

Effective Reward Management and Employee Performance in Civil Service (A Study of Anambra State Civil Service)

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Abstract

This study examined the impact of effective reward system as a tool for employee performance in civil service using Anambra state civil service as case study. As specific objectives, the study examined the relationship between employee performance and pay reward, employee recognition, conducive work environment and staff development. As a survey design, an item structured instrument developed by the researcher to reflect such options as strongly agree, agree, disagree, strongly disagree and undecided popularly referred to as the modified five (5) points Likert Scale, was used to elicit information from the respondents. Out of the 1481 senior civil servants identified through the nominal roll of various ministries at the state secretariat, Awka Anambra state, 315 was estimated as the sample size. Statistical tools considered most appropriate for analyzing the data generated from the fieldwork were Pearson correlation coefficient and multiple regression analysis. Findings from the study shows that pay reward and some non-financial rewards of employee recognition, conducive work environment and staff development are positively and significantly related to employee performance in civil service. The study recommended among others that the government at all levels should endeavour to provide employees with adequate pay incentives to facilitate the achievement of desired high level productivity in the service as obtains in the private sector of the economy.

Keywords: Reward Management, Employee Performance, Non-Financial, Staff Development, Work Environment

1. Introduction

Reward systems are arguably at the heart of employee performance in any organization. This assertion is premised on the understanding that reward systems have the potency of engendering through the stimulation and direction of employees along the path of goal accomplishment (Ejumudo, 2014). As a matter of fact, employees are the most critical of all organizational resources and their capacity to function of both their inward potentials and the outward environment in which they operate. This nature-nurture perspective of explaining the indicators of employee performance underscores the indispensability of reward systems as an integral part of organizational environments. In the light of this, it is instructive to assert that well rewarded employees are much likely to feel valued and cherished by their organizations.

Employee reward can either be financial or non-financial or both. What is important is that an employee is adequately compensated for his efforts and such practice actually induces him for greater performance (Gunu, 2005). However, reward that motivates employees may not be the same for everybody. In fact, Fery (1997) argues that once pay exceeds a subsistence level, intrinsic factors are stronger motivators and staff motivation requires intrinsic rewards such as satisfaction at doing a good job and sense of doing something worthwhile. There are mixed findings in the literature to determine which type of reward is more effective in increasing employees' performance. According to Perry (2006), financial rewards is not the most motivating factors as it sometimes show some de-motivating effects among high level employees.

On the other hand, although Perry (2006) found that financial reward is not the most motivating factor and that financial incentives have de-motivating effect among employees, Lotta (2012) insists that financial incentives are indeed very effective in motivating employee. Also, Ojokuku and Sajuyigbe (2009) lent their own support to the finding when they found in their own study that financial incentives (pay satisfaction dimensions) have significant effect on employee's performance. However, good as these findings appear, it is important to note that in applying financial and non-financial rewards to workers, effective manager must as a matter of necessity realize that different motivators are appropriate for different staff and that different staff will demonstrate differing inherent levels of motivation in setting their own targets and striving to achieve them (Kida, Mahmud and Nuhu, 2015).

Despite the arguably important nexus between rewards management and employee performance in both public and private sector organizations, it is worrisome to note that management of many organizations, particularly

those of civil service, hardly consider it as a critical aspect of managing employees performance. Consequently, employee performance that is a crucial input for sustaining increasing organizational productivity has been largely absent thereby making it extremely difficult for the service to achieve set objectives (Olajide, 2000). While Akerele (1991) has blamed the low productivity level of Nigerian workers on several factors, particularly the failure of employers to provide adequate compensation for hard work, Markova and Ford (2011) emphasized that the real success of organizations originate from employees willingness to use their creativity, abilities and know-how in the direction of their organizations' growth and development path in response to the favourably stimulating and encouraging reward practices. It is on this note that this study examines the relationship between effective reward management and employee performance in Anambra State Civil Service.

1.2 Statement of the Problem

The inefficiency and low output that characterizes civil service in Nigeria has occupied public discourse for more than two decades now. Also, comparisons have always been made between private sector employees and the civil servants, in terms of efficiency and productivity, with many conceding to the high commitment and efficiency of the private sector employees.

It must be noted, however, that civil servants face a lot of difficulties in the discharge of their duties in Nigeria (Ejumudo, 2014). Also, Behn (2003) notes that problems of civil servant in Nigeria ranges from poor and irregular pay to lack of rewards to motivate them and enhance their performance. It is on this note that this study examines the impact of effective reward management on the performance of civil servants in Anambra State.

1.3 Objectives of the Study

The broad objective of this study is to examine the effect of effective reward management on the performance of civil servants in Anambra State. However, the specific objectives are to:

- (i) Examine the effect of pay reward on employee performance in civil service.
- (ii) Ascertain the effect of employee recognition on performance in civil service.
- (iii) Examine how conducive work environment affects employee performance in civil service.
- (iv) Investigate how staff development affects employee performance in civil service.

1.4 Research Questions

The following research questions were raised to guide the study objectives:

- (i) How does pay reward affect employee performance in civil service?
- (ii) How does employee recognition affect performance in civil service?
- (iii) How does conducive work environment affect employee performance in civil service?
- (iv) How does staff development affect employee performance in civil service?

