



## INCENTIVES AND PERFORMANCE OF WORKERS IN TERTIARY INSTITUTIONS IN ANAMBRA AND ENUGU STATE

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**Abstract:** *This study is to investigate the incentives and employee performance in tertiary institutions in Anambra and Enugu state, Nigeria. The main objective of the study was to examine the effect of monetary incentives, non-monetary incentives and career development on performance employee in tertiary institutions in Anambra and Enugu State. Relevant conceptual, theoretical and empirical literatures were reviewed taking cognizance of the problem and the hypotheses of the study. The study is anchored on expectancy theory of work motivation. Descriptive research survey was adopted in this study. The population of the study were comprises of 7,300 selected academic and non-academic staff of the of the tertiary institutions in Anambra and Enugu state, Nigeria, while the sample size of 362 was obtain using purposive Sampling Technique of Nwana's (1992). Data was sourced from primary sources. The instrument was validated through face and content validity and research experts while internal consistency and Cronbach's alpha was used in test the reliability of the instrument used. Multiple regression analysis was employed to analyze the data generated. It was discovered that monetary incentives have a positive significant influence on workers' productivity in Nigerian organization; Non-monetary incentives have a positive significant influence on workers' productivity in Nigerian organization; while career development has negative significant effect on workers' productivity in Nigerian organization. The study concludes that incentives have a positive significant effect on workers' performance in Nigerian organization. Therefore, the study recommends that effective and good employee financial incentives schemes should be designed to include a mix of both and non-financial incentives. Organization should strive to improve on non- monetary package giving to their employees in order to get the best out of them. Finally, the study recommends that employers of labour should use career development incentives from time to time to motivate their workers' employee.*

**Keyword:** Monetary incentives, Non-monetary incentives and Career development and Employee performance

### INTRODUCTION

#### Background to the Study

Economists widely assume that incentives represent the dominant stimulator of human productive activities. Incentives are considered one of the most important factors that encourage employees to put forth great efforts and work more efficiently (Rydval 2003). It is because incentives and reward system direct employees' capabilities into more efficiency in their work in an attempt to achieve the institution's goals (Gana and Bababe, 2011). Organizational performance is a complex phenomenon largely affected by the ability and motivation of the workforce in any firm. Monetary incentives are provided in organizational setting with a view to motivating and influencing individuals, teams and organizational behaviour for the achievement of

strategic objectives and performance of organizations (Randhawa 2008). In consideration of the era of global hyper competitiveness in the business world, incentives are fundamental imperatives to derive maximum employee inputs, retention, commitment from employees and industrial harmony between the workforce and manufacturing concerns.

However, a good number of firms do not provide appropriate mix of incentives to stimulate individual and sub-unit behaviour to attain strategic goals resulting in dwindling performance in the manufacturing sub-sector of the Nigerian economy (Maryam 2013). Employee performance simply is the target and goal achievement of an entity facilitated by the contributions labour which is skilled or unskilled and possible suggestions to decisions or policies made by the entity the employee works for.



That is to say, that the extent to which an organizations objective (goals) are being achieved courtesy to the role played by the employee is what employee performance is all about (Maryam 2013). Consequently, employee performance includes all of the employees efforts in terms of his/her commitment to work, punctuality, willingness to work extra hours, expression of innovation in the execution of task to mention but a few directed at goal achievement at effective cost(Maryam 2013). However, this performance of employee which is desired by entities in both private and public sectors is a function of employee motivation. These motivations are broadly referred to as monetary and non-monetary incentives. It is a general belief that reward system seek to attract people to join an organization, to keep them coming to work and motivate them to perform to high levels (Puwanenthiren and Pratheepkanth, 2011).

Some scholars tried to draw a line of distinction between the concepts of reward, incentives and recognition. According to Silverman (2004), the central tenet of the distinction is that rewards are promised from the outset, whereas recognition is afforded in a post hoc manner. Employee performance essentially means what an employee does or does not do. Employee performance common to most jobs includes the element of output, timeliness of output, presence at work, and cooperativeness (Mathis and Jackson, 2004). According to Jones, George and Hill (2006), organizational performance is a measure of how efficiently and effectively managers use resources to satisfy customers and achieve organizational goals. The scholars further stress that organizational performance increases in direct proportion to increases in efficiency and effectiveness. It succinctly refers to the effectiveness of any organization in fulfilling its purpose. Therefore, this research work examine effect of incentives on the performance employees' in tertiary institutions in Anambra and Enugu States.

