

Exploring Relationship between Compensation Practices and Motivation of Secondary School Teachers in Sargodha

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Abstract

According to Tornikoski (2011) compensation is an approach for providing monetary benefit to an employee in exchange of his work. Compensation is an important motive to attract and retain good employees for the attainment of managerial goals. This study attempts to investigate the types of compensation practices and its relationship with teachers' motivation of public and private secondary schools. Through simple random sampling technique a representative sample of 312 male and female secondary school teachers was drawn from the population. The results of the study show that variations in compensation practices exist in public and private secondary schools. Various compensation practices affect teachers' motivation differently. The study reveals that most of the compensation practices have significant positive relationship with teachers' motivation whereas few of them signal fair degree of relationship. We conclude that compensation practices are effective stimulus for teachers at secondary school level.

Keywords: Compensation practices, motivation, secondary school teachers

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Introduction

Compensation is one of the primary reasons for employees to search for employment. Employee gets reward for his services and hard work that put for the betterment of an organization. He may be compensated in different ways e.g. through salaries, holidays and bonuses etc. All forms of payments or rewards given to employees which arise from their service is called compensation (Dessler, 2005). Compensation is an approach for providing monetary value to an employee in exchange for his work (Tornikoski, 2011). Compensation is one of the bodily desires that influence motivation. To motivate, attract and keep good people for the attainment of managerial goals are the objects of compensation. Compensation benefits the employees in such way that they become satisfied from their job, get motivated and results in low absenteeism and low turnover.

Secondary education provides an essential role in the education system of every country. It provides base for Higher education. It is expected that higher education is a key to produce quality equation and the base of higher education is secondary education. Secondary education is very important in the career of every individual. So, this level of education should be built in such a way that every individual can prepare them to adjust to their practical lives significantly and effectively (Govt. of Pakistan, 1998). Private sector and Government sector are working both in the field of secondary education in Pakistan. These give input both toward quantity and quality of education. Motivation is a will of a person to attain some goal. Motivation is derived from the Latin word movers, "to move".

Motivation is receiving others to do amazing because they want to do it. This motivation can be got through different ways for example to recognize what drives people, to communicate and to involve. To motivate the people feedback is given and getting, after giving rewards (Cantor et al., 1991). Motivation is a term used to illustrate those processes, both plan and cogent by which people fulfill their basic needs and personal goals, which set off human behavior (Cole, 2000). Motivate comes under the category of transitive verb. Motivation is not completely a new term. It is very interesting thing that influence the individual's behavior and presentation of doing work. Motivation is a feeling of interest that makes you want to do something, a motive for doing something or behaving in a certain way. Motivation comes from within of each individual so it is up to each individual to motivate him/herself (Barth, 1990). According to Liu and Tang (2011) employees receive monetary income, services and benefits as part of an employment relationship. Motivation is derived from the term motive which means desires, emotions or impulses that make somebody to do something. People are motivated to do something if they are believed that it will bring desired results. Employees' willingness comes when they perceive that their effort would result in their need satisfaction. Psychologists have carried out a great deal of research on motivation,

although only a small part of it has been concerned with pay. The study of motivation has to do with the analysis of the various factors which incite and direct an individual's actions (Atkinson, 1964). When we observe people behaving in an interesting way, we ask ourselves, what are their motives, or what motivate them to behave in that way?

