



Received: 19-11-2025
Accepted: 29-12-2025

ISSN: 2583-049X

Assessing the Effectiveness of Performance-Based Incentives on Employee Motivation: A Case Study of Kitwe City Council

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Abstract

This study assesses the effectiveness of Performance-Based Incentives (PBIs) on employee motivation at Kitwe City Council (KCC), Zambia. A descriptive case study design was employed, utilizing a structured questionnaire administered to 50 randomly selected employees. The data were analyzed using descriptive statistics and thematic analysis. The findings reveal that while PBIs such as flexible work schedules (61.7%), professional development opportunities (53.2%), and monetary bonuses (46.8%) are available, their impact is significantly undermined by implementation challenges. Key among these are managerial bias and favoritism (reported by 55.1% of respondents), lack of employee involvement (53.1%), and poor communication (49%). Furthermore, the study found a divided perception of

fairness, with 38% of employees viewing the incentive system as unfair or very unfair. The effectiveness of PBIs was rated low, with only 36% of respondents finding them effective or very effective, and 26% finding them not effective at all. The study concludes that the potential of PBIs to enhance motivation at KCC is constrained by systemic issues of transparency, fairness, and inconsistent implementation. It is recommended that the Council prioritizes transparent communication, involves employees in incentive design, ensures timely and consistent reward distribution, and combats managerial favoritism to harness the full motivational potential of its performance-based incentive system.

Keywords: Performance-Based Incentives, Employee Motivation, Public Sector, Kitwe City Council, Incentive Implementation

1. Introduction

The global paradigm of public sector management has increasingly pivoted towards performance-oriented reforms, with Performance-Based Incentives (PBIs) emerging as a predominant mechanism to catalyze efficiency and accountability. Grounded in principal-agent theory, which seeks to align the interests of employees (agents) with organizational goals (principals), PBIs are premised on the notion that tangible rewards for measurable outputs can overcome bureaucratic inertia (OECD, 2021). The efficacy of this approach is well-documented in certain contexts; for instance, the International Monetary Fund (2022) [19] records significant gains in tax compliance in Rwanda and Nigeria following the strategic incentivization of frontline staff. Similarly, meta-analyses of public sector reforms in developing economies suggest that well-structured incentive regimes can reduce absenteeism by 15-20% and directly enhance service quality metrics (World Bank, 2023). However, this mechanistic, principal-agent view often overlooks the complex tapestry of motivational drivers, particularly the intrinsic public service motivation that characterizes many government employees, and the profound influence of localized administrative cultures on the implementation of such technocratic solutions.

Within the Zambian socio-economic landscape, the application of these global models encounters a unique set of structural and cultural constraints that potentially mediate their effectiveness. Municipalities like the Kitwe City Council (KCC) operate under acute fiscal duress, with budget deficits averaging 40% and wage bills consuming over 65% of available resources, thereby crippling operational capacity and creating an environment where incentives are both critically needed and notoriously difficult to fund sustainably (KCC Annual Report, 2022; Ministry of Local Government, 2021 [31]). This fiscal reality is compounded by a hierarchical administrative culture where seniority often trumps merit, a factor that can severely dilute the perceived fairness and impact of performance-linked rewards (Mwape & Sitali, 2021) [36]. The result is a troubling dissonance: while PBIs such as the "Cash-for-Work" program are deployed, evidenced by the disbursement of K27.3 million to thousands

of beneficiaries (Chibwe *et al.*, 2025) [5], foundational service delivery metrics such as waste collection coverage at 45% and a 63% citizen dissatisfaction rate remain starkly negative (Zambia Institute for Policy Analysis, 2024) [45]. This suggests that the transfer of PBI frameworks into this context is not a neutral, technical process but one fraught with mediations that remain poorly understood.

Consequently, this study positions itself to address a critical lacuna in the extant literature. While significant research has been devoted to PBIs in sectors like health and education, their operation within the complex, multifunctional arena of Zambian municipal administration is profoundly understudied. The pivotal research gap is not merely whether PBIs exist at KCC, but how the specificities of Zambia's institutional environment its fiscal constraints, its political-administrative traditions, and its workforce's motivational calculus shape their operationalization and ultimate efficacy. By interrogating the relationship between PBIs and employee motivation at KCC, this investigation moves beyond a simplistic assessment of presence or absence towards a nuanced analysis of implementation and perception. Its findings are intended to provide a critical, evidence-based foundation for re-calibrating incentive systems in a manner that is not only fiscally prudent but also culturally resonant and motivationally robust, thereby contributing to both local policy reform and the broader theoretical understanding of public management in developing economies.

1.1 Objectives

1.1.1 General Objective

To assess the effectiveness of performance-based incentives on employee motivation and service delivery at Kitwe City Council.

1.1.2 Specific Objectives

1. To identify the relationship between performance-based incentives and employee motivation at Kitwe City Council.
2. To examine the effectiveness of performance-based incentives on employee motivation at Kitwe City Council.
3. To establish the challenges associated with implementing performance-based incentives at Kitwe City Council.

1.2 Conceptual Framework

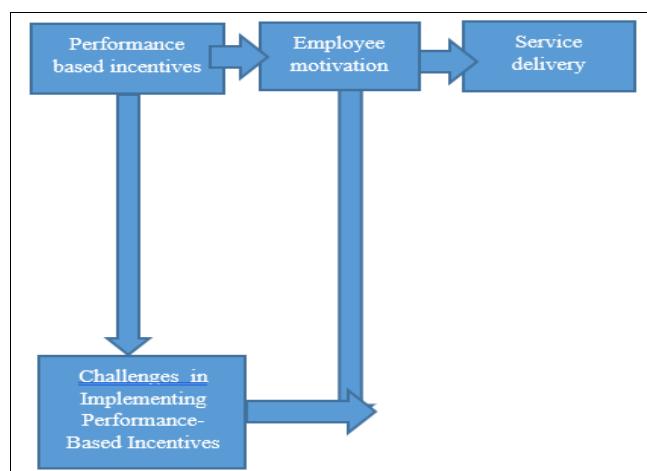


Fig 1.1: Conceptual framework

The conceptual framework for this study posits performance-based incentives as the independent variable influencing the dependent variable of service delivery through the critical mediating mechanism of employee motivation, whereby financial and non-financial rewards are designed to enhance workforce engagement and productivity, thereby improving public service outcomes; however, this theoretical relationship is critically moderated by implementation challenges including budgetary constraints, biased evaluations, and opaque reward distribution which can sever the connection between incentives and motivation, ultimately undermining service delivery and highlighting the necessity of strategic management interventions to ensure the incentive system achieves its intended organizational impact.

