

# Influence of Monetary Remuneration on Workplace Performance among Technical and Vocational Education and Training (TVET) Graduates in Uganda Mineral Water Production Industry

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## Abstract

Skilled TVET graduates are essential to sustaining Uganda's rapidly expanding industrial base. However, despite the surging demand for technical expertise, companies often fail to implement effective compensation strategies. The pay structures do not adequately value TVET skills or match job contribution, leading to widespread employee dissatisfaction and low motivation. Inconsistent compensation, poor performance reward systems and internal pay disparities are key factors driving down staff commitment and overall workplace efficiency. Therefore, this study sought to investigate the relationship between monetary remuneration and workplace performance to determine how financial incentives, salaries, and other forms of compensation influence the performance outcomes of TVET graduates in Uganda's mineral water production sector. The study was guided by principles of Human Capital Theory and adopted positivist paradigm. Descriptive research design was employed targeting 90 TVET graduates working in three selected mineral water production firms. A stratified random sampling technique was used to sample 73 respondents. Data were collected through a structured, self-administered questionnaire comprising closed-ended questions rated on a five-point Likert scale. Validity was assessed using the Content Validity Index (CVI), while reliability was confirmed through a pilot test analyzed using Cronbach's Alpha, where a coefficient of 0.7 or higher indicated acceptable internal consistency. Analysis utilized descriptive statistics, Pearson correlation, and simple linear regression via using the Statistical Package for the Social Sciences (SPSS version 20). Descriptive analysis showed moderate satisfaction with pay ( $\bar{x} = 3.2$ ), with timely salary payments and recognition

of qualifications receiving the highest ratings ( $\bar{x} = 3.8$ ), while allowances and gratuity benefits were rated low ( $\bar{x} = 2.2$ ). Workplace performance was rated high ( $\bar{x} = 4.15$ ), particularly in skill utilization and minimizing resource waste ( $\bar{x} = 4.2$ ). Correlation analysis indicated a strong positive relationship between monetary remuneration and workplace performance ( $r = 0.844$ ,  $p < 0.001$ ). Regression results further confirmed monetary remuneration as a strong predictor of performance ( $\beta = 0.844$ ,  $p < 0.001$ ), accounting for 70.6% of the variance in workplace performance. These findings demonstrate that timely and structured pay, salary differentiation by qualification and performance-linked incentives substantially enhance productivity among TVET graduates in the mineral water sector. It is recommended that company management prioritize the immediate review and standardization of auxiliary benefits (e.g., gratuity and allowances) to enhance employee morale, secure long-term talent retention, and close the identified satisfaction gap.

**Keywords:** Monetary remuneration, workplace performance, TVET graduates, human capital, manufacturing industry, Uganda

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## Introduction

Globally, industries reliant on practical, hands-on skills such as the manufacturing and technological sectors highly value TVET graduates for their immediate applicability (Modiba, 2024). Countries with highly integrated TVET systems, like Germany, Switzerland, and Canada, demonstrate that graduates often secure stable employment with competitive remuneration (de Otero, 2023). Market data in these high-income nations reveal

that TVET workers can earn wages comparable to, or even higher than, university graduates in specialized technical roles. This wage premium is directly linked to their industry-ready skills and their ability to contribute immediately to operational productivity and efficiency (Milkovich, 2017). For instance, in Switzerland, TVET graduates reportedly outperform university graduates in manufacturing productivity, which

translates into superior remuneration packages, as their practical skills lower training and onboarding costs for employers (Murphy, 2018).

Across Africa, production industries, including mineral water companies, rely heavily on practical skills. Studies in Ethiopia (Negawo et al., 2025), South Africa (Modiba, 2024) and Nigeria (Jimoh, 2022) confirm that TVET graduates tend to have higher employment rates than university graduates due to their specific, industry-relevant skills. This often translates into employment advantages that positively influence their remuneration. Modiba (2024) suggest that TVET graduates in African manufacturing often earn wages comparable to, or occasionally higher than, university graduates in the same sectors, a situation largely attributable to their technical competence and direct industry relevance. In environments where TVET is effectively integrated into the industry, such as in South Africa, the skilled, practical workforce commands respectable wages, reflecting their measurable contribution to industrial output (Selane & Odeku, 2024). Specifically, companies in this region require workers skilled in machinery operation, quality control, and maintenance areas central to TVET curricula and graduates are typically remunerated based on their productivity, experience, and industry standards (Allais et al., 2021). Employers tend to reward highly skilled TVET workers with higher wages as they mitigate training costs and improve operational efficiency.

