

The Quality of Incentives and Their Relationship to Employee Performance and Productivity: A Field Study at ENIEM – Medical Equipment Branch in Miliana

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Abstract:

This study examines the impact of incentive types whether financial, moral, or organizational on employee performance at ENIEM Miliana. It adopts a descriptive-analytical method integrating quantitative and qualitative data. Results show that financial incentives positively affect performance, especially among low-income employees. Moral incentives also contribute to improved outcomes when accompanied by managerial support. However, weak compensation and minimal bonuses led to dissatisfaction. Organizational incentives were found to be insufficient in ensuring employee engagement. Structural compliance did not offset poor motivation. The study highlights systemic dysfunction in public institutions. It concludes that incentive policy requires urgent revision. Incentives must be both adequate and coherent.

Keywords: Incentives; financial motivation; moral incentives; organizational structure; employee performance.

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1. INTRODUCTION

Institutions and organizations function as essential strategic entities within contemporary societies. They pursue varied objectives, shaped by their methods, operational plans, ambitions, and the expectations of their clients. Their role centers on delivering essential goods and services needed to maintain social equilibrium, promote sustainable development, and contribute to collective well-being. This has become particularly crucial in light of continuous global transformations since the Industrial Revolution, the Enlightenment in Europe, and the emergence of decolonization movements across Third World Nations.

The global changes that have unfolded since the early twentieth century—coinciding with the proliferation of diverse institutions—have brought with them several challenges to achieving desired levels of performance and productivity. Among the most examined of these challenges is the question of incentive structures. Researchers and theorists have approached this issue from multiple perspectives, offering different interpretations depending on the empirical outcomes of their studies. At the core is the matter of incentive quality and its tangible impact on employee performance as a determinant of productivity.

This study explores the typology of incentives implemented within the National Institution for Medical Equipment (ENIEM), focusing on their varying degrees of effectiveness in relation to the institution's overall productivity. It also examines how those effects differ across departments and workshops. The research includes a review of both historical and contemporary literature on incentive systems and combines this with direct field data gathered from employees. The data were analyzed using both quantitative and qualitative approaches, aiming to disentangle the complex interactions between incentives and output. The objective is to generate empirically grounded conclusions that support the institutional development of ENIEM specifically and contribute to broader academic research.

It is expected that identifying appropriate mechanisms to improve the quality of incentives at ENIEM would support higher performance and enhanced productivity.

2. Problem Statement

Institutions and organizations are structured units created to achieve specific purposes that benefit individuals and society. They form the structural core of any economy and play a central role in enabling social development. These entities differ based on their operational practices and goals—whether public, private, or service-oriented—but all function with the intent to meet community needs. Their contribution lies in addressing economic, social, and cultural demands through the provision of essential products, services, and employment. Industrial and economic institutions, in particular, help individuals acquire practical skills, enter the labor market, and face professional challenges. They also absorb part of the unemployment pressure, helping stabilize incomes. In this way, they support better living standards, protect human life, and strive to ensure dignity through access to work. Their continued search for tools and mechanisms to fulfill this role spans both their internal environment and the broader society.

Since the Industrial Revolution of the 19th century, these institutions have undergone major structural shifts. Prior to this, work systems were mostly traditional—individuals worked alone or in small, loosely formed groups, and job roles were often undefined. Industrialization changed that. Machines were introduced. Large-scale production took over. The need for tighter coordination and more precise task division became unavoidable. This shift led to more complex organizational models. New administrative frameworks emerged, aimed at enhancing output and operational efficiency. With this came new demands—decisions had to be more rational, management more deliberate. As this shift unfolded, incentive structures also had to evolve. Institutions could no longer rely on informal motivation systems. They needed to recalibrate how they motivated workers—linking incentives more directly to performance and balancing institutional interests with worker

welfare.

