THE ROLE OF INCENTIVES AND COMPENSATION ON PROJECT SUCCESS THE CASE OF WASS INTERNATIONAL PLC.

By

Ephrem Gebreyohannes

ADVISOR: Muluadam Alemu (PHD)

January, 2025 Addis Ababa, Ethiopia

ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE

STUDIES SCHOOL OF

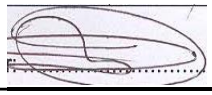
BUSINESS

THE ROLE OF INCENTIVES AND COMPENSATION ON PROJECT SUCCESS IN THE CASE OF WAAS INTERNATIONAL PLC

By

Ephrem Gebreyohannes

APPROVED BY BOARD OF EXAMINERS

_____	_____	_____
Dean, Graduate Studies	**Signature**	**Date**
_Muluadam Alemu (PHD) ____	 **_____**	**_____2/13/2025_____**
Research Advisor	**Signature**	**Date**
Desta Mulugeta(PHD)		**_____2/13/2025_____**
External Examiner	**Signature**	**Date**
_Dejene Mamo (PHD)_____	 **_____**	**_2/13/2025_____**
Internal Examiner	**Signature**	**Date**

DECLARATION

I Ephrem Gebreyohannes, do hereby declare that this Thesis is my original work and that it has not been submitted partially; or in full, by any other person for an award of a degree in any other university/institution.

Name of Participant Ephrem Gebreyohannes Signature…….Date 2/13/2025…….

This Thesis has been submitted for examination with my approval as college supervisor.

Name of Advisor: Muluadam Aelmu Ph.D. **Signature…**  **……. Date…2/13/2025…….**

ADVISOR's APPROVAL

This is to certify that the thesis entitled: "THE ROLE OF INCENTIVES AND COMPENSATION ON PROJECT SUCCESS THE CASE OF WASS INTERNATIONAL PLC." submitted in partial fulfillment of the requirements for the degree of Master of Science in Project Management, do Ephrem Gebreyohannes carry out a record of original research, under my supervision. No part of the thesis has been submitted for any other degree or diploma. The assistance and support received during the course of this investigation have been duly acknowledged. Therefore, I recommend it for acceptance as fulfilling the thesis requirements.

Name of Supervisor/Advisor	**Signature**	**Date**
Dr. Muluadam Alemu	**_____** 	**__ 08/01/2025**

ACKNOWLEDGMENT

First, I would like to extend my deepest appreciation to my advisor, Doctor Muluadam. His invaluable guidance, insightful feedback, and unwavering encouragement have been instrumental throughout this research project. His expertise and direction were crucial to the successful completion of my thesis.

I would also like to express my sincere gratitude to WAAS International PLC for granting me the opportunity to conduct my research study within their organization. I am especially thankful to the management team and staff who participated in my surveys and interviews. This thesis would not have been possible without their generous support and cooperation.

Lastly, I wish to acknowledge my family and friends for their constant moral support and motivation during my MPM study journey. Their belief in me inspired me to persevere and achieve my goals.

List of Acronyms/Abbreviations

ANOVA: Analysis of Variance

SD: Standard Deviation

PMI: Project Management Institute

SPSS: Statistical Package for Social Science

VIF: Variance Inflation Factor

Table of Content

List of Figures

List of Tables

ABSTRACT

This study investigates the impact of incentives and compensation on project success within WAAS International PLC. The primary objective is to assess the role of various incentive and compensation elements in influencing employee morale, satisfaction, and project success. Using a Concurrent research design and a combination of quantitative and qualitative methods, including surveys and interviews to gather comprehensive data. the study targets all 107 employees of WAAS International PLC. The study shows that predictor variables consisted 69.2 of adjusted R square shows that 69.2% of project success is explained by variations in five predictor variables, indicating a significant positive relationship between these variables and employee motivation. Key challenges identified include a lack of both financial and non-financial incentives, inadequate recognition, and uncompetitive compensation packages. The current reward system fails to effectively incorporate diverse incentives, leading to reduced employee loyalty and commitment. Additionally, the infrequent updating of compensation packages hampers the attraction and retention of competent employees. The study concludes that aligning the incentive system with project goals and implementing a comprehensive compensation package can enhance employee job satisfaction and project success. Recommendations include, Reviewing and updating the company compensation system, offering competitive financial incentives, enhancing non-financial incentives through recognition programs, tying incentive programs to specific project goals, improving communication and offering training opportunities These measures are essential for designing competitive compensation and incentive schemes to optimize employee productivity, satisfaction, and organizational goals.

Key Words*:* Success, metrics, performance, Team cohesion and Feedback

CHAPTER ONE

1. Introduction

1.1 Background

Projects are multidisciplinary in nature, having different meanings from various perspectives and orientations. According to the Project Management Institute (PMI, 2000), a project is "a temporary endeavor undertaken to create a unique output within a given budget, time, and standards.

Project success variously refers to “on time, within budget, to specification” completion; success of the product produced; or success in achieving the business objectives of the project (Sauer, Gemino, & Reich, 2007). The criteria for a successful project include scope, schedule, budget, client goals, quality, team goals, deliverables, resource capacity, risk management, and documentation.” To achieve project success competitive compensation strategies needed. David H. Holt defines compensation as the monetary return and benefits that workers obtain in exchange for joining an organization compensation refers to all forms of pay or reward going to employees and arising from their employment (Dessler, 2005). An organization's ability to complete a project successfully and achieve its goals is greatly impacted by the role that incentives and compensation played. incentive is something that encourages a person to act or put forth greater effort. Of all the formal human resource (HR) management practices implemented in organizations, compensation and employee benefits are among the most vital to organizational success. At a fundamental level, the exchange of desired employee effort for remuneration from an employer is one of the defining elements of the employment relationship. Compensation systems, which elaborate on the details, components, and bases of this exchange, shape not only an organization's relationship with individual employees but also overall workforce composition by providing signals that facilitate employees’ attraction and choices to continue at particular organizations and directing their efforts while on the job (Gerhart & Rynes 2003).

There are two types of compensation. These are:

1. Financial (wage, salary, commission, bonus)

2. Non-financial types of compensation (insurance plans, life health, social assistance, retirement, educational assistant, employee services, paid absences for vacations, holidays and sick leaves)

Providing incentives can be important, indeed game changing. the failure to set pay and benefits at appropriate levels can inhibit an organization's ability to hire desired talent and increase turnover, which is also quite costly [e.g., lost productivity, search and recruitment costs, time to get new employees up to speed (Cascio, et al., 2019).

In the study of Safelite Auto Glass installers discussed later (Lazear, 2000b). The study showed both that changing a compensation scheme could have large effects and that economic theory does well in predicting these outcomes. For most employees, Compensation received via the employment relationship is their major source of income and instrumental for achieving many kinds of needs and goals (e.g., security, status, esteem, achievement; Lawler, 1971).

Employees are bound to be much more productive when they work in a positive, supportive environment. Employers must strive to maintain an enjoyable, family-oriented atmosphere in which all employees focus on achieving project success. Compensation research since then has still been highly attuned to internal equity and intra-firm pay structures, although there has been much less attention to internal labor markets, job evaluation, and formal compensation structures e.g., pay grades and ranges (Gerhart & Newman, 2020).

Having efficient compensation management enables to hire competent employees, Maintain Current Staff: Make sure they are fairly performing, loyal, experienced, and responsible. Employee job satisfaction will rise in line with improvements in reward for completed tasks. A well-designed compensation plan should be more appealing, competitive, and inspiring in addition to being fair and deserving.

An extensive literature also documents the importance of pay in terms of how it affects what “people do” (Ryneset al., 2004). This includes findings that higher pay levels substantially reduce turnover (Gerhart, 2023, Exhibit 17.15).

Compensating employees for their hard work, creativity, and contributions to project success increases commitment. Well-planned incentive and compensation systems inspire employees, enhancement output, and contribute to successful project implementation. Recognizing achievements is essential, but equally important is motivating staff to strive for ongoing success.

The researcher observed numerous employee complaints indicating low job satisfaction and a lack of competitive compensation at WAAS International PLC. The departure of competitive and experienced employees in search of better opportunities has an imminent impact on project execution, resulting in the loss of time spent training new employees and the expertise of departing workers. Although there are some types of incentives, they are neither formal nor timely, and industry-level compensation remains non-competitive. Overall, the dissatisfaction with compensation and incentives highlights a gap between the organization's payment structure and employee expectations. The researcher aims to assess the role of incentives and compensation in project success within WAAS International PLC."

1.2 Statement of the problem

In an ideal context, compensation and incentive systems are designed to be robust and adaptive, reflecting the latest theoretical frameworks such as Herzberg's Two-Factor Theory, Adams' Equity Theory, and Deci & Ryan's Self-Determination Theory. These systems should be structured to align with organizational goals, ensuring equity through transparent and systematic methods for adjusting salaries, bonuses, and commissions, based on performance metrics, market benchmarks, and organizational profitability (Aguinis et al., 2013; Gerhart & Fang, 2014). A comprehensive analysis at individual, team, and organizational levels would facilitate regular evaluations to ensure fairness, motivation, and alignment with workforce demands (Gerhart & Rynes, 2009; Aguinis, 2013).

However, in the context of WAAS International PLC in Ethiopia, there is a significant deviation from this ideal. The company's compensation system is do not leverage modern incentive theories that could enhance motivation, such as those from Herzberg, Adams, or Deci & Ryan. Instead, there's an informal and poorly structured system that lacks integration of intrinsic and extrinsic motivators (Gebreyohannes, 2016). There's an absence of systematic and transparent methods for setting compensation, with no clear alignment with performance metrics or market benchmarks.

This leads to perceptions of inequity among employees (Mulugeta, 2020). The compensation strategy does not address the needs at multiple levels - individual, team, and organizational. This results in a lack of understanding of how compensation can be optimized at each level to contribute to project success (Mekonnen, 2018).

Compensation at WAAS International PLC fails to account for Ethiopia's specific socio-economic factors like inflation and cost of living, which are crucial for setting competitive compensation packages (Tekeste, 2019). The absence of such contextualization, as noted by Admasu (2020), leads to systems not aligned with local industry standards or employee expectations. Employees perceive the compensation system as unfair and inconsistent, leading to reduced trust and engagement (Herzberg, 1968; Maslow, 1943). This is mirrored by findings in the Ethiopian context where compensation dissatisfaction leads to low job satisfaction (Mulugeta, 2020; Mekonnen, 2018).

The lack of competitive and structured incentives results in employees seeking better opportunities elsewhere, increasing recruitment and training costs, and losing valuable expertise (Mekonnen, 2018). Weak incentive mechanisms hinder project success by not adequately motivating employees or aligning their efforts with project goals. This leads to lower quality outputs, delays, and budget overruns (Gebrehiwot & Gebremedhin, 2017; Tadesse, 2018). The current system does not foster loyalty or commitment, undermining employee retention and the organization's ability to sustain long-term project continuity and success.

In this study, the researcher investigates how various forms of incentives and compensation structures within WAAS International PLC influence project outcomes and employee satisfaction in Ethiopia, aiming to provide insights to bridge these identified gaps and enhance organizational performance in a competitive landscape.

1.3 Research questions

1. How does compensation affect project performance?
2. What are the key factors influencing employee satisfaction with compensation, and how do these factors contribute to project success within an organization?
3. How do incentive schemes affect project team motivation and productivity?

4. What strategies can bridge the gap between employee expectations and payment structures, and how do these strategies contribute to project success within organizations?
5. To what extent does employee retention affect project continuity and success?

1.4 Objective

1.4.1 General Objective

The general objective of this research is to assess the role of incentives and compensation on project success in the case of WAAS International Plc.

1.4.2 Specific Objective

The specific objectives were the following:

- To assess the impact of salary structure, performance-based incentives, and non-monetary benefits on project success and propose strategies to improve employee retention and project performance.
- Evaluate incentive effectiveness, identify best practices, assess employee satisfaction and retention with compensation, and propose gap-bridging strategies to enhance project success
- To evaluate the current compensation and incentive mechanisms at WAAS International PLC and analyze their impact on project success within the organization
- To identify the most effective incentive mechanisms that drive employee performance and enhance project outcomes.
- To propose targeted improvements to the compensation and incentive systems at WAAS International PLC to enhance employee motivation, retention, and project performance.

1.5 Significance of the study

The study attempts to examine the role of compensation and how it impacts executing projects successfully Hence This study helped WAAS International PLC to clearly understand the major compensation factors and types, and aided the organization in developing a new compensation system that benefits the organization. Incentive mechanisms, when effectively implemented,

positively affect project success by optimizing time, cost, and other critical aspects. Competitive compensation packages are vital for attracting capable professionals. When employees get fair compensation, they are more likely to stay within the organization: turnover will be reduced and ensuring stability in employees. Studying the role of incentives and compensation provides valuable insights for project management, talent retention, innovation, and overall project success, contributing to better practices and informed decision-making within organizations." This study serves as a valuable reference for researchers exploring the field of compensation. It provides an opportunity to gain in-depth knowledge about various types of compensation and theories related to compensation and its role on project success. In addition, Organizations can use such an understanding of the dynamics to allocate resources more appropriately, thus enhancing project success. The study was revealed the relationship between compensation, employee satisfaction, and successful projects to inform policy formulation. Such information will be useful in formulating policies that enhance morale, ensure engagement, and increase overall productivity among employees for the successful execution of projects. This research was identifying the most effective types of incentives-both financial and non-financial-that drive project success. It was providing clarity in areas where existing theories may conflict or lack detailed insight. The study was offering a deeper understanding of the impact of compensation on employee satisfaction and retention, addressing gaps in the knowledge related to the human factors influencing project success. The findings were set benchmarks and best practices that other organizations can emulate to improve their respective compensation and incentive systems and, thus, overall project outcomes.

1.6 Scope of The Study

This research targets employees of WAAS International Plc. in different positions, including Data Enumerators (Auditors), Supervisors, Project Coordinators, and Operational Managers, across various cities and the main branch. Due to the feasible population size, the study employs a census approach, covering all employees within the Human Resources, Finance, Information Technology, Qualitative, and Quantitative Project Departments to ensure comprehensive data collection.

1.7 Limitation of The Study

Timing of the Study: The study was conducted during a period of economic uncertainty due to the implementation of the new Ethiopian Floating Monetary Policy. This timing may have

influenced the results, as rewards might have had a greater impact on satisfaction compared to other studies conducted during periods of non-floating monetary policy.

Difficulty Controlling for Other Factors: Employee motivation can be affected by a multitude of factors such as job satisfaction, work-life balance, and company culture. Controlling for these factors in the study was challenging, making it difficult to isolate the effect of incentives alone.

The Hawthorne Effect: This phenomenon, where individuals alter their behavior due to the awareness of being observed, could have impacted the study. Employees at WAAS International PLC might have reported higher levels of satisfaction simply because they knew they were being studied.

Use of Self-Report Measures: The study relied on self-report measures like surveys to assess the role of incentives and compensation. These subjective measures may not accurately reflect employees' true motivations. Additionally, the study included only permanently hired employees and excluded freelancers, which could have impacted the generalizability of the findings.

1.8 Organization of the thesis

The study is organized into five chapters. Chapter 1 provides the foundation, outlining the background of the study, the research problem, research questions and objectives, significance of the study, and its scope and limitations. Chapter 2 delves into the existing literature relevant to the research topic. It explores theoretical concepts, reviews previous empirical studies, and presents the conceptual framework that guides the research. Chapter 3 focuses on the research methodology, detailing the research approach, design, population, sampling technique and sample size, data collection instruments, data analysis methods, and the research variables under investigation. Chapter four discusses about data analysis and results Finally, chapter five comprises about the Conclusion and Recommendation.

CHAPTER TWO

2 Literature Review

2.1 Theoretical Literature

In the contemporary work environment, compensation and incentives are pivotal in driving employee motivation, enhancing performance, and achieving organizational objectives and goals According to Milkovitch and Newman (2005) “Compensation is all forms of financial returns, tangible services and benefits employees receive as part of an employment relationship.

