is significant at the 0.01 level (2-tailed).

Table 4 of the study shows the relationship between recognition of employees and job performance. The correlation analysis revealed a coefficient of 0.557 between salary and job performance, indicating a moderate positive relationship between these two variables. This result suggests that as salaries increase, job performance also tends to improve. In simple words, we can say that by recognizing the university lecturers at Nangarhar University, their job performance will increase.

H₂: There is a significant relationship between recognition of employees and job performance. Hence, H₂ is accepted because recognition of employees is significantly associated with job performance.

CONCLUSION

The result of the study showed that there is a significant correlation between salary and employee performance. Many other researchers have demonstrated that employee salary and job performance are significantly correlated with each other. According to Nagaraju and Pooja (2017), salary has a positive impact on employee performance and productivity. The efficiency of employees increases because of salary. Ahmed and Shabbir (2017) also revealed that a fair salary concerning their job motivates employees, and they feel positively rewarded.

In addition, according to the results, it was also found that there was a significant correlation between recognition and employee performance. Many other researchers have demonstrated that the recognition and performance of employees are significantly correlated with each other. According to Deeprose (1994), stated to increase employee performance and productivity, effective recognition should be provided. Hussain et al. (2019) revealed that recognition of employees has a significant and positive effect on employee performance. Kerubo and Thomas (2022) also revealed that there is a significant relationship exist between recognition and employee performance.

RECOMMENDATIONS

- The government should explore the adoption of competitive, performance-based salary structures. This strategy can boost employee motivation and productivity, ultimately resulting in enhanced overall performance.
- Given the strong link between recognition and employee performance, university should focus on creating and implementing formal recognition programs. These programs may offer both financial and non-financial rewards, such as employee-of-the-month awards, public recognition, or certificates of achievement. Consistently recognizing employees' efforts in a timely manner can raise morale, enhance motivation, and improve overall performance.
- The Ministry of Higher Education should prioritize efforts to improve lecturers' educational qualifications. This can be accomplished by implementing policies that encourage and support lecturers in obtaining advanced degrees, such as master's and PhDs. Offering scholarships, or grants to those pursuing further education would be beneficial. Additionally, partnerships with international institutions could be promoted to create opportunities for professional development.
- The Ministry of higher education should dedicate additional resources to provide scholarships and grants for lecturers pursuing master's and PhD programs, both within the country and abroad. This will elevate the overall educational qualifications of the teaching staff.



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