2. Literature Review

2.1 Relationship between Performance-Based Incentives and Employee Motivation

Globally, the discourse on Performance-Based Incentives (PBIs) reveals a complex and often context-dependent relationship with employee motivation, challenging simplistic principal-agent applications. Meta-analyses and multi-country studies consistently demonstrate that while financial incentives can drive specific, measurable outputs such as a 27% improvement in project completion in European tech firms (Stolovich, 2024) or an 86% increase in loans to women-owned businesses in Latin America (Yañez-Pagans *et al.*, 2025) their ability to foster sustained motivation and intrinsic engagement is limited. The efficacy of PBIs is profoundly mediated by cultural and sectoral variables. In collectivist Asian cultures, for instance, transformational leadership and relational trust often supersede monetary rewards as motivational drivers (Liu & Liu, 2022; Manzoor *et al.*, 2021) [27, 28], whereas in individualistic, high-skilled sectors, non-monetary incentives like career advancement and public recognition can yield performance boosts of up to 44% (Stolovich, 2024). Furthermore, hybrid models that blend monetary and non-monetary elements, such as Japan's "ikigai" frameworks (Mercer, 2025) [30] or Australia's hyper-personalized EVPs (Deloitte, 2025) [10], are increasingly shown to be most effective. However, a persistent critique across global literature is the risk of "cream-skimming" and the diversion of effort away from non-incentivized tasks, highlighting that poorly designed PBIs can undermine holistic service quality and ethical workplace behavior (Dieleman *et al.*, 2021; Clark *et al.*, 2022) [11, 7].

Within the African regional context, the implementation of PBIs is further complicated by systemic challenges including fiscal instability, infrastructural deficits, and a tension between donor-driven metrics and local realities. Research from Ghana, Rwanda, and Burkina Faso indicates that while health workers value financial stipends, the long-term motivational potential of PBIs is frequently undermined by delayed disbursements and perceptions of inequity (Sakeah, 2023 [41]; Ridde *et al.*, 2021). Non-financial incentives, such as community recognition, training opportunities, and improved working conditions, are often cited as more sustainable and culturally resonant motivators, as evidenced by a 15-20% improvement in service delivery outcomes without negative trade-offs (Dieleman *et al.*, 2021 [11]; Mabaso & Mathebula, 2025). Structural equation modeling in Morocco's public sector

corroborates this, finding that autonomy, competence, and transparent HR policies amplify PBI effectiveness more than extrinsic rewards alone (Elamalki, Kaddar & Beniich, 2024) [13]. A critical regional challenge is the exacerbation of the "Matthew effect," where PBIs disproportionately benefit well-resourced urban facilities over understaffed rural counterparts, thereby deepening existing inequities (Mutasa *et al.*, 2021 [35]; Brookings Institution, 2025). Consequently, scholars increasingly advocate for participatory design and tiered incentive models that are co-developed with frontline workers to ensure alignment with local priorities and structural realities (Davis *et al.*, 2024) [9].

Focusing on Zambia, the literature reveals a nascent but critical body of evidence pointing to a significant disconnect between PBI objectives and outcomes, particularly within municipal administrations. Foundational studies in the health sector, such as Shen *et al.*'s (2017) evaluation of Performance-Based Financing, found that while PBIs increased job satisfaction by 19%, they left intrinsic motivation driven by professional dedication unaffected, failing to address deeper systemic issues like understaffing and resource shortages. This dichotomy is mirrored in local government initiatives like Kitwe City Council's "Cash-for-Work" program, which, despite disbursing significant funds, showed limited evidence of sustaining long-term motivation or skill development (Kitwe City Council, 2025) [23]. The Zambian context is characterized by a reliance on donor-driven metrics that often prioritize quantifiable targets over community-defined needs, leading to "cream-skimming" where vulnerable populations remain underserved (Dieleman *et al.*, 2021) [11]. Moreover, studies highlight that opaque evaluation criteria, inconsistent disbursement, and a hierarchical workplace culture that prioritizes seniority over merit severely erode trust in incentive systems (Mwape & Sitali, 2021; Mbukwana & Ayandibu, 2023) [36, 29]. This collective evidence underscores that for PBIs to be effective in Zambia, they must be embedded within broader systemic reforms that ensure transparency, align with intrinsic values, and are designed through participatory processes to be both fiscally prudent and motivationally robust.

2.2 Effectiveness of performance-based incentives on employee motivation

The global evidence on the effectiveness of Performance-Based Incentives (PBIs) reveals a landscape of significant but often paradoxical outcomes, characterized by a recurring trade-off between quantifiable efficiency and holistic quality. Studies from Europe and North America demonstrate that while PBIs can drive substantial gains in specific metrics such as a 27% improvement in project timeliness in German tech firms or a 22% acceleration in curriculum delivery in Chile's education sector (Stolovich, 2024; World Bank, 2025) these gains frequently come with unintended consequences. In healthcare, PBIs tied to patient satisfaction in Canada reduced administrative delays by 19% but led to "cream-skimming," where complex cases were deprioritized (Clark *et al.*, 2023) [6]. Similarly, in the gig economy, incentives for on-time deliveries reduced wait times by 9 minutes but increased accident rates by 21% as riders bypassed safety protocols (OECD, 2025) [37]. These findings underscore a critical limitation: narrowly designed, output-focused PBIs often improve targeted metrics at the expense of ethical standards, equitable service, and

employee well-being, leading to phenomena like "diagnostic inflation" in Indonesia and rushed diagnostics in Swedish hospitals (Lundström *et al.*, 2023). The efficacy is further mediated by sector; rigid public sector bureaucracies often show marginal quality improvements of 4-6% compared to the private sector, highlighting that the implementation environment is as crucial as the incentive design itself.

