

EFFECT OF REWARD AND PERFORMANCE MANAGEMENT ON EMPLOYEE PRODUCTIVITY: A STUDY OF SELECTED LARGE ORGANIZATIONS IN THE SOUTH-EAST, OF NIGERIA

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Abstract:-

This study examined the effect of reward and performance management on employee productivity in an organization. It is a study of large private sector organizations selected from some states of the South-East, Nigeria. As a descriptive survey design, a sample of 336 was determined from the population of 2081 senior employees of Serbmilla Industries, Onitsha, Nigeria Breweries PLC Ama-Enugu and Nigeria Bottling Company, Irrete, Owerri, Imo-State. Units of Observation (Sampling points) were selected through the method of systematic sampling. Out of the 336 copies of the questionnaire distributed, 321 were completed and returned thus showing a response rate of 95.5 percent which we considered very adequate. Through the application of Chi-Square (χ^2) inferential statistics, pearson product moment correlation coefficient and t-test for significance of 'r', as the tools of analysis, the result showed that task autonomy significantly affects employee productivity. Also, the analysis revealed that task involvement influences job satisfaction and productivity. It was equally found from the analysis of data that tasks significance and employee empowerment enhances employee performance in the organization. It was concluded that empowered organizational climate would help to create a pool of committed and selfmotivated individuals with visions, creativity, innovation and technical powers to convert the threat of change into opportunities for business growth and development. It was recommended among others that the management should try to create an environment conducive for maximum utilization of employees' skills, competencies creativity and talents for the benefit of all stakeholders in the organization.

Keywords: - Reward, Performance, Management, Employee, Organization.

1.1 BACKGROUND TO THE STUDY

Today's business environment is characterized by intense competition. The reason is that globalization has attracted so much break-through in technology. There has also been startling and changing employment legislation as well as changing workforce composition. All these developments have made it imperative that managers must utilize their employees more effectively to gain competitive business advantage over others (Scot and Bateman, 2009). Therefore, achieving success amidst the constant demand and the uncertainty of today's world of business, often seems like a massive task and it is the one that no one can hope to carry through without the cooperation and enthusiasm of the staff at all levels of the organization. Success in today's business world means recognizing and managing changes before they take control of us. It means developing our organizations in such a way that they will enable them to turn the threat of change into an opportunity for growth and sustainable development to ensue. However, the task will be almost impossible unless we ensure that our people are fully involved in the organizational functions to drive the change process (Eromafuru, 2010).

Organizations require the intelligence, energy, commitment and creativity of the employees for effective achievement of the pre-targeted goals and objectives. It goes without the saying therefore that giving the employees responsibility and the authority to get things done their own way, can unleash tremendous amount of workers' energy. Employees want to feel that they are trusted and valued members of the organization (Fieldman and Arold, 2006). It is imperative that organizations should provide an enabling environment for optimum utilization of their employees' talent, creativity, experience and intellectuality. A review of employment history in Nigeria, however, reveals that this important aspect of management function is being neglected among most corporate institutions and organizations, particularly in the private sector. In addition, the practices among different scholars, authorities, and researchers, create the impression that organization's reward in form of employee empowerment and workers involvement is tantamount to abdication of supervisor's loss of locus of control and managerial prerogatives. This has been found to be erroneous. In the opinion of Tausif (2012), managing employees performance to achieve appreciable level of productivity means that the employees must be sufficiently empowered through task autonomy, task significance, task involvement and the empowerment through training and development. Unknown to the management, is the fact that such intrinsic rewards leads to job satisfaction and productivity of the Employee (Khan, Shahia, Nawab and Wali, 2013).

1.2 Statement of the Problem

Organizations often fail to improve because managers, who have the authority to make changes are unaware of the problems, while people on the frontline, who know what the problems are have no authority to do anything about them. To such managers also, to empower means to lose control and to invite chaos. The implication is that such managers would never subscribe to employee task autonomy or task involvement yet such empowerment are incentives for employees' enhanced productivity.

Past studies concerning the phenomenon under investigation had presented conflicting reports. For instance, Abu-Abdissamad (2013) did a study on the efficacy of financial and non-financial rewards in influencing employee performance in both private and the public sector organizations. He found that financial reward like pay rise motivates employees more than the non-financial. In a related study, Okwudili (2015) examined the effects of nonmonetary rewards on productivity of the employee among selected organizations in Abia State, Nigeria and found that non-monetary rewards such as recognition, task involvement, etc, have positive relationship with productivity. Also, in a study undertaken by Anyebe, in Idemobi, Onyeizugbe and Akpunonu (2011), it was found that pay rise is the driving force for seeking employment in the Nigerian civil service. These conflicting reports have given impetus to the present study and the need for another that will mediate among the conflicting results has become imperative.

