



Effects of rewards on staff performance in public institutions in Tanzania: a case of selected local governments

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ABSTRACT

This paper investigated how financial and non-financial rewards employee performance within public organizations, specifically the selected Institutions. Employing a descriptive study approach and combining both surveys and detailed interviews, information was gathered from 100 employees and management personnel. The results indicated that both financial incentives, like bonuses and performance-based pay, and non-financial rewards, such as acknowledgement, opportunities for advancement, and adaptable work arrangements, have a strong effect on employee motivation and output. Nevertheless, the study also highlighted problems like irregular reward allocation, a lack of openness, and fairness concerns related to gender and age, which negatively affected the overall success of the incentive programs. The majority of 55% employees preferred a blended system incorporating both financial and non-financial rewards to cater to different motivational factors. Based on these findings, it is recommended to implement a comprehensive reward system, guarantee fair and consistent distribution, improve transparency, and develop managerial skills for effective reward program management. This paper provides valuable insights into how customized reward systems can enhance employee performance and improve public service delivery within Tanzanian local government settings.

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INTRODUCTION

The effectiveness of employee rewards has become an increasingly important issue for organizations worldwide, including government bodies in Tanzania. Both financial and non-financial rewards play a crucial role in inspiring employees, increasing productivity, and lowering employee departure rates (Deepalakshmi et al., 2024). In today's competitive job market, employees are viewed as valuable resources, and organizations depend greatly on their knowledge and abilities to meet performance targets (Thirupathy & Dhayan, 2016). Globally, reward programs are utilized as strategic tools to attract and keep talented individuals. For example, in Japan and Hong Kong, managers are assessed based on how well they implement reward strategies. Similarly, in the United States, high rates of employee turnover (e.g., 59 million resignations in 2021) have compelled employers to re-evaluate their retention strategies, with a focus on job satisfaction, acknowledgement,

and career advancement (Schawbel, 2018; Shields, 2020).

In Africa, particularly in Sub-Saharan Africa, concerns about pay often dominate the reward landscape. Countries in this region have faced persistent problems such as decreasing real wages and inconsistent reward systems. In Tanzania, local government agencies struggle to maintain motivated and high-performing workforces due to inadequate pay scales and a lack of effective motivational programs (URT, 2021; Mwera, 2018). Past reforms, such as the Public Sector Reform Programme in the 1990s, aimed to improve the skills of public servants by prioritizing salaries and work environments (Rubakula, 2023). However, despite initiatives like the Structural Adjustment Programmes of the late 1980s and early 1990s, pay differences between the government and private sectors remain, continuing to negatively impact employee morale and performance (Mtitu, 2022; Abdulaziz et al. 2023). These studies mainly dwelt on pay differences but did not consider

other rewards offered to local government staff in Tanzania.

This challenge is especially noticeable at the local government level, where newly hired employees frequently leave due to poor motivation and unclear reward structures. Issues such as inadequate workforce planning and a lack of retention strategies hinder organizational performance (Nyoni, 2019). While both external (e.g., salaries) and internal (e.i recognition) motivators are important, their implementation is inconsistent, and employee opinions on the effects of rewards remain largely unexplored in Tanzania (Norbaiti et al., 2022; Dicko, 2020).

In addition, rewards to employees in LGAs in Tanzania has so far attracted few studies. The scant literature on Effects of Motivation on Staff Performance in Public Institutions, such as Norbaiti et al. (2022) & Dicko (2020) who noted that lack employee's motivation hinder employees' performance but did not present experience in Tanzania thereby not offering a comparative analysis which is the knowledge gap that needed to be filled by this study to stimulate new scholarly work.

Furthermore, this paper made a profound contribution to the empirical literature on the effect of motivation on employees' performance in Tanzania. Additionally, the study findings also contribute to theoretical debates on public sector versus private sector efficiency in employee's motivation, in particular how local government as a realm of public sector can motivate its staff. Furthermore, this study also contributes to knowledge on the subject of staff motivation especially on the challenges of motivation and it serves as a reference and basis for further research. More significantly, it provides an understanding of the efficacy of rewards on staff performance in LGAs such as in local governments in Tanzania and beyond because the results of this study show whether or not staff reward is a management strategy to improve performance in local governments in Tanzania.

