

**IMPACT OF REWARD SYSTEM ON STAFF
PERFORMANCE IN LEADWAY PENSURE P.F.A. LIMITED,
KADUNA**

BY

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DECLARATION

I, Comfort Ufeli Amaga, hereby declare that this project work titled “**Impact of Reward System on Staff Performance In Leadway Pensure P.F.A. Limited, Kaduna**”, is a record of an original research work conducted by me under the supervision and guidance of Mrs. Mary D. Musa of the Department of Business Administration and Management Studies. I have neither copied someone’s work nor has someone else done it for me. However, all references made to published literature have been amply acknowledged both textually and under the references.

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Signature & Date

APPROVAL

This is to certify that this research work titled **“Impact of Reward System on Staff Performance in Leadway Pensure P.F.A. Limited, Kaduna”**, written by **Comfort Ufeli Amaga**, with registration number, **KPT/CBMS/18/41092**, has been read and approved as having met the requirements governing the preparation and presentation of project in Kaduna Polytechnic. It is hereby approved for its contribution to body of knowledge and literary presentation in partial fulfillment of the requirements for the award of Higher National Diploma (HND) in Business Administration and Management.

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DEDICATION

This project is dedicated to God Almighty, who has made it possible for me to achieve this great feat and my beloved family.

ACKNOWLEDGEMENTS

I am entirely grateful to God Almighty for making it possible for me to undergo this programme successfully.

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ABSTRACT

The study examined the Impact of reward system on staff performance in Leadway Pensure P.F.A Limited Kaduna. Specifically, the study examined the kind of reward system practiced in Leadway Pensure P.F.A Limited Kaduna, the material and non-material reward, the constraints militating against the effectiveness of the reward system and its impact on staff performance. The study had three research questions to guide the study. The study was deemed beneficial in providing a deeper understanding of the appropriate reward system that is required to be adopted by organisation to influence employee's productivity and enhance staff performance. Survey method was used for the study. The population size consisted of 20 staff of the company and was adopted as the sample size. Questionnaire instrument based on 5point Likerts scale was used for the collection of data for the study. Data collected from the research study were presented in a table analysed using mean statistics so as to confirm its degree of conformity with the objectives of the study. From the result of the analysis, the study revealed the reward system such as competitive salaries, allowances, training and development and recognition extended to staff in Leadway Pensure P.F.A Limited is highly effective in boosting staff performance. The major constraint militating against Leadway Pensure P.F.A Limited incentives scheme are that performance reward and incentive are based on position and incentive sometimes causes employees to lose interest because it does not reflect performances and creates inequality. The researcher concluded that rewards system has positive impact on staff performance. Consequently, the study made some recommendations that the organisation should imbibe more non-material rewards such as praise, recognition, thanks, public acknowledgment, lunches and dinners out, encouragement to pursue ideas, personal development opportunities in order to give the staff a sense of belonging and as well boost their morale. The study further recommended that Leadway Pensure P.F.A Limited should consolidate their reward system by embarking on research and development in order to come out with more thrilling reward and incentive scheme that will stimulate employees to optimum performance.

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CHAPTER ONE

1.0

INTRODUCTION

1.1 Background of the Study

Organisations are established with the aim of utilising various material and Non- material resources to achieve certain objectives. Every organisation is concerned with what should be done to achieve high level of performance through staff motivation by using the right kind of reward. Generally, reward system has a way of influencing and accelerating staff performance – expectancy theory shows that employee’s efforts and performance would be expected to increase when they felt that rewards are contingent upon good performance. Hence reward system serves as motivational tool in increasing staff performance.

This issue has become a burning one in human resources management of the Nigerian Financial Institutions (Aliyu, 2015). There are lots of theoretical concepts, principles and techniques of management that have evolved in response to these challenges but scholars suggested that more conceptual and empirical work is required to show the link between reward system and staff performance. They have also documented that financial reward is readily perceived as having a high instrumental value than other effects in terms of labor turn over because of the comparative value for alternative employment. The non-financial reward aspect seems to have a steady sustainable impact (Nworgu, 2016). Notwithstanding the growing body of literature and empirical studies on the impact of reward system on staff performance, the issue has not been resolved hence, it is of importance that a survey is being carried out on the impact of reward system on staff performance with reference to Leadway Pensure P.F.A Ltd Kaduna.

1.2 Statement of the Problem

Over the years, employees' grievances have always resulted from poor remuneration occasioned by poor salary structure and non-institution of appropriate reward system in the organisations, hence there is dissatisfaction among the employees. Furthermore, it has generally been observed that Leadway Pensure P.F.A Ltd Kaduna, like other business organisations is constrained with the problem of using financial based elements like salaries, wages, etc. to compensate its staffs against performance related pay structure which has hampered productivity because it does not induce worker to put up maximum performances. This is in line with Frederick Herzberg's hygiene theory which states that worker's salary is not a motivator but its absence brings dissatisfaction. This is because the compensation is not based on incentive schemes hence it does not elicit superfluous efforts of workers. Consequent upon the unfriendly government legislation in wage clause characterized by bureaucratic inefficiency, there is need to examine the impact of reward system on staff performance in Leadway Pensure P.F.A Ltd Kaduna.

1.3 Objectives of the Study

The main objective of the study is to examine the impact of reward system on staff performance in Leadway Pensure P.F.A Ltd Kaduna. Other subsidiary objectives are:

- i. To examined the impact of material and non-material reward on staff performance of Leadway Pensure P.F.A Ltd Kaduna.
- ii. To assess the kind of rewards system extended to boost staff performance in Leadway Pensure P.F.A Ltd Kaduna,

- iii. To find out the constraints militating against the incentive schemes of Leadway Pensure P.F.A Ltd Kaduna.

1.4 Research Questions

In order to give the research a sense of direction, the following research questions were being drawn-out as guide to the study;

- i. What is the impact of material and non-material reward on staff performance of Leadway Pensure P.F.A Ltd Kaduna?
- ii. What kind of reward system is being extended to boost staff performance in Leadway Pensure P.F.A Ltd Kaduna?
- iii. What are the constraints militating against the incentive scheme of Leadway Pensure P.F.A Ltd Kaduna?

1.5 Significance of the Study

The result of the study on the impact of reward system on staff performance contributed to the existing body of knowledge on reward system and staff performance which is of immense importance to pension managers, human resource managers and practitioners, students and future researchers. First, it provides a deeper understanding of the appropriate reward system that is required to be adopted by Leadway Pensure P.F.A Ltd Kaduna to influence employee's productivity and enhanced staff performance. Again, the result of the findings of the study will help Human Resource Managers and Practitioners in the area of policy formulation as regards staff incentive scheme and remuneration. The result of

the study is expected to create awareness for the value of reward system to employees in the performance of their duties in the organisation especially in Leadway Pensure P.F.A Ltd Kaduna. The study will serve as future reference point to scholars in the extension of knowledge and a good premise for future research in related fields.