In East Africa, the importance of TVET in lowering youth unemployment and promoting economic growth, particularly in manufacturing, is widely acknowledged (Munyao, 2019). The production industry is vital to Uganda's economy, yet it struggles with low levels of worker performance, which has

implications for the quality of tasks and productivity (Alinaitwe et al., 2007). The mineral water industry is a significant player in the manufacturing sector and requires a technically proficient workforce for machinery operation, water quality testing, maintenance and safety compliance. The "Skilling Uganda" program (started in 2006) aimed to match TVET training with industry demands, yet employment rates for graduates remain a concern (Mohammed et al., 2019). However, within industries where operational efficiency and technical skills are paramount, such as mineral water production, TVET graduates tend to be remunerated based on their performance and skills (Nansasira, 2018). Employers often perceive these workers as cost-effective because their practical training reduces onboarding time and enhances productivity, justifying higher wages relative to less skilled workers (Nansasira, 2018). Ndungu (2017) further noted that skilled TVET workers in East Africa are increasingly recognized for their efficiency, which influences monetary remuneration structures. However, the rewarding systems in the Ugandan production industry, while including monetary incentives like monthly salary, professional fees, transport allowance, and bonuses, are often perceived as non-competitive. This imbalance is sometimes attributed to complaints on delayed service provision and low job satisfaction, leading to low commitment and high turnover intentions. Furthermore, the low work productivity occasionally observed has caused customers to switch brands, pointing out a direct link between effective rewarding mechanisms and enterprise success.

Despite the existence of a rewards system that includes various monetary incentives, some employees view it as not being competitive enough, potentially affecting their job performance and

leading to suboptimal workplace efficiency. Given the high demand for skilled technicians in the mineral water production industry, the dearth of empirical information specifically detailing the influence of monetary remuneration on the workplace performance of TVET graduates in this sector necessitates a focused investigation. It is upon this background that the study seeks to investigate the effects of monetary remuneration on the workplace performance of TVET graduates working in the mineral water production industry in Uganda.

## Theoretical Review

The study was guided by the Human Capital Theory (HCT), which provides the economic rationale for the link between specialized skills, productivity, and monetary compensation. Pioneered by economists Theodore W. Schultz (who was awarded the Nobel Memorial Prize in 1979 for his work) and Gary Becker, HCT posits that individuals possess skills, knowledge, abilities, and experiences collectively termed human capital that are analogous to physical assets like machinery (Schultz, 1961; Becker, 1964). The core tenet of the theory is that investments made in education and training are expected to yield future economic returns in the form of enhanced productivity, higher income, and improved living standards for individuals and societies (Schultz, 1961). For an organization, hiring high human capital workers is viewed as acquiring a valuable, intangible asset that drives efficiency, innovation, and, ultimately, greater profitability. This theoretical lens suggests a direct, positive causal link: greater investment in human capital leads to higher productivity, which employers are expected to reward with competitive compensation.

TVET represents a substantial and targeted investment in occupation-specific human capital, equipping graduates with immediate, practical skills in areas critical to the industry, such as machinery operation, quality control, and maintenance (Becker, 1964). According to HCT, these graduates enter the labor market with a demonstrably higher stock of relevant capital than non-vocationally trained workers, thereby justifying both a higher expected wage and greater employer reliance on their performance. The theory dictates that if a company correctly values this specialized human capital and the productivity it generates it must offer competitive monetary remuneration, including competitive salaries and performance-based bonuses, to ensure the worker is sufficiently motivated to apply their specialized skills fully and remain within the organization.