1.3 Objectives of the Study

The broad objective of the study is to investigate the effect of reward and performance management on employee productivity in the private sector organizations using selected large private sector organization in the South-East Nigeria as the study area. However, the specific objectives of the study are:

- (i) To determine the effect of task autonomy on productivity.
- (ii) To examine the effect of task involvement on productivity
- (iii) To ascertain the effect of task significance on productivity
- (iv) To evaluate the relationship between employee empowerment and performance.

1.4 Research Questions

The following research questions were raised to guide the study:

- (i) What is the effect of task autonomy on productivity?
- (ii) What is the effect of task involvement on productivity?
- (iii) What is the effect of task significance on productivity?
- (iv) What is the relationship between employee empowerment and performance?

1.5 Research Hypotheses

The following null hypotheses were formulated to guide the objectives of the study and also strengthen the analysis:

- (i) Task autonomy has no significant effect on productivity.
- (ii) Task involvement has no significant effect on productivity.

- (iii) Task significance has no significant effect on productivity.
- (iv) There is no significant relationship between employee empowerment and performance

1.6 Significance of the Study

The study has both theoretical and empirical significance. From the theoretical perspective, the study will come up with findings that would clear the conflicting reports of past studies in the related area of study so that the existing literature as a body of knowledge would be enriched. With respect to the empirical significance, categories of people would benefit from the study like the managements of both public and private sector organizations. They would be sufficiently enlightened on the need for empowerment through intrinsic rewards for their employees. The students and researchers alike will find the report very useful, as the result will serve as a starting point for those who might want to carry out further studies in the related area of study.

1.7 Scope of the Study

The study is covering selected large private sector organizations in the south-east of Nigeria. Study period is between 2012 and 2015, both years inclusive. The issues involved are to determine the effect of reward and performance management on employee productivity. That is, to determine the extent that effective reward management can enhance the performance of employees in a private sector organization.

1.8 Limitations of the Study

Being a descriptive survey design, the collection of primary data was involved. It is not a hidden fact that data collection in this part of the world is a difficult task. Such an experience manifested in this study as the respondents across the organizations studied were very reluctant in volunteering the necessary information, particularly in the areas of the relationship between them and the management of their organizations. There was also the issue of having to cover the states involved in the study from Anambra State where the researcher resides. Nevertheless, we used experience to overcome the 'hardcore' respondents and obtained the necessary information for the study.

REVIEW OF RELATED LITERATURE

In this section, we reviewed related literature under the following sub-headings: conceptual review, theoretical literature, theoretical framework and empirical review. However, the theoretical exposition was further sub-divided to reflect the objectives of the study.

2.1 Conceptual Review

Rehman, Kham, and Laehari (2010) defined task autonomy as the degree of freedom in the task performed by an employee in the organization. Also, Tausif (2012) says task autonomy is the extent to which employees have a major say in scheduling the work and deciding on procedure to be followed while performing a task in an organization. Similarly, Sims, Szilagyi and Mickemey (1976) defined job autonomy as the extent to which workers are allowed freedom in the workplace and independence when performing their jobs, tasks and duties.

On the other hand, Tausif (2012) defines task involvement as a process for empowering employees to participate in managerial decision making and improvement activities appropriate to their levels in the organization. Naoh (2009) defines task involvement as the participation of workers in decision making as a tool considered to be very potent in inducing motivation in the worker, leading to positive work attitude and high productivity in the organization. Also, Marchington and Parker (2012) defined it as a process that consists of those practices that are initiated principally by management, and are designed to increase employee information base about the organization which leads to increased commitment that enhances productivity.

Also, Rehman et al (2010) notes that task significance implies the extent to which the task or job assignment is perceived as significant contribution to the work process. They stated further that an employee contributes to task significance when his work is a significant contribution to the successful operation of the organization, his work is actually important and worthwhile, and he understands how his role fits into the overall operation of the organization. In the same vein, Eramafuru (2010) defines empowerment as the process of sharing power with the employees, thereby enhancing their confidence in their ability to perform their jobs and their belief that they are influential contributors to the organization.