1.6 Scope of the Study

The study focused on empirical investigation of the impact of reward system on staff performance. The study was limited to Leadway Pensure PFA Ltd Kaduna. The study covered the Concept of reward system and its effect on staff performance. The period covered under this study was five (5) years i.e. 2017 - 2021.

1.7 Limitation of the Study

Every research activity has its constraints and the current research is not an exemption.

Certain problems were encountered in the course of this research work which includes:

Financial constraints: due to the economic meltdown, the research was faced with enormous economic problems.

Time constraint: inadequate time was another challenged encountered. The researcher had to share the available time among other various academic work which were time consuming.

Despite all the challenges encountered the researcher was able to gather materials that enabled her to carry out successful research investigation.

1.8 Definition of Terms

- Benefit** - Benefits are any perks offered to employees in addition to salary. The most common benefits are medical, disability, and life insurance; retirement benefits; paid time off; and fringe benefits.
- Compensation:** - Compensation is rewards that are primarily financial in nature and satisfy financial needs for income
- Material Reward** - Material rewards include cars, vacation, or other things that cost money. They also can be given more often and immediately after behaviors the manager appreciate
- Monetary Rewards** - Monetary reward are rewards given to employees that have a definitive monetary value - something that hits their bank account or can be liquidated in the future.
- Non-Material Reward** - Non-Material reward refers to a class of rewards which have no material or monetary value but can keep the employee feeling recognized and motivated.
- Non-Monetary Reward** Non-monetary reward are non-cash benefits that employer's offer to their employees. They are a way of rewarding people outside of the regular, monetary compensation and benefits package.

- | | | |
|---------------------|---|---|
| Performance | - | Performance comprises of real result or output compared with intended output. |
| Productivity | - | Productivity is the overall output of goods or services produced divided by the input needed to generate that output. |
| Reward | - | Reward is an important element given employees to contribute their best efforts to generate innovative ideas that leads to a better business functionality. |
| Total Reward | - | Total reward is an integral element of reward management and is the combination of financial and non-financial reward given to employees in exchange for their efforts. |

CHAPTER TWO

2.0. LITERATURE REVIEW

2.1. Introduction

Literature review is a collective body of an existing knowledge of work on the subject field (palmer,2012). The researcher looked at what other authors have written on the subject matter. This was done under various headings and sub-headings such as concept of reward system, concept of total reward system, Reward policy and reward strategy, the need for reward management and organisational performance.

2.2 Conceptual Frame Work

2.2.1 Concept of Reward System

Reward system is viewed differently by different people and authors. Reward system is a basic tool which may lead to increased efficiency of employees in service delivery and thus defined through different ways. According to Armstrong and Murlins (2012) they viewed reward as the general term that refers to all forms of payment or reward going to employees at all organisational levels and arising from employment in an organisation. It is a system set up by organisation to reward performances and inspire employees or individuals or group levels for their positive contribution towards achieving goal and increasing rate of growth in an organisation. Reward can also be seen as procedures, set up standards associated with allocation of benefits and compensation to employees.

Furthermore, reward is seen as a return for effort put into work or what is given for satisfactory or outstanding work. This may indicate the values the employer attaches to employee's skill and abilities. Return on their investments in education and training for most workers, the pay received for the work performed is the major source of personal wealth hence, it is an important determinant of their economic and social well-being (Ivancerich, 2016).

Likewise, Flannery (2011) popularly called the 'Hay Group' defined reward as the Human Resource management function that deals with what individual receive in exchange for performing organizational tasks such as wages, salaries, bonuses, commissions, benefits and non -financial rewards like praise. It is the main source of doing business for many organizations and as the major link in the exchange process between individual workers and the organization.

Mukovick and Boudreau (2015) refer to reward as all forms of financial returns, tangible services and benefits employees receive as part of an employment relationship. It may be received directly in form of cash (e.g. bonuses, wages, incentives) or indirectly through services and benefit (e.g. pension, health, insurance, vaccinations). Reward system is a group of neutral structure that are critically involved in mediating the effects of reinforcement. A reward is an appetitive stimulus given to a human or some other animal to alter its behavior. Reward serves as a reinforcer.

Reward is defined as one of the important elements to motivate employee for contributing their best effort to generate innovative ideas that lead to a better business functionality. Aktar et al (2012) argued that reward is an investment of the company on employees for

better contribution of employees for the company. Therefore, reward can be anything that attracts an employee's attention and stimulate him to work.

Kibet et al (2013) reward management is a method, procedures and strategies designed by human capital manager to retain and attract employees to the company. To the managers, they have different views of reward. Firstly, pay is a major operating expense, in many organizations labor cost account for more than 50 percent of the total operational expenses. Due to this reason pay require sound administration, pay can influence employees work behavior and attitude. It affect their decision to apply for a job, remain with an employer, work more productively or undertake more training to be eligible for a higher paying job. If properly managed, pay may cause employees to diminish their effort to search for alternative employment ad to form a union, to influence employees work attitude and behavior is a reason for ensuring pay system are designed and administered fairly and equitably.

According to Noe (2014), employees' performance can be defined as the effort or activities put in to achieve organizations goals. He further explained that to set up a performance management system that support organization goals, managers need to understand the process of employee's performance. Individual employees put in their skills and abilities to the job, by applying set of behaviors to achieve result but success is more than the product of individual effects. Organization and other factors such as conditions influences the employee's abilities, behavior and results.

Each aspect of performance management should be related to the organisations goals. Business goal should influence the kind of employee selected, their training, requirement

of each job and measures used for evaluating result. Meaning, organisations should identify what each department must do to achieve desired result, then defines how individual employees should specifically contribute to their departments goals.

How performance management system support organizational goals.

- i. Monitoring economic conditions, the organizations culture and other emphasis on performance.
- ii. Defines and measure performance in precise terms, focus on outcome that can be defined in terms of how frequently certain behavior occurs.
- iii. Link performance measure to meeting customer's needs.
- iv. Measure and correct the effect of situational

Amstrong, (2012) defined reward as consisting of financial rewards (fixed and variable pay) and employee benefits, which comprises of total remuneration. The system incorporates non- financial reward such as (recognition, praise, achievement, responsibility and personal growth) and performance management processes. For both financial and non- financial reward, employee trade labor and loyalty. Reward is the center piece of employment relationship and an exchange process.

Armstrong (2012) wrote that all reward system contains two elements that are in contradiction with each other which are:

- i. Cooperation between worker and manager is an essential ingredient of employment relationship if anything produced is fostered through the logic of financial gain for the worker.
- ii. Tension and conflict engendered through the logic that makes the buyer of labor have power of reward over a group and cost over the other. This underlining employment relationship makes contract between the two parties unstable within the context of global price competition and technological change.