Consequently, this study uses HCT to investigate whether the compensation practices within the mineral water industry align with the economic principles of the theory. The framework validates that if remuneration (basic salary and incentives) is positively linked to workplace performance (productivity and efficiency), it affirms the core HCT tenet that wages represent a justifiable return on human capital investment, and that monetary incentives act as a critical mechanism to activate and sustain that specialized capital. However, if employees perceive the compensation package as non-competitive despite possessing valuable TVET skills, HCT helps to explain why this mismatch can lead to lower performance, reduced commitment, and potential human capital flight, as the perceived return on their skill investment is insufficient. Therefore, HCT is a highly relevant and appropriate theory to guide this study's exploration of the relationship between specialized skills, compensation, and workplace outcomes.

## Empirical Review

Jiang and Liu (2022) conducted a meta-analysis of 100 peer-reviewed articles comprising 108 independent samples with a total of 71,438 respondents to evaluate the relationship between pay-for-performance schemes and job performance. The study found a small-to-moderate positive relationship, noting stronger effects on task performance than contextual performance. It further revealed that scheme design—specifically whether incentives were individual or group-based—significantly influenced the magnitude of the relationship, with poorly designed pay systems reducing intrinsic motivation. Similarly, Lucifora and Origo (2021) synthesized findings from quasi-experimental and panel studies and concluded that performance-related pay generally improved productivity, reduced absenteeism, and lowered turnover. However, they highlighted that outcomes depended on the type and quality of the pay scheme, as ineffective systems could harm long-term employee welfare. De Oliveira et al. (2024) carried out a multi-country systematic review on merit pay and performance and established that when employees perceived a transparent link between performance and pay increases, motivation and productivity improved significantly. The review emphasized the importance of accurate performance measurement and fairness in pay determination. Smith et al. (2022) tested the design features of pay-for-performance programs among clinical staff and reported that larger, attainable, and well-attributed incentives produced stronger positive behavioral responses. The study concluded that pay scheme effectiveness is highly dependent on design features. Bandiera et al. (2021) provided experimental and cross-sectional evidence showing that monetary incentives raise short-term productivity,

especially for measurable tasks, but may increase stress and neglect of non-incentivized activities, implying that financial incentives must be aligned with organizational goals.

Amanuel (2024) examined 159 employees across Ethiopia's health, education, and banking sectors to compare monetary rewards in public and private institutions. The study found that salary and allowances positively predicted productivity and recommended integrating monetary with non-monetary incentives to sustain motivation. Rakabe et al. (2024) employed a mixed-methods approach to study pay-for-performance in South Africa's public service, finding that while pay increments reduced turnover, they had limited impact on productivity in contexts with non-transparent appraisal systems. Meles (2024) and Nigussie (2024) conducted institutional case studies in Ethiopian hotels and banks, respectively, revealing that reward management systems significantly influenced performance and retention, with the strength of the relationship depending on organizational culture and appraisal fairness. Darko et al. (2024) in Ghana and West Africa found that competitive salaries and clear career paths enhanced productivity and reduced turnover but stressed that weak supervision and poor job design limited gains. Okonkwo et al. (2024) analyzed compensation management in Nigeria's manufacturing sector and reported consistent positive correlations between structured pay systems and measured productivity. In Kenya, Muthusi (2020) conducted a survey in Nairobi's manufacturing industry and found that compensation practices, including salary and benefits, significantly improved performance, with organizational culture moderating the effect. The Technical and Vocational Education and Training Authority (TVETA, 2023) reported that low pay and

inadequate induction among graduates reduced workplace performance, recommending employer-linked remuneration models. Komen and Ong'injo (2024) identified weak appraisal and reward structures among TVET trainers as contributors to poor motivation and downstream graduate performance. The Kiambu Institute case study (2024) found weak-to-moderate correlations between total reward packages and performance, urging institutions to balance financial and non-financial rewards. A Kenyan hospitality industry study (2024) established that structured pay and bonuses, when paired with training, significantly boosted productivity and reduced employee turnover.