Therefore, this study aims to investigate how financial and non-financial rewards affect employee performance in government organizations, using Kinondoni Municipal Council mainly at Dar es Salaam region at Kinondoni, Temeke, Kigamboni, Ilala, Ubungo and Morogoro Municipal Councils in Morogoro Region as a case study to address this research gap under investigation.

Literature review

Maslow's Hierarchy of Needs, a popular theory about what drives people, provides a basic structure

for understanding why employees do what they do and what motivates them. Maslow believed that human needs are arranged in five levels, starting with the most basic: physiological, safety, social, esteem, and self-actualization. At the bottom, essential needs like food, water, and housing must be taken care of first.

After those are met, people look for safety and security, which includes things like stable employment, health benefits, and financial security. As people move up the hierarchy, they develop social needs, wanting relationships, friendships, and a feeling of connection at work. The fourth level, esteem needs, reflects a desire for respect, appreciation, and a sense of accomplishment. Meeting these needs leads to greater confidence and motivation. Finally, at the top is self-actualization, where employees aim for personal development, fulfillment, and the chance to reach their full potential. The hierarchy suggests that once one set of needs is at least partly satisfied, people are motivated to pursue the next level.

This theory is important because it offers a way to analyze how different types of rewards – from salary (covering basic needs) to recognition and advancement (addressing esteem and self-actualization) affect employee motivation and performance. It suggests that successful reward programs need to address multiple levels of need. Therefore, understanding where employees are in the hierarchy can help organizations create better reward systems that match what employees expect and ultimately improve their performance.

This paper has consistently examined how employee rewards affect their work output in local government institutions in Tanzania. For example, Irmohizam & Abiddin (2023) discovered that offering incentives greatly increased both employee drive and productivity. Their research identified several different types of rewards, like financial bonuses, praise, and other perks. They also pointed out that fairness is key, and reward programs should be reviewed regularly. However, the cited study did not explain experience in local government setting in Tanzania.

Studies in Tanzania, such as those by Pallangyo & Ephraim (2020) emphasized the need for ongoing employee training and strategies to keep employees around and improve their performance. Furthermore, Muhoho (2014) also highlighted the importance of a positive work setting that encourages employee development to improve how long they stay with the company. Furthermore, Rosenbloom (2015) noted that individual attitudes and opinions affect how satisfied people are with incentives, suggesting companies

need to tailor these programs to individual needs. Furthermore, [Schawbel \(2018\)](#) & [Mwaimu \(2023\)](#) indicated that non-cash rewards can positively affect employee performance. Their work identified factors like pay, insurance, retirement options, performance-based rewards, time off, overtime, and loan access as important motivators. These led to improvements in creativity, reaching goals, tackling difficult projects, personal growth, teamwork, and job security.

Furthermore, [Ihemereze et al. \(2023\)](#) studied the problems associated with financial rewards, focusing on the tricky connection between money and performance. They suggested a fair and open system for sharing profits. This research also confirmed that retirement benefits are important for employee performance and commitment, solidifying the idea that financial incentives, including pay, bonuses, profit sharing, and retirement plans, significantly impact how well employees perform. In addition to that, [Adil et al. \(2017\)](#) observed that people often struggle to find jobs due to poor pay, which hurts job satisfaction and makes it harder to retain employees. They recommended updating compensation packages to better meet what employees expect, which should lead to better performance. [Pallangyo \(2017\)](#) stressed that fair pay is crucial for retaining employees, calling for fair pay plans and a thorough company policy that addresses all incentive-related issues.

This study adopted the Herzberg's theory of two-factor theory which are motivators and hygiene as essential elements that inspire humans. Thus, motivators' factors encourage job satisfaction and hygiene factors prevent job dissatisfaction ([Reyas, 2024](#)). This concept, commonly referred to as the motivation-hygiene theory, is a well-known psychological model for comprehending employee motivation and contentment in the work environment ([Zhou & Ahmad, 2025](#)). The first factor includes motivators that enhance job satisfaction and inspire employees to perform at their best, which includes achievement, recognition, responsibility, and opportunities for growth. The next factor is hygiene, which prevents job dissatisfaction but does not intrinsically motivate employees when present; this covers company policies, supervision, salary, interpersonal relationships, and working environments ([Malik & Hasyim, 2024](#)).