1.5 Research Hypotheses

The following null hypotheses were formulated to guide the study:

- H₁ Pay reward does affect employee performance significantly in civil service.
- H₂ Employee recognition does not affect performance significantly in civil service.
- H₃ Conducive work environment does not affect employee performance significantly in civil service.
- H₄ Staff development does not affect employee performance significantly in civil service.

1.6 Significance of the Study

This study which seeks to explain the relationship between rewards and employee performance in civil service, will be of immense benefits to different categories of people:

Policy makers in the three tiers of government will find the recommendations that will follow in the study very useful because it will give sufficient insight into the issues of reward management and employee performance in civil service. The government will see the need to take the issue of reward, both financial and non financial very serious and improve productivity in civil service.

Employees also would be better enlightened on the issues of reward in civil service so that they are properly guided on what they should expect from their employers to reduce tendency for conflict between them and their employers. High productivity and output demand that work environment be harmonious.

The students and researcher will also benefit from the study because it will serve as a base data for those who might want to carry out further studies in the area.

2. Review Of Related Literature

In this section, past works in this area of study were reviewed under the following sub-headings: conceptual review, theoretical review, theoretical framework and empirical review. However, under the theoretical review, further sub-headings were adopted as follows; pay reward and employee performance; employee recognition and performance; conducive work environment and performance as well as staff development and performance.

2.1 Conceptual Review

In this sub-section, efforts were made to define and explain major concepts involved in the study. The definitions and opinions about the concepts were scholarly based. Such major concept in the study includes reward (monetary and non-monetary), recognition, motivation, civil service and performance.

To Armstrong (2013), reward system refers to all the employer's available tools that may be used to attract, retain, motivate and satisfy employees. According to Kolly (1964), it is the material and psychological pay-off for performing and satisfaction can be improved by properly administered reward. It must be noted that all workers who devote their time to worthy causes expects to be rewarded in some way or the other for their efforts or contributions, he added. Thompson (2002) defined reward as appreciation in cash or in kind given to employees for their extra contributions to the organization. Armstrong (2009) defined total reward as a combination of financial and non-financial rewards in a given reward system. He stressed that total reward has always been advocated for because it is still not yet clear which of the rewards (financial of non-financial) is more effective in motivating employees for high performance.

In a related development, the word motivation is derived from motive, which is an active form of a desire, craving or need, which must be satisfied (Kida, Mahmud and Nuhu, 2015). They noted that it is a common phenomenon talked about by people in a given organization. Allan, Gadon and Willits (2001) in Halepota (2005) defined motivation as an inner state of mind that causes a person to behave in a way that endures the accomplishment of state goals. To them, motivation is something which impels a person to act, a reason of behaviour. They further stated that motivation is not manipulation of people but understanding of needs wages which prompts people to do something.

In their draft to UNDP, Theisoehn and Land (2006) added that motivation refers to the initiation, direction, intensity and persistence of behavior. Incentives on the other hand, are external measures that are designed and established to influence motivation and behavior of individuals, groups or organizations. Cole (1996) states that motivation is the term used to describe those processes both instinctive and relational by which people seek to satisfy their basic drives, perceived needs and personal goals which trigger performance. But to stoner (2002), motivation is a human psychological characteristic that contributes to a person's degree of commitment. He added that it is very important in the consideration of the performance and output of employees in organizations. Employee motivation is essential to organizational effectiveness and is a predictor for performance of employees.

According to Rowley (2011), social recognition is the acknowledgement an organization gives to the employee for accomplishment and that it satisfies an employee's esteem need. Also, Ryan (2013) describes employee recognition in an organization as a non-financial reward that arouses inner feeling of satisfaction which gives him greater sense of belonging in the organization. Jenson (2007) defines employee recognition as an appreciation organization shows to an employee for the job well done. He noted that such recognition has proved to be more effective than financial reward in many occasions. According to him, recognition as a form of non-financial reward does not get eroded by mortgage, rent, utilities and other automatic payments from their bank accounts as it applies to the financial reward.

Encyclopedia (2004) stated categorically that the civil service consists of people employed by the state to run the public service of a country and the state here refers to government that has bureaucracy, which is seriously monitored by an established commission called the Civil Service Commission. This commission is empowered

to regulate the affairs of all civil servants in form of human resources management. In a more preferred way Civil Service Handbook (1997) describes civil service as an organization or system which enjoys performance of existence. Its employees, according to the Handbook, are subjected to adequate terms of office which include the duration of an employee in the service are daily determined from the point of entry. The Handbook also makes it clear that employee of the service must command a pool of experience and technical know-how for implementing government policies.

In another development, performance, according to Ejiemudo (2014) means output. He notes that the word is derived from the word perform. He stated that to reward people in an organization, it will require some agreed upon criteria for defining performance. He argues further that a difficult issue with the definition of performance is differentiating between quantity and quality. For example, an individual may generate a high output while his performance standard may be quite low. Hence, where controls are not instituted to protect against such abuses, we often find quantity replacing quality. So, as a multi-dimensional construct, the measurement of performance varies depending on a variety of factors (Bate and Holton, 2009). They said it can be defined as the record of outcome achieved among staff.