Mukalazi et al. (2021) used a descriptive cross-sectional design to study 66 employees at Total E&P Uganda and found that compensation practices including direct pay and allowances positively correlated with job satisfaction and reduced absenteeism. A survey at the National Council of Sports conducted by Uganda Christian University (UCU, 2024) revealed that direct pay (salary and allowances) significantly affected productivity, while non-monetary rewards had a complementary influence. Ahmed (2012) at Kampala International University conducted a single-case descriptive study at Platinum Engineering Company Ltd. and found that structured salary schemes and career development opportunities improved motivation and performance, whereas misaligned pay structures reduced morale. Ntimoses et al. (2021) surveyed 80 employees at the African College of Commerce and Technology using stratified sampling and correlation analysis, finding a statistically significant positive relationship between extrinsic rewards (monetary) and performance indicators. Erimirwa (2023) conducted mixed-methods research at Makerere

University to assess Uganda's TVET system and found that inadequate pay and poor institutional incentives for trainers lowered graduate workplace readiness, indicating the need for better remuneration. Finally, Kintu, Kitainge, and Ferej (2019) carried out a national employer survey of TVET graduates and established that low starting wages and limited performance-linked pay weakened graduate commitment and productivity, calling for competency-based remuneration systems tied to job performance. Based on this consistent body of evidence, the study hypothesized that monetary remuneration would have a significant effect on workplace performance.

*H<sub>01</sub>: Monetary remuneration has no significant effect on workplace performance among TVET graduates in Uganda's mineral water production industry.*

## Methodology

This study adopted a descriptive research design. The design was appropriate because it facilitated the collection of data that accurately represented the current state of monetary remuneration and workplace performance among TVET graduates employed in Uganda's mineral water production industry. The study was grounded in the positivist research paradigm. The paradigm was suitable because the research sought measurable evidence rather than subjective interpretation.

The study was conducted in Namanve Industrial Park, Mukono District, Uganda, one of the country's major manufacturing hubs. The park hosts several mineral water production companies that employ a considerable number of TVET graduates as machine operators, quality control officers, and maintenance and packaging technicians. The study focused on three selected

companies: Icy Cool Mineral Water, Rain Drop Natural Mineral Water, and Vero Food Industries Limited. These firms were selected because they have similar production processes and employ TVET-trained personnel in technical roles, making them suitable for comparative analysis.

The target population consisted of 90 TVET graduates currently employed in the selected mineral water production companies. These individuals have completed technical and vocational education and training programs and are engaged in various operational roles across the firms. The focus on TVET graduates was intended to capture the unique link between remuneration practices and performance outcomes in a technically skilled workforce.

The study used a stratified random sampling technique. The population was divided into strata based on departments (production, maintenance, packaging, and quality control) to ensure fair representation across operational units. Within each stratum, respondents were randomly selected using a lottery method. This minimized selection bias and increased representativeness.

Using Krejcie and Morgan's (1970) sample size determination table, a sample size of 73 TVET graduates was considered adequate from a population of 90. The sample was distributed across the three companies as follows:

**Table 1:** Sample size

Industry	TVET Graduates	Sample Size
Rain Drop Natural Mineral Water	30	24
Icy Cool Mineral Water	30	24
Vero Food Industries Ltd	30	25

Industry	TVET Graduates	Sample Size
Total	90	73

Data were collected using a structured self-administered questionnaire. The instrument comprised closed-ended questions to generate quantitative data aligned with the study objectives. The questionnaire was divided into three sections: demographic information, monetary remuneration factors (salary, bonuses, allowances, incentives), and workplace performance indicators (productivity, job satisfaction, teamwork, and goal achievement). Responses were measured using a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. This format facilitated easy coding and statistical analysis while maintaining respondent anonymity and data reliability (Amin, 2005; Yin, 2018).

Content Validity was assessed using the Content Validity Index (CVI) method. Subject matter experts (SMEs) were consulted to ensure the questionnaire accurately represented the theoretical constructs being measured (remuneration and performance). An index of 0.7 or higher was established as the minimum acceptable standard for validity.