The research indicated that by upholding high standards of financial and non-financial incentives, organizations can prevent these undesirable effects and guarantee steady employee performance. Consequently, this study applied this theory in directing the findings from research questions established in earlier sections.

■ METHODOLOGY

This study was conducted in Tanzania mainly at Dar es Salaam region at Kinondoni, Temeke, Kigamboni, Ilala, Ubungo and Morogoro Municipal Councils. The study was selected because of being a laboratory which have staff with different specialties, the study was employed a mixed-methods approach. In-depth interviews and questionnaires were used to collect data. In addition, these two methods were complemented by a thorough documentary review.

This research investigates employee motivation and its effect on employee performance at Kinondoni, Temeke, Kigamboni, Ilala, and Ubungo and Morogoro Municipal Councils using a descriptive approach. This method is suitable because it allows for gathering insights from employees through standardized surveys and discussions. This paper employs a combined approach, first collecting numerical data through surveys distributed to non-managerial staff. This is then followed by gathering qualitative data through detailed interview discussions with management personnel. This combination of methods helps solidify the research by providing both overall trends and deeper, contextual understandings from a leadership viewpoint in relation to rewards and employees performance in Tanzania.

The study took place in Kinondoni, Ilala, Ubungo, Temeke, Kigamboni and Morogoro Municipal Councils which are important administrative and economic areas in Dar es Salaam and Morogoro Regions. The participants include employees from various departments, like personnel, finance, and general administration. From a total employee pool of 4,161, a representative sample of 100 individuals was chosen using purposive sampling techniques. To select respondents, purposive sampling method was used for selection of ordinary staff and targeted selection for managers. Information was gathered through surveys for non-managerial staff and interview discussions with key individuals, particularly the directors and heads of departments, to ensure a wide range of relevant perspectives related to local government staff' motivation and their performance.

To ensure the accuracy and consistency of the research, multiple data gathering tools were used, and a preliminary test were conducted before the main study. Surveys were reviewed by specialists to confirm their appropriateness, while the reliability is improved by selecting participants with relevant experience and different roles within the municipal authorities. Numerical data were analyzed using SPSS version 25, and the results were presented using descriptive statistics, such as frequencies and percentages.

Qualitative data were analyzed using a thematic approach to identify important patterns and understandings from the discussions, guided by themes derived from existing research and organizational materials and sub-themes.

The researcher collected data from 100 respondents. As Kothari (2004) suggests, want a sample size that's just right - not too large and not too small. The study recommends that a good sample should be at least 10% of the total population.

Questionnaires were used to collected used to collect quantitative information was gathered from respondents. Google web forms of questionnaires were distributed. Online questionnaires were effective in reducing the time required to survey the target audience. Closed-ended questions require respondents to choose a single answer from outlined options, which restricts their open response. This was streamlining the process of gathering data and creating graphs and tables for analysis (Creswell, 2018). Using the Likert scale, the questionnaire questions were used to collect data from stakeholders in the local government Authorities.

The researcher distributed online questionnaires to 100 respondents. Respondents were given a time of two weeks to respond. This was convenient time enable respondents to answer questions at their own convenience.

Significant qualitative data obtained through individual or group interviews with appropriately chosen participants. The interviews included questions that were set to interview respondents. Data that was collected during interviews helped to explain the relationship between the staff motivation and employee performance through thematic analysis. Quantitative data was used to interpret the opinions gathered related to the study.

Data processing and analysis

Once respondents completed the online questionnaires and their responses were gathered, SPSS was used to analyze the collected information. The research's qualitative analysis involved both descriptive and inferential methods. The software simplified the process of data collection for subsequent analysis.