Compensation may be defined as reasonable both financial and non-financial pay and rewards given to the employees in exchange of their physical, mental and spiritual labor.” – M. Ataur Rahman from the client perspective, it is ideal that a project is completed in minimum time, at minimum cost, and with the best quality (Arditi et al., 1997).

According to Pinto, J. K., & Slevin, D. P. (1988) The concept of project success is complex and differs depending on the industry and setting. In general, it relates to completing a project's goals within the time frame allocated, money, and quality. Here are a few crucial elements of a successful initiative to either reach or surpass the set goals and objectives. Delivering the desired results, goods, or services following the project plan is part of this. A key indicator of success is the completion of the project within the budget and time period allotted. The overall efficacy of a project can be greatly impacted by delays and expense overruns. a project to be successful, quality standards must be followed, and outputs must match stakeholder expectations and necessary specifications. Projects that are successful meet the requirements and expectations of all parties involved, including executives, team members, clients, and customers. To do this, effective stakeholder management and communication are essential. The project team's performance and cooperation are key factors in the project's success.

According to Project Management Institute. (2021). A cohesive and driven group may overcome obstacles and produce excellent outcomes. Success can also be measured in terms of the project's long-term effects on the organization and its strategic aims, which go beyond its immediate results. Successful projects are those that support long-term development and sustainability.

Edward P. Lazear (1996), views incentives as crucial for motivating employees and enhancing productivity. He categorizes incentives into financial (e.g., bonuses, profit sharing) and non-financial e.g., recognition programs, career development opportunities.

Types of Compensation

According to Milkovich, G. T., Newman, J. M., & Gerhart, B. (2014). Compensation (12th ed.) There are two main types: financial and non-financial compensation.

Financial compensation

Monetary incentive compensation consists of financial rewards for meeting or exceeding predefined targets. This includes bonuses, commissions, and various means by which an employee can financially benefit from the company's success. (Gerhart, B., & Fang, M. (2014).

Base Salary; It is the fundamental sum an employee receives for their service. It does not include any other forms of bonuses or overtime pay. Likewise, unless their employer agrees differently, an exempt employee's remuneration covers their usual labor and does not rise when they work more than their regular hours a week. ((Milkovich, G. T., Newman, J. M., & Gerhart, B. (2014). Compensation. McGraw-Hill Education.)

Dividends the payment of a company's profits to its shareholders is referred to as a dividend. Dividends are a way for businesses to give money to their investors and are mostly paid quarterly. (Brigham, E. F., & Ehrhardt, M. C. (2013). Financial Management: Theory & Practice. South-Western Cengage Learning.)

Commissions a commission is a payment received for goods or services sold. For example, sales workers frequently receive commissions from their employers as a benefit or reward for exceeding performance goals. (Johnston, M. W., & Marshall, G. W. (2013). Sales Force Management. Routledge.)

Bonuses: Employees often receive these as an incentive to exceed their work output and outperform company standards. In addition, they motivate workers to keep exceeding their previous output levels, which helps the company, thrive and expand. Spot Bonus: A monetary reward for recognizing excellence in the short term. Spot bonuses are discretionary in nature. Retention Bonus: Companies pay retention bonuses to employees for staying with the organization for a predetermined period. Retention bonuses are often standard practice at a company and

therefore expected. Signing Bonus: is a one-time payment to motivate top talent to join an organization. This incentive is more likely to be used in highly competitive industries. Performance Bonus: Typically tied to individual performance, a performance bonus rewards employee for meeting or exceeding performance goals against set benchmarks. Referral Bonus: are an incentive for employees to partake in talent acquisition efforts. It is also a means to reward employees for bringing successful new hires to the company. (Heneman, H. G., & Judge, T. A. (2000). Incentives and Motivation. John Wiley & Sons.)

The Golden Hello a golden hello is a signing payment given to executives as an incentive to leave a competing business. When an employee first joins the company, they are often given a lump sum payment of cash. (Chingos, P. T. (2002). Paying for Performance: A Guide to Compensation Management. John Wiley & Sons.)

The Golden Parachute; a contract between a company and a high-ranking executive that details the rewards the employee would get in the case of termination. (Finkelstein, S., & Hambrick, D. C. (1996). Strategic Leadership: Top Executives and Their Effects on Organizations. West Publishing Company.)

The Golden Handcuffs; are a group of monetary rewards designed to motivate staff members to remain with a firm for a predetermined time. (Milkovich, G. T., Newman, J. M., & Gerhart, B. (2014). Compensation. McGraw-Hill Education.)

Gain sharing is a type of incentive payment to employees for successfully executing cost-saving or productivity-enhancing initiatives. (Lawler, E. E. (1990). Strategic Pay: Aligning Organizational Strategies and Pay Systems. Jossey-Bass.)

Profit Sharing: Employees receive a portion of the company's profits in a profit-sharing program. This type of reward directly incentivizes employees to contribute to the company's overall profitability. (Milkovich, G. T., Newman, J. M., & Gerhart, B. (2014). Compensation. McGraw-Hill Education.)

Types of Non-Financial Compensation

According to (Mittal, 2023; Chauhan, 2015) Non-monetary incentives are rewards that do not involve direct financial benefits. A well-designed non-monetary incentives program addresses emotional needs such as recognition and belonging, or time off. Some employee recognition

statistics indicate that workers prefer non-monetary incentives to financial ones. Meaningful work, growth opportunities, and work-life balance also motivate employees. When employees feel engaged and passionate about their jobs, they tend to perform better.

Recognition, feedback, challenging work, and good relationships with coworkers are stronger motivators. Feeling valued at work, acquiring new skills, and maintaining a good work life balance also boost motivation and productivity. An ideal compensation system considers both monetary and non-monetary incentives to motivate employees. (Kohn 1998).

Some forms of non-monetary compensation are as follows:

Health insurance: is a benefit provided by employers that helps cover the cost of medical care for employees and their families. It typically includes coverage for hospital stays, doctor visits, prescription drugs, and sometimes dental and vision care. Buchbinder, S. B., & Shanks, N. H. (2012).

Company accessories: Some companies provide their employees with a company vehicle, Phone sand laptops, which can be used solely for professional or personal reasons. Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2017)

Gym membership: An additional incentive an employee may receive from the company is a paid gym membership. This is considered a health and wellness benefit and encourages workers to get physically active so they may live a healthy lifestyle which, can improve their work performance. Stone, R. J. (2008). Strategic compensation: A human resource management approach *(*6th ed.).

Learning and Career Development Opportunities: Learning opportunities that provide employees with the skills and knowledge to advance their careers are seen as valuable benefits that improve employee motivation, performance, and satisfaction. Kaufman, B. E., & Hotchkiss, J. L. (2006).

Experiential Rewards: allows companies to align recognition programs with employees' personal desires and aspirations, which, in turn, fosters a deeper connection and commitment to the organization. This form of incentive compensation allows top performing employees to create memories and associate positive experiences with their success at work. Mayo, A. (2001).

Education Assistance: programs provide employees with the opportunity to improve their knowledge and skills through financial support for formal education, professional certifications, and ongoing training. Noe, R. A., Hollenbeck, J. R., Gerhart, B., & Wright, P. M. (2017).

Recognition Programs: are mechanisms through which organizations acknowledge and reward employee performance, thereby reinforcing the behaviors and attitudes that align with the company's goals. Robinson, D., & Judge, T. A. (2013)

Amar Fall and Patrice Roussel (2014), In their work on self-determination theory, they discuss incentives as a paradigm of motivation through rewards. They highlight that compensation contingent on performance incites employees to give their best effort there are several compensation theories that can be applied to understand their impact on project success.

Here are a few key theories:

Reinforcement Theory

This theory, developed by B.F. Skinner, Skinner, B. F. (1953), suggests that behavior is a function of its consequences. In the context of project management, providing rewards for achieving project milestones can reinforce positive behaviors and improve project outcomes (Reinforcement theory is a concept in behavioral psychology that suggests that behavior is driven by its consequences. Initially developed by psychologist B.F. Skinner, reinforcement theory states that rewarded behaviors are likely to be repeated, while punished behaviors are likely to cease. The theory underlines the importance of consequences as motivating factors in decision-making and action, focusing on observable behavior rather than internal mental states. Reinforcement can be either positive or negative, and both types play a crucial role in shaping behavior. Positive reinforcement involves the addition of a rewarding stimulus to increase the likelihood of a behavior, while negative reinforcement involves the removal of an adverse stimulus to encourage behavior. On the other hand, punishment, which can also be positive (adding an adverse stimulus) or negative (removing a pleasant stimulus), aims to reduce or eliminate undesirable behavior.) Punishment results in a decrease in frequency of a particular behavior because it is associated with an

Unpleasant outcome (Powell et al. 2017). Negative punishment involves removing a pleasant stimulus other than the one maintaining the behavior in order to decrease the frequency of the behavior." (Sundel & S. Sundel, 2005). The reinforcement theory, developed by Edward L.

Thorndike, says that if high performance is followed by some reward, that desired behavior will likely occur in the future. Likewise, if high performance is not followed by a reward, it is less likely the high performance will occur in the future. One interesting consideration is the ethical implications of certain pay structures, particularly commission and bonus plans. Traditionally, a bonus structure is designed to reward performance, rather than be a guaranteed part of the compensation plan. Bonus and commission plans should be utilized to drive desired behavior and act as a reward for the desired behavior, as the reinforcement theory states.

Expectancy Theory

Victor Vroom's (1960) expectancy theory of motivation is one of the most popular, based on the suggestion that an individual's behavior is motivated by anticipated results and potential success (Riggio, 2015). Expectancy is the individual's belief and hope that increasing effort on a given task will result in desired outcomes" (Zajda, 2023, p. 39).

Expectancy theory is a motivational theory that explains why employees choose to perform certain behaviors in the workplace. Its purpose is to predict human behavior as theory suggests that individuals will be motivated to put in more effort if they believe that their efforts will lead to better performance and that better performance will result in greater rewards or outcomes. Expectancy theory is also known as the VIE theory due to its three core components: valence, instrumentality, and expectancy (Riggio, 2015).

Motivation is vital to goal framing and attainment (Ryan & Deci, 2018). Motivation is vital to beginning and maintaining healthy behavior in the workplace, education, and beyond, and it drives us toward our desired outcomes (Zajda, 2023). Victor Vroom's (1964) expectancy theory of motivation is one of the most popular, based on the suggestion that an individual's behavior is motivated by anticipated results and potential success (Riggio, 2015).

According to room, V. H. (1964). Expectancy posits that an individual's motivation to perform a specific task is based on their belief that their effort will lead to high performance and that high performance will lead to a desirable outcome. The theory focuses on three key components – expectancy, instrumentality, and valence. Expectancy refers to an individual's belief that increased effort will lead to increased performance. Instrumentality is the belief that increased performance will lead to a desirable outcome or reward. Finally, valence is an individual's value on the potential reward.

According to the theory, individuals are motivated when they believe their effort leads to high performance. High performance will lead to a desirable outcome, and the outcome is valuable to them. The theory is widely applicable in business and management contexts to understand and improve employee motivation and performance. Other studies suggest that considering the expectancy theory's core components (valence, instrumentality, and expectancy) can support continuous learning and professional development. Findings indicate that employees perceived managerial and job support significantly boost motivation and learning success (Cheng et al., 2012).

Equity Theory

Equity Theory was used to explore the moderation effect of fairness perception on the relationship between job demands, job performance and job satisfaction. It was confirmed that in the condition of fair effort-reward allocation, people tend to perform better and feel more satisfied (Janssen, 2001). The equity theory is concerned with the relational satisfaction employees get from pay and inputs they provide to the organization. It says that people will evaluate their own compensation by comparing their compensation to others' compensation and their inputs to others' inputs. In other words, people will look at their own compensation packages and at their own inputs and compare that with others. If they perceive this to be unfair, in that another person is paid more but they believe that person is doing less work, motivational issues can occur. For example, people may reduce their own inputs and not work as hard. Employees may also decide to leave the organization because of the perceived inequity. Researchers also explored responses to inequity in relations, which take the form of the denial of responsibility for causing harm, victim blaming and self-affirmation (Scott & Straus, 2007; Burn & Brown, 2006; Iqbal & Bilali, 2018). Inequity results from under benefiting or over-benefiting a party in relations (Sprecher, 2018).

In Human resource, this is an important theory to understand, because even if someone is being paid fairly, they will always compare their own pay to that of others in the organization. It is a common practice in organizational management, when underpaid employees get motivated through compensation schemes to improve inter-organization relations and performance (Shin, 2016). The key here is perception, in that the fairness is based entirely on what the employee sees, not what may be the actual reality. Even though HR or management may feel employees are being paid fairly, this may not be the employee's belief. In HR, we need to look at two factors related to pay equity: external pay equity and internal pay equity. External pay equity refers to what other

people in similar organizations are being paid for a similar job. Internal pay equity focuses on employees within the same organization.

John Stacey Adams' Equity Theory (1963), emphasizes fairness in compensation. Employees compare their input-output ratio with that of others. Perceived fairness in compensation can lead to higher motivation and better project performance (Adams' Equity Theory calls for a fair balance to be struck between an employee's "inputs" (hard work, skill level, acceptance, enthusiasm, and so on) and their "outputs" (salary, benefits, intangibles such as recognition, and more).

According to the theory, finding this fair balance helps to achieve a strong and productive relationship with the employee, with the overall result being contented, motivated employees. The theory is built on the belief that employees become de-motivated, there in relation to both their job and their employer, if they feel that their inputs are greater than the outputs they receive. Employees can be expected to respond to this in different ways, and may exhibit de-motivation, reduced effort, annoyance, or, in extreme cases, perhaps even disruption.

Agency Theory

This theory focuses on the relationship between principals (employers) and agents (employees). It suggests that compensation can be used to align the interests of employees with those of the organization. In project management, outcome-oriented incentives like bonuses for project completion can align employee efforts with project goals. (agency theory considers the optimal form of contract to control relationships in which one 'principal' – an entity or an organization – delegates work to another, the 'agent' (Eisenhardt, 1985). In economics, the main idea of agency theory is that the relationship between the principal and the agent should reflect efficient organization of information and risk-bearing costs (Eisenhardt, 1989). The theory attempts to solve problems of agency, which occur when the principal and agent pursue different goals and have different risk preferences. Its main area of analysis is the contract between the parties (Eisenhardt, 1989).

According to Waller and Fawcett (2013), the theory can be useful to investigate how the proliferation of big data can affect the agency costs associated with the use of third-party logistics. Hazen et al. (2016) propose a few more gaps that application of the theory could help to fill out.

Goal-Setting Theory

Developed by Edwin Locke and Gary Latham, (1968), this theory states that specific and challenging goals, along with appropriate feedback, lead to higher performance. Compensation tied to achieving specific project goals can motivate employees to perform better.

Goal setting theory, a theory of motivation that explains what causes some people to perform better on work-related tasks than others. 1990 goal setting theory was based on systematic research conducted over a quarter of a century by many others and ourselves. The theory was developed inductively from nearly 400 studies (Locke & Latham, 1990).

According to Stone, R. J. (2008), The effectiveness of compensation incentives is influenced by factors such as accuracy, timeliness, flexibility, and innovative delivery. Non-financial incentives like work life balance, professional growth, and recognition also significantly affect employee performance, leading to increased productivity, job satisfaction, and motivation. When paired with efficient incentive systems, these competencies can improve project outcomes. The body of research emphasizes how crucial financial and non-financial incentives are to the success of a project. Incentive systems that work well align stakeholders' interests, improve performance, and lead to successful project outcomes. Project managers' skills also serve as a complementary element to these systems, guaranteeing the overall success of the project.