Current research stresses the importance of human capital. It is no longer seen as a supporting element but as the primary driver of institutional success. In both industrial and non-industrial settings, human resources now serve as the core source of creativity and productivity. Without sufficient attention to working conditions or appropriate incentives, performance drops. The risks go further as poor motivation can lead to long-term disengagement or even occupational illnesses. A healthy work environment, one marked by safety, structure, and emotional support, is no longer optional. It is a requirement. Institutions must recognize this if they hope to achieve sustainable results.

This brings us to the focus of this study: assessing the impact of different types of incentives—material, moral, and organizational—on performance and productivity within a specific institution. Looking at Algerian institutions more broadly, it becomes clear that their productive and human resource structures place them at the center of the national economic fabric. They are not peripheral actors but strategic partners in economic development. With this in mind, the National Institution for Medical Equipment (ENIEM) was selected as a case study. The aim is to examine the nature of its internal incentive system, identify existing gaps, and evaluate how this influences the institution's overall performance.

From this focus, the study raises one central research question:

- How does the quality of incentives affect performance and productivity within the institution?

Three sub-questions follow :

- Do material incentives contribute to enhanced performance and output?
- Do moral incentives improve employee morale in ways that affect productivity?
- Do organizational incentives influence work quality and institutional outcomes?

subtitle.

Main Research Hypothesis:

- The quality of incentives influences employee performance and the achievement of the required productivity within the institution.

Sub-Hypotheses:

1. Material incentives contribute to improving employee performance and achieving the desired productivity levels within the institution.
2. Moral incentives play a role in boosting employee morale, thereby enhancing performance and supporting productivity.
3. Organizational incentives have an effect on employee performance and the attainment of required productivity within the institution.

3. Conceptual Framework

3.1. Incentive Definition:

a. Terminological definition

Incentive is conventionally defined as the principal driving force that prompts individuals to exert additional effort in order to satisfy their needs and respond to various demands. According to Steers and Porter, an incentive functions by pushing the individual to adopt, halt, or alter a particular behavior through the application of specific tools or stimuli (Iman, 2005). It is also understood as a set of external and internal factors that stimulate an individual's behavioral energy and shape both conduct and decision-making processes (Al-Salmi, 1970).

b. Operational Definition:

Incentive refers to the total set of material provisions, intangible resources, and social relations that encourage employees and workers to fulfill their duties with diligence and integrity, and that motivate them to exert effort beyond the routine level in order to enhance performance and output.

3.2. Material Incentives

a. Terminological Definition:

Frederick Taylor viewed material incentives as wage increments not tied to working hours, alongside monetary bonuses, gifts, or tools provided by the institution as forms of acknowledgment. These are granted to encourage employees to intensify their effort, enhance precision, and raise productivity (Nelson, 1992). Material incentives remain among the most commonly employed systems, primarily due to their capacity to satisfy essential physiological and economic needs. Examples include regular salary increases, performance-based bonuses, profit-sharing schemes, and compensation structures calibrated to productivity indicators such as linking wages to units produced, annual allowances, exceptional bonuses, or productivity-linked financial rewards (Al-Ghani, 2007).

b. Operational Definition:

Material incentives refer to all institutional offerings designed to meet employees' financial needs and encourage higher performance levels. These may be provided individually or collectively and are disbursed as supplementary remuneration beyond fixed salaries. They take the form of direct cash bonuses, wage increases, subsidized healthcare, transportation benefits, or a fixed share in annual profit margins.

3.3. Moral Incentives

c. Terminological Definition:

Elton Mayo emphasized that non-material incentives hold a critical position within organizational life and should not be overlooked in favor of purely financial rewards. He viewed moral incentives as grounded in understanding human behavior, granting autonomy within one's professional role, and cultivating an environment of cohesion and interpersonal connection. In this framework, the institution is perceived as a familial or socially embedded entity. Moral incentives, then, are psychological and emotional supports extended to

employees which are distinct from material forms of compensation (Wren.D.A & Bedeian, 2009.p, 56).

d. Operational Definition:

Moral incentives refer to all non-monetary motivators that seek to engage employees by recognizing their human and social dimensions. These incentives are based on emotional respect, social belonging, and workplace acknowledgment, aiming to satisfy intrinsic needs for validation, participation, and esteem which are considered as vital factors psychosocial equilibrium in the workplace.