#### **Statement of the Problem**

The success and the survival of any organization are determined by the way the employees are remunerated and rewarded (Lawler, 2003). The reward system and motivating incentives will determine the level of employees' commitment and their attitude to work. Poor incentive packages have been a major factor affecting employees' commitment, performance and performance especially in higher institutions (Bateman and Snell 2009). However, for any organization to achieve its objective in

any competitive society, employers of labour must have a thorough understanding of what drives the employees to perform efficiently and reward them accordingly. Besides, employees must be motivated through adequate incentives plans and reward systems, and this will invariably encourage them to be proactive and have right attitude to work, thereby promote organizational performance (Armstrong, 2007).

In addition, the absence of the suitable incentives may negatively affect the hardworking employee's; it may also weaken their performance at work which, and this decrease the chances of attaining the promising goals of the institution (Palmer, 2012). Basically, it is stated that if people receive payments for certain behaviors, the expectation is that they are likely to engage in these desired behaviors (Bettinger 2008).

Akerele,(1991) blamed the performance of employees on several factors. Among them is the type of incentives, employers' failure to provide adequate compensation for hard work and the indiscipline of the privileged class that arrogantly displays their wealth, which is very demoralizing to working class. This consequently reduces their performance. Markova and Ford (2011) mentions that the real success of companies originate from employees' willingness to use their creativity, abilities and know-how in favour of the company and it is organization's task to encourage and nourish these positive employee inputs by putting effective reward practices in place. A lot of studies have dwelt on the effects of incentives on employees' performance in Nigerian organizations. But none of these studies have examined the effect of incentives on performance employees in tertiary institutions in Anambra and Enugu State.

#### **Objectives of the Study**

This study aimed to examine the effects of incentives on employee performance in tertiary institutions in Anambra and Enugu State. The specific objectives are to:

1. Determine the influence of monetary incentives on employees performance in tertiary institutions in Anambra and Enugu State
2. Examine the effect of non-monetary incentives on employees performance in tertiary institutions in Anambra and Enugu State
3. To evaluate the effect of career development on employees performance in tertiary institutions in Anambra and Enugu State



### Research Questions

In line with the objectives, the following research questions were formulated to guide this study:

1. To what extent does a monetary incentives influence performance of employees in tertiary institutions in Anambra and Enugu State?
2. To what extent do non-monetary incentives affect the performance of employees in tertiary institutions in Anambra and Enugu State?
3. To what extent does career development affect the performance of employees in tertiary institutions in Anambra and Enugu State?

### Hypotheses

The following hypotheses were formulated in line with the objective and hypotheses to guide this study. The hypotheses are presented in null form.

Ho<sub>1</sub>: Monetary incentives has no significant influence on performance of employees in tertiary institutions in Anambra and Enugu State

Ho<sub>2</sub>: Non-monetary incentives have no significant effect on performance of employees in tertiary institutions in Anambra and Enugu State

Ho<sub>3</sub>: Career development has no significant effect on performance of employees in tertiary institutions in Anambra and Enugu State

## REVIEW OF RELATED LITERATURE

### 2.1 Conceptual Framework

#### 2.1.1 Incentive

Ashraf and Mohammad (2014) define incentives as an external persuading factor that encourages the motive which positively directs the individual into working harder, matching the required performance in the institution, as to get the incentive. Incentives are also defined both as methods used by institutions to encourage employees to work with high spirits and also as concrete and moral methods of satisfying the individuals' moral and material desires.

Palmer (2012) define incentives as the external temptations and encouraging factors that lead the individual to work harder; they are given due to the individual's excellent performance since he will work harder and produce more effectively when he feels satisfied in the institution. In addition to this, incentives can also be defined as the consideration of the excellent performance,

assuming that the salary is enough to make the employee appreciate the value of the job that also satisfies his basic needs in life (Palmer, 2012). This results in improving the general performance and increasing the performance. Incentives, also, help in attaining job satisfaction which increases the interaction between the employee and the organization.

National Performance Council (2014) define incentive as a measure stimulating human effort, whereby employees are driven to put in their best". Matocchio (2006) in Tongo (2006) encapsulated the concept of incentives defining it as "compensation, other than basic wages and salaries that fluctuates according to employees' attainment of some standard, such as pre-determined benchmark, individual or group goals or organizational earning". Generally, "incentives are variable payments made to employees on the basis of the amount of output or results attained" (Banjoko, 2006). According to Tongo (2006), the use of performance incentives dates back to the era of scientific management movement, championed by Frederick Taylor in the 20<sup>th</sup> century, and ever since then, the private sector has employed the use of incentives as a method to raise the performance of their employees. Incentive provision is meant to drive employee to go extra mile to achieve better result. It is a tool that can be engaged by any employer of labour, whether public or private employer and regardless of the type of task involved. However, amongst the various forms of incentive, an employer is at liberty to engage anyone considered suitable and affordable. Being a vocation and profit driven, real estate management practitioners engage incentive provision to motivate employees and increase performance.