2.2 Theoretical Literature

2.2.1 Task Autonomy and Employee Productivity

Rehman et al (2010) observed that for an employee to possess task autonomy, the employee must have a good deal of freedom in the performance of their daily task, make most work decisions as it pertains to his job assignment without having to consult first his superior, be able to make changes regarding his activities and make their own decisions in their work role. To them, this is a kind of intrinsic reward that the employees value greatly and such a freedom to operate independently, relatively in an organization, enlists great cooperation and commitment from the workers, they added. According to them, it helps employees in gaining intense sense of belong to a group. Such empowerment culture could also make employees to have a sense of satisfaction of having a responsibility for a task.

2.2.2 Employee Task Involvement and Productivity

Involving employees in decision making of an organization means entrusting them with huge responsibility. Ford and Footers (1995) posits that employee task involvement translates to involvement in decision-making which ensures high performance by employees because it enhances self-worth and esteem status. They opined that broad participation in decision making enhances high performance because it motivates. According to them, this involvement process increases the capacity of the employees in problem solving and commitment to the organization's success. The underlying logic being that by involving workers in those decision that affects them either directly or indirectly, and by increasing their autonomy and control over their work, employees can be made more motivated and more committed to the organization, more productivity and even more satisfied with their job and job environment. To Cotton (2008) involvement can offer employees various levels of influence in the decision making process, ranging from formally established consultative committees to the development of good relations with managers or supervisors at an informal level thereby creating the type of atmosphere needed in an organization.

2.2.3 Employee Task Significance and Productivity

An employee contributes to task significance when his work is a significant contribution to the successful operation of the organization, his work is really important and worthwhile and he understands how his role fits into the overall operation of the organization (Tausif, 2012). Tella (2007) observes that task significance leads to employee job satisfaction which automatically induces commitment. He notes further that when such loyalty to the organization manifests, there is always the willingness to put in maximum effort in the execution of the task assigned to the employee towards the achievement of the organizational goal. Similarly, Noordin and Jusoff (2009) stated that task significance has considerable influence on psych o the employee who is satisfied that he/she is of immense value to the organization. They noted further that job satisfaction propels the employee to take ownership of the organization by contributing as if the organization is his/her's. The worker is happy with the environment and therefore would do anything that can promote and sustain growth in the organization.

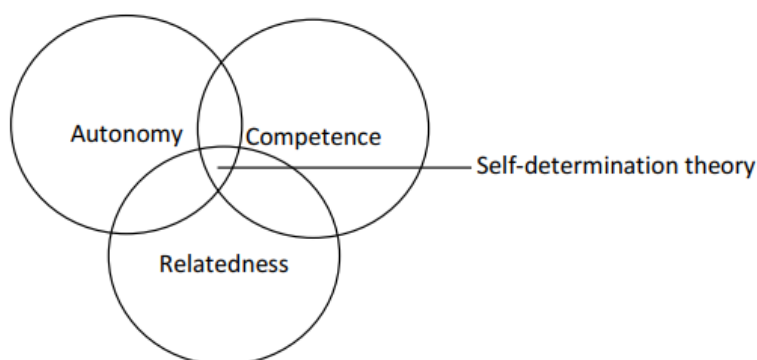
2.2.4 Employee Empowerment and Productivity

Empowerment includes the perception of meaning, competence, self-determination and impact and comes from a work environment in which people have necessary information, knowledge and power and reward (Bateman and Scot, 2009). Employees want to feel that they can be trusted and be seen as valued members of the organization. When they are granted independence and autonomy, not only can their supervisors concentrate on other issues, but also the employees are able to make better decisions and are usually a lot happier on the job (Bob, 1999). Therefore, the notion underlying empowerment is that those closest to the task are best able to make decisions provided that they have required competencies. Empowerment of subordinates means that supervisors have to share their authority and power with their subordinates. Most employees want to be involved and want to participate in decisions, which in turn create a sense of belonging and achievement and raises self-esteem. Thus an autocratic leadership style, when used as the only way to manage, is often inappropriate for the 21st century organization (Wehrich and Koontz, 2005).

2.3 Theoretical Framework

The theory upon which this study is anchored is the theory of self-determination developed by Deci and Ryan in 2002. The theory states that people are actively directed towards growth, gaining mastery over challenges and taking in new experiences are essential for developing a cohesive sense of self rather than motivated by external reward such as pay (extrinsic reward). Self-determination theory focuses primarily on internal sources of motivation such as need to gain knowledge or independence (known as intrinsic reward).

Deci and Ryan stated that in self-determination, the assumption is that people need to feel the following in order to achieve such psychological growth. The figure below is the illustration of the three innate psychological needs comprising the self-determination theory of student motivation



Source: Deci, E. and Ryan, R. (2002). Self-determination theory and the facilitation of intrinsic motivation, social development and well-being. *American Psychologist*, 55:68-78.