To Campbell (2009), staff performance is behavior and should be distinguished from outcomes because they can be contaminated by system factors. However, a more comprehensive view of staff performance is achieved if it is defined as embracing both behavior and outcomes of employees. This is well articulated by Brumback (2010) when he asserted that performance means both behavior and results. He argues that behaviours emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviours, according to him, are also outcomes in their own right-the product of mental and physical effort applied to tasks and can be judged apart from results. The above understanding of staff performance leads to the conclusion that when managing the performance of teams and individuals both inputs (behaviours) and outputs (results) should be put into consideration. This is what is referred to as the 'mixed model' (Hartle, 2010).

2.2 Theoretical Review

This section covered the main body of the literature and as such, efforts were made to review the opinion of other scholars on the subject matter of the study. The review followed the subs-headings as outlined above for easy comprehension of scholars' contribution to the literature.

2.2.1 Relation between Pay Reward and Employee Performance

Pay reward can be linked to extrinsic motivation. This motivation is induced by external factors which are primarily financial in nature. The incentives and reward has been a subject of debate, whether they really motivate the employees or simply move them to work. According to Ryan and Deci (2012), the term, "extrinsic motivation" is the attainment of a separate outcome from the performance of an activity. Extrinsic motivation encourages staff to complete their task in order to receive the reward. In other words, reward motivates people to get rewards. They opined that the overall strategic aim of reward system management is to develop and implement the reward policies, processes and practices required to support the achievement of organizational goals by helping to ensure that it has the skilled, competent, well-motivated and committed people it needs. The philosophy underpinning the strategy is that people should be rewarded for the value they created. The objective is therefore to create reward processes that are based on beliefs about what the organizational values prepared to pay for (Mintzberg, 2011). The reward strategy will be driven by the need to reward the right things and is to convey the right message about what is important in terms of expected behaviours and outcomes. Reward system management strategy defines what the organization intends to do in the longer term to develop and implement reward policies, practices and process that will enhance the achievement of its goals.

According to Ejiemudo (2014), the debate as to whether money motivates is still on-going. There is however the contention that money can take on varying degrees of importance because it has the potential of serving sundry needs (Bright, 2012). More importantly, pay reward system is a product of an organization's philosophy and policy that provides guideline for the implementation of reward strategies and the design of incentives and packages. This understanding according to him explains why the policy direction and the level of rewards of an organization is an indicator of its pay reward system whether the organization is a high payer, is content to pay average. Pay reward system that is an out-growth of policy refers to the 'pay stance' of an organization.

He reiterated that pay reward system is a function of the interplay between the extent to which the organization demands high levels of performance from its employees, the degree to which there is competition for good

quality people, the traditional posture of the company, the organization culture and level of commitment to the dynamics of a competitive high pay. He conclude by stating that ensuring sustained high levels of employee performance through competitive pay reward system is a way of achieving organizational goals. A process which is owned and driven by line management.

2.2.2 Employ Recognition and Performance

Employee recognition is a form of non-financial reward/non-cash, and it could be in form of social recognition, praise and genuine appreciation for job well-done (Okwudili, 2015). Lotta (2012) posits that financial incentives are indeed a way of motivating the employees for greater performance but added that in comparing the effectiveness of financial and non-financial reward in inducing higher employee performance, the non-financial reward is more appreciated by the employees. Nelson (2014) notes that praise and recognition are the most cherished intrinsic reward that enhances employee performance, especially in civil service where pay reward seldom comes. In his own view, Jenson (2007) sees intrinsic reward as a tool that motivates employees to perform far more than expectations in the organization because the value of such reward does not erode easily unlike pay reward whose effect disappears as soon as the money finishes.

According to Rowley (2011), it is imperative for organizations to recognize achievements, assign important tasks to the employees and provide them with the authority to execute such responsibilities. In his opinion, such empowerment upgrades employee status and make them feel valued and worthy of trust. He posits that recognizing employees' accomplishment is another way of making them satisfy their esteem needs. He remarked that apart from recognition, through all forms of appreciation, involving employees in decision making in an organization is one form of motivation that is more potent than any other. To him, such recognition does not only make the employee feel valued but also gives him a sense of belonging that arouses his inner feeling of satisfaction that does not only make him perform at his best but also make him to be deeply loyal to the organization.

To Bruce and Walton (1992), non-monetary incentives come in many forms such as gifts, reward, travels and some are more tangible than other since they are visible and/or can be compared to financial benefits. Less tangible incentives relate for instance, to work flexibility, independence of working, recognition of one's work, the possibility of advancement. The value of non-financial material incentives seems to be perceived as a function of psychological process. NGFL (2008) compared monetary and non-monetary rewards in terms of their impact upon employees by observing that monetary reward directly involve financial benefits to the workers while non-financial rewards provide the workers with psychological benefits. These psychological benefits may be in a form of memorable experiences as asserted by Vecchi (2011). According to Vecchi, a travel reward brings new memories that can last a lifetime and bring about good feelings connected with the organization for years to come. Vecchi notes further that non-financial ways to motivate employees may require a great deal of time and commitment from senior managers in the organization in order to have meaningful impact. Since their importance cannot be overemphasized, it is imperative that non-monetary rewards should form one important part of a complete employee recognition programme along with monetary rewards because each employee may be motivated by a different factor or a combination of factors. It follows that non-monetary rewards can be used for either individual or team rewards for obvious advantages.