Project success criteria

Project success criteria take various forms. The first type directly relates to project management, emphasizing effective project execution and alignment with organizational business objectives. Achieving this involves practices such as project audits, regular meetings, adhering to schedules and deadlines, and ensuring the desired level of quality for the product or service. The second criterion focuses on project deliverables—the intended outcomes of the project. These deliverables align with the primary goals outlined in the project's strategic plan, such as delivering a service or product to users and ensuring customer satisfaction. Understanding these success benchmarks allows teams to work toward their objectives while delivering project outcomes. Measuring and defining project performance offers several advantages, including establishing benchmarks, increasing stakeholder engagement, promoting transparency, and informing improvements for

future projects. Ultimately, project success often hinges on the triple constraints: cost, scope, and time. (Project Management Institute (PMI). (2021).

Compensation Objective

Compensation Objective the final objectives of reimbursement administration are: cost effective of a creative force, reasonable salary, and compliance with rules supported what companies will afford (Srivastava, U. R. 2015).). The objectives of compensation and incentives must be related to the organization's overarching objectives and facilitate the efficient employment and management of human resources inside the company. (Deckler, 2019) emphasizes that an effective compensation plan should align with the interests of both employers and employees, be affordable, comply with regulations, and address the specific needs of the organization."

Role of compensation and employee motivation

According to Deci and Ryan (2000), while competitive pay is important, it is not the sole driver of employee engagement. To truly motivate employees, organizations should take a holistic approach that includes valuing and challenging employees by assigning meaningful tasks and providing opportunities for growth and learning. Additionally, granting autonomy and flexibility empowers employees to make decisions and manage their time effectively. Fostering teamwork and companionship further enhances engagement by creating a positive work environment where employees feel connected and supported.

Empirical review

- Thomas G. Lecher's (2006), drawing from data across 600 projects in the United States and Germany, establishes a clear link between project-specific incentive systems and project success. The findings robustly support the assertion that well-designed incentives drive positive project outcomes.
- Compensation plays a significant role in job performance and work-family conflict, with proper compensation leading to enhanced job performance and reduced work-family conflict (Qureshi & Sajjad, 2015). Research on incentives and compensation in project management reveals mixed results regarding their impact on project success.

- While some studies found positive relationships between long-term incentives and innovation (Francis et al., 2011) or between professionalism-based rewards and project success (Mahaney & Lederer, 2001), others reported varied effectiveness and potential adverse consequences of incentive strategies (Back et al., 2013). The use of incentives can improve project success by aligning agent goals with principal objectives in information systems development (Heales & Raduescu, 2004).

- Specific findings indicate that options and their convexity positively affect innovation, while pay for performance sensitivity shows no significant relationship (Francis et al., 2011). Additionally, severance agreements and favorable contract resets after project failure may encourage innovation (Francis et al., 2011). However, the effectiveness of incentives on overall cost and schedule performance remains uncertain, highlighting the need for careful consideration in their implementation (Back et al., 2013).

- compensation is linked to improved project efficiency, as evidenced by a study involving 108 companies, which found that project managers perceived a positive impact of compensation on cost, time, and quality parameters (Contreras et al., 2015) (Contreras et al., 2015).

- Structural engineers reported that while compensation significantly influenced their productivity, it did not directly affect the number of projects completed (Tomas, 2017).

- the failure to set pay and benefits at appropriate levels can inhibit an organization's ability to hire desired talent and increase turnover, which is also quite costly [e.g., lost productivity, search and recruitment costs, time to get new employees up to speed (Cascio et al. 2019)].

- one also noted by other researchers recently (e.g., Nyberg et al 2018), is that organizational compensation and benefits research has been dominated by studies that focus on how pay and benefits motivate individuals' efforts in the workplace, that is, to incentive effects such as productivity and performance.

- In their study, Aktar, Sachu, and Ali (2012) investigated the impact of pay, educational privileges, job demands, and career development on employee performance in 12 Bangladeshi commercial banks. The findings highlighted the significant influence of both intrinsic and extrinsic rewards.

- Abdalla, R., Hamad, J., Gebril, A., & Omran, A. (2024) in a study conducted within the Libyan construction industry, the impact of rewards and remuneration on employee engagement was investigated. Using a standardized questionnaire, data were collected from 310 randomly selected participants out of 400 distributed questionnaires (yielding a 77.5% response rate). Revealed a significant positive relationship between rewards, compensation, and employee engagement. Furthermore, this heightened engagement was found to contribute significantly to overall project management success.

Research Gap

Extensive research has been conducted on the impact of incentives and compensation at both organizational and individual levels, examining their role in enhancing employee motivation, satisfaction, and retention. Theoretical frameworks like Herzberg's Two-Factor Theory, Adams' Equity Theory, and Self-Determination Theory have been widely applied to understand motivation through compensation. While theories provide insight into motivation, there is less exploration into how these theories specifically translate into project success within unique organizational contexts like WAAS International PLC. The application of these theories to project-specific outcomes in Ethiopia's socio-economic environment is under-researched. Previous studies often rely on broad surveys or experimental designs that may not capture the nuances of project-based work. There's a need for methodologies that integrate both quantitative measures of project success (e.g., time, cost, quality) with qualitative insights into employee perceptions and behaviors, particularly in project settings. Research tends to focus either on individual or organizational outcomes but lacks a comprehensive approach that examines the interplay at multiple levels - individual, team, and project. Understanding how incentives and compensation influence dynamics at different scales within projects is crucial. The specific socio-economic, cultural, and industry-related factors in Ethiopia that could affect the effectiveness of compensation and incentive strategies on project success are not thoroughly explored. There's a gap in understanding how local conditions like inflation or cultural expectations modify the impact of compensation

structures. A more nuanced study is required to assess how tailored incentive systems can directly influence project outcomes by considering the unique motivational drivers influenced by local conditions Research needs to delve deeper into the balance between monetary and non-monetary incentives, examining how each type uniquely contributes to project success in contexts like Ethiopia. There's a need for research that not only quantifies but also qualitatively explores employee engagement and motivation through project-specific lenses, particularly how perceived fairness, equity, and satisfaction with compensation affect project execution and success.

Conceptual Framework

This study is conducted to speculate that incentives and compensation serve as independent variables, influencing employee engagement and team performance—which, in turn, affect the dependent variable: project success. Drawing from motivation theories, organizational behavior, and project management literature, the framework aims to illuminate the complex relationships among these key factors.

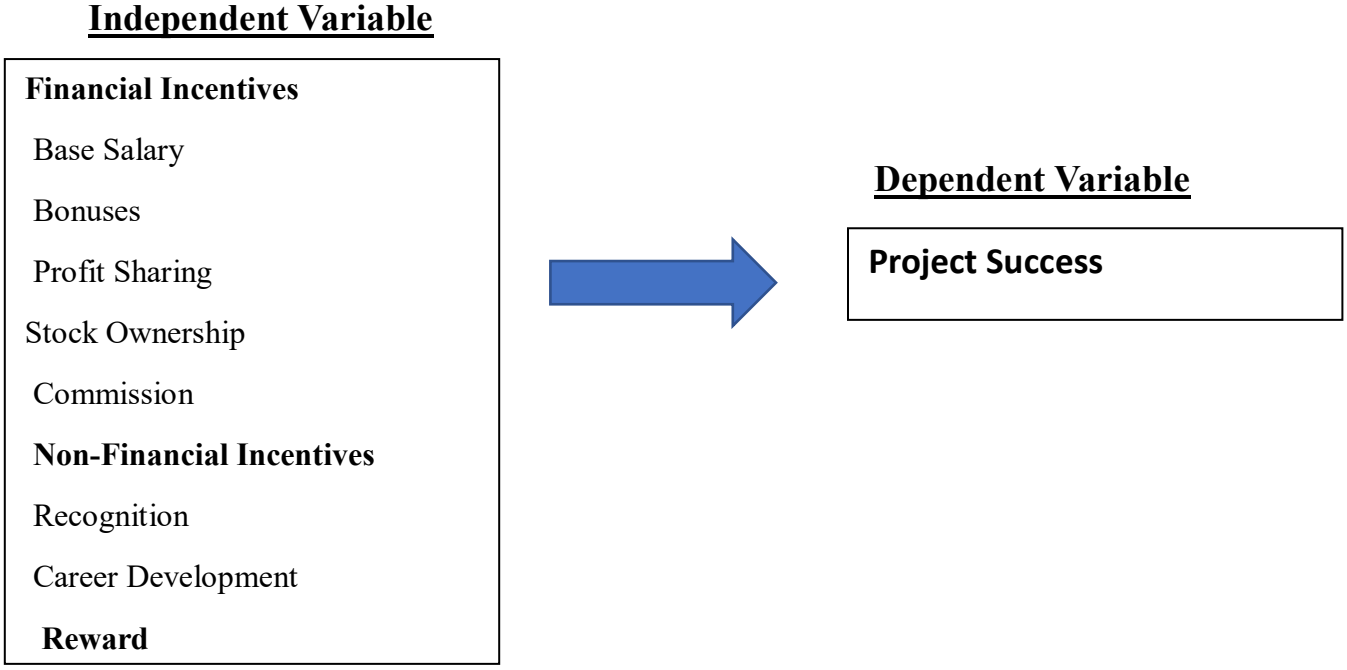


Figure 1. Dependent and Independent Variables developed by the researcher

CHAPTER THREE

3 Research Design and Methodology

3.1 Research Design

This study was employing concurrent research design method. A concurrent research design is a mixed-methods approach where quantitative and qualitative data are collected simultaneously. As Creswell (2009) defines it, "Concurrent mixed methods designs 'are those in which the researcher converges or merges quantitative and qualitative data in order to provide a comprehensive analysis of the research problem Tashakkori, A., & Teddlie, C. (2003) similarly define concurrent strategies as involving the collection of both quantitative and qualitative data simultaneously or nearly simultaneously.

A core feature of this design is the collection of both quantitative and qualitative data at the same time. The goal is to combine the strengths of both methods to provide a more comprehensive understanding of the research problem. Concurrent designs are often used to validate findings from one method with those from the other. Quantitative data provides numerical data, while qualitative data provides rich, contextual information.

3.2 Research Approach

In conducting research, researchers follow different research approaches. According to C.R. Kothari (2004), there are two basic approaches to research: the quantitative approach and the qualitative approach. Subjective evaluation of attitudes, beliefs, and behavior is the focus of a qualitative research approach. Qualitative research is a methodology that aims to investigate and comprehend the interpretations that individuals or groups assign to societal or personal issues. Berg and Howard (2012) characterize qualitative research as "meanings, concepts, definitions, metaphors, symbols, and a description of things. A qualitative research approach creates a wider understanding of behavior. Hence, the qualitative research approach provides abundant data about real-life people and situations. (De Vaus, 2014, p. 6; Leedy and Ormrod, 2014) The quantitative research method is considered very efficient for questions answered in numbers (Creswell, 2014). Evaluating objective theories by looking at the relationships between variables is known as quantitative research. For numbered data to be examined using statistical techniques, these variables can then be quantified, usually on instruments. The use of scientific methods for data collection and analysis generalize possible with this type of approach. Interactions made with one

group can be generalized. Similarity: the interpretation of research findings need not be seen as a mere coincidence (Williams and May 1998, p. 1–1). This study used both approaches, which combine quantitative and qualitative research approaches, making it possible to establish accurate and pertinent information. Quantitative research enables an impartial arithmetical examination of statistical figures to comprehend and elucidate. The quantitative method was enabling the questionnaires to be filled out by the employees in the organization. Therefore, the open-ended (qualitative) interview questions for WAAS International plc project managers.

3.3 Data Type and Source

This study was employing primary data sources, utilizing interviews and questionnaires as the main methods. Initially, a closed-ended questionnaire was distributed to employees and management, followed by interviews conducted exclusively with project managers. The closed-ended questions facilitated obtaining sufficient responses and controlling response time. Conversely, open-ended questions allowed respondents to express their thoughts freely during interviews. The questionnaire primarily focused on compensation and incentives and its role on success of projects, at WAAS International PLC.

3.4 Target Population

In this study, it was examine the role of compensation and incentives on project success within WAAS International PLC. the target population was comprises 108 permanently employed employees across Addis Ababa and other 20 Ethiopian cities. The collected primary data from both managers and employees to gain a comprehensive understanding. Notably, contract workers were excluded due to assumptions about their familiarity with organizational practices and they are working to other companies freelancing to. By defining target population clearly, aim for precise sampling, leading to accurate and reliable study outcomes, as emphasized by Asiamah et al. (2017).

According to Israel, G.D. (1992),Using A Census for manageable Populations One approach is to use the entire population as the sample. A census eliminates sampling error and provides data on all the individuals in the population. In addition, some costs such as questionnaire design and developing the sampling frame are "fixed," that is, they were be the same for samples. virtually the entire population would have to be in manageable populations to achieve a desirable level of precision.

Since the target population of the research consists of 108 employees of WAAS International PLC in Ethiopia, it was feasible to include the entire population without the need for sampling methods. Consequently, all employees were selected through the census method, ensuring comprehensive data collection based on the organization's profile.

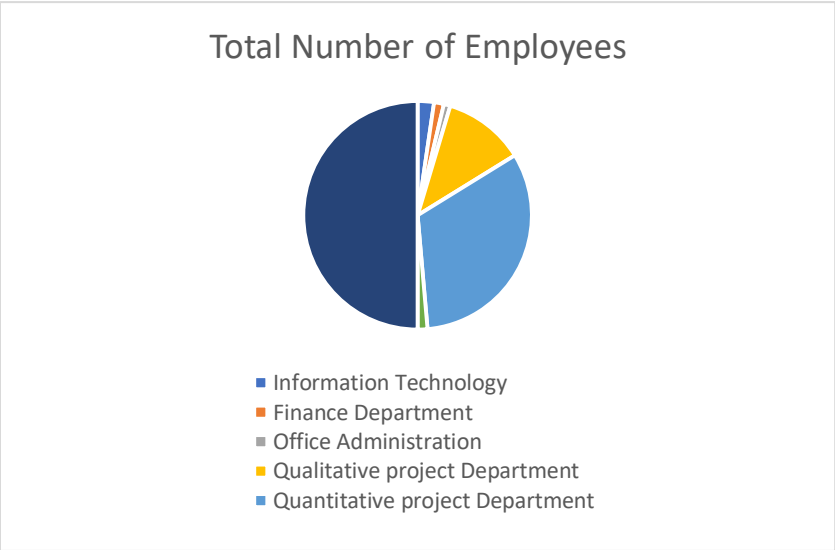


Figure 2. Department

3.5 Data Collection Methods

In this study, primary data was gathered through questionnaires. To make sure the validity of the research instrument, the questionnaires was be adapted from previous researchers. The questionnaire is composed of questions from different researches related to the topic. Therefore, to measure the role of incentives and compensation on project success, five Point Likert-types scales questions was use and the questions ranged from 1("strongly disagree ") to 5 ("strongly agree "). For this matter, the researcher was distributing questionnaires to the employees of the organization. Research questionnaire was used in this study to reach people easily and to be cost effective. In the meantime, interview was undertaking to get ideas that helped to assess the role of compensation and incentives on project success with project managers in the Organization.

3.6 Method of Data Analysis

Data analysis is the process of bringing order, structure and meaning to the mass of information gathered. After collecting all the necessary data, data were coded and edited, analyzed and rephrased to eliminate errors and ensure consistency in this study, questionnaires where be employed to assess completeness and consistency, and utilized descriptive data analysis. The data was collected through these questionnaires was process using the Statistical Package for the Social Sciences (SPSS) Version 27. The analysis was involved both Descriptive (mean, percentile, standard deviation and frequency) and inferential Statistics (Pearson correlation and regression) to present and discuss the results.