The nature of the employment contract implies that management have different objectives it comes to rewards. For individual employee, pay at the end of the month is the major source of personal income hence a critical determinant of an individual's purchasing power. The absolute level of earnings determines the standard of living and social well-being of the recipient therefore the most important consideration for most employees. Further, axion a fair day for a fair work raises the question of relative income. Most cases, what is seen fair will be a rough, personalized evaluation. On the other hand, organisations are interested in reward management for important reasons which are:

- i. It is concerned about the absolute cost to the payment because of its bearing on profitability or cost effectiveness. Its importance varies with the type of organization and relative cost of employees.
- ii. Organisations view pay as a determinant of employees work attitude and behavior.
- iii Reward strategy defines what organization intend to do in longer term to develop and implement reward policies, processes that will further the achievement of its

business goals. It establishes priorities for developing reward plans that can be aligned to business and human resource strategies. Buchana (2013) suggest that it is a way of thinking that you can apply to any reward issues arising in your organization, to see how to create and have value for it, it's necessary to recognize that effective reward strategies have three components such as;

- i. Clearly defined goals and defined link to business objectives.
- ii. There is need for a well-designed pay and reward programs, tailored to the needs of the organization and its people and consistent and integrated with one another.
- iii. There is need for effective and supportive human resource and reward strategy processes in place.

However, the purpose of reward strategy is to support the corporate strategy and align reward policies and focus to organisation needs. Essentially, it provides a sense of direction, purpose and a framework for reward planning. Therefore, criteria for effective strategy should be;

- i. To link reward plans to corporate goals, reflect and help to enact the organizational values.
- ii. Reward should be visible.
- iii. Flexible to vary with the changes in performance.
- iv. Reward should be low in cost.
- v. Contain achievable plans for implementation which will establish priorities and may well be incremental.

2.2.2 Concept of Total Reward

The concept of total reward emphasizes the importance of considering all aspect of reward as an integrated and coherent whole. Tsede and Kurtin (2013) and Armstrong (2013), total reward is an integral element of reward management and is the combination of financial and non- financial reward given to employees in exchange for their efforts. Palmer (2012), adopted a wider view point that total reward can be defined as its entire employee's available tools that may be used to attract, retain, motivate and satisfy employees. This comprises of every single investment that organisations makes in its people and everything its employee value in employment relationship.

The notion of total reward system describes that there is more to rewarding people than throwing money at them. Armstrong (2012) puts, the monetary values in the reward packages still matter but they are not the only factors. But stress that total reward policies are based on building a much deeper understanding of the employee agenda across all elements of reward.

2.2.3 Components of Total Reward System

The total reward system component is a blend of monetary and non- monetary rewards offered to employees. It can generate valuable business result in terms of increasing productivity and loyalty and has hiring advantages since a good reward program makes organization stand out. Generally, there are five pillars of a comprehensive component of total reward system.

- i. **Compensation:** The ‘foundational’ rewards that are primarily financial in nature and satisfy financial needs for income. This can be viewed holistically, for instance a variable pays system reward employees based on performance. This must be earned again when employees achieve the level of pay. Other factors that can be consider working into variable pay system are short term or long- term incentive pay. They both work to attract and motivate top performers who are confident in their abilities to exceed expectations.
- ii. **Benefits:** These satisfy protection needs and are unlikely to be performance based. These needs are leave of absence, sick and bereavement leave, and vacation time. It also seeks to offer benefit that go beyond legally mandated minimum requirement such as medical care, unemployment and social security. Offering an attractive benefit package help one set apart from competitors and round out total reward system.
- iii. **Work experience:** These are the rational needs that bind workers to the organization more strongly because they satisfy an individual need such as personal development and fulfillment which in turn foster better morale.
- iv. **Recognizing good performance:** Employees need to feel that their performance is appreciated and critical to company’s ability to achieve goals. Contributing and creating a recognition culture in which management routinely provides specific, genuine and timely feedback.

- v. **Development:** employees who are best talented often leave due to lack of development opportunities. Therefore, it is necessary to offer career development opportunities tailored to employee goal for growth and provide resources they need such as access to training and courses. Dirks (2020).
- vi. **Material Reward:** material rewards are rewards which can be financial in the form of cash or in a form of gifts which can be converted into cash. Material rewards include Salary, bonus, fringe benefits, pay raise, gym or club memberships (Talentlyft, 2022).
- vii. **Non-Material Reward:** Non-Material reward refers to a class of rewards which have no material or monetary value but can keep the employee feeling recognized and motivated. Non-material rewards include: Praise, Thanks, Public acknowledgment/recognition, Lunches and dinners out, Encouragement to pursue ideas, Personal development opportunities (Brandimonte & Ferrante, 2015)

2.2.4 Reward Policy and Reward Strategy

In most organisations, one important aspect is the reward policy and strategy put in place. Because employees do not provide services for free and organization are not running a charity show. Therefore, the contractual obligations between employees and organisations are about too much work is to be done and how much pay is to be paid for the job well done. Hence reward policies must reflect this aspect.

Likewise, a significant aspect of the reward or strategy that is usually ignored is that employees have intrinsic needs other than monetary needs alone. This intrinsic need for

recognition, better treatment, and rewarding of their good work forms the other pillar on which the reward strategy and reward policies stand.

Monetary Reward Policies: the natural choice of any reward strategy is the provision of monetary incentives. That is pay like bonuses and allowances that are monetary in nature play an important role in motivating employees. These extrinsic rewards meet basic needs of employees to sustain themselves and their families. Ideally, reward strategy would provide for graded pay increase and bonuses that are in tune with industry best practices and are coordinated across the organization without discriminating against specific departments. Further, the monetary incentives should also not discriminate based on gender, ethnicity or other aspect of identity. The reward takes into consideration the fit between employees and the role they perform.

Non- Monetary Reward Policies: The first section of reward strategy discussed that the intrinsic needs of employee are ideally a strategy that would provide for graded pay increase and bonuses that are in turn best practices coordinated across organisation without discriminating against specific departments. This does not mean that extrinsic rewards like pay and bonuses are not significant. Rather the combination of external rewards and non- monetary reward like recognition, awards and publicity for employee good work is key to actualizing performance.

Some non-monetary rewards can also include benefit like memberships to exclusive clubs, company provided housing and transport and advanced training and soft skill upgrading courses that motivate employees to self-actualise themselves. More so, periodic prizes and publicizing top performance efforts is done in many organisations.

Therefore, if employees are paid handsomely or recognized, the ideal reward strategy would incentivize employees to perform to their full potential by matching their intrinsic needs with external rewards. Juneja (2015).

2.2.5 The Need for Reward in an Organisation

According to Robert (2015), the principal objectives of reward management are:

- i. Attract and retain suitable employee performance.
- ii. Maintain levels of performance.
- iii. Comply with employment legislation and regulations.