- Autonomous: People need to gain mastery of task and learn different skills.
- Competence: People need to gain mastery of task and learn different skills.

- Connection or Relatedness: People need to experience a sense of belonging and attachment to other people.

The importance of the theory to this study is that when people experience autonomy, competence and relatedness at work, they become self determined and are intrinsically motivated to pursue the things that interest them. This position was supported by Deci (2012) when he noted that giving people extrinsic rewards for already intrinsically motivated behaviour can undermine autonomy, as the behaviour becomes increasingly controlled by the external rewards. The implication is that when the extrinsic value dominates a worker's attitude, the worker begins to feel less in control of his own behaviour and the intrinsic value for action diminishes.

2.3 Empirical Review

Kida, Mahmed and Nahu (2015) did a study on how financial and non-financial incentives can be used as a tool for motivating workers of libraries in tertiary institutions in Borno State, Nigeria. The result showed that employees perform better when they are motivated or expect to be rewarded later either intrinsically or extrinsically. Also, Abu-Abdissamad (2013) did a study on the efficacy of financial and non-financial rewards in influencing employee performance in both private and public sectors organizations. He found that financial reward such as pay rise, increase in fringe benefits, motivates the employees more than non-financial reward. In a related study, Okwudili (2015) examined the effects of non-monetary reward on the productivity of the employee selected among organizations in Abia State, Nigeria. He found from the study that non-monetary rewards such as recognition, task involvement, etc, have positive relationship with productivity.

Idemobi, Onyeizugbe and Akpunonu (2011) did a study on compensation management as a tool for improving organizational performance in public service, a study of Anambra State Civil Service. The study found that pay is the driving force for seeking employment in the Nigerian civil service. Similarly, Ejike (2013) carried out a study on the implications of employee recognition in an organization, using a sample of 272 respondents drawn from selected firms in Anambra State. He found that employee recognition as one of the nonmonetary rewards to the employee, has the effect of influencing high performance in the employee. Alkhalich and Wan (2013) worked on the relationship of non-monetary incentives, job satisfaction and employee job performance utilizing theories and empirical studies to support the hypothesis. Results show that non-financial incentives relate positively to job satisfaction and performance. Work by Tausif (2012) on the influence of non-financial rewards and job satisfaction of educational sector of Pakistan using t-test, regression and correlation analysis. The results revealed that non-financial reward are the strong determinate of job satisfaction for employees of public educational sector of Pakistan. Anwar and Alamzob (2012) study on the impact of rewards, motivation on job satisfaction in the banking sector of Saudi Arabia, using regression analysis, indicate that rewards have positive and significant effect on job performance.

Ravinder and Browne (1977) carried out a study on hours of work, job satisfaction and productivity. The result showed that job autonomy has positive and significant relationship with productivity and job satisfaction. In another study by Rehman et al (2010) on task significance and productivity. The result indicate that task significance has positive and significant relationship with job satisfaction and productivity. It was concluded that feeling of significant contribution toward work enhances the satisfaction level of employees. Also, Thomas, Carol and Agarwal (1999) worked on the influence of managerial behaviour and job satisfaction. The study revealed that job involvement has positive and significant relationship with job satisfaction, career satisfaction and high commitment to the organization.

Saeid, Seyed and Hassan (2009) did a study on the relationship between employees empowerment and performance. A sample of 257 middle level employees was studied from manufacturing, firms in Northern Iran. From the correlational analysis, the study found that higher levels of participation in decision making are associated with significant higher competence, meaningfulness, impact and self-determination. Also, Ojukuku (2014) carried out a study on the effect of employee involvement on performance using a sample of 301 personnel selected from small and medium scale enterprises in Lagos area of Nigeria. The study which was developed as a correlational found that positive and significant relationship exist between employee involvement and organizational performance. In the same vein, Chimanikire, Mutandwa, Gradziraiji and Muzondo (2007) carried out a study on factors affecting job satisfaction among academic professionals in tertiary institutions in Zimbabwe. The study used a sample of 109 employees and found that greater proportion of the academic staff were not satisfied with their jobs as a result of lack of incentives and empowerment as the management always isolates them while taking decision on matters that affect them. It was concluded that empowerment through integration are sources of motivation for the employees. Mathias and Zajac (1990) did a study on creating feeling of psychological empowerment amongst employees to intensify organizational commitment. It was found that designing jobs that allows for self-determination (responsibility) and that are meaningful to the incumbent are also important steps in building commitment based management. Also, Saeid, Hassan and Hamid (2011) did a study on the relationship between participation in decision making and employee's empowerment in an organization and found that higher level of participation in decision making (PDM) are significantly associated with higher competence and self-determination.