In the African and Asian contexts, the effectiveness of PBIs is further complicated by profound structural and cultural factors that mediate their impact. A systematic review of community health workers in low-income countries found that non-financial incentives, such as public recognition, improved service delivery by 23% without diverting effort, whereas large financial rewards often led to the neglect of non-incentivized tasks like patient education (Dieleman *et al.*, 2021) [11]. This pattern is consistent across the continent; in Ghana, hybrid incentives improved antenatal care coverage by 23%, but delays in stipend disbursement eroded trust (Sakeah, 2023) [41], and in Malawi, PBIs improved equipment availability but had no significant impact on health workers' intrinsic motivation. The critique of "donor-driven metrics" is prominent, with PBIs in Rwanda and Zimbabwe exacerbating the "Matthew effect," where well-resourced urban facilities secured more bonuses, deepening rural-urban disparities (Mutasa *et al.*, 2021; Dieleman *et al.*, 2025) [35, 12]. In Asia, cultural norms significantly shape effectiveness; in China, transformational leadership proved more impactful than monetary rewards (Liu & Liu, 2022) [27], while in Malaysia, "Choose Your Workweek" policies boosted retention by aligning incentives with personal circumstances (Tehseen & Hadi, 2021). These regional studies collectively argue that effective PBIs must be hybridized, culturally resonant, and integrated with systemic support to avoid undermining intrinsic motivation and perpetuating inequity.

Focusing on Zambia, the literature paints a picture of an incentive system whose effectiveness is severely constrained by systemic inefficiencies and a fundamental misalignment with employee motivational drivers. Foundational health sector studies, such as Shen *et al.* (2017), found that Performance-Based Financing increased job satisfaction by 19% but failed to affect the intrinsic motivation rooted in professional dedication, a finding echoed in later studies of government agencies (Kanenge & Mwanza, 2023) [21]. This points to a critical disconnect: PBIs can improve transactional engagement but do not address the deeper systemic issues such as understaffing, inadequate equipment, and poor supervision that fundamentally undermine morale. This is starkly visible in municipal programs like Kitwe City Council's "Cash-for-Work," which provided short-term financial relief but created dependency without fostering long-term skills or motivation (Chibwe *et al.*, 2025) [5]. The Zambian experience demonstrates that where PBIs are applied as a technical fix without complementary investments in public sector capacity and where opaque criteria and inconsistent disbursement erode trust (Mbukwana & Ayandibu, 2023) [29], their effectiveness remains limited to narrow, often unsustainable output gains. For PBIs to be truly effective in the Zambian context, they must be part of a broader, systemic reform that ensures transparency, fosters participatory design, and balances extrinsic rewards with the intrinsic motivators that consistently drive the public service workforce.

2.3 Challenges Associated with Implementing Performance-Based Incentives

Globally, the implementation of Performance-Based Incentives (PBIs) is fraught with challenges that often undermine their theoretical benefits, centering on design misalignment, administrative burdens, and significant unintended consequences. A primary issue is the frequent disconnect between standardized incentive frameworks and localized workplace cultures and values. For instance, in Scandinavian countries, 52% of Norwegian employees viewed individualized bonuses as "unfair" due to cultural norms favoring wage equality (McKinsey & Company, 2021), while in Asian contexts like India and Vietnam, PBIs tied to quantitative metrics clashed with collectivist values, leading to perceptions of unfairness and a 22% rise in workplace conflicts (Joshi & Kumar, 2023 [20]; Nguyen *et al.*, 2022). Furthermore, administrative complexity poses a major barrier; a study of 89 Italian public sector organizations found that 68% struggled with the "time-intensive" tracking of performance metrics, with 41% abandoning quarterly incentives due to cost overruns (Belle & Cantarelli, 2022) [2]. This is compounded by unintended behavioral consequences, where a systematic review of South American healthcare systems found financial incentives boosted targeted vaccination rates by 27% but reduced effort in non-incentivized tasks like patient education by 14% (Whitley *et al.*, 2021). Similarly, in Germany, incentive-driven sales teams prioritized commissions over safety, leading to a 21% rise in workplace incidents (Hackenbrack and Nelson, 2022) [17]. These global findings consistently highlight a tension between mechanistic efficiency gains and the preservation of equity, trust, and holistic performance.

In the African regional context, these universal challenges are exacerbated by profound structural inequities, resource constraints, and issues of sustainability. A multi-country study across the DRC, Nigeria, Senegal, and Uganda found that while financial incentives like hazard pay improved health worker retention by 22%, disparities in access led to resentment, with 41% of rural workers reporting exclusion compared to urban counterparts (PMC, 2024). The implementation of PBIs is often hampered by inadequate infrastructure, as seen in Guinea-Bissau and Rwanda, where a lack of standardized tracking systems led to inconsistent reward distribution and administrative costs that were 40% higher in rural areas (Fracchia *et al.*, 2019 [16]; Witter *et al.*, 2021). This frequently perpetuates a "Matthew effect," where well-resourced urban facilities consistently outperform and out-earn their understaffed rural counterparts, thereby deepening existing inequalities (Shapira *et al.*, 2018). Beyond equity, sustainability remains a critical concern; a systematic review found that large financial incentives in low-income African countries initially boosted productivity by 34% but led to a 19% decline in non-incentivized tasks within two years, creating a dependency on external rewards that undermines intrinsic motivation (PMC, 2021) [40]. These systemic challenges are compounded by rigid bureaucratic structures, as seen in Botswana and South Africa, where excessive paperwork and opaque evaluation criteria were identified as key demotivators (Bester and Hofisi, 2020; Sibonde and Dassah, 2021) [3, 42].