The history of teacher compensation primarily started from room and board provided by local community. This system was a strong incentive to maintain positive relationship with community members. According to this model, small stipend, room and board facility was provided to the teacher, so that teacher remains in contact time by time with the student. After this, School began to reflect the bureaucratic organization of the industrial cash economy. The aim of public education system was to produce effective citizen and to unite the society to avoid crime and poverty (Springer, 2009). This system demands skilled and educated workers. Because of higher expectations, teacher compensation was redesigned. In the late 1800s the new compensation system was developed, just like that is used in factories. The new teacher compensation system was named as grade based compensation system. In this system, the teachers that teach to elementary level are given less salary than secondary teachers. (Podgursky, 2008). With the industrial revolution teacher compensation models also changed. Scientific administration started to affect the schools operations, just like as it has done in factories. Single pay system was adopted in the early 1920s by Colorado, Denver & Des Moines, Iowa as a primary model of payment for teachers (Springer, 2009). Its purpose was to give uniform pay to teachers having same education and experience, this system was just based on years of experience and education. (Dee & Keys, 2004) The purpose behind the system was to motivate the teacher to get higher education. Cohen & Murnae (1986) has also pointed out the same pay system being adopted by 99% of all the schools, but in recent times the system was put into question as it does not consider market trends and performance evaluation. This system was unable to judge performance and management abilities (Podgursky, 2008). Award system was design to cater for skills and proficiency of the teachers. In this skill and proficiency based system, teacher was at lower edge as teaching was taken as skilled profession. But this system is under heavy criticism these days. As teachers are not evaluated on the basis of performance and excellence. Market trends and student needs are ignored. It is also labeled to discourage the highly motivated and learned individuals to come and join the profession. (Dee & Keys, 2004).

In order to obtain particular achievement goals, the idea of using pay as a motivator is being used by the policy makers (Ohio department of Education, 2009b). Levy (2007) is of the view that merit based pay initiatives motivate the teachers to perform at higher level and is also attracting and retaining high quality teachers. According to Cohen and Murnane (1986) who have compared new style of merit based compensation system, teaching field does not satisfy the conditions under which this type of compensation system is more effective. Lavey (2007) found that there is an unfair

competition among the teachers due to lack of transparency in the merit based compensation system. While Heneman and Milanowski (1999) discovered that by abolishing the present merit based pay system of teachers, their motivation to work hard would be much different. According to Farrell and Morris (2009), about two third of teachers were disagreed with the opinion that pay related to performance was good one. Bacharach *et al.* (1990) concluded that in schools where promotional process is not systematic, it develop confusion especially between school administrator and teachers. So that teachers not play role according to their job. According to Alarm and Farid (2011), most teachers were not satisfied with their salaries and this has affected their teaching. Teachers want more incentives and rewards on the job. It is the need of hour that the quality and capacity of a teacher should be improved with respect to students results. In this regard, higher teacher pay has been advocated as one way to improve overall teacher quality. The research thus, investigated the compensation practices of school teachers and the relationship of those compensation practices with teacher's motivation.

Rationale of research problem

Compensation practices for employees are mostly used to achieved the goals of an organization. Although in private institution in Pakistan these practices are being exercised frequently to enhance employee's motivation and performances but in public institutions these have been rarely observed in practice. Hence the study was being designed to explore compensation practices in education sector in Pakistan that will be further extended to find out the nature of relationship between compensation practices and motivation of teachers of secondary schools level. The purpose of the study is to explore compensation practices in educational institutions in Pakistan. This study will further investigate the nature of relationship between compensation practices and motivation of teachers teaching at secondary school level in district Khushab, Punjab. Motivated and devoted staff is considered as a basis for the success of a school. It is therefore important to investigate how compensation practices are related with the motivation of teachers.

The study facilitates government or policy makers to introduce compensation practices in educational institutions. It assists the school leaders in arranging different kinds of compensation practices that motivate the teachers. The study was of importance to the management of the schools as it highlights on what type of compensations are more related to both intrinsic and extrinsic motivation. By this information, the management of the schools can come up with better ways of improving teachers' both intrinsic and extrinsic motivation.

The objectives of the study are to:

1. explore existing compensations being exercised in schools

2. examine relationship between compensations and motivation of teachers
3. analyze significant difference of teacher's motivation and compensations demographically

Following research questions had been formulated:

1. Is there any relationship between compensation practices & motivation of teachers teaching in schools?
2. How much compensation practices are related with motivation of teachers?
3. Is there any relationship between incentive and motivation of teachers teaching in school at secondary level?
4. Is there any relationship between Basic pay and motivation of teachers teaching in school at secondary level?
5. Is there any relationship between promotion and motivation of teachers teaching in schools at secondary level?
6. Is there any relationship between leaves as incentive and motivation of teachers teaching in schools at Secondary level?
7. Is there any relationship between pension and motivation of teachers teaching in schools at secondary level?
8. Is there any significance difference in Compensation practices on the basis of teachers of public and private school?
9. Is there any significance difference in motivation due to compensation practices of male and female secondary school teachers?
10. Is there any significance difference in motivation due to compensation practices of urban and rural secondary school teachers?