In a related study, Oriarewo, Agbim and Owutua-mor (2013) investigated on job rewards as a correlate of job satisfaction, a study of the Nigerian Banking sector the study found that job satisfaction is more related to intrinsic rewards than the extrinsic. It was concluded that there is more significant relationship between involvement and job satisfaction than it could be between monetary reward and job satisfaction. Also, Bell and Mjoli (2014) did a study on the effects of

participation on organizational commitment. The study found that participation has positive effect on organizational commitment. Mbah, Mgbamena and Ejike (2015) examined effective reward management and employee productivity in civil service, a study of Anambra State Civil Service. It was found that pay reward and some nonfinancial rewards, positively and significantly relate with employee performance. Mecohn (1983) studied rewards and performance of workers at the North Atlantic Tool and Die Company (NATD). He found that the gross earnings of the economy improved within three years from 1.5 million Dollars to 6 million Dollars as a result of improved reward administration system adopted within the period.

RESEARCH METHODS

In this section of the study we discussed the methods and procedures used in the study under the following sub-headings: research design, study area, population of the study, sample and sampling techniques, instrument of the study, validity and reliability of the instrument method of data collection and analysis.

3.1 Research Design

The study adopted descriptive survey design. The choice of the design was informed by the fact that the study would make use of primary data principally, to be collected through a sample survey with the intention of generalizing the result for the entire population of interest. Obasi (1999) notes that the use of survey is always adopted because it provides an important means for gathering information especially when the necessary data cannot be found in any statistical records in form of official statistics (secondary data).

3.2 Area of the Study

The study took place in the South East, Nigeria and the States involved are Anambra, Enugu and Imo States. The organizations purposively selected for the study were chosen because they are large organizations that can accommodate all issues involved in phenomenon under investigation.

3.3 Nature and Sources of Data

The data for the study came from two sources namely secondary and primary sources. Whereas the secondary came from academic journals and other published works in academics, the primary data were collected from the administration of the copies of the questionnaire to the respondents.

3.4 Population of the Study

The population comprised the senior staff of Nigeria Breweries PLC Ama-Enugu, Serbmila Industries PLC Onitsha and Nigeria Bottling Company, Irette-Owerri. The choice of these companies and category of staff were informed by the size of the organizations which we considered large enough and the presumption that this category of staff would be able to discuss the issues relating to intrinsic rewards and employees productivity effectively. Consequently, 851, 723 and 507 of this category of staff were identified respectively from the three organizations mentioned.

3.5 Determination of Sample Size

Sample size was determined through the application of Taro Yameni's statistical formula for determining sample size from a finite population. The estimation procedure is as follows:

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

Where:

- n = Sample size to be determined
- N = Entire population of interest
- e = Error margin (0.05)
- 1 = Constant (Unity)

Substituting therefore we have:

$$\begin{aligned} n &= \frac{2081}{1 + 2081(0.05)^2} \\ &= 335.50987505 \\ &= 336 \text{ (Nearest whole number)} \end{aligned}$$

Thus 336 is the sample for the study

Table 3.1: Population and Sample Distribution

| S/N | Organization | Population | Sample Distribution | Percentage of Total |
|-------|--|------------|---------------------|---------------------|
| 1. | Nigeria Breweries PLC, Ama-Enugu | 851 | 137 | 40.9 |
| 2. | Serbmillia Industries PLC Onitsha | 723 | 117 | 34.7 |
| 3. | Nigeria Bottling Company PLC Irette-Owerri | 507 | 82 | 24.4 |
| Total | | 2081 | 336 | 100.0 |

Source: Field Survey, 2017

3.6 Sample and Sampling Technique

In selecting the units of observation, systematic sampling was used. However, prior to that, through a pilot study commissioned by the researcher, a list (sampling frame) of all eligible respondents was obtained. Systematic sampling technique was used in preference to other techniques because of its ability to achieve the desired spread across the population.

3.7 Instrument of Data Collection

We used direct questionnaire distribution method in gathering the data because it offers opportunity for explanations and clarifications on issues where the need arises and also in assessing whether the respondents understood the questionnaire items. Out of the 336 copies of the questionnaire issued out, 321 were completed and returned thus showing a response rate of 95.5 percent and we considered very adequate for the study. An item structured instrument which was designed in a Likert scale format of strongly agree, agree, disagree, strongly disagree and undecided popularly referred to as the five (5) point modified Likert scale was used to elicit information from the respondents on the issues surrounding the phenomenon under investigation.