Incentives are considered one of the most important factors that encourage employees to put forth great efforts and work more efficiently. It is because incentives and reward system direct employees capabilities into more efficiency in their work in an attempt to achieve the institution's goals (Gana and Bababe, 2011). In addition, the absence of the suitable incentives may negatively affect the hardworking employee's performance; it may also weaken their performance at work which decreases the chances of attaining the promising goals of the institution (Palmer, 2012).

Kaya (2007) state that incentives are one technique by which employees "carry out their end of the employment contract, that is, compensating employees for their efforts. In general, an



incentive scheme (payment or programme) is any compensation that has been designed to recognize some specific accomplishment on the part of an employee. It is expected that the prospect of the incentive payment will „trigger“ the desired performance behaviour in the employee. Incentive schemes as defined by Arnolds and Venter (2007) are special pay programmes designed to motivate high performance. Incentive schemes attempt to link at least a portion of pay to job performance to encourage higher performance. Incentives, as often called, should be aligned with the behaviours that help achieve organizational goals or performance. Incentives are either individual or group (organization wide). In this study, financial incentives are designed to motivate employees to improve their performance to increase effort and output and by producing better results expressed in such terms as objectives for profit, performance, sales turnover, cost reduction, quality customer service and on time delivery. This financial compensation provides extra money for achievement in terms of contribution or output. The emphasis in financial compensation is on equity, in the sense of paying people according to their just deserts.

### **2.1.2 Employee Performance**

Durga (2017) defined performance as the act of executing a task or an accomplishment or achievement. He adds that employee performance is how well an employee is effectively fulfilling his/her job requirement or discharging his/her duties so as to achieve good results. O'Flynn, et al. (2001) citing William and O'Reilly (1998) said employee performance is defined using three criteria. First criteria, is that employees' output meets the standard of performance set by the organization's external customers. Secondly, employee performance can be defined in terms of how the social processes utilized in the performance of their jobs enhances or maintain the capability of the employees to work together on subsequent group tasks. Finally, that employee's personal needs are satisfied instead of them being frustrated by the group performance. Performance is an individual's behaviour and results. It is also seen as the way in which people get their work done (Armstrong, 2012).

O'Flynn, et al. (2001) argues that the performance of employees is not truly representative of what a group performance is. Rather, it is the personal experience of group members and the subsequent ability of the employees to perform in the future that

also defines the employee's performance. O'Flynn, et al. (2001) argue that there are multiple dimensions when it comes to rating of performance seeing that different constituents have their different performance criteria and access to data. For instance, management may be more interested in looking at the output of the employees whereas; the employees may be interested in creating a productive environment for themselves. They make have daily information about their interactions with co-employees or group members and use this data to evaluate performance. Information and decision making theory predict that a positive outcome exist between employee performance in intellectual and complex tasks and information as employees have diverse knowledge, skills, experience and expertise which results in innovation, new product design and improved decision making.

### **Theoretical Framework**

The theoretical foundation of this study is anchored on expectancy theory of work motivation.

#### **Expectancy theory**

Expectancy theory was first proposed by Victor Vroom who asserts that motivation is a conscious choice process (Werner and DeSimone, 2006). According to this theory, people choose to put their effort into activities that they believe they can perform and that will produce desired outcomes. Expectancy theory argues that decisions about which activities to engage in are based on the combination of three set of beliefs: expectancy, instrumentality and valence. Expectancy is concerned with perceived relationship between the amount of effort an employee puts in and the resulting outcome. Instrumentality refers to the extent to which the outcomes of the employee's performance, if noticed, results in a particular consequence; valence means the extent to which an employee values a particular consequence.

The implications of their theory is that if an employee believes that no matter how hard he works he will never reach the necessary level of performance, then his motivation will probably be low in respect of expectancy. As regards instrumentality, the employee will be motivated only if his behaviour results in some specific consequence. If he works extra hour, he expects to be incentives while for valence, if an



employee is rewarded, the incentives must be something he values (Aamodt, 2007). An increasingly large number of organizations have explained how incentives, particularly money could be linked to desired behaviour and performance outcomes to improve effectiveness (Beer and Cannon, 2004; Gerhart and Rynes, 2003; Rigby 2001). The powerful role that monetary incentives can play in influencing behaviour has been widely acknowledged over time (Peach and Wren, 1992). Early motivation theories such as expectancy theory (Vroom, 1964) have demonstrated intuitive appeal and its basic components have received empirical support (Van and Thierry, 1996).