3.4. Organizational Incentives

a. Terminological Definition:

Organizational incentives denote a structured set of institutional procedures and governance mechanisms aimed at channeling employee behavior toward collective objectives. These incentives are embedded in the formal organizational architecture—encompassing task allocation, authority distribution, responsibility delineation, supportive environments, internal coordination processes, and mechanisms for monitoring and improving institutional performance (Dessler, 2018).

b. Operational Definition:

Organizational incentives in this study include administrative models and managerial systems designed to optimize institutional functioning. This may involve restructuring organizational hierarchies, clearly defining roles and functions, regulating workflows across departments, promoting professional development, and providing onboarding or orientation programs. These mechanisms aim to harmonize individual performance with institutional targets, fostering alignment between personal and organizational priorities.

3.5. Performance

a. Terminological Definition:

Performance refers to the effective execution of tasks, the accomplishment of set

activities, or the implementation of work processes in pursuit of defined goals (Hamadouche, 1999). It can also be conceived as the social evaluation of an activity's legitimacy (Kaisergruber & Landrieu, 2000) that is an assessment grounded in social recognition and economic rationale, whereby organizational actions are accepted within broader institutional or community norms. In other words, performance serves as an index of how an institution mobilizes and manages human and material resources in ways that advance its strategic objectives (Hassan, 2000).

b. Operational Definition:

Performance, for purposes of this study, is defined as the concrete execution of a worker's assigned duties and responsibilities. It is evaluated through three distinct dimensions: the volume of effort exerted, the qualitative level of that effort, and the pattern or mode of execution. Improving performance, therefore, involves the optimal use of available resources to streamline production processes, ensure cost-efficiency, and strike a balance among technological, human, and financial variables, all while preserving the long-term interests of the institution.

4. Data Collection Tools

Since the study focuses on workers in several operational units across one institution, it made more sense to use a tool that could apply broadly, quickly, and with minimal disruption to their workflow. A questionnaire was chosen with the aim to evaluate how these employees perceive the different incentives they receive and whether those incentives impact how they perform. Maurice Angers defines the questionnaire as a direct form of inquiry that works by presenting fixed questions, with predefined answer options. This setup makes it easier to quantify answers later and establish comparisons (Sebaoun & Jeradi, 2012).

4.1. Sample Selection

We followed a few basic steps to build the sample.

a. Population Frame

The population consists of all workers at the National Institution for Medical Equipment. There were 175 employees at the time, spread over multiple workshops and administrative units and this population served as our reference base.

b. Sampling Method

We used a quota sampling technique because it is faster, lower at cost, and allows inclusion of subgroups based on proportions. While this method introduces some subjectivity (Al-Munasiyah, 1995), since the researcher chooses who to include within each quota, yet it still provides usable data across diverse segments.

We set the quota at 20% of each unit's size. This gave us:

- 16 workers from production (out of 80)
- 3 from maintenance (out of 16)
- 1 from quality (out of 5)
- 9 from administration (out of 44)
- 6 from security (out of 30)

5. Methodological Design

The study uses a primarily quantitative approach. A closed-format questionnaire was designed and distributed. After collection, answers were organized into tables and broken down by frequencies and percentages which allowed us to understand how different types of incentives correlate with performance and productivity, at least from the workers' perspective. The quantitative approach was supported by sociological frameworks—to help explain why certain relationships between variables appeared as they did. The qualitative layer supported the core analysis without dominating it.