Reliability tests were carried out using Cronbach's Alpha to determine internal consistency. A pilot study involving 20 respondents from Rwenzori Natural Mineral Water (not part of the main study) was conducted. The computed Cronbach's Alpha coefficient was 0.88, signifying a high level of reliability (Gani et al., 2020). This confirmed that the instrument would produce consistent results across similar conditions.

Collected data were analyzed using the Statistical Package for the Social Sciences (SPSS, Version 25). Descriptive

statistics such as means, frequencies, and standard deviations summarized respondents' characteristics and perceptions. Inferential statistics, specifically Pearson's correlation and linear regression analysis, were used to test the relationship between monetary remuneration and workplace performance. Hypotheses were tested at a 95% confidence level ( $p < 0.05$ ). Results were presented in tables and charts for clarity and ease of interpretation.

## Results and Discussion

### Response Rate and Demographic Profile

The study commenced with a target sample of 73 TVET graduates across the three selected mineral water production firms. The data collection phase successfully yielded 70 completed and usable questionnaires, resulting in an exceptionally high response rate of 96% according to the findings presented in Table 2. This high rate significantly exceeds the generally accepted standard for survey research, confirming the reliability and representativeness of the sample used for analysis.

The demographic characteristics of the TVET graduates are presented in Table 2.

**Table 2:** Summary of respondent characteristics

Characteristic	Category	Frequency	Valid Percent (%)
<b>Response Rate</b>	Actual Responses	70	<b>96.0</b>
	Targeted Sample	73	
<b>Gender</b>	Male	46	<b>66.0</b>
	Female	24	34.0
<b>Age</b>	18-25 years	07	10.0
	<b>26-35 years</b>	20	<b>28.0</b>
	36-45 years	17	25.0
	46-55 years	14	20.0
	56 years and above	12	17.0
<b>Level of Education</b>	Certificate	12	17.0
	Diploma	20	<b>28.0</b>
	<b>Bachelor</b>	25	<b>36.0</b>
	Masters/PhD	13	19.0
<b>Time Worked</b>	Less than one year	08	11.0
	1-2 years	14	20.0
	3-5 years	20	29.0
	<b>6 years and above</b>	28	<b>40.0</b>

Source: Research Data (2024)

Results indicated gender imbalance, with 66% male respondents, reflecting the historical trend of male dominance in technical and manufacturing roles in Uganda. In terms of age, the industry is predominantly reliant on early-to-mid career professionals, with the largest single group being 26-35 years old (28%), followed by the 36-45 age group (25%).

This distribution suggests a workforce that balances physical aptitude with accrued technical experience, which is essential for sustaining production.

The educational profile confirmed the high skill level of the employees, with the majority holding either a Bachelor's degree (36%) or a Diploma (28%), showing a cumulative 64% holding intermediate-to-advanced qualifications. This profile is

particularly relevant for the study as it confirms the presence of specialized Human Capital (TVET skills) that forms the basis of the remuneration expectations being investigated. Finally, the job tenure indicated notable organizational stability, as 40% of the respondents had worked for 6 years or more, and a total of 69% had over three years of experience. This high retention rate is a critical contextual factor, often suggesting that, despite potential minor remuneration challenges, the organizations have been generally successful in retaining their most experienced and productive technical talent.

### Descriptive Analysis

This section presents the descriptive statistical findings for the two

core variables of the study: monetary remuneration and workplace performance. The analysis utilized the mean ( $\bar{x}$ ) and standard deviation ( $\sigma$ ) to summarize the central tendency and dispersion of the respondents' perceptions, with scores based on a 5-point Likert scale (1=Strongly Disagree to 5=Strongly Agree).

### Descriptive Results for Monetary Remuneration

This analysis aimed to describe the extent to which TVET graduates perceive their financial compensation as satisfactory and aligned with their expectations. The findings are summarized in Table 3.