Over the years, organizational research demonstrates that employees are motivated more those just monetary incentives alone. However, many organizations rely solely on financial incentives. These are a whole host of alternative motivators that can influence employee behaviour and enhance motivation (Silverman, 2004). Gratton (2004) underpins the view of Silverman that motivation of employees is determined by both monetary and non-monetary factors. Armstrong and Murlis (1994) underscore the need to provide non-financial incentives in sympathy with the needs of people at various degrees for achievement, recognition, responsibility, influence and personal growth. The assertion of Armstrong and Murlis is in line with the motivators enumerated by Herzberg, Mausner and Snyderman (1957) in their two factor model of employee motivation. These are forms of non-monetary incentives or intrinsic incentives as considered by some scholars.

#### **Empirical Review**

Kuznetsova (2015) examined the impact of a financial incentive Program on the employee performance. The research is implemented through analyzing the sales reports of 2 months before and after the introduction of the incentive program and, the HRC staff survey conducted by the author. The monetary data obtained from the sales reports allows the author to examine the employee performance during the incentive program, compare it with the performance before the program and indicate a change in the key areas. Conduction of the HRC staff survey provides the research with the overall attitude of the personnel towards the experimental financial incentive program, and the level of their motivation. The outcome of the Financial Incentive program shows contradicting results after 2 months of analysis in terms of sales and employee performance. The results help to

indicate important failures in the design of the program and its ways of assessing the actual employee performance. The HRC staff survey outlines overall negative attitude of the staff towards the program due to certain aspects including fairness of the program. Therefore, the author concludes that the incentive program is not effective due to its multiple design failures, which makes it impossible to assess an actual employee performance, and it does not address the issues of fairness and equality. Moreover, the program has a lack transparency and clarity, which causes negative opinions among the staff. By taking into consideration the issues mentioned above and improving them, the company will be able to create better incentive programs for the personnel in the future.

Falola, Ibidunni and Olokundun (2014) investigated incentives packages and employees' attitudes to work in Government parastatals. A descriptive research method was adopted for this study using one hundred twenty valid questionnaires which were completed by members of staff of four (4) selected government parastatals in Ogun State, South-West Nigeria using stratified and systematic sampling technique. The data collected were carefully analyzed using percentage supported by standard deviation to represent the raw data in a meaningful manner. The results show that strong relationship exists between incentives packages and employees' attitudes towards work and the employees are not satisfied with the present incentives packages. The summary of the findings indicates that there is strong correlation between the tested dependent variable and independent construct. However, employers of labour and decision maker s should endeavor to review incentives packages at various levels in order to earn employees' commitment and satisfaction.

Abdul, Muhammad, Hafiz M. Kashif, Ghazanfar and Muhammad (2014) examined the impact of compensation on employee performance. A questionnaire was designed to collect the data on the factors related to compensation like salary, rewards, Indirect Compensation and employee performance. The data was collected from different banks of Pakistan. The data collected were analyzed in SPSS 17.0 Version. Different analytical and descriptive techniques were used to analyze the data. It is founded from different results that Compensation has positive impact on employee performance. It is proved from correlation analysis that all the independent variables have weak



or moderate positive relationship to each other. Regression analysis shows that all the independent variables have insignificant and positive impact on employee performance. Descriptive analysis also reveals that all the independent variables have positive impact on employee performance. ANOVA results reveal that education have not same impact on employee performance.

Ashraf and Mohammad (2014) examined the role of monetary incentives on employee performance for the employees of the Jordanian tourism and travel institutions. Statistical packages for social sciences (SPSS) program were used for descriptive analysis for the purpose of this study, the sample was chosen randomly and it consisted of 28 institutions found in Amman. As for the respondents of the sample, they were 44 employees who received 44 questionnaires. 41 questionnaires were returned, which forms 93% of the sample. The main findings indicate that there is an adequate level of monetary incentives provided to employees. Moral incentives, rewards, efficiency of reward system and promotions are four factors found to have significant impacts on employee performance in Jordanian travel and tourism institution. However, rewards ranked in the first place of its impact on the employee performance while promotion ranked in the last place. Finally, this study has verified further research opportunities that could enrich the understanding of incentives and employee performance at the Jordanian travel and tourism institutions