2.2.3 Conducive Work Environment and Employee Performance

Conducive work environment is at the heart of non-financial reward for employees. This has long been acknowledged by the employees of both private and the public sectors. According to Abu-Addissamad (2013), conducive work environment could be in form of official staff quarters and staff vehicles, organizationally sponsored retreats outside work station or even outside the country, free medical care for the staff, the four biological children and dependent mother and father, a well arranged staff canteen, spacious and well furnished office accommodation, salary advance among others, are within the realm of conducive work environment.

Abu-Abdissamad observed further that in an attempt to motivates workers for higher performance, provision of such enabling environment acts as a stabilizing force between workers and management in the employment relations. Before the advent of health insurance scheme, free or subsidized medical service have been sources of motivation to the workers of the public sector. From such services, apart from guaranteed quality medicare, free medical care prevents pocket droppings. It also affords the organization some benefits since the employees were never spending hours in the queues before obtaining medical attention. He pointed out that size of office and

furniture can also be a source of non-financial incentives to the workers recent studies in related areas has revealed that top civil servants are particularly excited by large offices furnished with glass top tables and leather seats.

Despite the dearth of empirical evidence indicated by Ryan, Scott (2013) asserts that non-financial rewards in form of conducive work environment can be of more substantial impact on employee satisfaction and motivation than the traditional financial rewards. His claim is based on the outcome of a study carried out by the Hay Group. Major findings of the study were that many employees left their jobs because of poor attitude of the management towards “work climate career development, recognition and other non-financial rewards”. As Eisenman (1995) puts it, ‘one source of influence on the worker is the kind of environment that the work setting provides.

That is, there is a strong hierarchy, and people below someone in power are expected to give strict conformity to the demands of the person with the greater authority. He noted that another method is to ask what makes a job good or bad. A more sophisticated approach is to propose certain needs in relation to work and then to ask about the degree to which these are actually satisfied. Job dissatisfaction could be ascertained as a result of unconducive working conditions on the part of the worker. This according to him, could manifest when a worker perceived he is denied promotion, job not well designed, lack of training for the staff, senior officer made to work a junior officer, poor allowances and irregular salary payment etc are all elements of frustration which often leads to job dissatisfaction and attendant negative work attitude in an organization.

Ohiwere (2007) aptly captures it thus, ‘a frustrated staff in an office is like a lunatic, wounded lion that is easily emotionally unstable and always uninterested in all the office activities and always willing to frustrate the efforts of the management’. He noted further that work environment, relationship with co-workers and a person’s perceived position within the organization may affect job satisfaction. He observed also that conflict and dissatisfaction comes from unclear job duties, policies and responsibilities which are often associated with the administrative structure of the job. Shirley (2006) argues that the factors with job satisfaction on the other hand were labeled “motivators” by Herzberg (1959) and that they include achievement, advancement, recognition, responsibility and work itself.

2.2.4 Staff Development and Employment Performance

According to Armstrong (2006) training can be used as a tool for developing knowledge and skills to enhance an individual’s performance based upon the criteria of efficiency and effectiveness, besides achieving competitiveness and productivity. Apart from this, he added that personnel remodeling through training prepares individual employees to climb the organizational ladder. Therefore, staff development is strategic both for the individual employee as well as the organization. To Shuman (2009), personnel training encompass efforts to promote employee development to suit organizational requirements.

Ismail and Bongogoh (2007) posits that training and development programmes are strategic functions of human capital management which focuses on developing employee competencies in order to overcome daily, routine and short-term problems. In a research conducted by Haslinda (2009) on the effectiveness of training in the public service, it was found that public sector organizations have increased their concern with regard to the effectiveness of training and development since it is critical in enhancing on-the-job performance in order to achieve key performance indicators (KPI) for each employee. Thus, from the aspect of the evaluation and transfer of training elements, for effective performance, management must see the need to help workers develop skills and build new capacities necessary. Ismail and Bongogoh (2009) emphasized that opportunity to learn new things by means of training is a source of motivation for the employees and such motivation leads to positive outcomes such as up to date knowledge, skills, abilities and good moral values (attitude), commitment, trust and good work ethics. They pointed out that not having the skills to perform a job correctly can set up employees for failure and put the organization at a less-than-competitive disadvantage.

Moreover, poor performance reviews due to inadequate job training can produce employee dissatisfaction and conflict and negative attitude (Truitt, 2012). He noted that the workers’ goals always are to have success in their careers, so that they can perform their job better and in an efficient and effective manner. In a related development, Kanal, Normah and Othman (2012) observes that giving employees opportunity for training in an organization does not only motivate them but also help them to further learn their required and expected task which increases their work performance and exposes them to believe that they are part and parcel of the organization.

From the point of view of Ohiwerei and Emeti (2011), no matter how automated an organization or a library may be, high productivity depends on the level of motivation and the effectiveness of the work force. They emphasized that staff training is an indispensable strategy for motivating workers. The library organization must have a good training policy for the employees, they added. According to them, this will give the librarian or information professional opportunities for self-improvement and development to meet challenges and requirements of new techniques for performing a task. In agreement with the above opinion, Ruddman (1999) observed that training and development of the employees tend to increase workers mental and physical abilities in addition to being a source of huge motivation.