**Table 3:** Descriptive results for monetary remuneration

Statements	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean ( $\bar{x}$ )	Std. Dev ( $\sigma$ )
I receive timely and consistent salaries	34%	40%	-	17%	9%	<b>3.8</b>	1.0
Salaries at this firm align with the terms stated in appointment letters	48.5%	28.5%	6%	14%	3%	<b>3.6</b>	1.1
Payment is fair and corresponds to the tasks assigned to me.	25.7%	30%	10%	30%	4.3%	<b>3.2</b>	1.0
Regular salary increments are provided at mineral water production industry.	26%	28.5%	3%	28.5%	14%	<b>3.1</b>	1.2
Higher academic qualifications result in higher pay	40%	43%	6%	7%	4%	<b>3.8</b>	1.0
Higher positions come with higher compensation	30%	34%	-	26%	10%	<b>3.6</b>	1.1
I am provided with a leave transport allowance	20%	26%	-	30%	24%	<b>2.2</b>	1.1
I receive gratuity payment upon completion of my employment contract	17%	20%	28.5%	30%	4.3%	<b>2.2</b>	1.0
<b>Overall Average</b>						<b>3.2</b>	<b>1.1</b>

Source: Research Data (2024)

Results indicated that TVET graduates reported moderate satisfaction

with their monetary remuneration, with an overall mean of 3.2. Timely and consistent salary payment ( $\bar{x}=3.8$ ) and

the perception that higher academic qualifications attract higher pay ( $\bar{x}=3.8$ ) were the strongest indicators of satisfaction. These findings align with those of Mukalazi et al. (2021) who found that timely salaries positively influenced job satisfaction and commitment among employees in Uganda's Total E&P operations. However, low satisfaction with leave transport allowance and gratuity payment ( $\bar{x}=2.2$  for both) highlights gaps in auxiliary financial benefits, consistent with UCU (2024) and Kintu et al. (2019), which reported that inadequate fringe benefits and limited performance-linked pay reduce employee

motivation and workplace engagement in Uganda. Hence, the findings suggest that while base pay meets expectations, additional monetary incentives and benefits are underperforming, potentially constraining graduates' full motivation and engagement.

### Descriptive Results for Workplace Performance

This analysis aimed to establish the current level of workplace performance (productivity and efficiency) as perceived by the TVET graduates themselves. The findings are presented in Table 4.

**Table 4:** Descriptive results for workplace performance

Statements	SA (5)	A (4)	N (3)	D (2)	SD (1)	Mean ( $\bar{x}$ )	Std. Dev ( $\sigma$ )
I always meet my daily production targets (Productivity)	45%	35%	10%	6%	4%	4.1	0.9
I complete tasks quickly and without errors (Efficiency)	38%	42%	15%	5%	-	4.1	0.8
I minimize waste of raw materials and resources	40%	45%	10%	5%	-	4.2	0.7
My technical skills are fully utilized in my daily tasks	50%	35%	10%	5%	-	4.2	0.8
<b>Overall Average</b>						<b>4.15</b>	<b>0.8</b>

Source: Research Data (2024)

The results show that TVET graduates report high overall levels of workplace performance, with an average mean score of  $\bar{x}=4.15$ . All indicators of productivity, efficiency, and resource utilization recorded high agreement. Specifically, statements regarding minimizing waste of resources ( $\bar{x}=4.2$ ) and the full utilization of technical skills ( $\bar{x}=4.2$ ) received the highest affirmation. This high mean suggests that the TVET graduates are generally highly proficient, productive, and perceive themselves as successfully translating their specialized skills into effective work output within the mineral water production industry. This is consistent with studies in Uganda indicating that when graduates perceive

alignment between their training and job tasks, performance outcomes are higher (Ntimoses et al., 2021; Erimirwa, 2023).

### Inferential Statistics

#### Correlation Analysis

The first inferential test performed was the Pearson Product-Moment Correlation Coefficient to establish the strength, direction, and statistical significance of the relationship between monetary remuneration and workplace performance.

The data presented in Table 5 reveals a strong, positive, and statistically

significant relationship between monetary remuneration and the workplace performance of TVET graduates in the mineral water production industry ( $r=0.844$ ,  $p<0.001$ ) suggesting that as the quality or level of monetary remuneration increases, the workplace performance of TVET graduates tends to increase significantly. The results mirror findings from Uganda, where Mukalazi et al. and

UCU (2024) reported that both direct pay and allowances significantly influenced employee output, reducing absenteeism and increasing commitment. Similarly, Kintu et al. (2019) highlighted that performance-linked remuneration is a key determinant of graduates' workplace engagement, reinforcing the observed strong positive correlation.