Within Zambia, the challenges of implementing PBIs reflect

a confluence of these global and regional issues, further complicated by economic volatility and a specific socio-cultural workplace environment. Studies on the mining sector, a critical part of the Zambian economy, reveal systemic issues such as wage stagnation despite soaring commodity prices, with real wages for workers at Mopani Copper Mines declining by 12% between 2010 and 2020 (Mutale *et al.*, 2022) [34]. Administrative inefficiencies are rife, with 48% of workers in one study reporting delayed bonus payments due to bureaucratic bottlenecks, severely eroding trust in the incentive system (Zambian Digest, 2024) [46]. These operational failures are set against a backdrop of economic precarity, where Zambia's over-reliance on copper exports means global price shocks directly undermine the financial sustainability of any PBI program (Phiri, 2014) [39]. Perhaps most critically, the effectiveness of PBIs is hindered by a hierarchical workplace culture that often privileges seniority over merit; one study found 67% of supervisors in the mining sector resisted merit-based promotions (Mutale *et al.*, 2022) [34]. This cultural barrier aligns with findings from the health sector, where PBIs improved clinic attendance but had no impact on intrinsic motivation, as health workers remained driven more by professional ethics than financial rewards (MoH, 2020) [32]. Collectively, the Zambian evidence illustrates that without addressing these deep-rooted structural, administrative, and cultural barriers, PBIs will continue to face an uphill battle, failing to achieve their potential to motivate employees and improve service delivery sustainably.

2.4 Literature Gap

Despite a substantial body of global and regional research on Performance-Based Incentives (PBIs), a critical empirical gap persists regarding their holistic effectiveness and implementation within the specific context of Zambian municipal administrations. While extensive studies exist on PBIs in healthcare and education sectors in Zambia (e.g., Shen *et al.*, 2017; Mulenga *et al.*, 2023), and regional African literature thoroughly documents challenges like administrative burdens (Belle & Cantarelli, 2022) [2] and urban-rural disparities (Shapira *et al.*, 2018), there is a conspicuous lack of focused research on how these incentives operate within the multifunctional, politically nuanced, and fiscally strained environment of a city council like Kitwe. Existing studies often highlight the symptoms of PBI failure such as low staff morale and poor service delivery but fail to comprehensively investigate the interconnected causal mechanisms, including the pervasive influence of managerial favoritism, the clash between merit-based incentives and a seniority-driven organizational culture (Mutale *et al.*, 2022) [34], and the practical feasibility of implementing hybrid incentive models amidst severe budget deficits. Furthermore, the literature underrepresents the voices of municipal employees themselves in co-designing incentive frameworks, and there is insufficient empirical analysis that simultaneously evaluates the relationship between PBI design, employee perceptions of fairness, intrinsic motivation, and tangible service delivery outcomes in this specific Zambian urban governance context. This gap leaves policymakers without a validated, context-sensitive blueprint for reforming PBI systems to effectively enhance both workforce motivation and public service efficacy in Zambia's local authorities.

3. Research Design

A descriptive case study design was adopted to explore the complex dynamics of performance-based incentives within the real-life context of Kitwe City Council, providing comprehensive and contextualized insights (Yin, 2018) [44].

3.1 Target Population

The study focused on 500 employees eligible for performance-based incentives at Kitwe City Council, ensuring findings were grounded in direct, relevant experiences (Kumar, 2019) [25].

3.2 Sampling Design

Simple random sampling was used to select 50 participants, minimizing selection bias and enhancing representativeness of the eligible population (Etikan *et al.*, 2016) [14].

3.3 Sample Size Determination

A sample of 50 employees was deemed adequate for this case study, balancing depth of investigation with practical logistical constraints (Kumar, 2019) [25].

3.4 Data Collection Methods

Primary data were collected through structured questionnaires, supplemented by secondary documents from KCC, with a pilot test enhancing instrument reliability (Kothari, 2014) [24].

3.5 Data Analysis

Data were analyzed using descriptive and inferential statistics in STATA to identify trends and explore relationships between variables (Pallant, 2020) [38].

3.6 Triangulation

Triangulation strengthened validity by cross-verifying questionnaire responses with secondary KCC documents (Flick, 2018) [15].

3.7 Limitations

The study's limitations included a small sample size restricting generalizability and potential response bias from self-reported data (Creswell, 2014) [8].

3.8 Ethical Considerations

Ethical integrity was maintained through voluntary participation, informed consent, and guaranteed confidentiality and anonymity (Bryman, 2016) [4].

4. Findings and Results

4.1 Characteristics of Respondents (Bio Data)

The study captured a demographically diverse sample of Kitwe City Council employees, with ages ranging from 22 to 59 years (mean = 39.38 years) and a relatively balanced gender distribution (50% female, 42% male, 8% undisclosed). Education levels were notably high, with 34% holding Bachelor's degrees, 32% Diplomas, and 30% Master's degrees, while positions spanned the organizational hierarchy from Technicians (22%) and Supervisors (20%) to Managers (10%) and Coordinators (8%). Work experience varied widely from 1 to 25 years (mean = 10.72 years), and a Pearson Chi-square test ($\chi^2 = 57.47$, $p = 0.458$) confirmed no significant association between years of service and education level, indicating that qualifications were evenly distributed across tenure groups and providing a

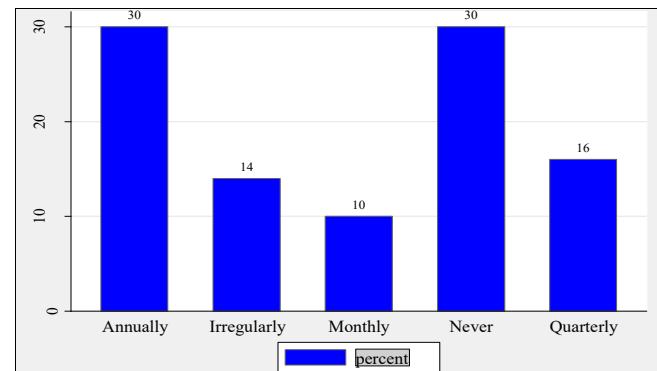
comprehensive foundation for assessing perceptions of performance-based incentives across different career stages and organizational roles.