2.3 Theoretical Framework

The theory upon which this study was anchored is the Expectancy Theory propounded by Victor Vroom in 1964. The choice of Victor Vroom's Valence Expectancy Theory was informed by the fact that the issues involved in employee motivation to induce better performance in the workplace, can be adequately analyzed within the framework of the theory.

The theory is popularly referred to as Valence-Instrumentality-Expectancy (VIE). The major and critical assumption of the theory is that if one thing happens, it will lead to another and that the expectancy in the proposition is the probability that an action or effort will lead to an outcome. Vroom clarified thus:

Where an individual chooses between alternatives which involve uncertain outcomes, it seems clear that his behavior is affected not only by his preferences among these outcomes but also by the degree to which he believes these outcomes to be possible. Expectancy is ... a momentary belief concerning the likelihood that a particular act will be followed by a particular outcome.

In fact, according to Vroom, the model is based on the assumption that man is a relational being and will always try to maximize his pay-off. He will choose an alternative that will give him the most benefit. Hence according to the theory, motivation to work is strongly determined by an individual's perception that a certain type of behavior will lead to certain type of outcome and his personal performance for that type of outcome (Chandan, 1987). Put differently, Vroom who attacked Herzberg's two-factor theory on the ground of being too dependent on the constant and context of his research alone, was of the opinion that a person's motivation toward an action is determined by his anticipated values of all positive and negative outcomes of the action multiplied by the person's expectancy that the outcome would yield the desired goals (Vroom, 1964). He further contended that motivation is produced by the anticipated worth of an action to a person's perception of the probability that his goal would be achieved. Vroom's theory can be stated thus: $\text{motivational force} = \text{valency} \times \text{expectancy}$.

Expectancy is the perception that a particular outcome will occur as a result of certain behavior while valence is concerned with how much value an individual places on a specific outcome. Both must be present before a high level of motivation can occur (Ile, 1999). In its form, the theory is concerned more with choice behavior of both management and the worker, which can lead to desired outcomes of regards (Peretomode, 1991). According to Ejiofor (1984), the theory states that motivation force which an employee exerts to do his job depends on both expectancy and valence.

The theory has found wide application in explaining the complex issues of employee motivation and performance in both private and public sector organizations. It is like a social contract in which the law of reciprocity prevails. The employee expects fair treatment from the employer so that he/she can reciprocate with better performance.

2.4 Empirical Review

Kida, Mahmed and Nahu (2015) did a study on how financial and nonfinancial incentives can be used as tools for motivating employees of libraries in tertiary institutions in Borno State, Nigeria. The result of the study showed that employees perform better when they are motivated or expect to be rewarded later either intrinsically or extrinsically. In a similar vein, Abu-Abdissamad (2013) did a study on the effects of nonfinancial rewards in Nigeria public and private organizations. The findings were that monetization policy of the government in public service had adversely affected the morale of public servants negatively as they felt that they were buying and maintaining official vehicles for their organizations. The study also revealed that workers are not happy that most of the fringe benefits which use to be a source of encouragement and motivation to them has all disappeared.

In another development, Suleiman (2013) studied workers of selected private and public organizations in Bauchi State of Nigeria to ascertain the causes of poor attitude to work. From the analysis of the responses given by 308 respondents, it was gathered that workers were not being given opportunities for training and development as expected. Job insecurity was another prominent finding from the analysis of data. These among other findings were the major causes of employees' poor attitude to work. Thus, the employees were not happy with the prevailing situation in their workplaces hence the poor performance arising from negative attitude to work.

Okwudili (2015) carried out a study on the effect of non-monetary reward on productivity of employees among selected government parastatals in Abia State, Nigeria using Pearson correlation coefficient analysis on the data collected from the respondents, the value estimated from the analysis indicated that non-monetary rewards and productivity of employees have positive relationship which is significant at 0.05 probability level (2-tailed). The study concluded that higher productivity and efficiency of employees in government parastatals are possible with the effective exploitation of human resource through non-monetary rewards implementation.

Ejumudo (2004) investigated the relationship between pay reward system management and staff performance in Delta State Civil Service. Sample for the study was drawn from target population constituted by civil servants. The findings of the study indicate that the incongruence of the pay reward system of the Delta State civil service and the central guiding principle of fairness, cost of living and moderation, the ingrained culture of poor performance and dysfunctional employee mode of entry have negatively impacted on the performance of the staff. The implication of the finding is that poor performance and low productivity being experienced from the civil servants is a result of poor and lack of adequate pay reward to them.

Ejike (2013) carried out a study on implications of employee recognition in an organization, using a sample of 272 respondents drawn from selected firms in Anambra State. He found from the study that employee recognition as one of the nonmonetary rewards to the employee, has the capacity to influence the employee for high performance.

Gap in Literature

This study examines the effect of effective reward management on civil servants performance. However, similar studies have been conducted by researchers but majority of them had rather adopted content analysis which aligns more with qualitative design. Maylor and Blackmon (2005) notes that qualitative research is concerned with meaning rather than measurement in its investigation of feelings, attitudes, perceptions, motivations, actions and interactions of people, group, and organizations. For instance, Kida, Mahmud and Nuhu (2015) studied financial and nonfinancial incentives as tools for motivating employees of libraries in tertiary institutions in Borno State. They adopted qualitative approach. Also, Abu-Abdissamad (2013) worked on reward system in Nigeria public and private organizations. His work was more of an opinion paper than empirical hence findings could not be explicitly stated. Many other studies in this area were not better than what we have highlighted above. Consequently, these approaches have provided more impetus to engage in further research work that would adopt a qualitative approach in analyzing the phenomenon under investigation.