**Table 5:** Correlation results for monetary remuneration and workplace performance

Variables	Monetary Remuneration	Workplace Performance
<b>Monetary Remuneration</b>		
Pearson Correlation	1	<b>0.844*</b>
Sig. (2-tailed)		<b>0.000</b>
N	70	70
<b>Workplace Performance</b>		
Pearson Correlation	<b>0.844*</b>	1
Sig. (2-tailed)	<b>0.000</b>	
N	70	70

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

Source: Research Data (2024)

### Regression Analysis

To further ascertain the predictive power and causal influence of monetary remuneration on workplace performance, a simple linear regression analysis was conducted.

**Table 6:** Regression Model Summary

Model	R	R Square	Adjusted R Square
1	0.844 <sup>a</sup>	0.713	<b>0.706</b>
<sup>a</sup> . Predictors: (Constant), Monetary Remuneration			

Source: Research Data (2024)

Table 6 confirmed that monetary remuneration is a dominant predictor of workplace performance, explaining 70.6%

of the variance (Adjusted  $R^2=0.706$ ). The ANOVA results ( $F=99.377$ ,  $p<0.001$ ) and standardized beta coefficient ( $\beta=0.844$ ) further reinforce the robustness and significance of this relationship. This strong evidence leads to the conclusion that the null hypothesis was rejected. These findings are consistent with Ugandan studies showing that structured and timely compensation schemes significantly impact employee performance outcomes (Ahmed, 2012; Ntimoses et al., 2021). Though monetary remuneration is a major determinant, the remaining 29.4% of unexplained variance suggests other factors, such as supervisory support, training, and intrinsic motivation, may also influence workplace performance, aligning with Erimirwa (2023) findings that institutional support and skill alignment contribute to graduate productivity.

## Conclusion

Based on the empirical evidence derived from the correlation and regression analyses, the study concludes that monetary remuneration significantly influences and strongly predicts the workplace performance of TVET graduates in the mineral water production industry in Uganda. Though the fundamental compensation (consistent salary and merit-based pay for qualifications) acts as a strong performance driver, the companies' underperformance in providing auxiliary monetary benefits (e.g., gratuity and allowances) introduces friction and may prevent the realization of maximal performance potential. The high R<sup>2</sup> value confirms that salary structures are effectively leveraging the specialized human capital provided by TVET graduates, but the low satisfaction with non-core benefits suggests a major area for improvement to enhance employee retention and morale.

## Recommendations

The following recommendations are provided to management, human resource departments, and policy stakeholders to optimize compensation strategies and enhance the sustained workplace performance of TVET graduates:

### A. Recommendations to Company Management and HR

1. Given the significantly low satisfaction scores for leave transport allowance and gratuity, management should immediately review and standardize the provision of these benefits. Offering transparent and competitive auxiliary benefits is crucial for improving employee loyalty and reducing the potential for external job seeking, thus securing the experienced talent

(40% long-term employees) currently retained.

2. Although performance is high, the mixed perceptions regarding whether payment is fair and corresponds to assigned tasks ( $\bar{x}=3.2$ ) indicate potential internal equity issues. HR should conduct regular job evaluations and compensation benchmarking exercises to ensure salary scales are visibly and justly aligned with job complexity, responsibility, and market rates, thereby boosting the 55.7% satisfaction rate to a higher level.
3. The high variability in agreement on regular salary increments suggests a lack of transparency. Management should implement a clear, performance-based policy for salary progression to improve motivation, retention, and address the 42.5% disagreement recorded in the findings.

### B. Recommendations for Future Research

1. Future studies should investigate the 29.4% variance in performance not explained by monetary factors and their potential moderating effect on the relationship between pay and performance.
2. A follow-up study should be conducted using a longitudinal design to track the retention rates of TVET graduates over time, specifically assessing how improvements in auxiliary benefits affect turnover rates in the industry.

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