3.8 Validity of the Instrument

The instrument was both face and content validated. These were done by giving copies of the instrument to the supervisor and other lecturers who are knowledgeable enough in questionnaire drafting to criticize. The comments and criticisms were reflected in the final draft of the questionnaire.

3.9 Reliability of the Instrument

The reliability of the instrument was assessed through the method of test re-rest. Spearman rank order correlation coefficient was used to estimate the data gathered from the pilot study. The following coefficients were estimated for the four research questions of the study: 0.83, 0.80, 0.73 and 0.80 respectively with an average coefficient of 0.79, meaning that the instrument is 79 percent reliable.

3.10 Method of Data Analysis

Concerning the method of analysis, summary statistics was used to answer the research questions while Chi-Square (χ^2) test of independence and Pearson product moment correlation coefficient as well as t-test for significance (t) were used to verify the claims of the null hypotheses. All tests were carried out at 0.05 level of significance, the probability level at which we were willing to risk type I error.

DATA PRESENTATION AND ANALYSIS

4.1 Research Questions

The four research questions raised to guide the study were analyzed in this section. Being in Likert scale format, summary statistics was applied to estimate extent of agreement or disagreement with the issues raised in the questionnaire items.

| S/N | Item | Alternative Responses | | | | | Total |
|---------------------|---|-----------------------|---------------|-------------|-------------|-------------|--------------|
| | | SA | A | D | SD | UND | |
| 1. | When workers are allowed freedom and independence on the task they perform, productivity is usually high. | 151 (47.0) | 132 (41.1) | 16 (5.0) | 12 (3.7) | 10 (3.1) | 321 (100) |
| 2. | Greater autonomy increases the employee job satisfaction level. | 169 (52.6) | 120 (37.4) | 14 (4.4) | 10 (3.1) | 8 (2.5) | 321 (100) |
| 3. | It involves making most work decisions without having to consult the supervisors | 147 (45.8) | 145 (45.2) | 17 (5.3) | 8 (2.5) | 4 (1.2) | 321 (100) |
| 4. | They employees should be able to make work changes regarding his/her activities | 150 (46.7) | 128 (39.9) | 20 (6.2) | 13 (4.0) | 10 (3.1) | 321 (100) |
| 5. | It enlists greater cooperation from the employees. | 120 (37.4) | 171 (53.3) | 10 (3.1) | 4 (1.2) | 16 (5.0) | 321 (100) |
| Total | | 737 | 696 | 77 | 47 | 48 | 1605 |
| Percentage of Total | | (45.9) | (43.4) | (4.8) | (2.9) | (3.0) | (100.0) |

Note: Figures in parenthesis are percentages: (SA = strongly agree; A = Agree; D = Disagree, SD = strongly disagree and UND = Undecided)

From Table 4.1, it could be seen that on the average, 45.9 percent of the respondents strongly agreed with all the statements of the items, 43.4 percent merely agreed, 4.8 percent disagreed, 2.9 percent strongly disagreed while 3.0 percent were undecided. Thus indicating that 89.3 percent of them agreed with all the statements.

Table 4.2: Task Involvement and Employee Productivity

| S/N | Item | Alternative Responses | | | | | Total |
|---------------------|--|-----------------------|---------------|-------------|------------|------------|--------------|
| | | SA | A | D | SD | UND | |
| 1. | Task involvement provides an employee with a sense of accomplishment. | 146 (45.5) | 150 (46.7) | 11 (3.4) | 8 (2.5) | 6 (1.9) | 321 (100) |
| 2. | It provides an opportunity for an employee to personally feel fulfilled. | 159 (49.5) | 120 (37.4) | 30 (9.3) | 8 (3.5) | 4 (1.2) | 321 (100) |
| 3. | It provides the employee with the opportunity to exhibit and use his /her real ability in the task he/she does. | 139 (43.3) | 140 (43.6) | 30 (9.3) | 6 (1.9) | 6 (1.9) | 321 (100) |
| 4. | Allowing the employee to participate in managerial decision making motivates the employee to bring out his/her best to maintain the confidence reposed on him/her by the organization. | 150 (46.7) | 135 (42.1) | 25 (7.8) | 7 (2.2) | 4 (1.2) | 321 (100) |
| 5. | As a non-financial reward, employee task involvement is a confirmation that the contributions of the employee to the organization is highly valued. | 129 (40.2) | 168 (52.3) | 10 (3.1) | 9 (2.8) | 5 (1.6) | 321 (100) |
| Total | | 723 | 713 | 106 | 38 | 25 | 1605 |
| Percentage of Total | | (45.0) | (44.4) | (6.6) | (2.4) | (1.6) | (100.0) |

Note: Figures in parenthesis are percentages: (SA = strongly agree; A = Agree; D = Disagree, SD = strongly disagree and UND = Undecided)

The analysis presented in Table 4.2 indicate that 45 percent of the respondents on the average strongly agree with all the items presented, 44.4 percent agreed, 6.6 percent disagreed, 2.4 percent strongly disagreed and 1.6 percent were indifferent on all the issues presented. It shows that overall, 89.4 percent agreed with all the statement of the items.