4.2 Relationship between Performance-Based Incentives and Employee Motivation

Table 1: Available Incentives

Incentive Category	Freq.	(%)
Flexible work schedules	29	61.70
Monetary bonuses	22	46.81
Professional development opportunities	25	53.19
Recognition awards	18	38.39
Promotions	11	23.40
Total	47	100.00

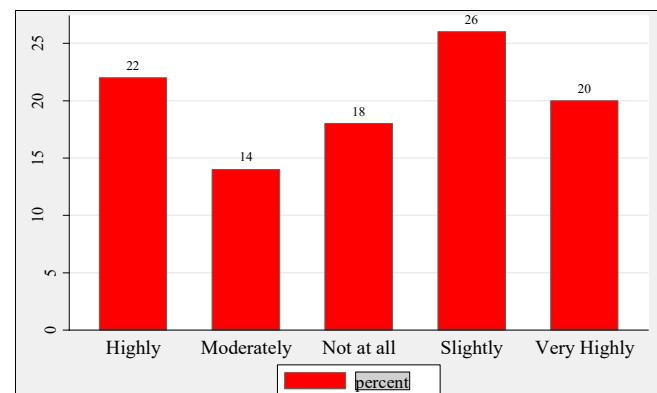
The findings show that the most common performance-based incentive was flexible work schedules (61.7%), followed by professional development opportunities (53.2%) and monetary bonuses (46.8%). Recognition awards (38.3%) and promotions (23.4%) were also noted. Overall, flexibility and growth opportunities emerged as the main motivators at Kitwe City Council.



Source: Primary Data 2025

Fig 1: Incentive Frequency

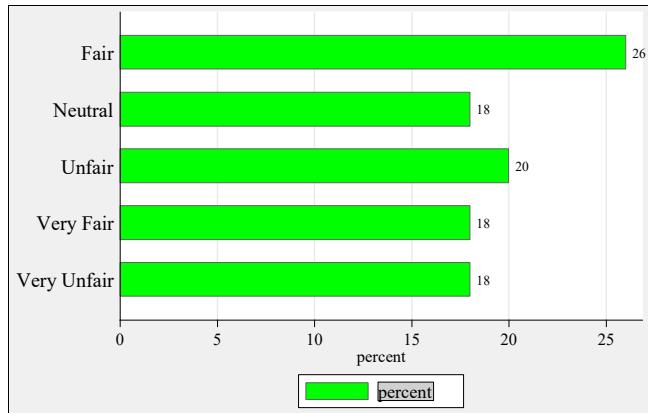
The results show that 30% of respondents received performance-based incentives annually, while another 30% never received any. Additionally, 16% received them quarterly, 14% irregularly, and 10% monthly. This uneven distribution indicates inconsistency in incentive provision at Kitwe City Council, potentially affecting employee motivation and perceptions of fairness.



Source: Primary Data 2025

Fig 2: Motivation Influence

The findings indicate varied effects of performance-based incentives on motivation. About 20% of respondents were very highly motivated, 22% highly motivated, 14% moderately motivated, and 26% slightly motivated. However, 18% reported no motivation at all.



Source: Primary Data 2025

Fig 3: Incentive fairness

Respondents expressed mixed views on the fairness of performance-based incentives at Kitwe City Council. About 26% considered them fair and 18% very fair, while 20% viewed them as unfair and another 18% as very unfair. Additionally, 18% were neutral.

Table 2: Response to Incentives

Response to Incentives	Freq.	%
Higher job satisfaction	7	14%
Improved punctuality and attendance	11	22%
Increased work effort	14	28%
No change in work behavior	9	18%
Stronger team collaboration	9	18%
Total	50	100%

The findings show varied employee responses to performance-based incentives at Kitwe City Council. Increased work effort was the most common outcome (28%), followed by improved punctuality and attendance (22%) and higher job satisfaction (14%). Meanwhile, 18% reported no change, and another 18% noted stronger team collaboration. Overall, incentives positively affected some behaviors, though many employees experienced little or no impact.

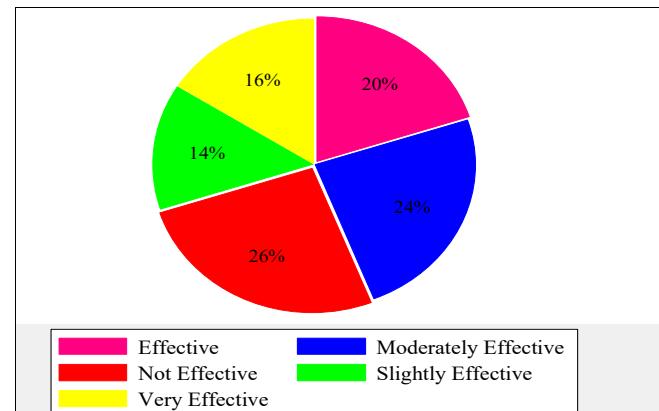
Table 3: Table for open feedback on motivation

Open Feedback on Motivation	Freq.	(%)
Honestly, I don't see a big impact, management needs to improve how they're used.	7	14%
Incentives boost my morale and make me feel valued	5	10%
It depends on how fair and regular the incentives are.	7	14%
Recognition awards have encouraged me to engage more with my team	8	16%
Sometimes they work, but inconsistency makes it hard to stay focused.	5	10%
They give me something to look forward to and reduce my burnout.	2	4%
They have improved my punctuality and dedication to work	3	6%
They motivate me to put in extra effort, especially during tight deadlines	4	8%
They play a minor role-job security and salary matter	4	8%

more to me.		
When incentives are clear, they really motivate me. Otherwise, it's just confusion.	5	10%
Total	50	100%

Open-ended feedback showed varied perceptions of incentives' impact on motivation at Kitwe City Council. About 16% said recognition awards improved teamwork, while 14% felt incentives had no impact, highlighting the need for better implementation. Another 14% stressed fairness and consistency, and 10% said incentives boosted morale and made them feel valued. However, inconsistency (10%) and lack of clarity (10%) were noted as barriers. Smaller proportions mentioned improved punctuality (6%), greater effort during deadlines (8%), and reduced burnout (4%). Meanwhile, 8% viewed incentives as less important than job security or salary.