3. Research Methodology

In this section, the methods adopted in carrying out this study were discussed under the following sub-headings: research design, population of the study, sample and sampling technique, instrument of the study, validity and reliability of the instrument, method of data collection and method of data analysis.

3.1 Research Design

Survey research design was adopted in carrying out this study. The nature of the study which involved interviewing a part of the defined population, informed the choice of the design. According to Ikeagwu (1997), studies of this nature use survey method to look for information on facts, attitudes, practices and opinions of the respondents. Obikeze (1990) and Cochran (1997) clearly stated that a survey has to do with the use of selected sample of the population in a study, and use of questionnaire as the instrument for data collection is common with survey studies.

3.2 Population of the Study

The population for this study is the senior civil servants grade level 07 and above who work at Anambra State Secretariat complex, Awka. We presumed that this category of workers in the state civil service can conveniently discuss issues relating to reward management and employee performance. Through the nominal roll of each ministry at the secretariat, a population of 1481 senior civil servants (grade level 07 and above) was identified.

3.3 Sample and Sampling Technique

The sample size for the study was determined through the application of Taro Yameni's formula. The estimation procedure is as follows:

$$n = \frac{N}{1 + N (e)^2}$$

where:

- n = sample size to be determined
- N = the entire population of interest
- E = error margin (0.05)
- I = constant

Substituting in the formula we have:

$$\begin{aligned} n &= \frac{1481}{1 + 1481 (0.05)^2} \\ &= 314.93886 \end{aligned}$$

n = 315 (Nearest whole number).

Thus, 315 senior civil servants located at the state secretariat complex Awka is the sample for the study.

Concerning the technique used in selecting the sampling units, a method known as convenience sampling was employed. Based on this method, the sampling units that could easily be access and conveniently located were selected and interviewed. This method was selected in preferences to random sampling because from previous experiences, civil service worker are extremely difficult to track down in their offices, and so employing random sampling in which we will become limited to administering the questionnaire to certain persons, would end up to a futile exercise.

3.4 Instrument of the Study

An item structured instrument developed by the researcher to reflect such options as strongly agree, agree, disagree, strongly disagree and undecided, popularly referred to as the modified five point likert scale, was used to elicit information from the respondents.

3.5 Validity and Reliability of the Instrument

The instrument was face and content validated. This was achieved by giving some copies of it to the supervisor and other lecturers knowledgeable enough in questionnaire drafting to criticize. All the criticism and corrections were reflected in the final draft. Regarding the reliability of the instrument, a method known as test re-test was use. It involved administering 20 copies of the instrument to civil servants outside the study area. After an interval of two weeks, the same instrument was administered to the same group of people again and the responses (first and second) were analyzed through the application of Spearman rank order correlation coefficient. The analysis returned coefficients of 0.80, 0.83, 0.73 and 0.80 for the four research questions thus, showing an average coefficient of 0.79. The implication of the result is that the instrument is 78 percent reliable and therefore was considered adequate for the study.

3.5 Method of Data Collection

The researcher used direct questionnaire distribution method in collecting the data. This approach afforded him the opportunity of making some clarifications or explanations where necessary. The method facilitated reduction in the volume of non-response that often associates with surveys of this nature. Out of the 315 questionnaire issued out, 301 were completed and returned thus showing a response rate of 95.6 percent.

3.7 Method of Data Analysis

The researcher used correlation and multiple regression analysis through the application of SPSS version 16.0 software to analyze the data collected through primary sources only. The significance level was 0.05. This is the probability level at which we were willing to risk type I error.

3.8 Model Specification

This study is on effective reward management as a tool for employee performance in civil service. The model is thus specified as:

$$\text{Employee performance} = f(\text{PRW, ERGN, CWE, STD}) \dots \quad (1)$$

Specifying econometrically

$$\text{EP} = \alpha_0 + \alpha_1 \text{PRW} + \alpha_2 \text{ERGN} + \alpha_3 \text{CWE} + \alpha_4 \text{STD} + u_t \dots \quad (2)$$

Where:

EP = employee performance

PRW = pay reward

ERGN = employee recognition

CWE = conducive work environment

STD = staff training and development

U_t = error term

The expected signs of the coefficients a priori are:

$$\alpha_1 > 0, \alpha_2 > 0, \alpha_3 > 0 \text{ and } \alpha_4 > 0$$

or

$$\alpha_{is} > 0$$

In the above specification, employee performance is expected to depend on pay recognition, conducive work environment and staff development all of which are regarded as the independent variables.

4. Presentation Of Data And Analysis

All the data gathered in this study were analyzed in this section through the application of appropriate statistical tools of Pearson correlation and ordinary least square (OLS) multiple regression analysis.

Correlation Analysis

Here, attempt was made to find out the Pearson correlation employ recognition between employee performance in civil service and pay reward, conducive work environment and staff development.