Sajuyigbe and Olaoye (2013) examined the impact of monetary reward on employees' performance with special reference to selected manufacturing companies in Ibadan, Oyo State, Nigeria. Structured questionnaire was used to collect data from one hundred (100) participants through purposive sampling method and data were analyzed by multiple regression analysis with the aid of statistical package for social science (SPSS) version 16. Result showed that reward dimensions jointly predict employees' performance, which accounted for 71% variance of performance. Subsequently, recommendations were made to the management of organizations that they should buildup the commitment among employees by rewards and achieve both individual and Organizational objectives

Maryam (2013) assessed the impact of non-monetary incentives on employee performance. To do this, requisite data was sourced via primary and secondary sources. Primary data was sourced

through the instrument of a questionnaire, while secondary data requisite for this study was sourced from performance appraisal report viz-a-viz non-monetary incentives implemented by the organization. Due to the structured (closed ended) and unstructured (open ended) nature of question data useful for analysis were mostly nominal and interval in nature while, the secondary data were mostly ratio in nature. Consequently, the research questions were analyzed using single (%) and calculation of means (x). However, to test the hypothesis, the secondary data was analyzed using regression analysis facilitated by Ms-Excel software. It was found that employee performance was significantly related to non-monetary rewards and that the organization actually implements variants of non-monetary incentives. However, implementation of non-monetary incentives was considered unjust and unfair by employees and the fact that some form of non-monetary incentive was actually not effective. The researcher therefore, recommended the implementation of non-monetary incentives however without discrimination.

Lotta (2012) examined the impact of financial and non-financial rewards on employee motivation. The research method chosen for this thesis is a mix of quantitative and qualitative approach as this was considered to be the most suitable research method for this case study allowing the extensive possibilities to collect and analyses data. The findings of this research are various; the reward practices of the case study company are presented and analysed in depth, the reasons how reward practices can impact employee motivation were found. In the case study organization rewards in use are positively impacting employee motivation and the reasons why rewards are impacting motivation was explained through the use of grounded motivation and reward theories.

Al-Nsour (2012) examined the relationship between incentives and organizational performance for employees in the Jordanian universities. This study aims at identifying the role of the Jordanian universities in meeting the employees' societal needs, knowing the implemented incentives approach and knowing the level of performance in the Jordanian universities. A statistical package for social sciences (SPSS) program was used for descriptive analysis. Five universities were selected for the purpose of this study. The main findings indicate that there is an adequate level of incentives provided to employees. Financial incentives ranked in 1st place while moral incentives ranked in



the 2nd place. Also, it was found that there is a high level of organizational performance. Customer satisfaction ranked in the 1st place, internal business process in the 2nd place followed by learning and growth. There is relationship between financial and moral incentives and organizational performance as well as between financial and moral incentives and internal business process and customer satisfaction. There is an effect of moral incentives on learning and growth but there is no relationship between financial incentives and learning and growth.

Ezigbo (2011) examined the effects of monetary and non-monetary rewards on the employees' performance in manufacturing Firms in Nigeria. The study was conducted using cross sectional design. A sample of 312 respondents was drawn from the population through proportionate stratified sampling to ensure fair representation of research subjects selected from the various firms and each stratum of Senior and junior staff categories. Primary data were collected through the administration of questionnaire. Questionnaire was the main instrument for data collection and was designed in a 5-point Likert scale ranging from strongly agree to strongly disagree. The data collected were presented and analyzed with frequency distribution and percentage while the corresponding hypotheses were tested with Chi-square statistic at 0.05 alpha level. The study found that monetary and non-monetary reward had significant positive effect on employees' performance. The study observed that employees selected from the three firms placed great value on different rewards given to them and this promoted their level of performance. Thus, it was concluded that monetary and non-monetary rewards should be provided in manufacturing settings to stimulate an employee and sub unit workforce behaviour for performance at the individual and organizational levels.