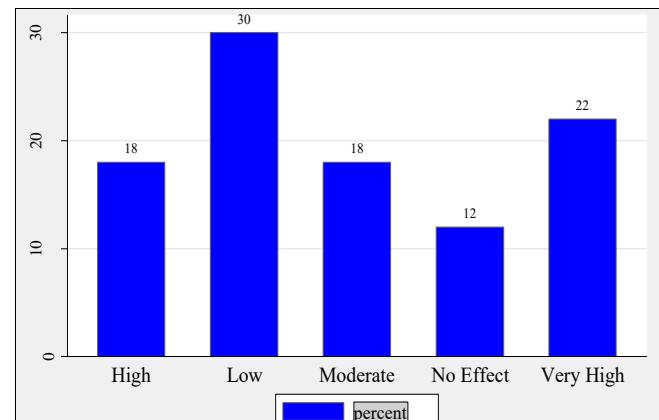
4.3 The effectiveness of performance-based incentives on employee motivation at Kitwe City Council



Source: Primary Data 2025

Fig 4: Incentive effectiveness

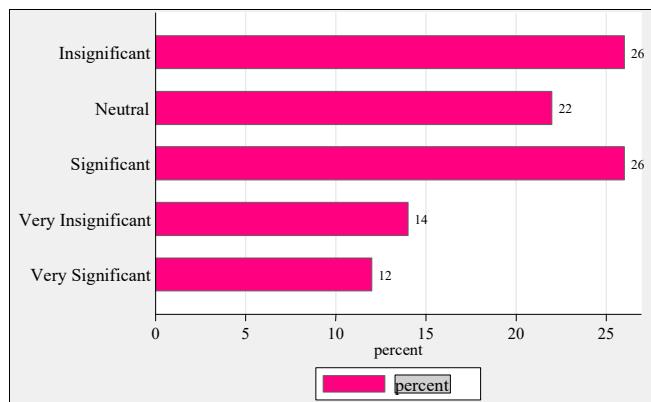
The results show mixed views on the effectiveness of performance-based incentives at Kitwe City Council. About 16% rated them as very effective and 20% as effective, while 24% found them moderately effective and 14% slightly effective. However, 26% believed they were not effective at all. Overall, while some employees see value in the incentives, many doubt their impact, suggesting a need to strengthen the design and implementation of incentive programs.



Source: Primary Data 2025

Fig 5: Job satisfaction

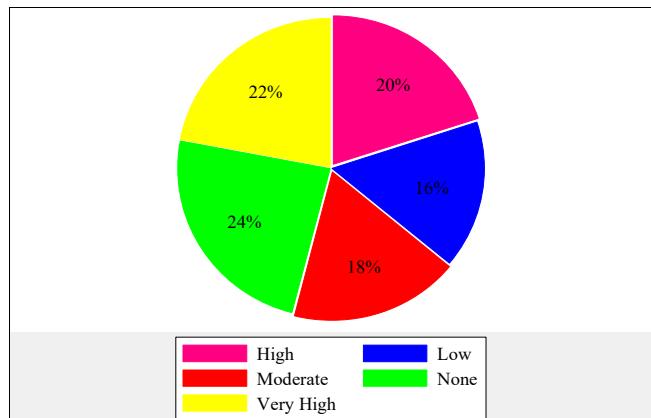
The findings reveal mixed levels of job satisfaction linked to performance-based incentives at Kitwe City Council. About 22% of employees reported very high satisfaction and 18% high satisfaction, while 18% felt moderately satisfied. However, 30% experienced low satisfaction, and 12% said incentives had no effect.



Source: Primary Data 2025

Fig 6: Retention impact

The results show mixed perceptions of how performance-based incentives affect employee retention at Kitwe City Council. Among 50 respondents, 26% viewed the impact as significant and another 26% as insignificant. Additionally, 22% were neutral, 14% rated the impact as very insignificant, and only 12% considered it very significant.



Source: Primary Data 2025

Fig 7: Team morale impact

The findings show varied perceptions of how performance-based incentives affect team morale at Kitwe City Council. Overall, 42% of respondents viewed the impact positively 20% rated it as high and 22% as very high while 18% saw it as moderate. However, 24% reported no impact, and 16% rated the effect as low.

Table 4: Categorized Suggested Ways to Improve Incentives

Category	Freq.	(%)
Communication & Awareness	9	18%
Fairness & Transparency	10	20%
Employee Involvement & Motivation	8	16%
Timeliness & Consistency	5	10%
Structure, Policy & Design	10	20.00%
Performance Management	8	16%
Total	50	100%

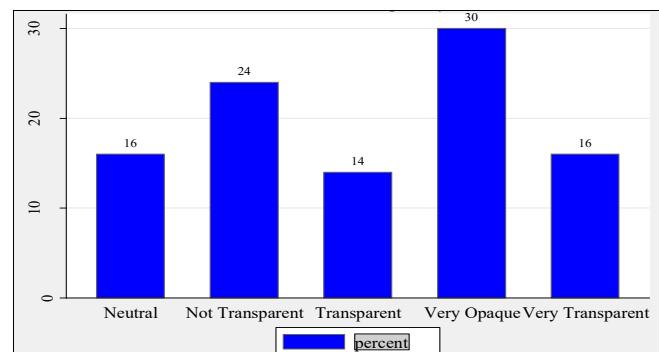
The findings highlight key areas for improving performance-based incentives at Kitwe City Council. Fairness and transparency were most cited (20%), followed by communication and awareness (18%). Employee involvement and motivation, along with performance management systems, each accounted for 16%, while timeliness, consistency, and alignment with policies and job roles made up 30%.