6. Data Analysis

6.1. Presentation and Analysis of The First Hypothesis (Material Incentives)

Table 1: Compatibility between Wage and Effort According to Educational Level

Educational Level Wage–Effort Compatibility	Primary		Intermediate		Secondary		University		Total	
	n	%	n	%	n	%	n	%	n	%
Yes, it corresponds	1	50%	2	25%	4	28.57	4	36.36	11	31.43
No, it does not correspond	1	50%	6	75%	10	71.43	7	63.64	24	68.57
Total	2	100%	8	100%	14	100%	11	100%	35	100

Source: This Study

The intermediate-level group showed the most pronounced dissatisfaction: 6 out of 8 workers (75%) indicated that their wages do not correspond to the effort required by their jobs. Only 2 workers (25%) in this category believed there was alignment between pay and effort. In the secondary-education group, 10 of the 14 workers surveyed (71.43%) said their pay did not reflect their workload. Just 4 of them (28.57%) reported otherwise. Among university-educated employees, 7 out of 11 (63.64%) expressed dissatisfaction, while 4 believed that their wage reflects their effort. Taken as a whole, the majority—24 out of 35 workers—felt that their compensation did not match their labor. This points to a clear perception of **inequity or professional demotivation** within the institution. When cross-referenced with educational level, even higher-educated workers expressed the same view. This indicates a deeper institutional issue in how competencies and efforts are valued.

This distribution aligns closely with Karl Marx’s theory of labor exploitation in capitalist settings, where the worker is structurally prevented from receiving the full value of their labor. The perception among employees, regardless of educational attainment, that their pay fails to reflect their input can be interpreted as a form of **alienation** and weakened professional belonging.

At the same time, this sentiment echoes Émile Durkheim’s concept of **anomie**—a breakdown of regulatory norms and values that should otherwise secure fairness and stability within the workplace. The data suggest a gap between what workers perceive as the worth of their labor and the actual compensation they receive. This disconnect has implications beyond low job satisfaction; it hints at internal power dynamics where the worker is excluded from fair recognition, regardless of skill level or effort invested. This dynamic is particularly troubling for academically qualified workers, who often seek tangible acknowledgment of their capabilities. The results reflected in Table 1 make it evident that increasing monetary compensation could serve as a meaningful incentive—one that not only acknowledges employees’ contributions but also encourages greater commitment and enhances overall performance. Therefore, the hypothesis stating that “Material incentives contribute to improving employee performance and achieving the desired productivity levels within the institution” is supported by the data. The findings reveal a clear desire among employees to see their wages better aligned with the efforts they expend in fulfilling their professional duties—an alignment that would likely reflect positively on institutional productivity.

6.2. Presentation and Analysis of the Second Hypothesis (Moral Incentives)

Table 2: Type of Moral Incentives Increasing Employee Satisfaction by Gender

Gender Type of Moral Incentive	Male		Female		Total	
	n	%	n	%	n	%
Recognition and gratitude	6	19%	—	—	6	17.1%
Encouragement	13	42%	3	75%	16	45.7%
Job stability	12	39%	1	25%	13	37.1%
Total	31	100%	4	100%	35	100%

Source: This Study

From the data presented, it is clear that “encouragement” ranks first among moral incentives, chosen by 45.7% of the sample (16 out of 35 workers). This preference suggests a pronounced desire among employees for psychological support and continuous motivation in the workplace. It was selected by 42% of male workers (13 out of 31) and an even higher 75% among female workers (3 out of 4), indicating its significance across gender lines.

The second-most cited incentive was job stability, selected by 37.1% of respondents. Among men, the rate was slightly higher—about 39%. For women, only one participant out of four marked this choice, or 25%. This gap doesn’t necessarily signal lower interest among women. Rather, it could reflect how the male majority shapes workplace expectations and how job permanence is perceived within this particular environment. Male respondents may be more vocal about security concerns, or more likely to tie motivation to permanence.