These objectives have to be achieved with an agreed budget for reward. First the reward must be competitive to encourage, attracts and retain qualified and competent people to the organization. Reward perceived by prospective members that are inadequate or inequitable will make it difficult for organizations to attract the type of people necessary to success. Secondly, reward is designed and managed to improve productivity and control labor costs. Changing pay system can modify employee's behavior which impact on performance. Reward system is a major element in deterring the psychological contract within the organization particularly in circumstances of change. The third objective is compliance. Rewards should comply with pay legislation as government policies changes. Reward may need to be adjusted to ensure continued compliance.

Armstrong (2012), a reward express what organization value and is prepare to pay for it, it is governed by the need to reward the right thing to get the right message across on

what is significant. The overall aim of reward is to support the attainment of the organizing strategic objectives by ensuring that it has the skills, competent, committed and well-motivated workforce.

Armstrong (2012), further explained that other aims include

- i. To play an important role in communication of the organization values, performance, standard and expectations.
- ii. To encourage behavior that will contribute to the achievements of the organizations objectives and reflect the balance score card of the key performance drivers.
- iii. To under pine organisation change programmed concerned with culture process and structure.
- iv. To support the realization of the key values of the organization in such area as quality, customer care, team work, innovation, flexible and speed of response.
- v. Provided value for money on reward initiative should be undertaken unless it has been established that it will add value, and no reward practice should be retained if it does not result in added value.
- vi. To meet employee expectation and that they will be treated fairly, equitably and consistently in relation to the work they do and their contribution.
- vii. Sometimes organization pay practice should be internally equitable and externally competitive in order to achieve their aim. Though it is not easy to attain, the

problem of internal equity and external competitiveness is usually hard to reconcile the pressure of market forces may overcome internal equity consideration when people with scarce talents have to be recruited.

Michael (2015) wrote that the strategic view of competitive practice suggests that achieving competitive pay should be contingent upon providing a level of work quality productivity which must justify pay levels that reflect expected reasonable goal performance.

2.2.6 Factors Influencing Reward Management.

According to Ivancevich (2016), reward for jobs and individuals are influenced by a combination of the following factors.

- i. Labor Market: Although many are with the motion that human labor should not be regulated by force such as demand and supply but in term of full employment wages and salaries may have to be higher to attract and attain enough qualified employees, in depression, pay can be lower.
- ii. Economic Conditions: Economic conditions is another factor affecting reward as an external factor of the industry especially the degree of competitiveness, which affects organizations ability to pay high wages. Ability to pay is also a consequence of the relative productivity of the organization. If a firm is very productive, it can pay higher wages. Productivity can be increased by advanced technology, more efficient operating methods a harder working and more talented workforce.

- iii. Government Legislations: The government directly affect rewards through wage control and guidelines, which prohibit and increases in reward for certain workers at certain times and laws that establish minimum wage rates, wage and hour regulations and prevent discrimination.
- iv. Union: The union have tended to be pace setters in in demands for pay, benefit and improves working conditions, if organisation stays in environment where unions are strong, the union is more likely to increase the reward of its members when organisation is financially and competitively strong, the union is strong enough financially to support strike, union also bargain over working conditions and other conditions and policies that affect reward.
- v. Who make reward decision: More is known about whom makes reward decision than about some other factors, decision on how much to pay, what system to use, what benefits to offer etc are influenced from top to the bottom of the organization. In large, publicly held organizations the stockholders and the board have a great deal of say about pay, especially at the management , they make decisions that determine the total amount of the firms budget to be earmarked for pay, the form of pay top management uses and other pay policies. As the firm expand, reward specialists, general managers and job incumbent also have input.

2.3 Concept of Organisational Performance.

Organisational performance involves analysing a company's performance against its objectives and goals. This means organisational performance comprises of real result or outputs compared with intended output. According to Luo et al. (2012) who conducted a mega analysis of organisational performance suggested that performance should be measured in economic and operational terms.

The economic performance looks at financial and market outcomes which assess the profit, sales, return on investment for shareholders and other financial metrics.

The operational performance focuses on the observable indices like customers satisfaction and loyalty, the firm social capital and competitive edge derived from capabilities and resources.

Organisational performance is measured for different levels of hierarchy and can be assessed for individuals, groups and the entire organization as a whole (Knies, Jacobsen and Tummers, 2016). The organisational performance is measured in three ways.

- i. Productivity
- ii. Organizational effectiveness
- iii. Organisational Ranking.

Organisations employees need to see the connection between what they do and the outcome. Also, the focus of the organization must be on performance. The spirit of organization is high performance standards, for the group as well as each individual. For employees to see this connection, and work towards high performance, managers need to specify the outcomes that will be measured.

- i. **Productivity:** This can be defined as the over all out put of goods or services produced divided by the inputs needed to generate that output. Organisation strive to be productive. They want the best of goods and services produced with the least amount of inputs. Output is measured by the sales revenue organisation receives when those goods and services are sold (selling price x number sold). Input is measured by the cost of acquiring and transforming the organizational resources into the outputs. It's management job to increase productivity by reducing the output price (selling price). By doing this means being more efficient in performing the organisations work activities.
- ii. **Organizational Effectiveness:** is a means of how appropriate organizational goals and how well an organization is achieving goals. It's a common performance measures used by managers. Other descriptions of organisational effectiveness have been suggested by management researchers. For instance, the system resource model proposes that effectiveness is measured by the organization's ability to exploit its environment in acquiring scarce and valued resources. They also emphasize the transformative processes of the organisation converts input into desired outputs. The multiple constituencies model explain that several different effectiveness measures should be used, reflecting the different criteria of the organization's constituencies. For example, customers, advocacy groups, suppliers and security analysts each would have their own measures of how the organization was performing.

- iii. **Organisational Ranking:** This is determined by specific performance measures, for instance top performing companies are determined by financial result including profits, return on shareholder's equity managed plants are determined by organisational accomplishments and demonstrations of superior management skills in the areas of financial performance, innovation and leadership, globalization alliances and partnership, employee benefits and education and community involvement. Thus, different agencies apply different measures through which the performance of organization is decided to rank the industry/organisation.

2.3.1 Reward System and Employee Performance.

Increasing payroll cost and competition in the global market have caused managers to search for ways to increase productivity by linking reward to employee's performance. Randhawa (2012) opines that high performance requires more than motivation, ability, adequate management, health, safety and other conditions will help raise performance levels. But employee's motivation to work harder and better is obviously an important factor. A number of researches has shown that if reward is tied to performance, the employee procures a higher quality and quantity of work, in many organisation employee behavior can be seen to be affected by direct financial inducement and the internalization of norms of behavior. By punishing objectionable, poor performance through the withholding of pay increases has helped in the internalization of the organisations goal or norms of behavior among the employees of the organisation. Thus, as Michael (2015) indicates, management are able to install a system of control company success in meeting the challenges of a rapidly changing, highly competitive environment.