4.4 The challenges associated with implementing performance-based incentives at Kitwe City Council

Table 5: Challenges

Challenge Category	Freq.	Percent (%)
Inadequate funding	22	44.90
Managerial bias/favoritism	27	55.10
Poor communication	24	48.98
Lack of clear criteria	22	44.90
Lack of employee involvement	26	53.06

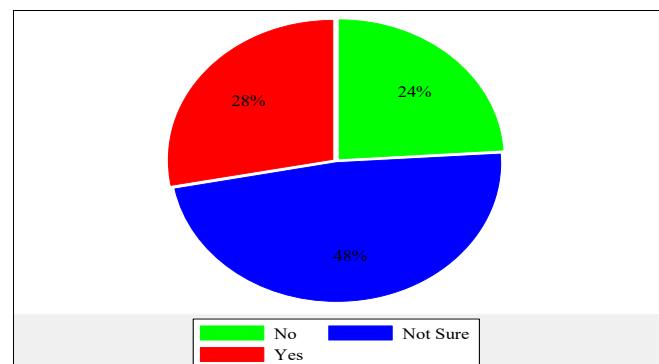
The main challenges in implementing performance-based incentives at Kitwe City Council were managerial bias/favoritism (55.1%), lack of employee involvement (53.1%), and poor communication (49%). Inadequate funding and unclear criteria affected about 45% of respondents each.



Source: Primary Data 2025

Fig 8: Evaluation transparency

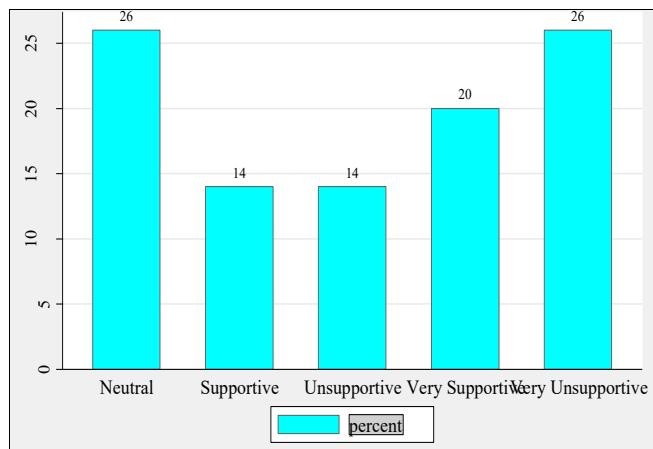
The findings indicate limited transparency in Kitwe City Council's incentive system. About 30% of respondents rated it as "Very Opaque" and 24% as "Not Transparent," while only 14% saw it as "Transparent" and 16% as "Very Transparent." Another 16% were neutral. Overall, this highlights that transparency in the incentive process remains a major concern.



Source: Primary Data 2025

Fig 9: Feedback mechanism

The findings reveal that most respondents (48%) were unsure if a feedback mechanism exists for performance-based incentives, while 24% said none exists. Only 28% confirmed a feedback system. This indicates a lack of clarity and communication about feedback structures, potentially limiting employee engagement and transparency in performance evaluations.



Source: Primary Data 2025

Fig 10: Management support

The findings show mixed perceptions of management support for performance-based incentives at Kitwe City Council. About 34% of respondents viewed management as supportive or very supportive, 40% considered it unsupportive or very unsupportive, and 26% were neutral. This indicates a divided sentiment, reflecting inconsistencies in how management support is experienced or communicated.

Table 6: Improvement suggestions

Improvement Suggestion	Freq.	(%)
Increase transparency and reduce favoritism	8	16%
Provide consistent and timely feedback	7	14%
Use performance reviews to inform incentive distribution	6	12%
Engage employees in designing incentive structures	5	10%
Ensure criteria for rewards are clear and measurable	5	10%
Simplify the process and avoid unnecessary bureaucracy	5	10%
Link incentives directly to department-level goals	4	8%
Train supervisors on fair evaluation practices	4	8%
Conduct quarterly reviews with staff to adjust strategies	3	6%
Create a mix of monetary and non-monetary incentives	3	6%
Total	50	100.00

The findings show that employees' top suggestions for improving performance-based incentives at Kitwe City Council focused on transparency and reducing favoritism (16%), followed by consistent and timely feedback (14%) and linking incentives to performance reviews (12%). Other recommendations, each cited by 10%, included employee involvement in incentive design, clear and measurable reward criteria, and simplifying bureaucratic processes. Additional suggestions included aligning incentives with departmental goals, training supervisors on fair evaluations, conducting quarterly reviews, and combining monetary and non-monetary rewards. Overall, these insights highlight

employees' desire for fairness, clarity, and inclusiveness in the incentive system.

4.5 Discussion of Research Findings

The discussion of findings reveals a complex relationship between performance-based incentives (PBIs) and employee motivation at Kitwe City Council, characterized by a disconnect between incentive availability and impactful implementation, which resonates strongly with global and regional literature. While the council employs a variety of incentives, including flexible work schedules (61.7%) and professional development (53.2%), their motivational impact is severely diluted by inconsistent distribution with 30% of employees never receiving incentives—and profound communication failures, as 52% of respondents reported unclear or non-existent communication of criteria. This implementation gap aligns with global critiques that poorly administered PBIs often fail to translate policy into practice (Stolovich & Keeps, 2019) and echoes regional findings from Ghana, where delays and opaque processes undermined incentive systems (Sakeah, 2023) [41]. The deeply divided perceptions of fairness, where 38% of KCC employees viewed incentives as unfair, directly reflect equity theory (Adams, 1965) [1] and mirror cultural challenges noted in Asian contexts, where collectivist values clash with individualistic reward systems (Joshi & Kumar, 2023) [20]. Furthermore, the mixed motivational outcomes with only 42% of employees reporting high or very high motivation support the assertions of Mwape and Sitali (2021) [36] that Zambian public sector culture, which often prioritizes seniority over merit, can dilute the motivational potential of PBIs. The significant emphasis employees placed on non-monetary incentives and recognition reinforces Dieleman *et al.*'s (2021) [11] systematic review findings that intrinsic motivators are crucial in public service contexts. Ultimately, the KCC case demonstrates that without transparent communication, consistent application, and perceived fairness, even well-intentioned incentive systems risk fostering cynicism rather than commitment, underscoring that effective PBI frameworks must be contextually adapted to overcome specific institutional and cultural barriers.