3.7 Validity Test

The validity test assesses the extent to which data accurately reflects its intended purpose. In other words, it ensures that the measurement instrument captures what it is designed to measure. For this study, the researcher drew upon various scholarly works to inform the measurement of incentive schemes. The questionnaire items were constructed using a five-point Likert scale, with the exception of demographic questions and additional comments related to the study. Rigorous efforts were made to establish logical connections between the questionnaire items and the study's objectives. Additionally, the researcher directly engaged with company staff to collect primary data, ensuring the validity of the obtained information. The research advisor was consulted to determine content validity in this study. To improve the instruments, the advisor reviewed each question in the questionnaire and provided feedback to ensure that the questions addressed the research objectives.

3.8 Reliability Test

Cronbach's alpha coefficient was used to perform the reliability test, and items that scored higher than the acceptable value were retained (Dennick & Tavakol, 2011). In this study, the researcher conducted a reliability test to assess the consistency and lack of bias in the measurement instrument. Reliability is crucial because it ensures that the measurement remains stable over time. The researcher used Cronbach's alpha as a reliability coefficient to quantify how well the items in the scale are positively correlated with each other. A higher Cronbach's alpha value indicates stronger internal consistency reliability. A questionnaire adapted and constructed for this study was

pretested using Cronbach's alpha coefficient through SPSS V27, resulting in a value of 0.905. This indicates that the questionnaire is a reliable measure of the dependent variable.

Table 1: Reliability Test

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Success	97.50	141.900	.952	.853
Team	112.50	167.100	.947	.862
Metrics	114.67	165.067	.963	.859
Performance	96.00	121.600	.873	.894
Feedback	116.00	197.200	.870	.891
Impact	111.67	239.067	.083	.944

Table 2: Cronbach's Alpha

Reliability Statistics	
Cronbach's Alpha	N of Items
.905	6

3.9 Ethical Consideration

The researcher was use data from employees, which was be collect through self- administer questioner; permission is needed from employees. To maintain confidentiality, the respondents were informed that the information they provide are confidential and used only for academic purpose. The data that were collected is kept confidential and the researcher tried to work on the paper with standard professional ethics. The researchers give emphasis to the ethical issues in every aspect of this study that demands it. The participants were participate based on their consent/free will/. Beyond that when distributing the questionnaire, respondents were informed and guaranteed that the information they provide was be kept confidential and used only for academic purpose. Moreover, a statement that conforms to the prohibition of disclosing identity detail or personal reference in the questionnaire was also used. This helps to avoid any biased responses or unauthentic data provided by respondents and to make participants feel safe in filling the questionnaire. Therefore, the collected data was kept confidential and will not be used for any personal interest. Generally, the whole process of the study was conducted within the frame of acceptable professional ethics.

CHAPTER FOUR

4 Data Presentation and Analysis Presentation

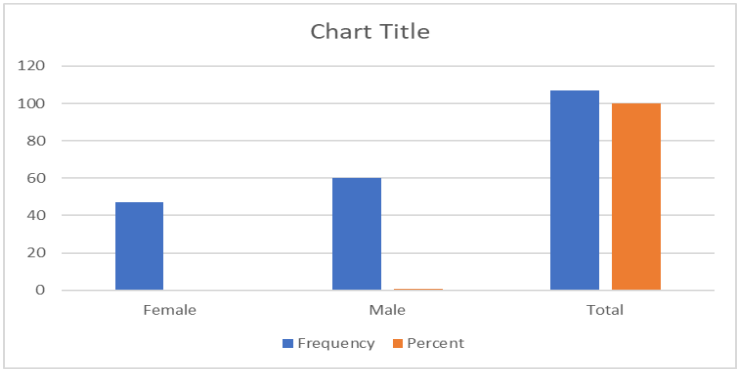
4.1 Sample and Response Rate

This chapter focuses on the analysis and presentation of data collected from primary sources, primarily through questionnaires and interviews. The researcher conducted interviews with project managers concurrently while collecting the distributed questionnaires to organization employees. Out of the 108 questionnaires distributed, 107 were returned. At the time of data collection, one project manager was in the process of resigning, and the company was recruiting to fill the vacant position. Despite this, 107 valid questionnaires were received, resulting in a response rate of 99%. Therefore, 99% of the participants provided valid responses.

Questionnaire's	Respondent's	Percentage
Returned	107	99%
Not Returned	0	0%
Invalid	1	1
Total	107	100%

Source: Own Survey -(2025)

Table 3. Response Rate



Source: Own Survey -(2025)

Figure 3. Demographic characteristics of respondents

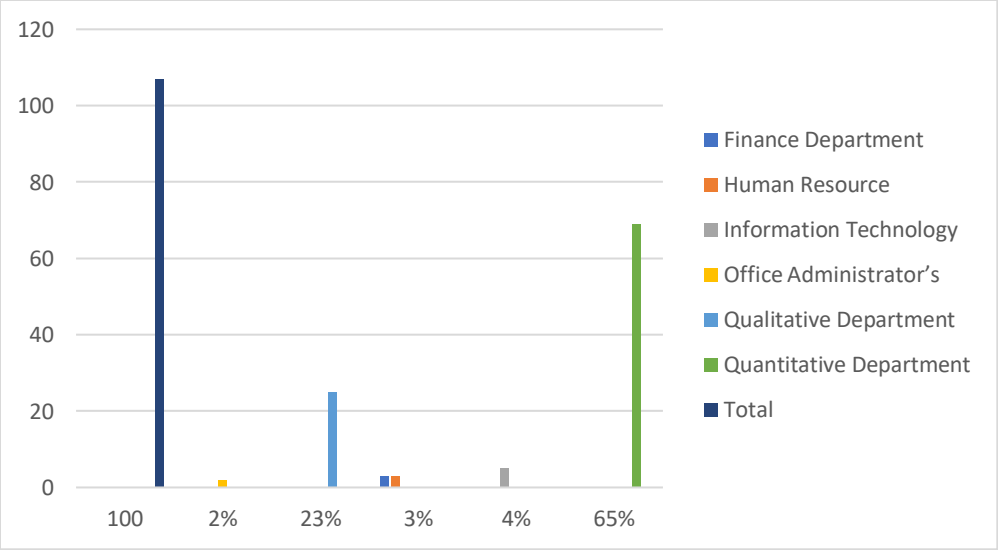
As indicated in figure 3, out of 107 respondents, 47 (44%) were females while 60 (56%) were males. This shows that the company's personnel structure consists of slightly more men than women. This highlights the need for initiatives aimed at empowering more women and promoting gender balance within the organization.

	Frequency	Percent
18-24	6	6%
25-34	73	68%
35-44	27	25%
45-54	1	1%
Total	107	100

Source: Own Survey -(2025)

Table 4. Age Distribution of Respondents

Out of 107 respondents, 6 (6%) were aged between 18-24 years, 73 (68%) were between 25-34 years, 27 (25%) were between 35-44 years, and 1 (1%) was between 45-54 years. This indicates that the majority of the employees are young adults. Characterized by significant life milestones such as starting careers, furthering education, forming long-term relationships, and possibly starting families.



Source: Own Survey -(2025)

Figure 4. Department

Out of 107 respondents, 3 (3%) were in the Human Resource Department, 3 (3%) in the Finance Department, 5 (4%) in the Information Technology Department, 69 (65%) in the Quantitative Department, 25 (23%) in the Qualitative Department, and 2 (2%) held office positions. This indicates that the majority of employees are in the Quantitative and Qualitative Departments, respectively.

	Frequency	Percent
Entry-Level	7	6%
Management Level	7	6%
Mid-Level	43	41%
Senior Level	50	47%
Total	107	100

Source: Own Survey -(2025)

Table 5. Position Distribution

Out of 107 respondents, 7 (6%) were in entry-level positions, 7 (6%) in management-level positions, 43 (41%) in mid-level positions, and 50 (47%) in senior-level positions. This indicates that the majority of employees are in mid-level and senior-level positions. The high percentage of employees in mid-level (41%) and senior-level (47%) positions suggests the organization focuses on retaining and developing experienced talent. However, the low percentage (6%) of entry-level employees indicates a potential gap in fresh recruitment.

4.2 Descriptive Analysis

Descriptive statistics are "procedures used to summarize, organize, and make sense of a set of scores or observations" (Sage Publications Inc., 2023, p. 3). Descriptive statistics are typically presented graphically, in tabular form (in tables), or as summary statistics (single values).

Descriptive statistics were employed to compare various factors. In addition to Likert's five-scale questionnaires, interview responses were analyzed using descriptive narrations via a concurrent triangulation strategy. Both quantitative and qualitative data were collected simultaneously and then compared to determine if there is convergence, discrepancies, or a combination of results. This approach compensates for the limitations of one method by leveraging the strengths of the other (Sekaran, 2000). The analysis in this study utilized descriptive statistics to measures of central tendency, focusing on the mean scores of each variable. This approach was chosen to display the average responses of participants for each question within the dimensions of the predictor variables, ultimately calculating the grand mean for each dimension. The final interpretation was based on these grand means, aiming to meet the partial research objectives of the study.

A mean of 3.51 to5, shows that the factor in question has been adopted by the responding organizations to a large extent, a mean of 2.51 to3.5, shows the factor in question has been adopted by the responding organizations to a moderate extent and a mean of 1 to 2.5, shows the factor in question has been adopted by the responding organizations to a small extent (Mwilu.2013).

4.3 Descriptive statics on Impact of incentives and Compensation

In this section of the study, the researcher aims to evaluate the impact of incentives and compensation on project success, as well as to determine whether the organization offers such incentives.

Table 6. Survey results on Impact of Compensation and Incentives

		N	SD	D	N	A	SA	Mean	Std. Deviation
1	Compensation and incentives positively affect project success	107	2	7	8	45	45	4.16	0.953
		%	1.9	6.5	7.5	42.1	42.1		
2	Financial incentives (e.g., bonuses, raises) are important in influencing my performance on projects.	107		6	14	52	35	4.08	0.826
		%		5.6	13.1	48.6	32.7		
3	The reward system encourages me to enhance my skills and knowledge.	107	17	51	7	19	13	2.63	1.285
		%	15.9	48	6.5	17.8	12.1		
4	Project success in my organization is clearly defined (e.g., on time delivery, within budget).	107		5	17	61	24	3.97	0.758
		%		4.7	15.9	57	22.4		
5	Compensation and incentives affect success metrics like quality.	107		11	18	53	25	3.86	0.895
		%		10.3	16.8	49.5	23.4		
6	Incentives and compensation affect project team enthusiasm.	107		6	22	65	14	3.81	0.729
		%		5.6	20.6	60.7	13.1		
7	Incentives and compensation help improve communication and collaboration among project team members.	107	3	5	8	63	28	4.01	0.885
		%	32.8	4.7	7.5	58.8	26.3		
8	Incentives positively impact my motivation in project work	107		3	9	44	51	4.34	0.752
		%		2.8	8.4	41.1	47.7		
	Valid N (list wise)	107						3.875	0.87412
	Aggregate Mean & STD								

Source: Own Survey -(2025)

According to Table 6, regarding the question 1. Compensation and incentives positively affect project success, 45 respondents (42.1%) strongly agreed, while 45 respondents (42.1%) agreed. Meanwhile, 8 respondents (7.5%) were neutral. The remaining respondents were 7 (6.5%) who strongly disagreed and 2 (1.9%) who disagreed. The mean response to the question about that success of the project

positively affected by incentives was 4.16, which, according to Mwilu (2013), indicates a high extent. The standard deviation, a measure of the variability or spread of scores around the mean, was 0.953. This suggests that the ratings for employee payment varied somewhat among respondents. Overall, this indicates that most employees agree that compensation and incentives positively affect project success. This finding is supported by interviewees who stated that compensation and incentives are crucial to achieving project goals, particularly in a developing country like ours.

According to Table 6, for the question 2. Financial incentives (e.g., bonuses, raises) are important in influencing my performance on projects, 35 respondents (32.7%) strongly agreed, 52 respondents (48.6%) agreed, and 14 respondents (13.1%) were neutral. Meanwhile, 6 respondents (5.6%) disagreed and there is no respondent who do not strongly disagreed. The mean response to this question was 4.08, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.826, suggesting that while there is some variation, the majority of respondent's 82 % expressing agreement and a small number disagreeing and neutral. "Two respondents mentioned they did not receive any kind of incentive. Additionally, some respondents stated that compensation and rewards do not increase employee performance. These findings suggest that while financial incentives are highly valued by employees, there are differing views on their effectiveness in enhancing performance. Overall, financial incentives play a significant role in shaping employees' perceptions of project success.

According to Table 6 regarding question 3 The reward system encourages me to enhance my skills and knowledge, 13 respondents (12.1%) strongly agreed, 19 respondents (17.8%) agreed, and 7respondents (6.5%) were neutral. Meanwhile, 51 respondents (47.7%) disagreed, and 17(15.9) respondent who strongly disagreed. The mean response to this question was 2.63, which, according to Mwilu (2013), indicates a Moderate extent. The standard deviation, measuring the variability of responses, was 1.285 somewhat diverse. This indicates that the majority of respondents feel that the reward system is not effective in promoting skill and knowledge development. This highlights a potential area for improvement in the company's reward policies to better promote employee development and learning. Interviewees support this idea, the company should consider implementing benefits and rewards, such as giving project managers 1% of the project profit, increasing salaries, and offering various rewards that can be financial or non-financial. These changes could significantly enhance employee motivation and commitment, driving better project outcomes.

According to Table 6, regarding the question 4. Project success Metrics in my organization is clearly defined (e.g., on time delivery)., 24 respondents (22.4%) strongly agreed, while 61 respondents (57%) agreed. Meanwhile, 17 respondents (15.9%) were neutral. The remaining respondents 5(4.7%) who disagreed and there is no respondent who Strongly disagreed. The mean response to the question about that Project success Metrics in my organization is clearly defined (e.g., on time delivery) was 3.86, which, according to Mwilu (2013), indicates a high extent. The standard deviation, a measure of the variability or spread of scores around the mean, for project success metrics was 0.895. This suggests that A majority 80.3 of respondents indicated strong agreement or agreement that Project success Metrics in my organization is clearly defined (e.g., on time delivery).

According to Table 6, regarding the question 5. Compensation and incentives affect success metrics like quality. 25 respondents (23.4%) strongly agreed, while 53 respondents (49.5) agreed. Meanwhile, 18 respondents (16.8%) were neutral. The remaining respondents were there is no respondent who strongly who strongly disagreed and 11 (10.3%) who disagreed. The mean response to the question about that Compensation and incentives impact success metrics like quality was 3.86, which, according to Mwilu (2013), indicates a high extent. The standard deviation, a measure of the variability or spread of scores around the mean, for project success metrics was 0.895. This suggests that the majority of respondents (73.9%) strongly agreed or agreed that compensation and incentives significantly affect project quality, a key success metric. This idea, supported by interviews, emphasizes that competitive compensation packages are crucial for attracting and retaining skilled employees, who are vital to achieving high-quality project outcomes.

According to Table 6, question 6. for the question Incentives and compensation impact project team enthusiasm.14 (13.1%) strongly agreed, 65 respondents (60.7%) agreed, and 22 respondents (20.7%) were neutral. Meanwhile, 6 respondents (5.6%) disagreed, and none of the respondents strongly disagreed. The mean response to this question was 3.81, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.729.A substantial majority (75%) either strongly agree or agree with the statement, indicating a clear consensus that incentives and compensation positively impact project team enthusiasm, with no respondents strongly disagreeing.

According to Table 6, question 7 Incentives and compensation help improve communication and collaboration among project team members 28 (26.2%) strongly agreed, 63 respondents (58.9%)

agreed, and 8 respondents (7.5%) were neutral. Meanwhile, 5 respondents (4.7%) disagreed, and 3(2.8%) of the respondents strongly disagreed. The mean response to this question was 4.01, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.885 A substantial majority (85%) either strongly agree or agree with the statement, indicating positive influence of incentives and compensation on fostering better communication and collaboration among project team members strongly disagreeing.