Saba (2011) examined the impact of financial incentives and rewards on employee's commitment. A total of 100 employees from the Private Sector Banks, Public Sector Banks, Islamic Banks and Microfinance Banks at Bahawalpur that includes 71 male and 29 female. Random sampling was used as a sampling design and questionnaire in Likert form was used to gather data from the participants. Linear regression was used to investigate the relationship between financial incentives and employee's commitment. Results however revealed positive and significant association between financial incentives and employee

commitment and increase in financial incentives such as promotion and bonuses enhanced employee commitment which increases the employee's performance and reduces turnover and employees can only be loyal when their wants and desires are satisfied

#### **METHODOLOGY**

The descriptive research was adopted in this study. This study covers the effect of incentive on employee performance in Enugu State and Anambra state using tertiary Institute of learning. The name of those tertiary Institution are: Institute of management and Technology (IMT), University of Nigeria Nsukka (UNN), Enugu State University of Technology (ESUT), Nnamdi Azikiwe University, Awka, Chukwuemeka Odumegwu Ojukwu University Igbariam Campus and Saint Pauls University, Awka were used as the case study. The population consists of 7300 academic staff and non academic staff of selected tertiary Institute of learning in Anambra and Enugu State. Purposive sampling technique of Nwana's (1992) was employed to get 365 as sample size of the study. This study data was obtained from primary sources. The researcher use face and content validity. Test-retest and Cronbach's alpha, reliability was employed to verify the internal consistency of each construct in order to achieve reliability.

#### **Method of Data Analysis**

Multiple regression analysis was conducted to assess the relative predictive power of the independent variables on the dependent variable. The statistical package for social sciences (SPSS) version 21 was employed to test the hypotheses. The regression model is represented as:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3$$

#### **DATA PRESENTATION AND ANALYSIS**

The data generated from the questionnaire distributed to the employees of the selected SMEs were presented and analyzed. A total of three hundred of sixty-five (365) copies of questionnaire were distributed to the employees of the selected Universities in Enugu and Awka. A total of three hundred sixty fifty (365) copies were retrieved from the respondents, out of which three hundred and fifty (350) copies were properly filled and found usable for the study. Ten copies were not properly filled while the remaining six copies were misplaced by the respondents. This gives a response rate of 96 percent. Therefore, the analyses



presented below were based on the three hundred and fifty relevant copies.

**Presentation of Data relevant to the Research Questions**

**Table 4.2 Respondents Views on Monetary incentives on Employees’ Performance**

Statements	SA (%)	A (%)	UD(%)	D (%)	SD (%)
Monetary incentives results in reduced labour turnover	170 (49%)	130 (37%)	6 (2%)	25 (7%)	19 (5%)
Monetary incentives boasts morale of employees	147 (42%)	150 (43%)	13 (4%)	21 (6%)	20 (5%)
Monetary incentives promotes employee's level of Performance	170 (49%)	130 (37%)	6 (2%)	25 (7%)	19 (5%)
Monetary incentives is the reward associates for excellent job performance through money	150 (43%)	170 (49%)	6 (2%)	4 (1%)	20 (5%)
Monetary incentives played a critical role in attracting talented employees	140 (40%)	160 (46%)	20 (5%)	10 (4%)	20 (5%)

Source: Field Survey, 2019.

Table 1 above shows that 49% of the respondents strongly agreed that monetary incentives results in reduced labour turnover, 37% of the respondents agreed, 2% of the respondents were undecided, 7% of the respondents disagreed while the remaining 5% of the respondents strongly disagreed. Also, 42% of the respondents strongly agreed that monetary incentives boasts morale of employees, 43% of the respondents agreed, 4% of the respondents were undecided, 6% of the respondents disagreed while 5% of the respondents strongly disagreed.

A higher proportion of the respondents (49%) monetary incentives promotes employee's level of performance, 37% of the respondents agreed, 2% of the respondents were undecided, 1% of the respondents disagreed while 5% of the respondents

strongly disagreed. Table 4.1 also revealed that 43% of the respondents strongly agreed that monetary incentives is the reward associates for excellent job performance through money, 49% of the respondents agreed, 2% of the respondents were undecided, 7% of the respondents disagreed while 5% of the respondents strongly disagreed.

The table further revealed that 40% of the respondents strongly agreed that monetary incentives played a critical role in attracting talented employees, 46% of the respondents agreed, 20% of the respondents were undecided, 10% of the respondents disagreed while the remaining 20% of the respondents strongly disagreed with the assertion.

**Table 2 Respondents Views on Non-Monetary Incentives on Employees’ Performance**

Statements	SA (%)	A (%)	UD (%)	D (%)	SD (%)
Non-monetary incentives enhances employees retention and loyalty	155 (44%)	130 (37%)	14 (4%)	30 (9%)	21 (6%)
Non-monetary incentives brings about industrial harmony	135 (39%)	170 (49%)	20 (6%)	15 (4%)	10 (3%)
Non-monetary incentives results in employee commitment to organization	156 (45%)	140 (40%)	18 (5%)	23 (7%)	13 (3%)



Non-monetary incentives has positive influence on the level of employee performance	135 (39%)	155 (44%)	15 (4%)	21 (6%)	26 (7%)
Non-financial incentives in organizations are most closely associated with recognition and performance feedback.	155 (44%)	130 (37%)	14 (4%)	30 (9%)	21 (6%)

Source: Field Survey, 2019.