Methodology

The study had been conducted under quantitative approach and a survey method was used to collect data from secondary classes' teachers of public and private schools. The relationship and demographically significant differences were examined on compensation practices and motivation of teachers. Relationships of compensation practices with the motivation of teachers at secondary level were explored. For this purpose a questionnaire was used to collect data from public and private schools at secondary level. The survey was conducted among secondary school teachers of public and private schools of district Khushab. A total 312 secondary school teachers participated in the survey through responding the questionnaire. The instrument used to measure the relationship between compensation practices and motivation of teachers at secondary level was developed by the researcher himself. The tool consists of 45 items followed 5-point Likert scale. Quantitative research methodology was used for the analysis of data. It was a survey study. Population of this study comprised of secondary

school teachers that teach secondary classes of private and public institutions of Punjab school education department in District Khushab, Punjab.

Self-administered questionnaire for secondary school teachers was distributed among the respondents. Likert scale is an excellent way for acquiring opinions and the five points give the range of respondents to participate (Anderson, 1990). The questionnaire was kept as brief as possible for the ease of the respondents because sometimes the respondents hesitate to fill and return the lengthy questionnaire (Fraenkel & Wallen, 2001). Validation of the instrument was ensured through the discussion with the various experts in the education department. Some changes were made in the questionnaire in the light of directions of experts. The instrument was improved in the light of directions of supervisor and experts. Items were categorized under different factors relating to the compensation practices in compliance with the expert's suggestions. One hundred questionnaires were distributed for pilot testing. The teachers were guided to mark the option with their top choice they perceived. Questionnaire in filled form were collected within three days. The data collected were coded and analyzed using SPSS. Reliability of the research instrument/questionnaire was tested through a pilot study conducted. The value of Cronbach's Alpha was =.707. These respondents were excluded in the final data analysis. In the present study the researcher has used the test Cronbach Alpha in order to check the reliability of the tool after pilot testing. Cronbach Alpha is the most commonly used method for measuring the internal consistency of scales. The value of Cronbach's alpha is =.707 that shows reliability of research tool that illustrates research instrument is reliable.

Analysis and interpretation of results

By using statistical techniques collected data were composed, arranged and analyzed.

Table 1: Demographics characteristics of teachers

Demographics characteristics of teachers	n=312
<i>Age</i>	
Less than 25 year	55(17.6%)
25-40	150(48.1%)
Above 40	107(34.3%)
<i>Number of respondents w.r.t education level</i>	
Graduate	86(27.9%)
Masters	220(70.5%)
M.Phil.	6(1.9%)
<i>Number of respondents w.r.t professional qualification</i>	
B.Ed.	190(60.9%)
M.Ed.	103(33.0%)
Any other	18(5.9%)

Table 2: Pearson Product Moment Correlation Showing Relationship between Motivation of Teachers w.r.t Compensation Practices, Incentives, Basic Pay, Promotion, Leaves and Pension

Variables	Motivation	r^2
<i>Compensation practice</i>	.320	.000
<i>Incentive</i>	.306	.000
<i>Basic pay</i>	.084	.143
<i>Promotion</i>	.221	.000
<i>Leaves</i>	.197	.001
<i>Pension</i>	.069	.143

$N=312$

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

Pearson product correlation shows that there is appositve fare correlation exist Between compensation practices and motivation of teachers, ($r=.320$), there is a fare positive relationship Exist between incentive and motivation of teachers, ($r=.306$) there exist positive correlation between basic pay and motivation of Teachers but correlation is weak, ($r=.084$), there exist positive correlation between promotion and motivation of Teachers but correlation is weak, ($r=.221$), there was a weak positive correlation exist between leaves and motivation of Teachers, ($r=.197$) and there was a weak positive correlation exist between pension and motivation of Teachers, ($r=.069$).