Further studies by (Bello & Adebajo, 2014; Jesca, 2014; Murphy, 2015) came into the same submissions. Rewards can be used to improve performance by setting targets in relation to the work given e.g surpassing some sales targets. When the employee surpasses their targets, he or she can be given additional amount to their salary; this will make them strive to achieve more. Also reward, staffing, training and development, performance management and other human resource management practices and investment that directly affect employee motivation and ability to provide product and services that are valued by customers. Raza (2012), concludes that reward system is key motivation for employees to meet performance expectations of the management.

2.3.2 Effects of Reward System on Staff Performance

Organisational performance is influenced by many factors just as management is a continuous cycle of improving job performance with goal setting, feedback, coaching, rewards and positive reinforcement (Flippo, 2010). An investigation conducted by Paula (2008) reveals that for incentives to have a significant impact, it must be pronounced meager. Non-financial incentives are one of the physical needs that influence motivation which in turn will affect employee's performance. Providing the right compensation within the meaning of fair and adequate to meet the requirement of employee is the main goal of any modern human resource department. This is sequel to its influence and staff motivation to attain high productivity.

2.4 Empirical Review

Several researches have been conducted on the impact of reward system on organisational performance in the workplace. Thus, the following related empirical studies are reviewed.

Abba, (2018), conducted a research on the effectiveness of compensation in motivation of Textiles workers in Kano state. The objectives of the study was to establish the relationship between compensation packages and workers motivation. Four research questions and four null hypotheses were raised; Quantitative research design was employed. The population of the study comprised of 580 workers of Kano State 265 was randomly selected as the sample size. The main instrument of data collection was structured questionnaire developed, pilot-tested and administered to gather data. The data collected was analyzed using both descriptive statistics and structural equation modeling. The findings revealed that salary and pension do positively and significantly influence workers' motivation. The study offer important policy recommendation to the Kano state government such as introducing new or improving the existing compensation packages of their workers to include other monetary incentives and non-monetary incentives.

Siwale et al. (2020) conducted a study on the impact of reward system at Brentwood suppliers Ltd, to assess the effectiveness of existing reward system and whether there was a correlation between reward system in the organization and an increase in performance of the employee. The technique used was random and purposive sampling were the criteria to ensure sample representativeness and therefore, validity, reliability and generalisation of findings. Sample size was 30 out of a population of 50 employees. Inductive approach was used due to the fact that the data collected and analysed before drawing to conclusions and

recommendation using both primary and secondary method of data collection as analysed using SPSS. Findings revealed that the existing reward system of Brentwood suppliers was ineffective and must be revised, there was a relationship between reward system and employee performance. Study recommend that management should harmonize reward system, reward packages should be modified periodically as a response to the changing environmental needs of the workers as well as the world as a whole in an employer employee participatory manner.

Agbaeze and Ebirim (2020) carried out a study to investigate reward system and organizational performance in the manufacturing industry in south Nigeria. A survey research design was adopted. Primary data was used to collect data by administering a set of questionnaires to 257 management staff of chosen manufacturing companies from Rivers, Delta and Bayelsa states respectively. Findings revealed that reward system had a significant effect on organizational performance. Hypothesis formulated were tested using simple linear regression, person product moment correlation co-efficient and the chi-square method. It was concluded that reward system should match with the organizational performance so that employees would perform their roles with high spirit in the manufacturing industry. It was recommended that organisations like the manufacturing companies should implement appropriate reward system that would improve the performance of their employees. Inclusive measures to be taken are market rate analysis, financial and non-financial reward which would boost the morale of workers to perform well.

2.5 Theoretical Framework.

2.5.1 Expectancy Theory

Ezigbo (2011) explains that the expectancy approach to motivation was developed by Victor H. Vroom. The expectancy theory postulates that an employee's level of motivation depends on three basic beliefs: Expectancy, instrumentality and valence. Dessler (2011) observes that a person's motivation to exert some level of effort depends on three things. The person's expectancy in terms of probability and that his or her effort will lead to performances.

Instrumentality or the perceived connection, if any between successful performance and actually obtaining the reward is crucial. Valence represents the perceived value that the person attaches to the reward. In Vroom's theory, motivation is a product of three things. $Motivation = (E \times I \times V)$, where E represents expectancy, I stands for instrumentality and V for valence. If I or V is zero, or inconsequential, there will be no motivation.

2.5.2 Equity Theory

Equity Theory focuses on an individual's feeling of how fairly one is treated in comparison with others. It is based on belief that individuals are motivated to maintain a fair or equitable relationship between themselves and others and to avoid relationships that are unfair or inequitable. The equity theory is based on the comparison of two variables. Input and outcome- Input represents what an individual contributes to an exchange. Outcome is what an individual receives from the exchange. The consequence of inequity is that inequity causes tension within and among individuals. (Hellriegel et al, 2010).

2.5.3 Fredrick Herzberg Two-Factor theory of motivation

According to Fredrick Herzberg, two major sets of factors affected employee performance. The first set, which Herzberg labeled hygiene factors corresponds to the lower needs in Maslow's theory. Hygiene factors are confection or extrinsic aspects of a job, such as salary, fringe benefits, company policies, working conditions, and interpersonal relations with co-workers and supervisors. The second set involve the nature of the work, responsibility for a task well done and recognition, opportunities for personal growth and learning, and feelings of achievement derived from task completion.

The two- factor theory suggests that job satisfaction has two dimensions. A manager who tries to motivate an employee using hygiene factor such as pay and good working conditions will likely not succeed. To motivate employees and produce a high level of satisfaction, managers must also offer factors such as responsibility and the opportunity for advancement.

2.5.4 The Theory Adopted for the study and Its Justification

Expectancy theory will be adopted as the frame work for this analysis. There are several theories that relate to this study, being in content or process. However, the Expectancy theory was adopted as the most appropriate for the study. Base on Victor Vrooms Expectancy theory of motivation, organizations who desire high performance from their employees must be able to follow some steps to implement the basic idea of the theory.

First organisations need to figure out what each employee may likely want. Secondly decide what kind and level of performance is needed to meet organizational goals. Then

make sure that the desire levels of performance are attained and linked. By so doing if employees are rewarded accordingly it get them motivated and employees that are motivated are incomparable assets to the organization as they help build the business of the organization and increase organizational performance.

2.6. Summary of the Chapter

The chapter reviewed the works of scholars in relation to impact of reward system on staff performance. Different definitions were reviewed in order to get a wider view of its conceptual frame work. The study defined reward as a system set up by organisations to reward performance and inspire employees or individuals or group levels for their positive contribution towards achieving goals and increasing the rate of growth in an organisation. The basic components of total reward such as compensation, benefit, work experience were reviewed, methods of performance measurement (productivity, organizational effectiveness, organizational ranking) and the effect of reward system on staff performance were also reviewed. The theoretical based of the study Expectancy theory was reviewed. From the reviewed authors investigation made was on the manufacturing industry and supply organization. None of the Authors investigated the service organization Leadway Pensure PFA Ltd Kaduna. It is the gap the result of this research work helps to fill.