According to Table 6, regarding question 8, Incentives positively impact my motivation in project work 51 respondents (47.7%) strongly agreed, 44 respondents (41.1%) agreed, and 9 respondents (8.4%) were neutral. Meanwhile, 3 respondents (2.8%) disagreed, and there are no respondents who do not strongly disagreed. The mean response to this question was 4.34, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.752. A substantial majority (88%) of respondents either strongly agreed or agreed that incentives positively affect their motivation, indicating a strong positive perspective towards the role of incentives in motivating project work.

The aggregate mean of 3.875, with a standard deviation of 0.87412, indicates some variability in responses. This mean score suggests that employees perceive compensation and incentives as key drivers of project success and individual motivation within the organization. However, there's room for improvement, particularly in areas like skill enhancement encouragement, which has a notably lower mean of 2.63, indicating a more neutral to disagreeing stance on this aspect.

Table 7. Survey result on Factors influence Project success Metrics

	N	SD	D	N	A	SA	Mean	Standard Deviation
Compensation and incentives impact success metrics like staying within budget	107		12	11	73	11	3.78	0.781
	%		11.2	10.3	68.2	10.3		
Leadership have a greater impact on project success than incentives.	107			14	52	41	4.25	0.674
	%			13.1	48.6	38.3		
Team dynamics have a greater impact on project success than incentives.	107	2	12	10	50	33	3.93	1.012
	%	1.9	11.2	9.3	46.7	30.8		
WAAS international offers diverse incentives such as bonuses, commissions, promotions, and recognition.	107	20	50	15	15	7	2.43	1.142
	%	18.7	46.7	14	14	6.5		
The incentives offered are effective in motivating employee to achieve project Goals.	107	21	53	15	12	6	2.34	1.09
	%	19.6	49.5	14	11.2	5.6		
Valid N (listwise)	107						3.6	0.9496
Aggregate Mean & STD								

Source: Own Survey-(2025)

According to Table 7, regarding the question 1. Compensation and incentives affect success metrics like staying within budget.11 respondents (10.2%) strongly agreed, while 73 respondents (68.2%) agreed. Meanwhile, 11 respondents (10.3%) were neutral. The remaining respondents were there is no who strongly disagreed and 12 (11.2%) who disagreed. The mean response to the question about that Compensation and incentives impact success metrics like quality was 3.78, which, according to Mwilu (2013), indicates a high extent. The standard deviation, a measure of the variability or spread of scores around the mean, for project success metrics was 0.781. Some variability in opinions among respondents. This suggests that A substantial majority of respondents (78%) indicated strong agreement or agreement that compensation and incentives have a notable influence on staying within budget, a critical success metric. This idea, supported by an interviewee, emphasizes that offering a reward or profit-sharing system tied to each project manager's achievements would be beneficial, as it promotes cost-effectiveness and efficient use of company resources.

According to Table 7, for the question 2. Leadership has a greater impact on project success than incentives, 41 respondents (38.3%) strongly agreed, 52 respondents (48.6%) agreed, and 14

respondents (13.1%) were neutral. Meanwhile, there were no respondents who Disagree or do not Strongly Disagree. The mean response to this question was 4.25, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0. 674.. The results suggest that a clear and strong belief in the pivotal role of leadership on project success and plays a more critical role in the success of projects compared to incentives.

According to Table 7, for the question 3. Team dynamics have a greater impact on project success than incentives," 33 respondents (30.8%) strongly agreed, 50 respondents (46.7%) agreed, and 10 respondents (9.3%) were neutral. Meanwhile, 12 respondents (11.2%) disagreed, and 2 respondents (1.9%) strongly disagreed. The mean response to this question was 3.93, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 1.012. This indicates that the majority of respondents believe team dynamics significantly affect project success more than incentives. scheme an interviewee who stated, "I choose to stay because of the company's familiar atmosphere with colleagues, the social life and the management's friendliness, then the incentive scheme, supports this idea.

According to Table 7, regarding the question 4. WAAS international offers diverse incentives such as bonuses, commissions, promotions, and recognition, 7 respondents (6.5%) strongly agreed, while 15 respondents (14%) agreed. Meanwhile, 15 respondents (14%) were neutral. The remaining respondents were 50 (46.7%) who disagreed and 20 (18.7%) who strongly disagreed. The mean response to the question about that success of the project positively affected by incentives was 2.43, which, according to Mwilu (2013), indicates a low extent. The standard deviation, a measure of the variability or spread of scores around the mean, was 1.142. This suggests that the ratings for employee moderate level of variability in the responses, while some respondents expressed strong agreement and others strong disagreement, the majority of respondents held a negative view of the company's incentive practices, as indicated by the mean response of 2.43 and interviewees highlighted "the current incentive we are getting is not satisfactory, making it hard to work, especially on current inflation. This finding is supported by another interviewee who stated that incentives given by the organization is not adequate, the significant variability in responses indicating a need for a more robust and effective incentive strategy.

According to Table 7, regarding the question 5. The incentives offered are effective in motivating employees to achieve project goals, 6 respondents (5.6%) strongly agreed, while 12 respondents (11.2) agreed. Meanwhile, 15 respondents (14%) were neutral. The remaining respondents were 21(19.6%)

who strongly disagreed and 53 (49.5%) who disagreed. The mean response to the question about that success of the project positively affected by incentives was 2.34, which, according to Mwilu (2013), indicates a high extent. The standard deviation, a measure of the variability or spread of scores around the mean, was 1.090. This indicates that majority of respondents feel that the current incentive system is not successful in motivating them. This This idea is supported by an interviewee who mentioned that since the company does not have a structured incentive system, employees are not motivated by incentives. Instead, they are driven by other factors.

The aggregate mean of 3.6 reflects a moderate level of agreement with the statements, suggesting that while compensation and incentives, leadership, and team dynamics are seen as important for project success, there are areas of concern, particularly around the design and effectiveness of the incentive systems at WAAS International PLC. This mean score indicates a need for strategic enhancements in how incentives are structured and perceived to better align with employee motivation and project success goals.

Table 8. Survey result on Incentive Distribution and Feedback

		N	SD	D	N	A	SA	Mean	Standard Deviation
1	The distribution of incentives within the project team is fair.	107	8	18	15	48	18	3.47	1.176
		%	7.5	16.8	14	44.9	16.8		
2	I frequently receive feedback on my project performance	107	4	13	17	50	23	3.7	1.057
		%	3.7	12.1	15.9	46.7	21.5		
3	I have received nonfinancial incentives such as recognition or flexible work arrangements related to project performance.	107	15	58	13	13	8	2.45	1.109
		%	14	54.2	12.1	12.1	7.5		
4	WAAS International plc current incentive system aligns well with project goals and objectives	107	22	51	14	12	8	2.37	1.154
		%	20.6	47.7	13.1	11.2	7.5		
	Aggregate Mean STD	107						2.9975	1.124

Source: Own Survey-(2025)

According to Table 8 regarding question 1, The distribution of incentives within the project team is fair. 18 (16.8%) strongly agreed, 48 respondents (44.9%) agreed, and 15 respondents (14%) were neutral. Meanwhile, 18 respondents (16.8%) disagreed, and 8(7.5%) of the respondents strongly disagreed. The mean response to this question was 3.47, which, according to Mwilu (2013), indicates a moderate extent. The standard deviation, measuring the variability of responses, was 1.176 This suggests somewhat diverse opinions among respondents. The findings reveal mixed perceptions about the fairness of incentive distribution within the project team and highlights the need for a closer examination of the incentive distribution process to address concerns and enhance perceived fairness among team members.

According to Table 8 regarding question 2, I frequently receive feedback on my project performance,' 23 respondents (21.5%) strongly agreed, 50 respondents (46.7%) agreed, 17 respondents (15.9%) were neutral, 13 respondents (12.1%) disagreed, and 4 respondents (3.7%) strongly disagreed. The mean response to this question was 3.70, which, according to Mwilu (2013), indicates a high extent. The standard deviation was 1.057, suggesting somewhat diverse opinions among respondents. This indicates that a majority of respondents (68%) feel they frequently receive feedback on their project performance This variability suggests that while most employees feel they receive adequate feedback, there are still notable differences in individual experiences and perceptions. That they receive frequent feedback on their performance.

According to Table 8, regarding the question 3. I have received non-financial incentives such as recognition or flexible work arrangements related to project performance, 8 respondents (7.5%) strongly agreed, 13 respondents (12.1%) agreed, and 13 respondents (12.1%) were neutral. Meanwhile, 58 respondents (54.2%) disagreed, and 15 respondents (14.2%) strongly disagreed. The mean response to this question was 2.45, indicating a small extent according to Mwilu (2013). The standard deviation, which measures the variability of responses, was 1.109, suggesting that opinions varied somewhat among respondents. However, the varied responses suggest there are different experiences and perceptions among the employees. Many employees feel they have not received adequate non-financial incentives related to project performance. This finding is supported by an interviewee who stated that there are no educational opportunities, certified trainings, Experience sharing with other international research companies, symposiums or other non-financial incentives

provided by the company." This highlights a potential area for improvement in the company's incentive system, particularly in recognizing and rewarding project performance with non-financial incentives. Addressing these concerns could lead to increased employee satisfaction and motivation.

According to Table 8, for the question 4. WAAS International plc's current incentive system aligns well with project goals and objectives, 8 respondents (7.5%) strongly agreed, 12 respondents (11.2%) agreed, and 14 respondents (13.1%) were neutral. However, 22 respondents (21.6. %) strongly disagreed, and 51 respondents (47.7%) disagreed. The mean response to this question was 2.35, which, according to Mwilu (2013), indicates a small extent. The standard deviation of 1.154, measuring the variability or spread of scores around the mean, suggests that while the average opinion leans towards disagreement, there are diverse views among respondents. This indicates that majority employees do not feel the current incentive system aligns well with project goals and objectives.

The aggregate mean of 2.9975 indicates a need for improvement in WAAS International PLC's incentive management. While some aspects are positively perceived, significant concerns exist regarding non-financial incentives and their alignment with project objectives. These concerns can impact motivation, performance, and overall project success. To address this, WAAS International PLC should revisit the structure of non-financial incentives to better meet team member expectations and recognition needs, and review the alignment of their incentive system with project goals to effectively motivate desired behaviors and outcomes.

Table 9. Survey Result on Compensation System and project Success

		N	SD	D	N	A	SA	Mean	STD
1	The company offers a competitive compensation package	107	23	54	15	11	4	2.24	1.02
		%	21.5	50	14	10.3	3.7		
2	I feel well compensated for my contribution to the company projects I engaged.	107	13	59	14	13	8	2.48	1.09
		%	12.1	55.1	13.1	12.1	7.5		
3	My compensation for project work is competitive when compared to that offered by other companies	107	20	52	16	13	6	2.37	1.09
		%	18.7	48.6	15	12.1	5.6		
4	Both financial and non-financial rewards are incorporated into t he company's reward system.	107	6	70	11	14	6	2.48	0.98
		%	5.6	65.4	10.3	13.1	5.6		
5	Salary increments for high performing employees serve as motivational factor for others to enhance their performance in projects.	107		7	20	38	42	4.07	0.91
		%		6.5	18.7	35.5	39.3		
6	The type of reward I receive affects the level of my project performance.	107	7	12	12	64	12	3.58	1.04
		%	6.5	11.2	11.2	59.8	11.2		
7	I feel a sense of loyalty to the organizat ion due to its incentive and compensati on practices related to project work.	107	25	48	11	14	9	2.38	1.21
		%	23.4	44.9	10.3	13.1	8.4		
8	The incentive and compensation system increase my commitment to the organi zation.	107	14	45	16	20	12	2.73	1.23
		%	13.1	42.1	15	18.7	11.2		
9	The Financial compensation and benefits associated with my project work significantly influence my morale and productivity.	107		13	17	54	23	3.81	0.91
		%		12.1	15.9	50.5	21.5		
10	The existing incentive scheme has a po sitive influence on the company's overa ll targets and achievements.	107	13	53	11	19	11	2.64	1.20
		%	12.1	49.5	10.3	17.8	10.3		
11	WAAS International periodically updat es the compensation and benefits packa ge.	107	21	54	13	12	7	2.35	1.11
		%	19.6	50.5	12.1	11.2	6.5		
12	The current compensation and benefits package attract and retains competent e mployees.	107	24	46	16	14	7	2.38	1.16
		%	22.4	43	15	13.1	6.5		
	Valid N (list wise)	107						2.7925	1.08
	Aggregate Mean &STD								

Source: Own Survey-(2025)

According to Table 9, regarding the question 1."The company offers a competitive compensation package," 4 respondents (3.7%) strongly agreed, 11 respondents (10.3%) agreed, and 15 respondents (14%) were neutral. Meanwhile, 54 respondents (50.5%) disagreed, and 23 respondents (21.5%) strongly disagreed. The mean response to this question was 2.24, which, according to Mwilu (2013), indicates a small extent. The standard deviation, measuring the variability of responses, was 1.026. This suggests that, while there is some variation, the majority of respondents (71%) strongly disagreed or disagreed. This indicates that employees generally feel that the financial incentives provided are not adequate. This finding is supported by an interviewee who stated that the company's compensation scheme is not satisfactory compared to the sector. Another interviewee mentioned that it is likely fair when compared to the sector but still needs improvement, especially given the current inflation. The high level of disagreement suggests a need for the organization to reassess and improve its compensation strategies.

According to Table 9, regarding the question 2. I feel well compensated for my contribution to the company projects I engaged 8 respondents (7.5%) strongly agreed, 13 respondents (12.1%) agreed, and 14 respondents (13.1%) were neutral. Meanwhile, 59 respondents (55.1%) disagreed and 13 respondents (12.1%) strongly disagreed. The mean response to this question was 2.48, which, according to Mwilu (2013), indicates a small extent. The standard deviation, measuring the variability of responses, was 1.093. This suggests that while there is some variation, this indicate the majority of respondents did not feel they did not well compensate for their contribution on projects and its significant area of improvement.

According to Table 9, regarding question 3 My compensation for project work is competitive when compared to that offered by other companies 6 respondents (5.6%) strongly agreed, 13 respondents (12.1%) agreed, and 16 respondents (15.0%) were neutral. Meanwhile, 52 respondents (48.6%) disagreed, and 20 respondents (18.7%) strongly disagreed. The mean response to this question was 2.37, which, according to Mwilu (2013), indicates a small extent. The standard deviation, measuring the variability of responses, was 1.095. The findings indicate that majority (67%) either disagreed or strongly disagreed their compensation for project work as non-competitive compared to what other

companies offers. This finding is supported by an interviewee who stated, 'The compensation I receive does not match the work I do, especially when compared to other companies that offer low-interest loans for cars and housing.' While the survey data generally showed employee disagreement, one interviewee offered a different perspective: 'I'm uncertain if my compensation is competitive compared to other companies, but I do enjoy more time freedom. I do not have a strict 9-5 schedule, and the team spirit here is better than at other companies.

According to Table 9, regarding the question 4 Both financial and non-financial rewards are incorporated into the company's reward system 6 respondents (5.6%) strongly agreed, 14 respondents (13.1%) agreed, and 11 respondents (10.3%) were neutral. Meanwhile, 70 respondents (65.4%) disagreed and 6 respondents (5.6%) strongly disagreed. The mean response to this question was 2.48, which, according to Mwilu (2013), indicates a small extent. The standard deviation, measuring the variability of responses, was 0.984 this indicate that responses are somewhat differ, indicating that the incorporation of both financial and non-financial rewards into the company's reward system is perceived to be minimal and majority of respondents do not feel that the company effectively incorporates both financial and non-financial rewards into its reward system.