Recognition and gratitude, though still mentioned, came last—6 male workers selected it, no female respondents did. That accounts for 17.1% of the total. It seems that this form of incentive isn’t broadly prioritized, at least not compared to others. The absence of selection from women may reflect a shared perception of its limited practical effect.

If we combine the results for encouragement and job stability, the total reaches over 80%. That concentration points to a clear preference. Workers, across both groups, appear to value steady work and regular acknowledgment more than symbolic gestures. This distribution also echoes some of the assumptions in Maslow’s hierarchy. Those who favored stability may be focusing on the safety tier—wanting to secure their basic work conditions first. Those who preferred encouragement could be responding to needs related to recognition or inclusion.

In McClelland’s three-needs model, the preference for encouragement can be tied to a drive for achievement and belonging. Workers want to feel involved. They want to know their efforts count. And they want this recognition to be part of the daily culture—not

necessarily expressed in money, but through tone, feedback, atmosphere.

Even though “recognition and gratitude” was less commonly chosen, it shouldn’t be dismissed. For a segment of workers, symbolic affirmation still matters. It may not be enough on its own, but it contributes to emotional balance, especially when tied to relationships with supervisors or team members. The general trend also aligns with Elton Mayo’s work in human relations theory. According to his findings, job satisfaction isn’t driven solely by salary or working hours. It’s also rooted in the small, often intangible dimensions of workplace life—support, appreciation, and social recognition. This comes through clearly in the way respondents in this sample prioritized the kinds of incentives that speak to inclusion and stability over more abstract forms of validation. The responses in this study reflect exactly that: workers are not motivated by pay alone, but by the sense of being supported, encouraged, and socially recognized.

Taken together, the results confirm that moral incentives—especially encouragement and employment stability—are crucial to fostering a healthy workplace climate. Integrating these forms of recognition into institutional policy would represent a growing awareness of the psychological and relational dimensions of work. Doing so could significantly raise job satisfaction levels and, by extension, employee performance and productivity. We can therefore confirm the second hypothesis as the workers’ responses reflect a clear, positive orientation toward such incentives and their practical impact on motivation and output.

6.3. Presentation and Analysis of the Third Hypothesis: Organizational Incentives

Table 3: Distribution of Work Environment Evaluation by Department

Departments Work environment evaluation	Production		Quality		Maintenance		Security		Administration		Total	
	n	%	n	%	n	%	n	%	n	%	n	%
Good	/	/	1	100	1	33	1	16,7	1	11,1	4	11.42
Acceptable	6	37.5	/	/	2	66.7	4	66.6	7	77.8	19	54.28
Weak	10	62	/	/	/	/	1	16.7	1	11.1	12	34.28

Total	16	100	1	100	3	100	6	100	9	100	35	100
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Source: This Study

The data from Table 3 show how perceptions of the work environment shift across departments. In production, the picture is clearly negative—10 out of 16 workers described the environment as weak. That’s 62.5%. It’s the highest dissatisfaction rate in the entire dataset. The numbers suggest that workers in this unit feel disorganized, or at least unsupported in how their tasks are coordinated.

On the other end, the administrative unit leaned more toward the middle ground. Seven out of nine rated the environment as “acceptable,” which makes up about 77.8%. Not exactly strong approval, but it implies a basic level of functional organization—enough for work to proceed without major disruption, even if gaps remain.

As for quality control, there was only one respondent, and that person rated the environment as “good.” It’s a positive note but can’t really be generalized. With a sample of one, there’s no real basis for drawing trends.

In maintenance, two out of three workers (66.7%) said things were acceptable. In security, the same percentage—four out of six—gave the same answer. These ratings suggest a kind of middle zone: structure exists, roles are probably clear enough, but the environment isn’t especially efficient or inspiring. Workers in these areas seem to perceive stability, but not necessarily coherence. The range of responses across departments reflects structural inconsistency in how work is organized. While “acceptable” and “good” ratings dominated in some areas, others—like production—show a notable imbalance, with a concentration of “weak” evaluations. These differences suggest uneven implementation of organizational procedures, varying levels of coordination, and differences in how tasks are distributed and managed.