After the data is collected, it is fed into the analytical platform, which then detects numerical patterns. Researchers were subsequently pinpoint the key relationships within the dataset. Carter et al. (2024) suggest this approach to data analysis as a way to assist scholars in transforming vast quantities of quantitative data into meaningful findings.

Qualitative analysis was conducted using thematic analysis in the research. The interview data was transcribed first. Manual techniques were utilized to identify and develop recurring themes as part of the thematic analysis. Thematic analysis uncovered novel themes and patterns that were not anticipated during the initial investigation.

■ RESULTS AND DISCUSSION

Introduction

The general objective of this study was to investigate the Effects of Rewards on Staff Performance in Public Institution in Tanzania with special focus on Selected Local Government Authorities.

Demographic of respondents

This paper examined how rewards affected demographic characteristics and local government staff performance in Tanzania.

One of the variables evaluated in the research is the demographic profile of the respondents is the age of the respondents. Table 2 presents the demographic profile data collected from a research study conducted in 2026. The age distribution of the respondents shows a varied representation across different age groups. The largest proportion of respondents falls within the 35-44 years category, accounting for 34% of the total sample. Following closely, the 15-24 years age group comprises 27% of the respondents, while the 25-34 years group represents 26%. The distribution gradually decreases in older age brackets, with 12% of respondents aged 45-54 years and only 1% aged 55-64 years. Interestingly, there are no respondents over 65 years old, which might indicate the study's target population or sampling limitations.

Gender distribution shows a slight majority of male respondents, constituting 54% of the total sample, while females account for 46%. The relatively balanced gender distribution suggests a diverse representation within the sample.

Respondents' educational backgrounds exhibit a varied distribution across different levels of education. The majority of respondents hold a Bachelor's degree, with 67% reporting having completed this level of education. Following Bachelor's degrees, 22% of respondents have an ordinary diploma, while smaller proportions hold higher degrees such as Master's (9%) or PhD (2%). Notably, there are no respondents with educational qualifications below high school or limited to high school education. (See table 1 for more details).

Table 1. Demographic profile.

Demographic characteristics	Frequency	Percentage
Age	Less than 15 Years	0
	15-24 years	27
	25-34 Years	26
	35-44 Years	34
	45-54 Years	12
	55- 64 years	1
	Over 65 years	
	Total	100
Gender	Male	54
	Female	46
	Total	100
Education Background	Below high and high school	0
	Ordinary diploma	22
	Bachelor's degree	67
	Master's degree	9
	PhD	2
	Total	100
Experience	Less than 1 year	3
	1-3 years	10
	4-6 years	64
	More than 7 years	23
	Total	100

Source: Field data (July, 2026)

The experience in the working environment the responds show that the majority have experience from 4-6 years with 64% followed with more than 6 years of experience where 23% responded. The responded with experience 1-3 with 10% and the smaller group of respondents was with the experience of less than 1 year where only 3% responded.

All respondents surveyed (100%) are away with health and safety at working place but also associated with LGAs in Dar es Salaam working environments, indicating universal adoption on the important of Incentives within the studied population. This high prevalence of motivation measures its significance as a communication and engagement channel among the target demographic. The demographic profile data outlined in the table 2 provides valuable insights into the characteristics of the study's respondents. Understanding the age distribution, gender representation, educational backgrounds, and experience among respondents is essential for interpreting research findings and tailoring strategies to effectively engage with the target audience. These findings were corroborated by [Shields, \(2020\)](#) who observed that the diverse demographic profile suggests a broad representation within the sample, enhancing the generalization of the findings within the specified population.

The influence of monetary rewards on local government (LGA) staff performance

A good number of staff in local government authorities considered financial rewards – including bonuses, overtime pay, and allowances based on performance. These are useful for improving how well they worked and how dedicated they were to their jobs. They saw these rewards as real recognition for their hard work, providing immediate encouragement and strengthening a culture of good performance. The importance of money as a motivator was emphasized by the fact that 70 respondents rated financial incentives as highly effective, while only 30 gave the same rating to non-financial incentives, as shown in Table 2.