According to Table 9, regarding the question 5 Salary increments for high performing employees serve as motivational factor for others to enhance their performance in projects. 42 respondents (39.3%) strongly agreed, 38 respondents (35.5%) agreed, and 20 respondents (18.7%) were neutral. Meanwhile, 7 respondents (6.5 %) disagreed and there is no respondents who strongly disagreed. The mean response to this question was 4.07, which, according to Mwilu (2013), indicates a moderate extent. The standard deviation, measuring the variability of responses, was 0.918. This indicate majority of the respondents agree with the statement and the company can use salary increment for high performers as a tool for motivating employees. This finding supported by an interviewee who said any form of incentive naturally motivates Employees, and salary increments for high performers are one such incentive. This fosters a sense of belonging and devotion to the organization.

According to Table 9, regarding the question 6 The level of my project performance is affected by the type of reward I receive 12 respondents (11.2%) strongly agreed, 64 respondents (59.8%) agreed, and 12 respondents (11.2%) were neutral. Meanwhile, 12 respondents (11.2 %) disagreed and 7 respondents (6.5%) strongly disagreed. The mean response to this question was 3.58, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability

of responses, was 1.046 this indicate the majority of respondents agree or strongly agree that their project performance is influenced by the type of reward they receive. This highlights the importance of a well-structured reward system is needed and its impact on performance.

According to Table 9, for the question 7.I feel a sense of loyalty to the organization due to its incentive and compensation practices related to project work,9 respondents (8.4%) strongly agreed, 14 respondents (13.1%) agreed, and 11 respondents (10.3%) were neutral. Meanwhile, 48 respondents (44.9%) disagreed, and 25 respondents (23.4%) strongly disagreed. The mean response to this question was 2.38, which, according to Mwilu (2013), indicates a moderate extent. The standard deviation, measuring the variability of responses, was 1.218. This suggests diverse opinions among respondents. While the responses are slightly positive, 68% of the respondents have a negative perception regarding their sense of loyalty to the company. An interviewee who stated that due to current unsatisfactory compensation schemes, employees might consider quitting in search of better opportunities, which could increase turnover, supports this finding. Another interviewee mentioned that employees likely leave and look for another company where they will receive better and more competitive benefits. This suggests that the company's current incentive and compensation practices is not effectively fostering a strong sense of loyalty among all employees.

According to Table 9, for the question 8. The incentive and compensation system increase my commitment to the organization. 12 respondents (11.2%) strongly agreed, 20 respondents (18.7%) agreed, and 16 respondents (15%) were neutral. Meanwhile, 45 respondents (42.1%) disagreed, and 14 respondents (13.1%) strongly disagreed. The mean response to this question was 2.73, which, according to Mwilu (2013), indicates a Moderate extent. The standard deviation, measuring the variability of responses, was 1.233. This indicates that majority of respondents feel that the current system is not effective in enhancing their commitment.

According to Table 9, for the question 9. The financial compensation and benefits associated with my project work significantly influence my morale and productivity," 23 respondents (21.5%) strongly agreed, 54 respondents (50.4%) agreed, and 17 respondents (15.9%) were neutral. Meanwhile, 17 respondents (15.9%) disagreed, and 13 respondents (12.1%) strongly disagreed. The mean response to this question was 3.81, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.913. This suggests somewhat diverse opinions among respondents, majority of respondents feel that financial compensation and benefits

significantly influence their morale and productivity, highlighting the importance of these factors in enhancing employee motivation and performance This finding is supported by an interviewee who stated that “the benefits I get influence my morale and boost my productivity, but it might not last long it must incorporate good team spirit and relationship with management also. This indicate financial compensation and benefits significantly influence their morale and productivity and highlight the crucially of financial rewards.

According to Table 9, for the question 10. The existing incentive scheme has a positive influence on the company’s overall targets and achievements," 11 respondents (10.3%) strongly agreed, 19 respondents (17.8%) agreed, and 11 respondents (10.3%) were neutral. Meanwhile, 53 respondents (49.5%) disagreed, and 13 respondents (12.1%) strongly disagreed. The mean response to this question was 2.64, which, according to Mwilu (2013), indicates a Moderate extent. The standard deviation, measuring the variability of responses, was 1.207. This indicate that the majority of respondents do not feel that the current incentive and compensation system effectively increases their commitment to the organization and it highlights a potential area for improvement in the company's incentive and compensation policies to better enhance employee commitment.

According to Table 9, regarding the question 11."WAAS International periodically updates the compensation and benefits package," 7 respondents (6.5%) strongly agreed, 12 respondents (11.2%) agreed, and 13 respondents (12.1%) were neutral. Meanwhile, 54 respondents (50.5%) disagreed, and 21 respondents (19.6%) strongly disagreed. The mean response to this question was 2.35, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 1.117. This indicates that the majority of respondents feel the company's compensation and benefits package is not frequently updated. Interviewees, mentioned that the frequency of updating the incentive and benefits package is unsatisfactory and infrequent given the demanding nature of the roles, especially during urgent projects with tight deadlines or when required to work on holidays and weekends, which are not standard working days. The pay is considered significantly lower and unfair in such circumstances.

According to Table 9, for the question 12 The current compensation and benefits package attract and retains competent employees," 7 respondents (6.5%) strongly agreed, 14 respondents (13.1%) agreed, and 16 respondents (15. %) were neutral. Meanwhile, 46 respondents (43%) disagreed, and 24 respondents (22.4%) strongly disagreed. The mean response to this question was 2.38, which,

according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 1.163. Majority of respondents (65%) do not believe that the current compensation and benefits package effectively attracts and retains competent employees. This indicates that many respondents feel that the company's compensation and benefits package is not sufficient to attract and retain talent. Apart from this, Interviewees emphasized that their decision to remain with the company hinges not only on the current incentive scheme but also on the company's ability to provide a flexible work environment, effective and supportive management, and dependable project management free from unnecessary interference. Additionally, the prospect of future financial incentives and a friendly atmosphere are crucial factors.

The aggregate mean of 2.7925 indicates that WAAS International's compensation is perceived as neither competitive nor fair. While salary increments do motivate employees, there is a notable lack of loyalty and commitment. To address this, WAAS International should benchmark their compensation packages against industry standards, enhance transparency about how compensation and incentives are determined, and provide more frequent updates on adjustments. Reassessing their strategies in these areas could improve employee satisfaction, motivation, loyalty, productivity, and retention.

Table 10. Survey Result on Project Success and Performance

	N	SD	D	N	A	SA	Mean	Std. Deviation
The relationship between leadership and project team members affects the project's success.	107	4	8	7	33	55	4.19	1.091
	%	3.7	7.5	6.5	30.8	51.4		
Well-designed incentives and compensation can improve project quality.	107		2	7	48	50	4.36	0.692
	%		1.9	6.5	44.9	46.7		
The current incentive and compensation systems are aligned with organizational goals.	107	27	49	10	14	7	2.3	1.175
	%	25.2	45.8	9.3	13.1	6.5		
Monetary incentives (e.g., bonuses) are more effective than non-monetary incentives (e.g., recognition) in driving my project performance.	107		19	22	48	18	3.61	0.969
	%		17.8	20.6	44.9	16.8		
Valid N (list wise)	107						3.797	0.957

Source: Own Survey- (2025)

According to Table 10 for the question 1, for the question the relationship between leadership and project team members affects the project's success.55 (51.4%) strongly agreed, 33 respondents (30.8%) agreed, and 7 respondents (6.5%) were neutral. Meanwhile, 8 respondents (7.5%) disagreed, and 4 respondents (3.7%) strongly disagreed. The mean 3esponse to this question was 4.19, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 1.091. this indicate A substantial majority (81%) either strongly agree or agree with the statement, the findings highlight the perceived importance of a positive and effective relationship between leadership and project team members in achieving successful project outcomes.

According to Table 10, for the question 2 Well-designed incentives and compensation can improve project quality." 50 respondents (46.7%) strongly agreed, 48 respondents (44.9%) agreed, and 7 respondents (6.5 %) were neutral. Meanwhile, 7 respondents (6.5%) disagreed, and 2respondents

(1.9%) strongly disagreed. The mean response to this question was 4.36, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.692 This indicate that the majority of respondents feel that well-designed incentives and compensation have a positive impact on project quality, highlighting the importance of an effective incentive and compensation system in enhancing the quality of projects.

According to Table 10, for the question 3. The current incentive and compensation systems are aligned with organizational goals, 7 respondents (6.5%) strongly agreed, while 14 respondents (13.1%) agreed. Meanwhile, 10 respondents (9.3%) were neutral. The remaining respondents included 27 (25.2%) who strongly disagreed and 49 (45.8%) who disagreed. The mean response was 2.30, which, according to Mwilu (2013), indicates a moderate extent. The standard deviation, a measure of the variability or spread of scores around the mean, was 1.175, this indicate that the perception among respondents is that the current incentive and compensation systems are not well aligned with organizational goals and its potential area for improvement in aligning the company's incentive and compensation policies with its strategic objectives.

According to Table 10 regarding question 4, Monetary incentives (e.g., bonuses) are more effective than non-monetary incentives (e.g., recognition) in driving my project performance. 18 (16.8%) strongly agreed, 48 respondents (44.9%) agreed, and 22 respondents (20.6%) were neutral. Meanwhile, 22 respondents (20.6%) disagreed, and 19(17.8%) of the respondents strongly disagreed. The mean response to this question was 3.61, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.969 show suggesting that while there is some variation, the majority of respondents 61 % expressing agreement and the rest of the number disagreeing and neutral. this indicating the employees generally perceived as financial monetary incentives are more effective than non-financial incentives as a driving factor.

The aggregate mean of 3.797 indicates a generally positive sentiment towards the impact of leadership, incentives, and compensation on project success and quality. However, there is a need to address the misalignment of incentive systems with organizational goals to fully leverage the positive perception of well-designed incentives and maximize their influence on project outcomes.

Table 11. Survey Result on Team Cohesion

	N	SD	D	N	A	SA	Mean	Std. Deviation
Incentives and compensation contribute to better team cohesion in projects	107		7	13	61	26	3.99	0.795
	%		6.5	12.1	57	24.3		
Incentives help in managing and resolving conflicts within project teams.	107	1	27	12	54	13	3.48	1.031
	%	0.9	25.2	11.2	50.5	12.1		
The current incentive and compensation system boost the motivation of my project team.	107	27	48	12	15	5	2.28	1.131
	%	25.2	44.9	11.2	14	4.7		
Recognition programs (e.g., Employee of the Month) effectively acknowledge my contributions to projects.	107	5	6	25	53	17	3.68	0.977
	%	4.7	5.6	23.4	49.5	15.9		
The opportunity for promotions motivates me to work harder on projects.	107			15	52	40	4.23	0.681
	%			14	48.6	37.4		
Valid N (list wise)	107						3.532	0.923
Aggregate Mean & STD								

Source: Own Survey (2025)

According to Table 11, regarding question 1 Incentives and compensation contribute to better team cohesion in projects. 26 (24.1%) strongly agreed, 62 respondents (57.4%) agreed, and 13 respondents (12%) were neutral. Meanwhile, 7 respondents (6.5%) disagreed, and there is no respondents who strongly disagreed. The mean response to this question was 3.99, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.795 show suggesting that while there is some variation, the majority of respondents expressing relatively consistent responses suggest a broadly shared belief in the effectiveness of incentives and compensation in promoting better team dynamics.

According to Table 11, regarding question,2 Incentives help in managing and resolving conflicts within project teams.13 (12.1%) strongly agreed, 54 respondents (50.5%) agreed, and 12 respondents (11.2%) were neutral. Meanwhile, 27 respondents (25.2%) disagreed, and 1(0.9%) of the respondents strongly disagreed. The mean response to this question was 3.50, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 1.085 show suggesting that while there is some variation, the findings suggest that a majority of respondents

believe incentives can be effective in managing and resolving conflicts within project teams. However, the significant percentage of neutral and dissenting views highlights the complexity of conflict management and the need for other approach also.

According to Table 11 regarding question3, Recognition programs (e.g., Employee of the Month) effectively acknowledge my contributions to projects. 17(15.8%) strongly agreed, 53 respondents (49.5%) agreed, and 25 respondents (23.4%) were neutral. Meanwhile, 6 respondents (5.6%) disagreed, and 5 (4.7%) of the respondents strongly disagreed. The mean response to this question was 3.68, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.971 This suggests that majority of respondents believe that recognition programs effectively acknowledge their contributions to projects and its highlights the need for continuous evaluation and improvement of these programs to ensure they are meeting the needs and expectations of team members.

According to Table 11, regarding question 4 The opportunity for promotions motivates me to work harder on projects. 40 (37.4%) strongly agreed, 52 respondents (48.6%) agreed, and 15 respondents (14%) were neutral. Meanwhile, there is no respondent who disagreed, and strongly disagreed. The mean response to this question was 4.23, which, according to Mwilu (2013), indicates a high extent. The standard deviation, measuring the variability of responses, was 0.681 A majority of 85% either strongly agree or agree that the opportunity for promotions serves as a motivating factor. This high level of agreement indicates the role that career advancement opportunities play in enhancing employee motivation and performance.

The aggregate mean of 3.532 reflects a generally positive view of the role of incentives and compensation in team cohesion, conflict resolution, and recognition within WAAS International PLC. However, there are areas for improvement, particularly in the incentive system's impact on motivation and conflict resolution. Despite the overall positive sentiment, the company should work on enhancing the effectiveness of their incentive and compensation strategies to further boost team motivation and successfully manage conflicts.

4.4 Inferential Statistics

4.4.1 Correlation Analysis

In this study, Pearson's correlation coefficient was used to determine whether there is a significant relationship between the impact of compensation, feedback, metrics, and team cohesion benefits, and content with project success. Pearson's correlation coefficient is the most widely used method for measuring the degree of relationship between variables. This coefficient assumes a linear relationship between two variables and that the two variables are causally related (Kothari, 2004). The following section presents the results of the correlation analysis on the relationship between independent variables and the dependent variable. Table 15 indicates that the correlation coefficients for the relationships between the independent variables and the dependent variable are linear and positive, ranging from moderate to strong correlation coefficients.

Table 12. Correlation Analysis

	Success	Impact	metrics	Feedback	Performance	Team
Success	1					
	107					
Impact	.452**	1				
	0.000					
	107	107				
Metrics	.440**	0.190	1			
	0.000	0.050				
	107	107	107			
Feedback	.453**	0.145	.317**	1		
	0.000	0.137	0.001			
	107	107	107	107		
performance	.382**	.404**	0.061	0.086	1	
	0.000	0.000	0.534	0.378		
	107	107	107	107	107	
Team	.356**	.451**	0.035	.192*	.365**	1
	0.000	0.000	0.723	0.049	0.000	
	107	107	107	107	107	107
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

Source: Own Survey-(2025)

The output obtained from the SPSS on Table 12 indicates that the relationships between various independent variables (Impact, metrics, feedback, performance, and team) and the dependent variable (Success). The table presents the correlation coefficients, significance levels (p-values), and

the sample size (N) for each variable pair. Success and Impact ($r = .452$, $p < .01$): There is a significant positive correlation between Success and Impact, indicating that higher Impact is associated with higher Success. This correlation is strong and statistically significant. Metrics ($r = .440$, $p < .01$): There is a significant positive correlation between Success and metrics, suggesting that better metrics are associated with higher Success. This correlation is strong and statistically significant. Feedback ($r = .453$, $p < .01$): There is a significant positive correlation between Success and Feedback, indicating that positive feedback is associated with higher Success. This correlation is strong and statistically significant. performance ($r = .382$, $p < .01$): There is a significant positive correlation between Success and performance, suggesting that higher performance is associated with higher Success. This correlation is moderate and statistically significant. team ($r = .356$, $p < .01$): There is a significant positive correlation between Success and team, indicating that better team cohesion is associated with higher Success. This correlation is moderate and statistically significant. The significant positive correlations suggest strong linear relationships between Success and the other variables (Impact, metrics, feedback, performance, and team).