Table 2 above indicated that 44% of the respondents strongly agreed that non-monetary incentives enhances employees’ retention and loyalty, 37% of the respondents agreed, 4% of the respondents were undecided, 9% of the respondents disagreed with 6% of the respondents strongly disagreed. A higher proportion of the respondents (49%) agreed Non-monetary incentives brings about industrial harmony, 39% of the respondents strongly agreed, 6% of the respondents were undecided, 4% of the respondents disagreed while 3% of the respondents strongly disagreed.

The table also shows that 45% of the respondents strongly agreed that non-monetary incentives results in employee commitment to organization, 40% of the respondents agreed, 5% of the respondents were undecided, 7% of the respondents disagreed

while 3% of the respondents strongly disagreed. Furthermore, 39% of the respondents strongly agreed that non-monetary incentives have positive influence on the level of employee performance, 44% of the respondents agreed, 4% of the respondents were undecided, 6% of the respondents disagreed while 7% of the respondents strongly disagreed with the assertion.

Finally, 44% of the respondents strongly agreed that non-financial incentives in organizations are most closely associated with recognition and performance feedback, 37% of the respondents agreed, 4% of the respondents were undecided, 9% of the respondents disagreed while the remaining 6% strongly disagreed.

**Table 3 Respondents Views on Career Development on Employee Performance**

Statements	SA (%)	A (%)	UD (%)	D (%)	SD (%)
Career development enhance employee’s skills and job performance	155 (44%)	130 (37%)	14 (4%)	30 (9%)	21 (6%)
Career development improve the quality of employee’s ' performance and performance	135 (39%)	170 (49%)	20 (6%)	15 (4%)	10 (3%)
Lack of Career development affect employee’s performance negatively	156 (45%)	140 (40%)	18 (5%)	23 (7%)	13 (3%)
Lack of Career development increased waste of time and waste of organization money.	135 (39%)	155 (44%)	15 (4%)	21 (6%)	26 (7%)
Career development helped to reduce organizational turnover and increased employee’s performance	155 (44%)	130 (37%)	14 (4%)	30 (9%)	21 (6%)
Career development enhance employee’s skills and job performance	150 (43%)	135 (39%)	14 (4%)	30 (9%)	21 (6%)

Source: Field Survey, 2019.

Table 2 shows that 44% of the respondents strongly agreed that career development enhance employee’s skills and job performance, 37% of the respondents agreed, 4% of the

respondents were undecided, 9% of the respondents disagreed while 21% of the respondents strongly disagreed. Also, 39% of the respondents strongly agreed that career development



improve the quality of employee's ' performance and performance, 49% of the respondents agreed, 6% of the respondents were undecided, 4% of the respondents disagreed while 3% of the respondents strongly disagreed with the assertion.

Cumulatively, 83% of the respondents agreed that lack of career development increased waste of time and waste of organization money, 4% of the respondents were undecided while 13% of the respondents disagreed with the assertion. Similarly, higher proportion of the respondents (81%) agreed that career development helped to reduce organizational turnover and

increased employee's performance, 4% of the respondents were undecided while the remaining 15% of the respondents disagreed.

**Test of Hypotheses**

Here, the hypotheses formulation in chapter one of this study is tested for acceptance or rejection. This was done using multiple regression analysis. The coefficients of the multiple regression analysis were presented in the table below.

**Table 4 Coefficients of the Multiple Regression**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	18.146	2.370		7.655	.000
1 MI	.196	.056	.120	2.714	.008
NMI	.205	.066	.217	3.120	.002
PS	.248	.055	.252	2.152	.009
CD	.025	.060	.028	.409	.683

Source: SPSS Version 21.0

**Hypothesis One**

Ho: Monetary incentives has no significant influence on employees' performance in Nigerian organization

Hi: Monetary incentives have a significant influence on employees' performance in Nigerian organization.

Based on the t-statistics of 2.714 and probability value of 0.008 in table 4.6, MI(Monetary incentives) Monetary incentives was found to have a significant effect on employees' performance in Nigerian organization. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We then conclude monetary incentives have a significant influence on employees' performance in Nigerian organization.