This preference for financial rewards points to the crucial role that direct pay plays in satisfying employees' physiological needs, particularly in a government setting where salaries may be somewhat restricted. Employees suggested that receiving timely and sufficient financial rewards helps reduce financial worries and encourages them to maintain or improve their work. The results also imply that monetary incentives are a major factor in attracting and keeping talented LGA staff within the municipality, who might otherwise look for better positions elsewhere. However, although money remains a

strong motivator, the information also suggests that non-financial incentives still play a significant supporting role in overall employee motivation. These findings are supported by [Rubakula \(2023\)](#) who

highlighted that the need for a balanced approach to incentive programs, one that effectively combines both financial and non-financial rewards to maximize employee satisfaction and work performance.

Table 2. Responses on effectiveness of rewards on local government staff performance

S/No	Category of respondents	Monetary Rewards not effective in promoting Employees' Performance	Monetary Rewards were effective in promoting employee's performance
1	Directors N=6	2(33.3%)	4(67.7%)
2	Head of Human Resource and Administration Department	0	6(100%)
3	Head of Departments N=12	2(16.7%)	10(83.3%)
4	Local Government staff =76	38(50%)	38(50%)
5	Total No. of responses	42(42%)	58(58%)

Source: Field data, April, 2026

The influence of non- financial rewards on local government staff performance

The financial compensation is still a key factor in motivating employees; this study shows that employees in increasingly valuing non-financial incentives. Things like public praise, chances to grow professionally, flexible work schedules, and job security were often mentioned as important for boosting morale and motivation. These internal rewards not only make employees feel like they belong and are appreciated, but they also help with their long-term career development and happiness at work.

In fact, 100(100%) respondents were of view that non-financial incentives were effective, which suggests a significant change in what employees prefer moving towards reward systems that focus more on the whole person and their well-being. This growing interest in non-material motivation suggests that while money addresses immediate needs, intangible benefits are crucial for satisfying higher-level psychological and social needs, just as Maslow described ([Maslow, 1943](#); [Chinedu, 2018](#); [Nyoni, 2019](#)). Moreover, those surveyed emphasized that a positive and supportive work environment that encourages recognition and growth can be as powerful, or even more so, than direct financial pay. These findings suggest that public organizations like local government staff should think about using a more well-rounded approach to employee incentives. By combining both financial and non-financial strategies, the Council can meet the varied needs and expectations of its employees, increase their

involvement, and ultimately improve the organization's overall effectiveness.

Employee satisfaction with local government staff rewards in Tanzania

A recent survey at Temeke, Kigamboni, Ilala, Ubungu, and Morogogoro Municipal Councils revealed that employee morale is significantly impacted by the current incentive system. Only about a quarter (25%) of employees are happy with how incentives are structured, while nearly three quarters of respondents (75%) expressed discontent with incentives provided. This substantial dissatisfaction implies that the present incentive approach likely doesn't align well with what employees expect and isn't effectively motivating them.

Employees highlighted several reasons for their discontent, including inconsistent and late payments, a perceived lack of career growth opportunities, and a lack of clarity regarding how rewards are decided ([United Republic of Tanzania \(URT\) 2021](#); [Aksanat \(2025\)](#)). Many employees also felt undervalued or treated unfairly, particularly when incentives seemed to be handed out randomly or based on personal bias instead of job performance. This feeling of unfairness can damage morale, reduce motivation, and ultimately hurt the overall effectiveness of the organization. To improve staff satisfaction and performance, the council needs to re-evaluate its incentive plan. It should establish clear and fair rules for how rewards are given out and ensure that both financial and other types of incentives are distributed consistently and on time. A good incentive program can create a culture where hard work is valued and

rewarded, which in turn encourages employee loyalty and commitment. These findings are contrary to [Omarova \(2026\)](#) who documented that employees struggle to find jobs due to poor pay, which hurts job satisfaction and makes it harder to retain employees in an organization.