4.5 Multiple Regression Analysis

Multiple linear regression analysis is a crucial statistical tool used to predict the unknown value of a variable based on the known values of other variables. It involves identifying relationships between variables and developing a model. For this study, a model was developed using the factors of Impact, Feedback, Team Cohesion, Metrics, and Performance, all of which influence Project success. The model is represented by the following equation:

$$Y=\beta0+\beta1X1+\beta2X2+\beta3X3+\beta4X4+\epsilon$$

To ensure data validity and the robustness of the regression results in this study, it is essential to satisfy the basic assumptions of multiple regression models. Consequently, this study has conducted various assumption tests, including tests for multicollinearity, outliers, autocorrelation, homoscedasticity, linearity, and normality.

Table 13. Multicollinearity Test

Source: SPSS output from survey data, 2025

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Feedback	0.866	1.155
	Team	0.735	1.361
	Impact	0.704	1.421
	Metrics	0.868	1.151
	performance	0.795	1.258

a. Dependent Variable: Success

4.6 Collinearity Statistics

Tolerance: Measures the proportion of variance in a predictor that is not explained by other predictors. Values closer to 1 indicate low multicollinearity. VIF (Variance Inflation Factor): The inverse of tolerance. Values less than 10 indicate low multicollinearity. Feedback: Tolerance = 0.866, VIF = 1.155 Team: Tolerance = 0.735, VIF = 1.361 Impact: Tolerance = 0.704, VIF = 1.421 Metrics: Tolerance = 0.868, VIF = 1.151 Performance: Tolerance = 0.795, VIF = 1.258 These values shown in Table 11 suggest that multicollinearity is not a concern in this model.

4.7 Linearity Test

Linearity refers to the relationship between dependent and independent variables being linear, meaning it can be represented by a straight line. This characteristic allows the researcher to predict the dependent variable based on one or more independent variables. The assumption of linearity was checked through a scatter plot, observing whether the two variables approximately form a straight line. As shown in Figure 5, there was a linear relationship between the dependent variable and each of the independent variables in the study area.

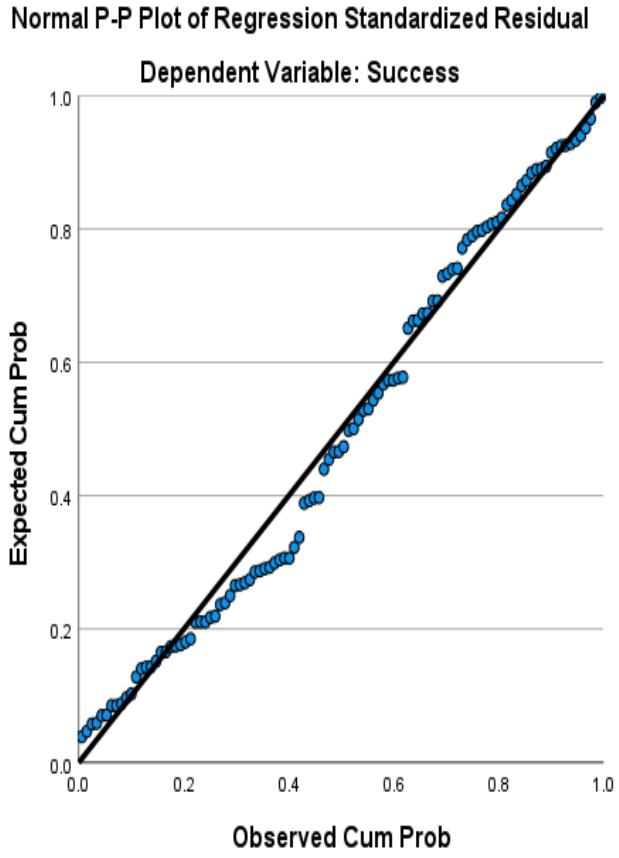


Figure 5. Linearity Test

Source: SPSS output from survey data, 2025

4.8 Normality Test

Most statistical analyses assume and require normality (Kline, 2016). According to Pallant (2011), a normal distribution is characterized by a symmetrical bell-shaped curve, where the highest frequency of scores is centered in the middle, tapering off towards the extremes.

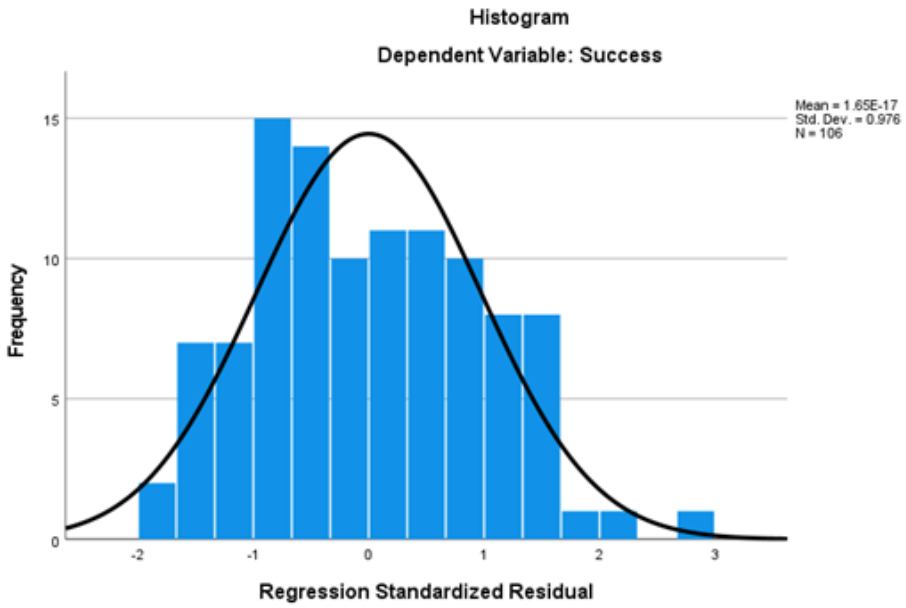


Figure 6. Normality Test

Source: SPSS output from survey data, 2025

4.9 Homoscedasticity Test

This assumption states that the variation in the residuals (or the model's error) should be similar at each point across the model. In other words, the spread of the residuals should remain constant across the predictor variables (or the linear model). While we can get an initial idea by examining the original scatter plot, a proper test requires SPSS to produce a specialized scatter plot that includes the entire model, not just individual predictors. To test this assumption, we need to plot the standardized predicted values against the standardized residuals. As shown in Figure 6, the spread of the residuals was fairly constant across the predictor variables, and the plot of standardized residuals versus standardized predicted values showed no obvious signs of funneling, suggesting that the assumption of homoscedasticity has been met.

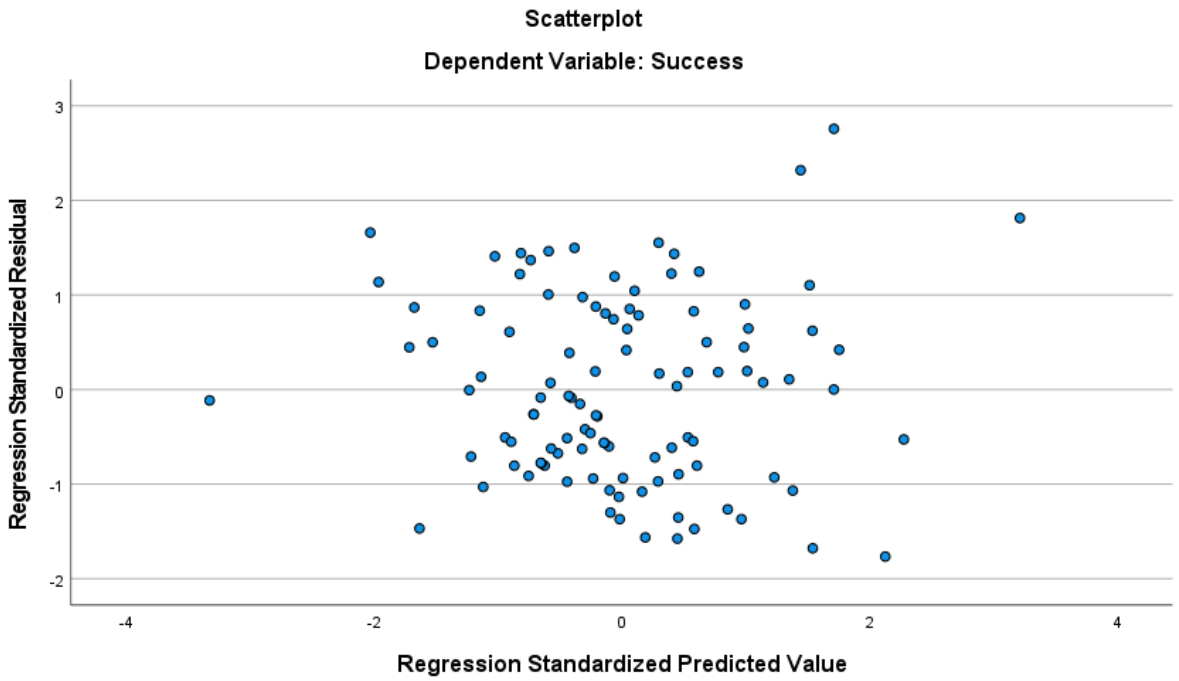


Figure 7. Homoscedasticity Test

Skewness indicates the symmetry of the distribution, while kurtosis provides information about the sharpness of the peak in a frequency-distribution curve. For variables with a normal distribution, the skewness and kurtosis values are zero, with any deviation from zero indicating non-normality (Hair, 2010). According to Hair (2010), the most commonly acceptable range for skewness and kurtosis values is ±2.58. As shown in the following table, the skewness and kurtosis values of the variables fall within this acceptable range.

	N	Mean	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Success	107	31.0467	0.816	0.234	1.602	0.463
Impact	107	30.8598	-0.312	0.234	1.006	0.463
Metrics	107	16.729	0.49	0.234	-0.102	0.463
Feedback	107	11.9907	-0.088	0.234	0.135	0.463
performance	107	14.4579	-0.245	0.234	1.15	0.463
Team	107	17.6509	-0.008	0.235	0.105	0.465
Valid N (list wise)	107					

Table 14. Skewness and Kurtosis

Source: SPSS output from survey data, 2024

Table 15. Model Summary

In order to determine the role of incentives and compensation on project success multiple regressions was used.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.692[a]	.478	.452	4.35269

a. Predictors: (Constant), performance, metrics, feedback, team, Impact

Source: SPSS output from survey data, 2024

The strong R-value (.692) indicates a strong linear relationship between the dependent variable Success and the independent variables. The R Square (.478) shows that approximately 47.8% of the variability in Success can be explained by the independent variables in the model. The Adjusted R Square (.452) indicates that when accounting for the number of predictors, about 45.2% of the variability in Success is explained by the model. This suggests that the model explains a moderate

portion of the variance in the dependent variable. The standard error of the estimate (4.35269) indicates that the model predictions are reasonably close to the actual data points, though the model does not capture some variability. Overall, the model appears to have a reasonable fit, indicating that the independent variables (performance, metrics, feedback, team, and Impact) have a significant impact on the dependent variable Success.

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1738.328	5	347.666	18.350	.000[b]
	Residual	1894.587	100	18.946		
	Total	3632.915	105			

a. Dependent Variable: Success

b. Predictors: (Constant), performance, metrics, feedback, team, Impact

Table 16. ANOVA[a]

Source: SPSS output from survey data, 2025

The high F-statistic 18.350 and the very low p-value (.000) indicate that the regression model is statistically significant and fits the data well. The predictors performance, metrics, feedback, team, and Impact—collectively explain a significant portion of the variance in the dependent variable Success. The variation explained by the model (Regression Sum of Squares = 1738.328) is substantial compared to the unexplained variation (Residual Sum of Squares = 1894.587. These results suggest that the independent variables have a significant impact on the dependent variable Success.

Table 17. Standardized coefficients

Source: SPSS output from survey data, 2025

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-10.489	4.582		-2.289	0.024
	Feedback	0.613	0.167	0.285	3.676	0
	Team	0.256	0.186	0.116	1.376	0.172
	Impact	0.353	0.138	0.22	2.554	0.012
	Metrics	0.669	0.179	0.29	3.746	0
	Performance	0.523	0.203	0.209	2.583	0.011

This table provides the coefficients from a multiple regression analysis examining "Success" as the dependent variable, the predictors include Feedback, Team, Impact, Metrics, and Performance. The intercept or constant is -10.489, implying that if all predictors were zero, Success would be at this negative baseline. Feedback has a coefficient of 0.613, indicating that a one-unit increase in feedback correlates with an average increase of 0.613 in Success. This relationship is statistically significant (p = .000), marking Feedback as a crucial predictor of Success.

Team shows a coefficient of 0.256, suggesting a one-unit increase in team cohesion or dynamics leads to a 0.256 increase in Success, holding other variables constant. However, this is not statistically significant (p = .172). The relationship between team cohesion and success is complex; while some research supports that team cohesion enhances project outcomes, others like Beal et al. (2003) found its impact stronger in tasks requiring high interdependence. Bowers et al. (2000) noted that while social cohesion boosts morale, it might not improve performance in technical tasks where individual skills are key. Mathieu et al. (2000) observed that even cohesive teams can underperform if lacking in necessary skills or knowledge.

Impact has a coefficient of 0.353, meaning a one-unit increase in Impact is associated with a 0.353 increase in Success, which is statistically significant (p = .012). Metrics with a coefficient of 0.669, shows that a one-unit increase in metrics leads to a 0.669 increase in Success, and this is also

statistically significant (p = .000). Performance registers a coefficient of 0.523, where a one-unit increase in performance correlates with a 0.523 increase in Success, significant at p = .011.

T values indicate how different from zero the coefficients are relative to their standard errors, with high absolute t-values suggesting a predictor's meaningful contribution to the model. P-values (Sig.) represent the likelihood of observing the t-statistic if the null hypothesis (coefficient equals zero) were true. Feedback, Impact, Metrics, and Performance all have p-values less than 0.05, confirming their significance in predicting Success. In contrast, Team's p-value of 0.172 indicates it's not significant at the conventional 0.05 level, suggesting its impact might be context-specific or less reliable in this model.

Standardized Coefficients (Beta): values allow comparison of predictors' relative importance on a standardized scale. Here, Feedback (Beta = 0.285) and Metrics (Beta = 0.29) are the strongest predictors, indicating substantial influence on Success when all variables are standardized. Team, with the lowest Beta (0.116), has the least impact among the predictors. Feedback and Metrics emerge as key drivers for improving Success, suggesting organizational strategies should prioritize these areas. Impact and Performance also significantly contribute, indicating potential areas for focus.

CHAPTER FIVE

5 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of Key Findings

This chapter presents a summary of the findings, discusses their relationship to relevant theories, and examines the role of incentives and compensation in achieving project success**.** Among the 107 participants, there were 47 females and 60 males, making up 44% and 56% of the responses, respectively. The demographic breakdown shows that 99% of the participants were below 45 years of age, while only 1% were 45 years or older. The study had a slightly higher representation of males (56%) compared to females (44%). This gender imbalance should be considered by the organization. Additionally, the vast majority (99%) of the participants were under 45 years old, indicating that the study predominantly included younger individuals.

The primary objective of the researcher is to explore how incentives and compensation impact project success metrics as perceived by the employees of WAAS International Plc. More specifically, the goals of this study are to investigate the relationship between various types of incentives and project success, determine employee preferences for different types of incentives, assess the presence and effectiveness of structured reward and incentive systems, evaluate the impact of incentives on employee morale and motivation, examine the degree of employee satisfaction, retention, and loyalty, analyze the effects of incentives on individual performance and team dynamism, and measure the impact of incentives on employees' commitment to the organization.

The findings revealed that respondents largely believe compensation and incentives have a significant impact on project success. These elements were seen to enhance performance, improve skills, clearly define success metrics, and boost quality. They also positively affect team enthusiasm, communication, and collaboration. The mean agreement scores of 3.875 according to Mwilu (2013), High extent suggests a strong consensus among respondents that compensation and incentives are critical drivers of project success.