Table 4.3: Task Significance and Employee Productivity

| S/N | Item | Alternative Responses | | | | | Total |
|---------------------|---|-----------------------|---------------|-------------|-------------|------------|--------------|
| | | SA | A | D | SD | UND | |
| 1. | Employee's task is considered significant if his contributions to the organization is worthwhile. | 160 (49.8) | 129 (40.3) | 18 (5.6) | 8 (2.5) | 6 (1.9) | 321 (100) |
| 2. | If employee's absence is conspicuously felt in a work process, then his task is significant | 155 (48.3) | 137 (42.7) | 20 (6.2) | 5 (1.6) | 4 (1.2) | 321 (100) |
| 3. | Employee's task significance then enhances his/her job satisfaction hence increase in productivity. | 143 (44.5) | 150 (46.7) | 16 (5.0) | 8 (2.5) | 4 (1.2) | 321 (100) |
| 4. | Employee's task significance reinforces task autonomy and involvement. | 166 (51.7) | 125 (38.9) | 15 (4.7) | 10 (3.1) | 5 (1.6) | 321 (100) |
| 5. | When an employee's task is significant, he/she is further integrated into the organization for important assignments. | 129 (40.2) | 155 (48.3) | 20 (6.2) | 10 (3.1) | 7 (2.2) | 321 (100) |
| Total | | 753 | 696 | 89 | 41 | 26 | 1605 |
| Percentage of Total | | (46.9) | (43.4) | (5.5) | (2.6) | (1.6) | (100.0) |

Note: Figures in parenthesis are percentages: (SA = strongly agree; A = Agree; D = Disagree, SD = strongly disagree and UND = Undecided)

The analysis in Table 4.3 shows that on the average, 46.9 percent of the respondents strongly agreed with all the statement of the items, 43.4 percent merely agreed, 5.5 percent disagreed, 2.6 percent strongly disagreed while 1.6 percent of them had no opinion. It shows further that 90.3 percent of the them on the whole agreed with all the statement of the items.

Table 4.4: Relationship between Employee Empowerment and Performance

| S/N | Item | Alternative Responses | | | | | Total |
|---------------------|--|-----------------------|---------------|-------------|------------|------------|--------------|
| | | SA | A | D | SD | UND | |
| 1. | Empowerment makes the employee perceive meaning in his /her jobs that such jobs fits their values and attitudes. | 159 (49.5) | 145 (49.2) | 10 (3.1) | 4 (1.2) | 3 (0.9) | 321 (100) |
| 2. | The employees feel competent and capable of performing their jobs with skill when they are empowered. | 161 (50.2) | 139 (43.3) | 11 (3.4) | 6 (1.9) | 4 (1.2) | 321 (100) |
| 3. | They have a sense of self-determination or having some choice over the tasks, methods and pace of their works when empowered. | 149 (46.4) | 157 (48.9) | 10 (3.1) | 3 (0.9) | 2 (0.6) | 321 (100) |
| 4. | They have an impact – that is, they have some influence over important strategic, administrative important strategic, administrative or operating decisions or outcomes on the job when empowered. | 145 (45.2) | 161 (50.2) | 11 (3.4) | 2 (0.6) | 2 (0.6) | 321 (100) |
| 5. | Empowerment through training and development provides the organization with people who are more versatile, skilled and flexible in their assignments and increase organizational performance. | 159 (49.5) | 139 (43.4) | 12 (3.7) | 6 (1.9) | 5 (1.6) | 321 (100) |
| Total | | 773 | 741 | 54 | 21 | 16 | 1605 |
| Percentage of Total | | (48.2) | (46.2) | (3.4) | (1.3) | (1.0) | (100.0) |

Note: Figures in parenthesis are percentages: (SA = strongly agree; A = Agree; D = Disagree, SD = strongly disagree and UND = Undecided)

As could be seen from Table 4.4, on the average, 48.2 percent of the respondent strongly agreed with all the statement of the items, 46.2 percent merely agreed, 3.4 percent disagreed, 1.3 percent strongly disagreed and 1 percent of them did not express any opinion. The implication of the analysis is that 94.4 percent of the respondents agreed will all the items in this section.