CHAPTER THREE

3.0 REASEARCH METHODOLOGY

3.1 Introduction

Research is simply the process of arriving at dependable solution to problems through the planned and systematic collection, analysis and interpretation of data. The chapter focused on research design, area of the study, population of the study, sample size and sampling techniques, instrument for data collection, validity and reliability of instruments, methods of data presentation and analysis.

3.2 Research Design

According to Ojo (2013), research design refers to the plan a researcher has designed to enable him/her carry out the study. The motive behind using the research design is reviewed research by Blaikier (2013) is to plan, organise and execute the project concerned so as to ensure the validity of the findings. The study used survey research design because it has an advantage of generating current data on the variable under investigation and it is also less cost effective. The survey design is appropriate because Kerlinger (2010) mention that discover relative incidence survey researchers had studied small population which enable them to and facts about the population under study.

3.3 Area of the Study

The research was carried out in Leadway Pensure P.F.A Ltd., located at Q.Q. 10, junction road, opp. Kaduna North LGA Secretariat, Kaduna.

3.4 Population of the Study

According to Robert (2008), population is a collection of elements about which the researcher wishes to make inference. The population for the study consisted of Kaduna branch of Leadway Pensure PFA Ltd whose staff strength at the time of the study stood at twenty (20).

3.5 Sample Size and Sampling Technique

The sample size of the study was twenty (20). Based on small population of the study the research focused on Alamu and Olukosi (2008), suggestion that says if the population is small and manageable, it becomes synonymous with the sample. Thus, neither sampling technique nor sample size determination is required from the population.

3.6 Instrument for Data Collection

Primary method of data collection was used in this study. The primary data consisted of a number of items in a well-structured questionnaire that was administered to the respondents. The decision to structure the questionnaire is predicted on the need to reduce variability in the meanings possessed by the question as a way of ensuring compatibility of responses.

The questionnaire was developed by the researcher on five point Likert attitude scale of Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree.

3.7 Validity and Reliability of the Instruments

To ensure that the right instrument has been used and correct measurement taken is that the outcome must be in consonance with two major criteria for measuring quality known as validity and reliability (Osuala,2009). Validation by experts as opined by Nwana (2013) is an effective method for content validation of research instrument. For validity of an instrument to be obtained, three experts were used to vet and cross check the items generated in the questionnaire in order to ensure accuracy and clarity of the instrument. The facial validation was done by the project supervisor of this project, Mrs. Mary. D. Musa, as well as Mrs P.G. Dodo and Mr Ben Ogedengbe. Based on what correction and modification gotten from their observations and constructive criticisms was used in improving the final draft.

To obtain reliability of the instruments, the researcher employed test and retest method of reliability testing. Reliability test was carried out by administering the instruments on a selected (pilot) sample outside the study population; the data obtained was subjected to statistical analysis in order to establish the reliability co-efficient of the instrument.

3.8 Method of Data Collection

Data collection used in the research was primary and secondary data. Primary data gathering was conducted through the use of questionnaire. The researcher took two to three weeks to gather the data personally.

3.9 Method of Data Analysis

Data collected from respondents were presented and analysed with the aid of arithmetic mean and simple percentage. The choice of these tools is to enable the readers to comprehend the findings of the study.

Simple percentage- This was used in the analysis of each of the questions relating to respondents demographic variables.

Arithmetic mean- This was adopted in the analysis of each variable in the questionnaire.

Formula for arithmetic mean is given below.

$$\text{Mean } (\bar{x}) = \frac{\sum fx}{\sum f}$$

Where \sum = summation

F= Frequency

X= Variable

The 5point Likert scale is shown thus;

	SA	A	UD	D	SD
Grade point	5	4	3	2	1
Range	4.5-5.0	3.5-4.4	2.5-3.4	1.5-2.4	0.5-1.4

Key;

SA = Strongly Agree = 5

A = Agree = 4

UD = Undecided = 3

U = Disagree = 2

SD = Strongly Decided = 1

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter dealt with the presentation and analysis of data collected from the respondents, the staff of Leadway Pension P.F.A limited Kaduna. The researcher classified the respondents in terms of sex, age, level of education and years of service. Data collected through questionnaire were analysed to arrive at concrete conclusion and provide a summary of the research findings and as well discuss such findings. A total of 20 copies of questionnaires were distributed to the staff of the company and all returned filled. This data with respect to 20 valid responses was presented using table and Likerts rating scales and analysed through statistical means

4.2 Characteristics and Classification of Respondents

Table 4.2.1: Sex of Respondents

Sex Category	Frequency	Percentage (%)
Male	11	55
Female	9	45
Total	20	100

Source: Field Study, 2022.

Table 4.2.1 show the sex distribution of the respondents to this end workers which represent 55% are male while the remaining 45% are female. This shows that there is larger male population of the workforce.

Table 4.2.2: Age of Respondents

Age Category	Frequency	Percentage (%)
20-29 years	5	25
30-39 years	9	45
40-49 years	6	30
50 years and above	-	-
Total	20	100

Source: Field Study, 2022.

Table 4.2.2 shows respondents age range. Analysis shows that 25% belongs to respondents ranging from age 20-29. Another set of respondents representing 45% belong to the age of 30-39, while 30% of the respondents belong to the age of 40-49 and above. Analysis shows that there are more active workforce in the organisation.

Table 4.2.3: Respondents' Educational Qualification

Educational Qualification	Frequency	Percentage (%)
NCE/ND	-	-
HND/B.Sc	15	75
Postgraduate	5	25
Total	20	100

Source: Field Study, 2022.

Table 4.2.3: shows respondents qualification. The analysis shows that 75% of the respondents are first degree/higher national diploma holder while 25% of the respondents are postgraduate degree holders. This implies that there are more qualified staff and the organisation stand a better chance for better services.

Table 4.2.4: Respondents' Years of Service/Work Experience

Work Experience	Frequency	Percentage (%)
1-5 years	11	55
6-10 years	6	30
11-15 years	3	15
16 years and above	-	-
Total	20	100

Source: Field Study, 2022.

Table 4.2.4 shows the number of years of employees in the service of Leadway Pensure P.F.A. The analysis shows that 55% of respondents have 1-5 years of service, 30% of respondents have 6-10 years, and 15% of respondents have 11-15 years of service. This shows that the higher percentage of the respondents belong to the lower years of work experience

4.3 Data Presentation and Analysis

This section presented and discussed the findings of the study, which set out to examine the impact of reward system on staff performance in Leadway Pensure P.F.A. The findings were based on analysis of the 20 valid responses from the respondents.

Table 4.3.1: What kind of reward system is being extended to boost staff performance in Leadway Pensure P.F.A. Limited, Kaduna.