**Hypothesis Two**

Ho: Non-monetary incentives has no significant effect on employees' performance in Nigerian organization

Hi: Non-monetary incentives have a significant influence employees' performance in Nigerian organization

Table 4 shows that non-monetary incentives (NMI) have a t-statistics of 3.120 and probability value of 0.002 which is statistically significant at 5% level. Therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. We then conclude that non-monetary

**Hypothesis three**

Ho: Career development has no significant effect on employees' performance in Nigerian organization

Hi: Career development has a significant effect on employees' performance in Nigerian organization

CD (Career development) have a t-statistics value of 0.409 and a probability value of 0.683 which is greater than 5%. Based on probability value which is highly statistically insignificant, the null hypothesis is accepted while the alternative hypothesis is rejected. Therefore, we conclude that Career development has no significant effect on employees' performance in Nigerian organization.

**Discussion of Findings**



This study examined the effect of incentives on employees' performance in Nigerian organizations. The data generated were subjected to descriptive statistics and multiple regression analysis. It was discovered that monetary incentives have a significant influence on employees' performance in Nigerian organization. This agrees with the Findings of Ashraf and Mohammad (2014) which indicates that adequate level of monetary incentives provided to employees, Moral incentives, rewards, efficiency of reward system and promotions are four factors found to have significant impacts on employee performance. This also corresponds with the findings of Saba (2011) who revealed positive and significant association between financial incentives and employee commitment and increase in financial incentives such as promotion and bonuses enhanced employee commitment which increases the employee's performance and reduces turnover and employees can only be loyal when their wants and desires are satisfied. This finding is in line with Sajuyigbe and Olaoye (2013) who found that financial incentives reward dimensions jointly predict employees' performance, which accounted for 71% variance of performance.

The study also shows that Non-monetary incentives have a significant influence on employees' performance in Nigerian organization. This agrees with the findings of Maryam (2013) that employee performance was significantly related to non-monetary rewards and that the organization actually implements variants of non-monetary incentives. However, implementation of non-monetary incentives was considered unjust and unfair by employees and the fact that some form of non-monetary incentive was actually not effective. This findings are in line with Kepner, (2001) that non-monetary incentives are to reward employees for excellence job performance through opportunities that usually come in form of more enabling authority, award, participating in the management, promotion, holidays, better working environment, written recognition, gifts, formal dinners, informal parties, plaques,

Finally, Career development has no significant effect on employees' performance in Nigerian organization. This disagrees with the opinion of Nel, Gerber, van Dyk, Haasbroek, Schultz, Sono and Werner (2004) outlines the following effects of career development on organizational performance:-Increased success of quality projects, reduction of project failures and

defects, reduction of staff turnover, minimal supervision needs, ability to progress, greater capabilities to carry out more projects and changes in employee behavior, in addition to training as reviewed above, the major factor in the creation of employee human capital, which determines the long-term performance of an employee's behavior. This disagrees with the opinion Rothwell and Kazanas (2006) that career development not only influences the bottom line, but is also critical in cost saving. As a consequence of employee training, the level of turnover is reduced. It is also important to career development of managers and supervisors of an organization.

#### **Summary of Findings**

This study examined the effect of incentives on employees' performance in Nigerian organizations. The data generated were subjected to descriptive statistics and multiple regression analysis. It was discovered that:

1. Monetary incentives have a positive significant influence on employees' performance in Nigerian organization
2. Non-monetary incentives have a positive significant influence on employees' performance in Nigerian organization.
3. Career development has negative significant effect on employees' performance in Nigerian organization

#### **Conclusion**

The study examined the effect of incentives on employees' performance in Nigerian organizations using institutions of higher learning in Anambra and Enugu State. All the variables in the research were tested and it was found out that strong relationship exists among the variables having subjected the collected data to empirical analysis with the use of multiple regression analysis. Based on the research results, this research concludes that incentives have positive significant influence on employees' performance in Nigerian organizations.

#### **Recommendations**

On the basis of the findings and conclusions of the study, the following recommendations were made: Effective and good employee financial incentives schemes should be designed to include a mix of both financial and non-financial incentives. Organization should strive to improve on non-monetary package giving to their employees in order to get the best out of them. Efforts must also be intensified to ensure that employees are giving what is due to them without any delay. Employers of



labour should use career development incentives from time to time to motivate their employees. Since career development increased success of quality projects, reduction of project failures and defects, reduction of staff turnover, minimal supervision needs, ability to progress, greater capabilities to carry out more projects and changes in employee behavior

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