The assessment of performance-based incentives' effectiveness at Kitwe City Council reveals fundamentally mixed outcomes, where the theoretical potential of incentives is substantially undermined by implementation failures, creating a workforce divided in their perceptions. The finding that only 36% of employees rated PBIs as effective or very effective, while 40% perceived them as slightly or not effective at all, strongly aligns with the core principles of Vroom's (1964) [43] expectancy theory; the current system fails to establish a clear and believable nexus between individual effort, measurable performance, and meaningful reward, thereby severing the essential motivational linkage. This is further complicated by the job satisfaction outcomes, where nearly half of the employees reported low or no positive effect, corroborating Herzberg's (1966) [18] two-factor theory that incentives, while potential motivators, cannot compensate for deficient hygiene factors a reality reflected in the Zambian context where systemic issues like resource shortages and understaffing persist (Shen *et al.*, 2017). The ambiguous impact on retention and team morale, with significant proportions of the workforce viewing incentives as insignificant, underscores the pivotal

role of perceived fairness as outlined in Adams' (1965) [1] equity theory; employees' judgments of distributive and procedural justice critically determine whether an incentive system motivates or demoralizes. These findings resonate with broader critiques from the African public sector, where PBIs often yield inconsistent results due to similar flaws in transparency and consistency (Dieleman *et al.*, 2021; Sakeah, 2023) [11, 41]. Consequently, the employee-prescribed remedies calling for enhanced fairness (20%), better communication (18%), and consistent implementation (30%) are not merely operational tweaks but fundamental prerequisites for transforming the PBI framework from a source of divisiveness into a genuine catalyst for organizational performance.

The implementation of performance-based incentives at Kitwe City Council faces profound systemic challenges that fundamentally undermine their potential efficacy, with managerial bias and exclusionary practices emerging as the most corrosive barriers. The prevalence of managerial favoritism (55.1%), lack of employee involvement (53.1%), and poor communication (49%) creates a perfect storm of perceived inequity that directly contravenes the principles of Adams' (1965) [1] equity theory, explaining why incentive systems often demotivate rather than inspire. These findings align with Mwape and Sitali's (2021) [36] identification of hierarchical Zambian workplace cultures that privilege seniority over merit, while the transparency deficit where 54% of employees described evaluation processes as opaque mirrors global public sector research documenting how bureaucratic opacity breeds distrust (Belle & Cantarelli, 2022) [2]. The critical absence of functional feedback mechanisms, uncertain to 48% of employees and non-existent to 24%, exemplifies what Dieleman *et al.* (2021) [11] identify as a fundamental flaw in African public sector incentive systems: the failure to close the loop between performance assessment and organizational learning. The stark division in perceptions of management support, with 40% viewing leadership as unsupportive, reflects the implementation inconsistencies noted in OECD (2023) studies where variable supervisory engagement predicts PBI failure. Crucially, employees' own prescriptions for reform prioritizing transparency (16%), consistent feedback (14%), and participatory design (10%) directly counter the identified pathologies and echo successful hybrid models documented in South Korea's public administration (Lee *et al.*, 2024) [26] and Ghana's health sector (Sakeah, 2023) [41]. Collectively, these challenges reveal that technical incentive design matters less than the organizational ecosystem in which it operates, suggesting that sustainable reform requires addressing these foundational issues of governance, trust, and inclusion before performance-based systems can achieve their intended motivational impact.

5. Conclusion

This study conclusively demonstrates that the performance-based incentive (PBI) system at Kitwe City Council is fundamentally compromised, not by a lack of available incentives, but by profound systemic failures in its operational architecture. The mere presence of motivational tools like flexible work schedules (61.7%) and professional development opportunities (53.2%) is entirely negated by an implementation environment rife with inequity and opacity. The core finding is that the council's PBI framework is self-defeating; the widespread prevalence of managerial bias

(55.1%), the exclusion of employee voice in design (53.1%), and the catastrophic breakdown in communication (49%) actively cultivate a culture of distrust and perceived injustice. This directly erodes the very psychological foundations of motivation, as defined by equity and expectancy theories, transforming potential motivators into potent sources of demoralization. Consequently, the system yields wildly divergent and largely ineffective outcomes, with a significant portion of the workforce (44%) reporting low-to-no motivational impact, thereby crippling the council's capacity to harness its human capital for improved service delivery.

Ultimately, the evidence presents a clear and compelling verdict: the constrained effectiveness of PBIs at Kitwe City Council is a direct symptom of deeper institutional pathologies. The empirical data leaves no room for ambiguity: the challenges of opaque evaluations (54%), non-existent feedback loops, and inconsistent management support are not peripheral issues but are the primary determinants of the system's failure. The minimal positive outcomes observed among a minority of employees occur not because of the system, but in spite of it. Therefore, this study concludes that incremental adjustments are insufficient; enhancing motivation and performance is contingent upon a radical overhaul of the incentive governance structure. Sustainable success is irrevocably predicated on replacing the current culture of favoritism and secrecy with a new paradigm rooted in uncompromising transparency, genuine employee co-creation, and consistent, equitable execution. Without this foundational shift, any further investment in performance-based incentives will remain an exercise in futility.

6. Acknowledgement

The author expresses profound gratitude to Almighty God for divine guidance and strength in completing the research. Sincere appreciation is extended to supervisor Mr. Clement Katongo for his invaluable mentorship, and to university faculty for their academic support. The author also acknowledges family, friends, study mates, and brother Webster Chimeko for their unwavering encouragement throughout the research journey.

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