Table 3: Independent Sample t test Comparing Motivation Due to Compensation Practices of Public and Private teachers, Male and Female teachers, Urban and Rural teachers

Comparison	N	Mean	SD	t	p
<i>Motivation of teachers due to Compensation practices</i>					
Public	199	41.79	8.145	-.604	.546
Private	103	41.18	8.293	-.608	.544
<i>Motivation of teachers due to Compensation practices</i>					
Male	186	40.87	8.032	-1.936	.054
Female	116	42.73	8.338	-1.920	.056
<i>Motivation of teachers due to Compensation practices</i>					
Urban	145	41.19	8.491	-.833	.406
Rural	156	41.97	7.295	-.831	.407

The independent sample t-test (4.8) shows that there was no significant difference in compensation on the basis of public and private school teacher (sig. = .607, Mean_{public} = 41.79, Mean_{private} = 41.18). The independent sample t-test (4.9) shows that there is significant difference in motivation due to compensation practices of male and

female secondary school teachers. (sig. = .819, Mean_{Male} = 40.87, Mean_{Female} = 42.73). The independent sample t-test (4.9) shows that there is no significant difference in motivation due to compensation practices of urban and rural secondary school teachers. (sig. = .148, Mean_{Urban} = 41.19, Mean_{Rural} = 41.97).

Discussion and conclusion

The study found that compensations have a positive relation with the motivation of teachers. This supports the result of Herpen *et al.*, (2005), who concluded that there is a positive relationship between compensation system and extrinsic motivation. Positive fair relationship exists between incentive and motivation of teachers, suggesting that while increasing the incentive of a teacher, the job motivation will enhance. This supports the result of Ali and Ahmad (2009) that a strong positive effect of reward on employee's motivation and job satisfaction. Zaman *et al.* (2011) also have similar results that there is a significant and positive relationship between extrinsic rewards and employee's motivation and performance. Our study found a positive but weak relationship between basic pay and motivation of teachers. Such findings support the result of Sachau (2007) that pay is a hygienic factor rather than motivator that once employees were satisfied with a pay, additional increase in pay will have a little effect. Findings of Banjoko (1996) are also similar that the desire to be promoted and earn enhanced pay may also motivate employees. We found that there was a positive but weak correlation between promotion and motivation of teachers. In other words, an increase in job promotion results in enhanced job motivation. Such findings supported the result of Mowday *et al.* (1982) that fewer chances of promotions create anxiety and uncertainty among teachers because they become unconvinced about their current and future role in their schools. Findings of Johnston & Lee, (2013) is different from the findings of the researcher, According to them promotions may also reduce the level of motivation among teachers because of the fact that promotions involve higher remuneration with more rights. It also brings additional responsibilities, accountabilities and long working hours. They further revealed that the mental health of workers is seriously affected due to performing massive job responsibilities on daily basis. Therefore, they concluded that the additional workload and mental occupational stress which are observed after promotions sooner or later compensate the higher remuneration and more rights. It was revealed that there was a positive but weak correlation between leaves and motivation of teachers. It means that if extra ordinary leaves are given as a paid leaves then the motivation of teacher's increases towards their work. We also found that there was a positive but weak correlation between pension and motivation of teachers. Such findings support Sule & Ezugwu (2009) that good pension increases the commitment towards the welfare of the organization. Our study found that there was a significant difference in compensation practices in public and private schools. It means

that use of different types of compensation practices in private schools is more than that of public schools. But the trend to work in public schools prevails due to some other reasons e.g. job security, pay etc. On the other hand, there was no gender based significant difference in motivation of secondary school teachers because there was no difference in the use of compensation practices in male and female secondary schools. We found that compensations for teachers are different in public and private secondary schools. Private schools have comparatively better compensations for teachers' intrinsic as well as extrinsic motivation than public schools.

It is concluded that variations in compensations exist in public and private secondary schools. These various compensations affect teachers' motivation differently. Most of the compensations have significant positive relationship with teachers' motivation whereas few of them signal fair degree of relationship. We conclude that compensation practices are effective stimuli for secondary school teachers in Pakistan.

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