S/N	VARIABLE		SA	A	UD	D	SD	ΣFX	X	Remarks
1	Leadway Pensure pays a highly competitive salaries and wages that stimulate employees 'performance	f x fx	5 5 25	12 4 48	3 3 9	- 2 -	- 1 -	20 <u>82</u> 20	4.1	Agreed
2	Leadway Pensure uses Productivity Allowances/Bonuses to motivate employees to put in their best performance		7	13	-	-	-	20	4.4	Agreed
3	End-of-year Bonus/thirteenth month-salary is adopted by Leadway Pensure to appreciate employee's performance		11	8	1	-	-	20	4.5	Agreed
4	Leadway Pensure always carry out seminar and workshops and conferences as a means of training and developing their employees to higher performance		6	12	-	1	1	20	4.1	Agreed
5	Promotion at Leadway Pensure is based on merit and performance and it spur employee to higher performance		4	11	5	-	-	20	4.0	Agreed
6	Leadway Pensure uses praise from the boss, formal and informal recognition to motivate their employees		1	12	4	3	-	20	3.6	Agreed

Source: Field Survey, 2022.

$$\text{Grand Mean} = \frac{24.7}{6} = 4.1 \text{ (Agreed)}$$

The analysis shows the grand mean score of 4.1. This implies that respondents agree that Leadway Pensure P.F.A. Limited uses competitive salary, allowances, training/development and recognition as a reward system to boost staff performance.

Table 4.3.2: What is the impact of material and non-material rewards on organizational performance in Leadway Pensure P.F.A. Limited, Kaduna?

S/N	VARIABLE	SA	A	UD	D	SD	ΣFX	X	Remarks
7	Leadway Pensure provides company car to marketing personnel and senior managers	3	11	3	2	1	20	3.7	Agreed
8	Vacations to high performing personnel motivate employees to work hard	-	7	8	3	2	20	3.0	Agreed
9	Leadway Pensure employees always look forward to end-of-year Gift packs and it serve as a motivator	3	5	5	6	1	20	3.2	Agreed
10	End of month award and recognition (Best Worker of the Month) create positive competition among the employees	-	4	3	10	3	20	2.4	Disagreed
11	End-of-year family day out (employer/employees family get together) gives the employees sense of belonging	1	7	3	5	4	20	2.8	Disagreed
12	Profit sharing-commission motivates employees to exceed performance target.	6	13	1	-	-	20	4.3	Agreed
13	Dedicated and high performing employees usually look forward to merit increment and promotion	6	9	5	-	-	20	4.1	Agreed

Source: Field Survey, 2022.

Grand Mean = $\frac{23.5}{7} = 3.4$ (Agreed)

The analysis shows grand mean score of 3.4. This implies that respondents agreed that the provision of company cars, paid vacation, end of year gift packs, profit sharing commission and merit increment practiced by Leadway Pensure P.F.A. Limited significantly impact on staff performance. Though the end of month award recognition and family get together does not exist in Leadway Pensure P.F.A Limited.

Table 4.3.3: What are the constraints militating against the incentive scheme of Leadway Pensure PFA, Limited, Kaduna.

S/N	VARIABLE	SA	A	UD	D	SD	ΣFX	X	Remarks
14	Performance reward and incentive at Leadway Pensure P.F.A Limited is based on Position occupied	3	12	2	3	-	20	3.8	Agreed
15	Incentives at Leadway Pensure sometimes cause employees to lose interest because it does not reflect performance	-	7	11	2	-	20	3.3	Agreed
16	Inadequate profit and revenue generated from operations	-	4	14	1	1	20	3.1	Agreed
17	The dynamic nature of economy (inflation)	2	6	4	8	-	20	3.1	Agreed
18	The cost of Incentive	-	3	10	7	-	20	2.8	Disagreed

Source: Field Survey, 2022.

$$\text{Grand Mean} = \frac{16.1}{5} = 3.2 \text{ (Agreed)}$$

The analysis shows the grand mean score of 3.2. This implies that respondents agree that the incentive at Leadway Pensure sometimes cause employees to lose interest because it does not reflect performances, inadequate profit and revenue generated from operation, the dynamic nature of the economy(inflation) is one of the factors militating against incentive scheme. But also disagree that financial incentive carry the cost of creating pay inequalities.

4.4 Summary of Findings

Based on the analysis of the data, the following findings were obtained.

- i Leadway Pensure P.F.A Limited, uses competitive salaries, allowances training/development and recognition as a reward system to boost staff performance.

- ii The provision of company cars, paid vacation, end of year gift packs, profit sharing commission and merit increment practiced by Leadway Pensure P.F.A. Limited significantly impact on staff performance.
- iii The constraints militating against Leadway Pensure P.F.A Limited incentive scheme are: The dynamic nature of the economy (inflation), inadequate profit and revenue generated from operation and the fact that incentives sometimes cause employees to lose interest because of staff conception that it does not reflect performances.

4.5 **Discussion of Findings**

The analysed data for the study is not just revealing but demand further discussion. Based on the information gathered the findings are discussed thus:

Research Question 1: What kind of reward system is being extended to boost staff performance in Leadway Pensure P.F.A. Limited, Kaduna.

The study revealed that Leadway Pensure P.F.A Limited, uses competitive salary, allowances, training/development and recognition as a reward system which has positive impact in boosting staff performance. If staff performance is positive it leads to the growth of the organisation. This is true of the assertion by Raza (2012), that the reward system is key motivation for employees to meet performance expectations of the management.

Research Question 2: What is the impact of material and non-material rewards on staff performance in Leadway Pensure P.F.A. Limited, Kaduna?

The result of table 4.3.2 showed that the respondents agreed that the provision of Company Cars, paid vacation, end of year gift packs, profit sharing commission and merit increment by Leadway Pensure P.F.A Limited significantly impact on staff performance which goes with the saying that happy staff are high performers. This conform with the notion put forward by Armstrong, (2012), that reward is consisting of financial rewards (fixed and variable pay), non- financial reward such as (recognition, praise, achievement, responsibility and personal growth), and that reward is the center piece of employment relationship and an exchange process. Again it supports the assertion by Aktar et al. (2012) that reward is an investment of the company on the employees for better contribution of the employees to the company. Nonetheless, it was discovered that end of year family get together and end of month award (best worker of the month award) does not exist in Leadway Pensure P.F.A Limited , this runs contrary to the postulation of Armstrong that reward include both material and non-material.

Research Question 3: What are the constraints militating against the incentive scheme of Leadway Pensure PFA, Limited, Kaduna.