Timely provision of incentive to local government staff

A large number of people surveyed 80(80%) said they only got rewards sometimes, which shows the current reward system isn't very consistent. Only 20% said they got incentives regularly, while 20% hardly ever, or never, received any. This inconsistent approach was often seen as a big problem, making it harder for employees to stay motivated and perform well consistently. When rewards are unpredictable and infrequent, it can lower morale and make people lose trust in management, especially if the reasons for giving out incentives were not clear or seem unfair in Kinondoni, Temeke, Ilala, Kigamboni, Ubungo and Morogoro Municipal Councils. In order to improve how employees feel and how well they work, they should create a more structured and predictable system for rewards, one that recognizes good work fairly and promptly. Giving out incentives regularly and openly can boost motivation and help build a workplace culture that values good performance. These findings were complimented by [Irmohizam & Abiddin \(2023\)](#), [Thirupathy and Dhayalan \(2016\)](#); [Mtitu \(2022\)](#) found that offering incentives greatly increased both employee drive and staff performance.

Gender and age-based access to rewards to LGA staff in Tanzania

The study indicated a difference on who received rewards depending on things like gender and age. It seemed that men and those between 35 and 50 were much more likely to get bonuses and other perks than women and employees who were younger or older.

This suggests that there was unfairness on how studied local government authorities distributed their rewards. To LGA staff, these kinds of imbalances can make people think there is favoritism, lower the spirits of those who were not getting as many rewards, and cause long-term staff dissatisfaction. The results highlight that management needs to re-evaluate how they decide who gets rewards and put in place systems that are more open, fair, and based on performance. These findings corroborate with [Mwaimu, \(2023\)](#) & [Anklam et al. \(2022\)](#) who noted that fair rewards to the employees promotes employees' performance. This could make sure that all LGAs staff regardless of their gender or age, have the same chances to benefit from the Institutions' rewards, which can boost motivation, performance, and overall teamwork in studied Institutions.

Effect of rewards on LGA Staff Performance

Giving employees rewards led to noticeable improvements. They were more punctual, missed work less often, and finished their tasks more frequently than staff who did not get rewards. The findings indicate that both financial and other types of rewards encouraged employees to feel more responsible and dedicated to their jobs. More than 70% of those who regularly received rewards were absent, less arrived on time more often, and were more productive in different departments. These employees also said they were happier and more motivated at work. This suggests that a good reward system not only helps staff perform better but also makes the whole organization work more efficiently. Overall, the findings emphasize how important rewards were influencing staff behavior and encouraging positive results, even in public sector workplaces like Temeke, Kigamboni, Ilala, Ubungo, Morogoro, Kinondoni Municipal Councils. The data are summarized in Table 3.

Table 3. Responses on the influence of incentives on Staff Performance

S/No	Category of respondents	Monetary Incentives not effective in promoting Employees' Performance	Monetary Incentives were effective in promoting employee's performance	Total No. of respondents
1	Directors N=6	2(37.5%)	4(62.5%)	6(100%)
2	Head of Human Resource and Administration Department	00	6(100%)	6(100%)
3	Head of Departments N = 12	2(16.7%)	10(83.3%)	12(100%)
4	Local Government staff = 76	38(50%)	38(50%)	76(100%)
5	Total No. of responses	42(42%)	58(58%)	100(100%)

Source: Field data, July, 2026.

Response on Staff preference on rewards in Local Government Authorities

To enhance employee performance, this research investigated the preferred reward structure among staff in Local Governments in Dar Es Salaam Region and Morogoro Regions, in particular, Temeke, Kigamboni, Ilala, Ubungo, and Morogogoro Municipal Councils. The study results indicated that most participants 55(55%) favored a combined incentive approach, integrating both financial and non-financial rewards. This implies that employees acknowledge the synergistic effect of financial motivation and non-financial factors, such as acknowledgement, adaptable work arrangements, and skill-building opportunities, on their job contentment and productivity. Roughly 30 (30%) of the participants preferred financial incentives only. These staff emphasized the importance of concrete benefits, like pay raises, bonuses, and stipends, in motivating them to achieve or surpass performance goals. For this group, the findings were corroborated by [Thirupathy, & Dhayalan \(2016\)](#) [Ganeshu et al. \(2024\)](#) who noted that financial stability remains a key motivator in their professional endeavors and dedication.