Table 1. Correlation Matrix Correlations

		Pay Reward	Employee Performance	Employee Recognition	Conducive work environment	Staff Training and Development
Pay Reward	Pearson Correlation	1	** .817	** .437	** .709	** .449
	sig.(2.tailed)		.000	.00	.000	.000
	N	301	301	301	301	301
Employee performance	Pearson Correlation	** .817	1	** .485	** .657	** .481
	sig.(2.tailed)	.000		.000	.000	.000
	N	301	301	301	301	301
Employee Recognition	Pearson Correlation	** .437	** .485	1	** .332	** .171
	sig.(2.tailed)	.000	.000		.000	.000
	N	301	301	301	301	301
Conducive work environment	Pearson Correlation	** .709	** .657	** .332	1	** .378
	sig.(2.tailed)	.000	.000	.000		.000
	N	301	301	301	301	301
Staff Development	Pearson Correlation	** .449	** .481	** .171	** .378	1
	sig.(2.tailed)	.000	.000	.017	.000	
	N	301	301	301	301	301

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

* Correlation is significant at 0.05 level (2-tailed).

Table 1 shows the Correlation Matrix of Pay reward (PRW), employee performance (EP), employee recognition (ERGN), conducive work environment (CWE) and staff training and development (STD). The analysis shows that there is strong positive significant correlation between the dependent variable and the independent variables at 0.01 and 0.05 levels.

Table 2. Model Summary of Employee Performance, Pay Reward, Employee Recognition, Conducive Work Environment and Staff Development

ANOVA^b

Source of variation	df	Sum of squares	Mean square	Fraction	Sig.
Regression	4	25.851	64.63	118.762	.000 ^a
Residual	15	106.730	0.547		
Total	199	366.581			

- a. Predictor: (Constant), Pay reward, employee recognition, conducive work environment and staff development.
- b. Dependent Variable: Employee Performance

From Table 2, it could be seen that the F value is 118.762 and it is significant because the significance level is =.000 which is less than $p \leq 0.05$. This result implies that overall, regression model is statistically significant, valid and fit. This suggests implicitly that all independent variables are explaining that there is a positive and significant relationship between dependent and independent variables.

Table 3. Summary of Regression Results

Model	R	R. Square	Adjusted R. Square	Standard Error of the estimate
1	0.845 ^a	0.713	0.711	0.73153

- a. Predictor (Constant), Pay reward, employee recognition, conducive work environment and staff development.

From Table 3, regression coefficient represented by 'R', show that 84.5 percent relationship exists between dependent variable and independent variables. The coefficient of determination, $R^2 = 0.713$ shows that 71.3 percent of variation in employee performance is explained by the independent variables.

Table 4: Summary of Coefficients of Pay Reward, Employee Recognition, Conducive Work Environment and Staff Development

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
1 (constant)	-.175	.203		-.867	.379
Pay Reward	.617	.058	.623	10.497	.000
Employee Recognition	.175	.051	.453	3.567	.000
Conducive Work Environment	.169	.049	.651	3.098	.003
Staff Development	.113	.059	.514	1.951	.050

- a. Dependent Variable: Employee Performance

Interpretation of results

We interpreted the regression results in this section as follows: In the above table, regression for pay reward (α_1) = .623 which means that one percent increase in pay reward will increase employee performance by 62.3 percent if other variables are held constant. The t value is 10.497 which is significant at 0.000 because significance level is less than $p \leq 0.05$. Hence the alternative hypothesis which suggests that pay reward affects employees' performance significantly was accepted.

The regression coefficient (α_2) = .453 which implies that one percent increase in employee recognition will increase employee performance in civil service by 45.3 percent if other variables are held constant. The t value is 3.567 which is significant at 0.000 because significance level is less than $p \leq 0.05$. Hence the alternative hypothesis which suggests that employee recognition is positively and significantly related to employee performance was accepted.

The regression coefficient (α_3) = .651 which means that one unit increase in conducive work environment of the employee will increase employee performance by 65.1 percent if other factors are held constant. Also, the t value is 3.098 which is significant at .003 because the significance level is less than $p \leq 0.05$. Consequently, the

alternative hypothesis which suggests that positive and significant relationship exists between conducive work environment and employee performance was accepted.

The regression coefficient (α_4) = .514 and this implies that one unit increase in staff training and development will increase employee performance by 51.4 percent if other factors are held constant. Also, the t value is 1.951 which is significant at .050 because the significant level is less than $p \leq 0.05$. Consequently, the alternative hypothesis which suggests that there is a significant relationship between staff development and employee performance was accepted while the null hypothesis which suggest otherwise was rejected.

It is also worthy of note that all signing for the coefficients agreed with the prior expectations of $\alpha_{is} \geq 0$.

Table 5. Multicollinearity Diagnostic between Dependent and Independent variable Collinearity Statistics

Variables	Tolerance	VIF
(Constant)		
Pay reward	.423	2.357
Employee recognition	.817	1.228
Conducive work environment	.491	2.047
Staff training and development	.797	1.255

The above table shows the multicollinearity statistics. The tolerance value less than 0.20 or 0.10 indicate there is a multicollinearity problem (O'Brien and Robert, 2007). In the above table, the tolerance values of all (IV's) are: .423, .817, .491 and .797 which shows that the tolerance level is moderate and good. The reciprocal of the tolerance is known as the variance Inflation Factor (VIF). The VIF 5 or 10 and above indicates there is multicollinearity problem (O'Brien and Robert, 2007). In the above table, VIF values of (1.V's) are: 2.357, 1.228, 2.047 and 1.255, which shows there is no problem of multicollinearity in the model.