The findings indicate that while compensation and incentives significantly impact success metrics such as staying within budget, leadership and team dynamics are perceived to have a greater influence on project success, with an aggregate mean score of 3.6, according to Mwilu (2013), reflecting a

high extent of agreement. The majority of respondents did not believe that the organization offers diverse incentive schemes, and the effectiveness of the existing incentives in motivating employees to achieve project goals received mean scores of 2.43 and 2.34, respectively, according to Mwilu (2013), suggesting only a small extent of bonuses, commissions, promotions, and recognition. These results highlight the importance of enhancing incentive schemes to further support project success.

The findings revealed a mixed perception of incentives within the project team at WAAS International PLC. The distribution of incentives is perceived as fair, with a mean score of 3.47, and feedback on project performance is notably strong, with a mean score of 3.7. However, the reception of nonfinancial incentives, such as recognition or flexible work arrangements, is less favorable, scoring 2.45. The alignment of the current incentive system with project goals and objectives is even more concerning, with a mean score of 2.37, indicating significant opportunities for improvement in fostering motivation and cohesion. These results underscore the need for WAAS International PLC to enhance its incentive schemes to better support project success.

The findings indicate that the existing incentive scheme is perceived as ineffective and does not positively influence the company's targets. According to Mwilu (2013), with small extent of agreement, Employees feel that the compensation package is not competitive and that they are not well compensated compared to other companies, leading to a decrease in loyalty and commitment. Although salary increments for high-performing employees are seen as motivational, periodic updates to the compensation and benefits package are also questioned, failing to attract and retain competent employees. These results highlight the need for re-evaluate and enhance compensation and incentive schemes to foster a more motivated, loyal, and productive workforce, ultimately leading to greater project success.

According to this study with a mean of 3.75 majority of respondents agree that the relationship between leadership and project team members is crucial for project success. Well-designed incentives and compensation improve project quality, enhance team cohesion, help manage conflicts, and boost motivation. In addition, respondents perceived Monetary incentives are more effective than non-monetary incentives, with the mean 3.52 according to Mwilu (2003) high extent Opportunities for promotions and recognition programs motivate employees to work harder on projects. This holistic

approach integrates leadership, incentives, and compensation to achieve project success and enhance team performance.

5.2 Conclusion

The conclusion part of this study drawn based on the objectives and research questions of the study. The research was undertaken to assess the role of compensation, incorporating both monetary and non-monetary elements with an emphasis on fairness, satisfaction, and industry alignment, project performance, team motivation, and employee retention, and its impact on project success.

The survey results indicate a positive relationship between compensation and incentives and it can be concluded compensation and incentives have role on Project success metrics, including on-time delivery, budget adherence, and quality., It can be concluded that incentives and compensation enhance team enthusiasm, motivation, communication, and collaboration, contributing to overall project success. These findings emphasize the importance of a well-structured compensation and incentive system in driving project performance and success. However, it is important to note that compensation and incentives alone do not guarantee project success. Effective leadership and management, team dynamics, stakeholder engagement, resource availability, and communication also play crucial roles in achieving successful project outcomes.

Qualitative interviews and descriptive findings reveal significant gaps in WAAS International PLC's incentive structure. Both financial and nonfinancial incentives are lacking, with inadequate recognition and flexible work arrangements failing to motivate and satisfy employees. The company does not offer a competitive compensation package, compared to other companies. The current reward system does not incorporate both financial and non-financial rewards effectively. Employees report that the type of reward they receive affects their project performance, and the lack of meaningful incentives leads to a diminished sense of loyalty and commitment to the organization. Furthermore, financial compensation and benefits significantly influence employee morale and productivity. However, the organization does not frequently update its compensation and benefits package, failing to attract and retain competent employees the researcher concludes that the current incentive system does not align well with project goals and objectives, rendering it ineffective in driving desired project outcomes or adequately motivating employees. It is also important to recognize that other factors significantly impact employee motivation and project success, including career development opportunities, work-life balance, a positive work environment, regular recognition and appreciation,

empowerment and autonomy, meaningful work, effective communication, leadership support, team collaboration, and wellness programs.

Overall, the insights from this study will be crucial for organizations aiming to enhance their compensation and incentive strategies while aligning them more closely with business objectives. By improving employee perception, morale, and commitment, and fostering a positive work environment, a well-structured incentive system that includes both financial and nonfinancial rewards can significantly boost performance. Employing performance management practices, these strategies can positively influence employee performance, leading to better project outcomes and overall organizational success.

Further research can build on these findings by examining the variety of factors other than compensation and incentives that can influence and affect project success. By exploring these additional aspects, researchers can gain a deeper understanding of the elements that have a strong effect on achieving successful project outcomes.

5.3 Recommendations

To enhance the role of incentives and compensation on project success, WAAS International PLC should consider implementing the following recommendations:

1.WAAS International PLC shall review company compensation system to assess the current compensation packages to ensure they are competitive with industry standards and current inflation also Identify gaps and areas where improvements are needed to achieve better project outcomes.

2. WAAS International PLC shall offer financial incentives which, are performance-based bonuses, salary increments to reward high performing employees, profit sharing, stock options and other type of incentives.

3. WAAS International PLC must Enhance Nonfinancial Incentives, which are Develop recognition programs that acknowledge employees' contributions and achievements. Provide flexible work arrangements, such as remote work options and flexible hours, to improve work-life balance.

4. WAAS International PLC must Ensure that all incentive programs are closely tied to specific project goals, objectives and Communicate Clearly employees how to achieving project milestones and

targets that lead to rewards and incentives it will Lead To better align Incentive Programs with Project Goals and organization objectives.

5. WAAS International PLC must offer training and development opportunities to help employees enhance their skills and advance their careers, Also the organization essential Provide mentorship programs and support for continuous learning for the company employees.

6. WAAS International PLC must Regularly update organization compensation and benefits packages by conducting periodic reviews and updates to keep them attractive and competitive with the industry standard, while also soliciting feedback from employees to ensure their needs and preferences are being met, the company will benefit if conducting continuous monitoring and evaluating the effectiveness of incentive programs by assessing their impact on employee motivation, satisfaction, and project performance, and make necessary adjustments to ensure the programs remain effective and aligned with organizational goals.

REFERENCE

Abdulsalam, D., Maltarich, M. A., Nyberg, A. J., Reilly, G., & Martin, M. (2021). Individualized pay-for-performance arrangements: Peer reactions and consequences. Journal of Applied Psychology, 106(8), 1202–1223. https://doi.org/10.1037/apl0001234

Aktar, S., Sachu, M. K., & Ali, M. E. (2015). The impact of rewards on employee performance in commercial banks of Bangladesh: An empirical study. Journal of Business and Management, 5(27), 63–67.

Arnold, A., Fulmer, I. S., Sender, A., Allen, D. G., Staffelbach, B., & Perkins, S. J. (2018). International study on compensation and pay transparency practices. Center for Human Resource Management, University of Lucerne.

Baeten, X. (2014). Shaping the future research agenda for compensation and benefits management. Compensation & Benefits Review, 46(4), 183–185.

Beaumont, P. B., & Harris, R. I. D. (2003). Internal wage structures and organizational performance. British Journal of Industrial Relations, 41(1), 153–170. https://doi.org/10.1111/1467-8543.00266

Bower, D., Ashby, G., Gerald, K., & Smyk, W. (2006). Incentive mechanisms for project success. Journal of Project Management, 12(3), 45–58.

Brown, M. P., Sturman, M. C., & Simmering, M. J. (2003). Compensation policy and organizational performance: The efficiency, operational, and financial implications of pay levels and pay structure. Academy of Management Journal, 46(6), 752–762.

Coccia, M. (2019). Incentive mechanisms and their impact on project performance. Journal of Economics and Business, 6(1), 20–29.

Day, N. E. (2019). How well do pay and nonfinancial rewards attract applicants to jobs? Journal of Total Rewards, 28(1), 16–17.

Edmans, A., & Gabaix, X. (2016). Executive compensation: A modern primer. Journal of Economic Literature, 54(4), 1232–1287. https://doi.org/10.1257/jel.20161128

Ederhof, M. (2011). Incentive compensation and promotion-based incentives of mid-level managers: Evidence from a multinational corporation. The Accounting Review, 86(1), 131–153. https://doi.org/10.2308/accr.00000009

Eriksson, T. (2011). The role of incentives in project management: A case study of construction projects. Master's thesis, Chalmers University of Technology.

Ganiron, T. U. (2015). Influence of compensation, work experience, and project work on career success. Journal of Engineering and Technology, 6(1), 20–29.

Lazear, E. P. (2018). Compensation and incentives in the workplace. Journal of Economic Perspectives, 32(3), 195–214. https://doi.org/10.1257/jep.32.3.195

Meng, X. (2014). Incentive mechanisms and their impact on project performance. In Handbook on project management and scheduling (pp. 1063–1081). Springer. https://doi.org/10.1007/978-3-319-05915-0_17

Mishra, S. B., & Alok, S. (2018). Handbook of research methodology. Pearson Education.

Neuman, W. L. (2014). Social research methods: Qualitative and quantitative approaches (7th ed.). Pearson Education Limited.

Patterson, D. (2018). Human resources management (3rd ed.). Pearson.

Perceived value of benefits for project managers compensation. (2015). Journal of Total Rewards, 28(2), 45–50.

Proceedings of the 9th International Management Conference "Management and Innovation for Competitive Advantage." (2015, November 5–6). Bucharest, Romania.

Zhu, Z., & Xie, Z. (2019). The role and optimization strategies of compensation incentives in human resource management. Academic Journal of Business & Management, 5(27), 63–67.

ANNEX 1

SCHOOL OF GRADUATE STUDIES

RESEARCH QUESTIONNAIRE

Research Topic: THE ROLE OF INCENTIVES AND COMPENSATION ON PROJECT SUCCESS: THE CASE OF WAAS INTERNATIONAL PLC.

Dear sir/madam, I am a post graduate student of Masters of Project Management (MPM) at St. Mary's University. Currently, I am undertaking a research for the title mentioned above as a partial fulfillment of the MBA program. You are one of the respondents selected to participate on this study, therefore you're genuine, frank and timely response is vital for the success of this research. The researcher wants to underline that the data collected are kept ***confidential and used only for academic purpose***. No respondent will be identified by his/her name.

This questionnaire has two parts involving the respondent's profile and Likert scale questions. I kindly request you to forward your genuine response for these questions in each parts of the questionnaire since your response determines this paper's result.

Thank you, in advance for your kind cooperation and timely response.

No.	Impact	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Compensation and incentives positively affect project success					
2	Financial incentives (e.g., bonuses, raises) are important in influencing my performance on projects.					
3	The reward system encourages me to enhance my skills and knowledge.					
4	Project success in my organization is clearly defined (e.g., on time delivery, within budget).					
5	Compensation and incentives affect success metrics like quality.					
6	Incentives and compensation affect project team enthusiasm.					
7	Incentives and compensation help improve communication and collaboration among project team members.					
8	Incentives positively impact my motivation in project work					

	Metrics	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Compensation and incentives impact success metrics like staying within budget					
2	Leadership have a greater impact on project success than incentives.					
3	Team dynamics have a greater impact on project success than incentives.					
4	WAAS international offers diverse incentives such as bonuses, commissions, promotions, and recognition.					
5	The incentives offered are effective in motivating employee to achieve project Goals.					

No.	Feedback	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The distribution of incentives within the project team is fair.					
2	I frequently receive feedback on my project performance					
3	I have received nonfinancial incentives such as recognition or flexible work arrangements related to project performance.					
4	WAAS International plc current incentive system aligns well with project goals and objectives					

No.	Success	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	The company offers a competitive compensation package					
	I feel well compensated for my contribution to the company projects I engaged.					
	My compensation for project work is competitive when compared to that offered by other companies					
	Both financial and non-financial rewards are incorporated i nto the company's reward system.					
	Salary increments for high performi ng employees serve as motivational factor for others to enhance their performance in projects.					
	The type of reward I receive affects the level of my project performance.					
	I feel a sense of loyalty to the organi zation due to its incentive and comp ensation practices related to project work.					
	The incentive and compensation sys tem increase my commitment to the organization.					
	The Financial compensation and benefits associated with my project work significantly influence my morale and productivity.					
	The existing incentive scheme has a positive influence on the company's overall targets and achievements.					
	WAAS International periodically up dates the compensation and benefits package.					
	The current compensation and benef its package attract and retains comp etent employees.					

.

	Performance	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	The relationship between leadership and project team members affects the project's success.					
2	Well-designed incentives and compensation can improve project quality.					
3	The current incentive and compensation systems are aligned with organizational goals.					
4	Monetary incentives (e.g., bonuses) are more effective than non-monetary incentives (e.g., recognition) in driving my project performance.					

No.	Team	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1	Incentives and compensation contribute to better team cohesion in projects					
2	Incentives help in managing and resolving conflicts within project teams.					
3	The current incentive and compensation system boost the motivation of my project team.					
4	Recognition programs (e.g., Employee of the Month) effectively acknowledge my contributions to projects.					
5	The opportunity for promotions motivates me to work harder on projects.					

Interview Questions

Section 1: Background Information (5 Minutes)

Objective: To gather contextual details about the participant.

1. Can you briefly introduce yourself?

- Name
- age,
- Family status,
- Educational background,
- Work experience,

2. Can you tell me a little bit about your professional life?
    - What is your position?
    - How long have you been with the organization?

Section 2: Compensation and Benefits Practices (15 Minutes)

Objective: To explore participant perceptions of compensation and benefits.

1. Are there any project related compensation and benefit packages offered at WAAS International?

- How would you describe the types of current compensation and benefit packages offered at WAAS International?
- How frequently do employees receive it?
- What's the criteria for it?

2. Do you feel that your compensation for project-related work is fair and competitive compared to industry standards? Why or why not What makes you feel that it's fair/unfair?

3. Do you have any information or examples of how other companies in the industry compensate employees in similar roles?

4. How does that make you feel about your company?
5. Are there specific benefits or perks that you value the most?
    - Probe for: Health insurance, bonuses, retirement plans, flexible work arrangements
    - Why/why not?

Section 3: Incentives and Their Impact (15–20 Minutes)

Objective: To understand the effectiveness and motivational impact of incentives.

1. What kinds of incentives (monetary or non-monetary) are offered for your project-related work?
    - How often are they provided?
    - What's the criteria?
    -
2. How do these incentives affect your motivation and performance at work?
    - Can you give an example of an incentive that motivated you the most?
3. Are there any incentives you feel are missing or could be improved?
    - What are these incentives?
4. In your opinion, do the current incentive schemes contribute to project success? Why or why not?
5. How are these incentives communicated to employees?

Section 4: Employee Satisfaction and Retention (15–20 Minutes)

Objective: To examine the connection between compensation/incentives and retention.

1. On a scale of 1–10, how satisfied are you with the compensation and incentive packages related to your project work?
    - Why did you rate it that way?

2. What project-related factors influence your decision to stay with WAAS International?
    - Are compensation and benefits significant factors?
3. Have you ever considered leaving WAAS International due to project-related factors??
    - If so, what were the reasons?
    - If not, what were your reasons for staying?

4.In your opinion, what project-related changes could WAAS International implement to increase employee satisfaction and retention? Probe for: Compensation adjustments, new incentives, non-monetary rewards.

Section 5: Challenges and Suggestions (15 Minutes)

Objective: To identify gaps and opportunities for improvement.

1. What challenges do you think employees face in understanding or benefiting from the current project-related compensation and incentive schemes?
    - How do you think the employees cope with it?
    - What specific strategies or solutions would you suggest to improve these schemes?
2. Are there any project-related best industry practices that WAAS International could adopt?

7. Closing and Wrap-Up (5–10 Minutes)

Objective: To conclude the discussion and allow for additional feedback.

1. Is there anything else you'd like to add about your experience with compensation and incentives at WAAS International on projects?
2. Do you have any questions or concerns about this study?