Simultaneously, 15 (15%) of respondents favored non-financial incentives exclusively. These individuals placed a high value on intrinsic rewards, such as recognition from superiors, opportunities for professional advancement, work independence, and a positive workplace atmosphere. The existence of this group underscores that, while financial incentives are important, a considerable portion of the workforce responds more favorably to intangible forms of rewards. This highlights the necessity for Temeke, Kigamboni, Ilala, Ubungo, and Morogogoro Municipal Councils' management to implement a balanced reward program that addresses the varied motivational factors among its workforce.

CONCLUSION AND RECOMMENDATIONS

This research examined how financial and non-financial rewards impacted LGA staff performance at the Temeke, Kigamboni, Ilala, Ubungo, and Morogogoro, Kinondoni Municipal Councils. The results showed that both kinds of rewards had a notable effect on employee motivation, output, and job fulfillment. Financial rewards like raises, benefits, and additional payments were generally considered effective motivators, especially when given justly and regularly. However, non-financial rewards such as acknowledgement, advancement possibilities, and adaptable work settings also significantly impacted employee spirits and involvement. While these

rewards had positive effects, the study also found key weaknesses in how they were designed and given out. Many employees were unhappy with the existing reward system, pointing to inconsistent distribution, bias, and a lack of openness. Furthermore, differences in access to rewards based on demographics, and a failure to connect financial and non-financial rewards, reduced the overall effectiveness of the system. The research therefore concludes that while rewards do improve performance, their effect is greatest when they are well-organized, fairly allocated, and strategically combined.

Based on the study's results, this paper suggests several key actions to improve how reward systems work at Kinondoni, Temeke, Kigamboni, Ilala, Ubungo, and Morogogoro Municipal Councils and similar government Institutions throughout Tanzania. First, the councils under investigation should use a combination of financial and non-financial rewards. This mixed approach caters to the different things that motivate employees, using both external motivators like bonuses and internal motivators like acknowledgement and chances for advancement. This balanced system is more likely to keep employees engaged and boost their performance over time.

This paper's findings indicate that in order to make sure rewards are fair and consistent, it is important to create clear rules and timelines for giving out rewards. The findings of this study help reduce inconsistencies and feelings of bias, which were found to be discouraging and demoralizing local government staff. Using automated systems to keep track of incentives can make things more transparent and accountable, streamlining the process and cutting down on administrative delays. Additionally, local government executive directors and heads of department should be open about how rewards are given out by clearly explaining the criteria and reasons behind them. The findings are supported by [Rosenbloom \(2015\)](#) and [Schawbel, \(2018\)](#) noted that involving employees in setting goals and evaluation standards can build trust and encourage them to be more involved in the organization's aims.

Fairness is another crucial aspect to focus on the municipal councils need to monitor any differences on how incentives are given to different groups of people to ensure that all local government staff regardless of gender, age, or department have equal chances to benefit from incentive programs. Moreover, strategically incorporating non-financial rewards like training, employee recognition programs, and career development should be a priority, especially when money is tight. To keep the incentive system useful and effective, regular reviews and feedback should be

implemented, allowing for continuous improvement based on employee input and performance results. The findings suggest that it is important to build the skills of managers. Training department heads and supervisors in performance management and incentive planning to ensure that leadership at all levels supports and aligns with the incentive system, fostering a culture of motivation and excellent performance throughout the organization.

This paper focused on financial and non-financial rewards in local governments. The study findings established that staff who were rewarded improved their performance. This implies that staff performance in LGAS is positively impacted by Motivation measures established in the LGAs. This study opens several avenues for future research aimed at further strengthening motivation for local government staff. One potential area is an investigation into the recognition aspects of workplace activities, including how certificate of appreciation affects employee performance in local governments in Tanzania. Another area is to explore the economic impact of investing in advanced motivation and incentives, comparing motivation outcomes across government institutions, as well as the improving local government staff performance in local government.

■ DECLARATIONS

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Data availability

The datasets used and/or analysed during the current study are available from the corresponding author on reasonable request.

Authors' contributions

The authors collected, analyzed and discussed the findings of the entire manuscript.

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Competing interests

The author has no competing interests

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