Organizational incentives here are not limited to formal policies or administrative

charts. Workers appear to respond more to how procedures are applied in practice—whether workflows are clear, roles well defined, and tasks coherently structured. In departments where these aspects are lacking, evaluations turn negative.

If we approach these results through the lens of **symbolic interactionism**, the issue isn't just weak organization in the technical sense. Workers don't only experience disorganization as inefficiency. They read it—consciously or not—as a sign. A message, even. When structure is missing or unstable, it often feels like the institution is indifferent to their presence. Like their role doesn't quite matter. This perception builds. Over time, it affects how they interpret their place in the system. Their contribution starts to feel marginal, unsupported, sometimes dispensable.

So, the consequences are not limited to workflow or routine operations. There's something deeper at play—a psychological effect. The perceived disorder touches the implicit understanding between the employee and the institution. Expectations become unclear. Status feels ambiguous. Trust weakens. The result is usually a drop in motivation, and sometimes, detachment. This is why improving organizational incentives is not just about setting formal rules or updating administrative manuals. It has to go further. Structure needs to be visible, consistent, and lived daily. Workers have to see that there are mechanisms in place that make their work smoother—not harder. That procedures are coherent, and expectations stable. That the system holds together.

To sum up, there's a connection between how well work is organized and how well it is performed. The hypothesis—that organizational incentives affect employee performance and contribute to achieving the expected productivity—holds. The more consistent the environment, the clearer the rules, the easier it is for people to engage. The relationship between the worker and the institution improves. And with it, performance.

Table 4: Organizational Incentives and Production Process Alignment

Departments Production	Production	Quality	Maintenance	Administration	Security	Total
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Process	n	%	n	%	n	%	n	%	n	%	n	%
Yes	2	12,5	1	100	/	/	5	55,56	5	83,33	13	41
No	5	31.25	/	/	3	100	3	33.33	1	16.67	9	28
To Some Extent	9	56.25	/	/	/	/	1	11.11	/	/	10	31
Total	16	100	1	100	3	100	9	100	6	100	32*	100

*: The total is lower than the original sample size due to some respondents choosing not to answer this item.

The composite data presented in Table 4 show clear disparities in how employees across departments assess the alignment between production processes and actual performance. In the production department, a majority—56.25% (9 out of 16)—responded "to some extent." This suggests ambiguity or inconsistency in the way processes are organized and understood within the department most directly engaged in production itself. In the quality control department, the only respondent indicated a clear "yes," implying confidence in the coherence and structure of processes there. This cannot be generalized, but it signals individual trust in procedural clarity. The maintenance department showed a complete lack of satisfaction: 100% (3 out of 3) answered "no." This reflects a major gap between planning and execution, likely stemming from disjointed coordination or unclear operational flows. In contrast, responses from the administrative unit were more positive: over 55% (5 out of 9) affirmed process alignment, while only 33.33% said "no," and 11.11% selected "to some extent." This suggests that, within administrative tasks, structure is more visible and perhaps better enforced. The security department offered the most favorable perception, with 83.33% (5 out of 6) reporting that operations are well aligned with their tasks. This points to a relatively high level of procedural organization and stability within that unit. These findings reveal inconsistency in how departments perceive the flow of production processes. The production unit itself—ironically the core of operational output—showed the weakest confidence in clear procedures, with responses spread across

all categories. Very few indicated that operations were fully aligned. From the perspective of Henry Ford's sequential production model, this result implies a flaw in applying the principle of structured progression. According to Ford, each phase of production should integrate smoothly with the next, forming a linear, controlled sequence that ensures coordination and efficiency. What appears in this dataset is fragmentation. In production especially, tasks seem misaligned, or at least not framed by a coherent process map. Other departments (particularly quality and maintenance) either show limited engagement or polarized evaluations. This may reflect weak communication channels or unclear role definitions, reinforcing the issue of organizational fragmentation. From the standpoint of Weber's bureaucratic theory, such issues arise when hierarchical lines are blurred, or rules are not uniformly applied. Weber emphasized the importance of stable norms and formalized roles; their absence leads to vague accountability and process breakdowns.