Table 6: Eigen Values, Condition Index and Variance Proportions

Model	Eigen value	Condition Index					
			Constant	PRW	ERGW	CWE	STD
1	4.716	1.001	.00	.00	.00	.00	.00
2	.108	6.567	.12	.07	.19	.31	.03
3	.091	7.158	.03	.02	.44	.02	.51
4	.044	10.101	.69	.17	.18	.23	.32
5	.035	11.234	.21	.78	.22	.47	.19

a. Department Variable: Employee Performance

Eigen values close to 0 indicate dimensions which explain little variance. In the above table, values of 2, 3, 4 and 5 are near to zero which shows little variance in these variable. The condition index summaries the findings as follows: over 15 indicate a possibility of multicollinearity problem and a condition index of over 30 suggests a serious multicollinearity problem. In the above table, values of condition index are in the range of 1.000 to 11.234 which indicate there are an insignificant level of multicollinearity between dependent and independent variables.

4.1 Discussion of Research Results

Based on the findings, made from the analysis of data in this study, we made effort to discuss the results as shown from the results of the hypotheses formulated to guide the study.

The result of hypothesis one show that pays reward to the employee can significantly influence employees' performance in an organization, especially the civil servants whose salaries and wages are no longer reflective of current economic realities in the state. The result is consistent with that of Ejumudo (2004) when he investigated the relationship between pay reward system of the Delta State Civil Service and found that there exist strong and

positive relationship between pay reward and employee performance. Notably in the study result is that the dysfunctional civil service that has characterized Nigeria's public sector is principally caused by poor or lack of adequate incentive policies from the government to take care of welfare of civil servants.

In the same vein, the result of hypothesis two shows that significant relationship exist between employee recognition as one of the non-financial rewards and employee performance in civil service. Again, the result supports the work of Ejike (2013) when he did a study to determine the impact of employee recognition on organizational productivity using senior employee of selected firms in Anambra State, and found that employee recognition for a job well done influences employees performance positively. The implication of this is that employees are motivated by recognition because it makes them feel valued and in response, they are aroused to do even better.

The regression result for hypothesis three suggests that the provision of conducive work environment such as staff quarters, staff buses, free medical service and other fringe benefits including salary advance, is likely to positively influence employees performance in civil service. Therefore, the null hypothesis was rejected while the alternative which suggests significant and positive relationship between the two variables was accepted. Monetization policy of the government has worsened the problem of poor incentives confronting the workers. Therefore, it only the provision of conducive work environment that can ameliorate pocket droppings for civil servants.

Another area identified as having great influence on the behavior of the workers is training and development and employee performance in civil service. Consequently, the null hypothesis was rejected while we accepted the alternative. Like in other hypothesis, this result support the finding of Okereke and Igboke (2011) who studied the influence of training and manpower development and employee performance by using a sample of 300 civil servant from Ebonyi state and found that training and manpower development impacts significantly on employees performance. Employee's job satisfaction is enhanced by not only financial reward but also by non financial reward like training and development because they see it as a means of bridging the gap between what they know and what they are expected to know.

4.2 Conclusion

An attempt has been made in this study to establish the impact of financial as well as nonfinancial rewards on employee performance in civil services. The findings of the study have revealed that employees need motivation to function effectively. Incentives or rewards have not been a common feature in the civil service unlike the private sector where staff appreciated at the end of the year has become an annual ritual.

To be effective in the workplace, management needs to understand the financial and non-financial rewards that can adequately influence the performance of the employees. Rewarding excellence is essential to reinforce and maintain employee motivation. Non-financial incentives such as compliments, public recognition, opportunities for professional and other training as well as the provision of conducive work environment can equally motivate civil servants just as financial reward do as we have seen in the results of the hypotheses. Nevertheless, financial rewards encourage risk taking, and for employees to do the extra, such incentives cannot be ignored. Several factors have been identified in the course of the study and these could help government to develop administrative policies aimed at enhancing the performance of civil servants.

4.3 Recommendations

Based on the findings and the conclusions of this study, the following recommendations were made:

The study revealed that both financial and no-financial rewards are active in motivating employees towards great performance. It follows therefore that the government at all levels should endeavour to develop administrative policies aimed at encouraging public service employees to make them perform as their counterparts in the private sector. After all, workers in the private sector and those in the public sector are sourced from the same labour market. However, more specifically;

1. Pay reward have been found to be very potent in motivating employees to put up better performance at their duty posts. Government should endeavour to provide employees with adequate pay reward to facilitate the achievement of desired high productivity.

2. It is the duty of government at all levels to find out what actually motivates individual employees most, so that incentives can be effectively applied to achieve enhanced performance in civil service. For instance, very senior civil servants may prefer social recognition to financial incentives.
3. We recommend that the government should reconsider its monetization policy on housing which is not favourable to the new entrants into civil service. Employees want conducive work environment such as staff quarters, staff bus service, workers canteen at a every subsidized rate, free medical service, etc. It is the responsibility of government to ensure that work environment is made as conducive as possible.
4. Staff development is one form of non-financial reward that benefits both employee and the employer. The reason is that training implies acquiring knowledge to fill the gap between what is known and what should be known. Government should provide training opportunities for the employees to enhance their performance.

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