The study further revealed that the major factor militating against incentive scheme of Leadway Pensure P. F.A Limited are the dynamic nature of the economy (inflation), inadequate profit and revenue generated from operation and the fact that incentives sometimes cause employees to lose interest because of staff conception that it does not reflect performances. If staff are of the notion that sometimes incentives does not reflect performance then it will lower their morale thereby affecting their performance negatively in the organisation. The above above validates the postulation of expectancy theory that an employee level of motivation

depends on three basic beliefs, expectancy, instrumentality and valence to which Dessler (2011) observes that a person's motivation to exert some level of effort depends on reward expectation and the perceived connection between successful performance and actually obtaining the reward is crucial.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The study examined the Impact of reward system on staff performance in Leadway Pensure P.F.A Limited Kaduna. The aim of research is to examine the kind of reward system practiced in Leadway Pensure P.F.A Limited Kaduna, the material and non-material reward, the constraints militating against the effectiveness of the reward system and its impact on staff performance. The study was deemed beneficial in providing a deeper understanding of the appropriate reward system that is required to be adopted by organisation to influence employee's productivity and enhance staff performance and validates the notion that reward is an important element to motivate employees for contributing their best efforts to generate innovative ideas that lead to a better business functionality. Survey method was used for the study. The population size consisted of 20 staff of the company and was adopted as the sample size. Questionnaire instrument based on 5 point Likerts scale was used for the collection of data for the study. Data collected from the research study were presented in a table analysed using mean statistics so as to confirm its degree of conformity with the objectives of the study. From the result of the analysis, the study revealed the reward system such as competitive salaries, allowances, training and development and recognition extended to staff in Leadway Pensure P.F.A Limited is highly effective in boosting staff performance. The major constraint militating against Leadway Pensure P.F.A Limited incentives scheme are that performance reward and incentive are based on position and incentive sometimes causes employees to lose interest because it does not reflect performances and creates inequality.

5.2. Conclusion

On the basis of the findings, the study therefore concluded that the reward system such as competitive salaries allowances, training/development and recognition extended to staff in Leadway Pensure P.F.A Limited is highly effective in boosting staff performance.

The study also provide valid evidence that the provision of company cars, paid vacation, end of year gift packs, profit sharing commission and merit increment practiced by Leadway Pensure P.F.A. Limited significantly impact on staff performance.

Finally, it was inferred from the study that the prominent constraints militating against Leadway Pensure P.F.A Limited incentive scheme are; performance reward and incentive being based on position and incentive sometimes causes employees to lose interest because it does not reflect performances and creates inequality. Again, inadequate profit and revenue generated from operation also impede the effectiveness of incentive scheme at Leadway.

5.3 Recommendation

- i It is recommended that Leadway Pensure P.F.A. Limited should imbibe end year family get-together as means of motivating staff performance.
- ii Leadway Pensure P.F.A. Limited should not base incentive scheme on position occupied but rather on performance.
- iii. Leadway Pensure P.F.A. Limited should also embark on effective staff performance appraisal in order to adequately reward staff base on the efforts and performance they put into the organisation.

- iv. The study recommends that the organisation should imbibe more non-material rewards such as praise, recognition, thanks, public acknowledgment, encouragement to pursue ideas and personal development opportunities in order to give the staff a sense of belonging and as well boost their morale.
- v. Conclusively, the study recommend that Leadway Pensure P.F.A Limited should consolidate their reward system by embarking on research and development in order to come out with more thrilling reward and incentive scheme that will stimulate employees to optimum performance.

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APPENDIX 1

Department of Business Administration,
College of Business & Management Studies,
Kaduna Polytechnic,
Kaduna.

16th April, 2022.

Dear Sir,

QUESTIONNAIRES

I am a final year - Higher National Diploma student in the above mentioned department of Kaduna Polytechnic, Kaduna, presently carrying out a study on “ **The Impact of Reward System on Staff Performance in Leadway Pensure P.F.A. Limited, Kaduna**”, as part of the requirements for the award of Higher National Diploma (HND) in Business Administration and Management.

The Questionnaire is designed to obtain data for the research work. I am therefore appealing to you to please, fill the questionnaires as objectively as possible. All information supplied will be treated as confidential and used only for the purpose of this study.

The researcher counts on your cooperation.

Yours faithfully,

Comfort Ufeli Amaga
KPT/CBMS/18/41092

QUESTIONNAIRE

Instruction: Please tick [☐] the appropriate choice.

SECTION A: Personal Data

1. Sex: (a) Male [☐] (b) Female [☐]
2. Age (a) 20-29 [☐] (b) 30 -39 [☐] (c) 40-49 [☐] (d) 50 and above [☐]
3. Educational Qualification (a) NCE/ND [☐] (b) HND/B.Sc [☐] (c) Postgraduate [☐].
4. Number of years in service (a) 1 – 5 Years [☐] (b) 6 – 10 years [☐]
(c) 11 – 15 years [☐] (d) 16 years and above [☐]

SECTION B: Research Questions

The acronyms given in the boxes are:

- SA = Strongly Agree
 A. = Agree
 UD = Undecided
 D = Disagree
 SD = Strongly Disagree

Research Question 1: What kind of reward system is being extended to boost staff performance in Leadway Pensure P.F.A. Limited, Kaduna.

S/N	VARIABLE		SA	A	UD	D	SD	ΣFX	X	Remarks
1	Leadway Pensure pays a highly competitive salaries and wages that stimulate employees 'performance									
2	Leadway Pensure uses Productivity Allowances/Bonuses to motivate employees to put in their best performance									
3	End-of-year Bonus/thirteenth month-salary is adopted by Leadway Pensure to appreciate employee's performance									
4	Leadway Pensure always carry out seminar and workshops and conferences as a means of training and developing their employees to higher performance									
5	Promotion at Leadway Pensure is based on merit and performance and it spur employee to higher performance									
6	Leadway Pensure uses praise from the boss, formal and informal recognition to motivate their employees									

Research Question 2: What is the impact of material and non-material rewards on organizational performance in Leadway Pensure P.F.A. Limited, Kaduna?

S/N	VARIABLE	SA	A	UD	D	SD	Σ FX	X	Remarks
7	Leadway Pensure provides company car to marketing personnel and senior managers								
8	Vacations to high performing personnel motivate employees to work hard								
9	Leadway Pensure employees always look forward to end-of-year Gift packs and it serve as a motivator								
10	End of month award and recognition (Best Worker of the Month) create positive competition among the employees								
11	End-of-year family day out (employer/employees family get together) gives the employees sense of belonging								
12	Profit sharing-commission motivates employees to exceed performance target.								
13	Dedicated and high performing employees usually look forward to merit increment and promotion								

Research Question: What are the constraints militating against the incentive scheme of Leadway Pensure PFA, Limited, Kaduna.

S/N	VARIABLE	SA	A	UD	D	SD	Σ FX	X	Remarks
14	Performance reward and incentive at Leadway Pensure P.F.A Limited is based on Position occupied								
15	Incentives at Leadway Pensure sometimes cause employees to lose interest because it does not reflect performance								
16	Inadequate profit and revenue generated from operations								
17	The dynamic nature of economy (inflation)								
18	The cost of Incentive								