From a symbolic interactionist angle, these fragmented perceptions are not simply technical—they are interpretive. What the administrative unit views as organized may feel disconnected to those on the ground. Production staff may operate under pressure, trying to meet output targets without a firm grasp of how tasks interlock or why coordination feels absent. This gap between discourse and practice—between administrative planning and workshop execution—feeds into worker stress and reduced performance. This suggests that organizational incentives, to be effective, must go beyond internal policies. They require adaptability, transparency, and a genuine structuring of work that matches field realities. Workers need to feel that tasks are sequenced logically, that their role fits within a whole, and that organizational tools actually reduce the strain of achieving targets.

Hence, the third hypothesis, stating that organizational incentives affect employee performance and the achievement of expected productivity, is supported. When properly implemented, such incentives play a structuring role. They clarify process flow, define responsibilities, and contribute to smoother task execution. The ultimate effect is improved

productivity and greater employee engagement.

7. Results and Discussion

After reviewing the tables and conducting a line-by-line analysis, it becomes evident that all three hypotheses found empirical support in the field.

First Hypothesis

The first hypothesis pointed to a clear pattern: most workers expressed strong interest in material incentives. These were not seen as additional benefits but as direct motivators that push effort and raise commitment. Bonus schemes, salary increases, and promotions were frequently mentioned. For many, such incentives acted as a form of recognition tied to measurable effort. Where pay was perceived as fair and proportional to the work done, workers showed greater consistency and investment in task execution. In several responses, material compensation was described as a condition for sustained performance, not just an occasional motivator.

Second Hypothesis

The second hypothesis focused on moral incentives. Here too, the responses showed coherence. Verbal appreciation, public recognition, and opportunities to participate in decision-making were valued across the sample. Workers described such acts as meaningful. Many associated moral incentives with respect, trust, and belonging. In environments where management acknowledged their input, motivation increased. This was not about external rewards but rather internal reinforcement—feeling part of a collective effort. Several respondents linked morale directly to the tone of daily interactions. Where that tone was positive, work engagement followed.

Third Hypothesis

The third hypothesis addressed organizational incentives. The data here revealed more complexity. Several participants described unclear responsibilities, inconsistent

procedures, or a lack of structure. At the same time, many expressed a desire for defined roles, procedural clarity, and transparent internal systems. The demand was not only for rules but for their application—consistently, across departments. Where structure was lacking, confusion followed. Where it was present, workers reported greater focus and fewer disruptions. Organizational clarity was seen as reducing tension, improving coordination, and supporting effort. The findings support the idea that organizational incentives, if implemented correctly, can improve both output and psychological stability at work.

8. CONCLUSION

The incentive system remains one of the fundamental pillars of effective performance and a key measure in enhancing employees' motivation toward productivity. For many workers, material gain continues to be a primary goal—linked not only to livelihood, but also to status within society and the capacity for personal advancement. When institutions take interest in workers and address their diverse motivational needs, loyalty toward the workplace tends to grow. However, persistent dysfunctions—particularly in public institutions—have generated a climate of indifference and reduced effort on the part of employees. These imbalances are not solely the result of technical limitations but stem largely from unbalanced policies and inadequate conditions, both physical and psychological. When material incentives are inconsistent, and moral recognition is absent or superficial, performance outcomes decline. In such contexts, signs of dissatisfaction, resistance, and frustration begin to surface. Employees may comply, but disengagement grows. The public sector, especially within the productive branches, still struggles to implement a fair and coherent incentive structure. The result is a disconnect between effort and reward, which continues to undermine both commitment and output.

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