4.2 Test of Hypotheses

The null hypotheses formulated to guide the objectives of the study and strengthen the analysis, were verified in this section of the analysis.

Hypothesis One:

H₀: Task autonomy does not have any significant effect on employee productivity.

H₁: Task autonomy have significant effect on employee productivity.

The hypothesis was verified through the application of Chi-Square (χ^2) inferential statistics at 0.05 level of significance, using the data in Table 4.1

Table 4.5: Summary of Chi-Square (χ^2) Test for Hypothesis I

| Hypothesis | Sample Size (n1) | Degree of Freedom (df) | Chi-Square | | Significance Level (γ) | Decision Rule |
|------------|------------------|------------------------|----------------|-----------------|---------------------------------|---------------|
| | | | χ^2_{cal} | χ^2_{crit} | | |
| I | 336 | 16 | 61.343 | 26.296 | 0.05 | Rejected |

n = 336, α = 0.05 Decision Rule One

At 0.05 significance level and 16 degrees of freedom, the calculated value of χ^2 (61.343) (see details of estimation in Appendix II) is greater than the critical value of χ^2 (26.296). Consequently, we rejected the null hypothesis and accepted the alternative which suggests that employee task autonomy has significant effect on productivity.

Hypothesis Two:

H₀: Task involvement has no significant effect on productivity of the employee.

H₁: Task involvement has significant effect on productivity of the employee.

Chi-square (χ^2) inferential statistics was applied on the data in Table 4.2 at 0.05 level of significance and 16 degrees of freedom (df).

Table 4.6: Summary of Chi-Square (χ^2) Test for Hypothesis II

| Hypothesis | Sample Size (n1) | Degree of Freedom (df) | Chi-Square | | Significance Level (γ) | Decision Rule |
|------------|------------------|------------------------|----------------|------------------|---------------------------------|---------------|
| | | | χ^2_{cal} | $\chi^2_{crit.}$ | | |
| II | 336 | 16 | 73.412 | 26.296 | 0.05 | Rejected |

Note: χ^2_{cal} means the calculated value of χ^2 and $\chi^2_{crit.}$ Means the critical value of χ^2 . Decision Rule Two: At 0.05 significance level and 16 degrees of freedom, the calculated value of χ^2 (73.412) (see details of estimation in Appendix II) is greater than the critical value of χ^2 (26.296). Therefore, the null hypothesis was rejected while the alternative which suggests that task involvement has significant effect on employee productivity was accepted.

Hypothesis Three:

H₀: Employee task significance has no significant effect on productivity.

H₁: Employee task significance has significant effect on productivity.

The hypothesis was verified using Chi-square (χ^2) inferential statistics on the data presented in Table 4.3 at 0.05 level of significance on 16 degrees of freedom.

Table 4.7: Summary of Chi-Square (χ^2) Test for Hypothesis III

| Hypothesis | Sample Size (n1) | Degree of Freedom (df) | Chi-Square | | Significance Level (γ) | Decision Rule |
|------------|------------------|------------------------|----------------|------------------|---------------------------------|---------------|
| | | | χ^2_{cal} | $\chi^2_{crit.}$ | | |
| III | 336 | 16 | 109.148 | 26.296 | 0.05 | Rejected |

Note: χ^2_{cal} means the calculated value of χ^2 and $\chi^2_{crit.}$ Means the critical value of χ^2 . Decision Rule Three: At 0.05 significance level and 16 degrees of freedom, the calculated value of χ^2 (109.296) (see details of estimation in Appendix II) is greater than the critical value of χ^2 (26.296). Consequently, the null hypothesis was rejected while the alternative which suggests that employee task significance has effect on productivity was accepted.

Hypothesis Four:

H₀: There is no significant relationship between employee empowerment and performance.

H₁: There is a significant relationship between employee empowerment and performance.

To verify the hypothesis, Pearson product moment correlation coefficient was estimated for the data in Table 4.4 (see details of estimation in Appendix II) and t-test for significance of (r) was evaluated as follows:

$$t = r \sqrt{\frac{n-2}{1-r^2}}$$

Substituting the values, we have:

$$t = 0.89 \sqrt{\frac{5-2}{1-(0.89)^2}}$$

$$t = 3.33808287$$

$$t \approx 3.38$$

Decision Rule Four:

At 0.05 level of significance and 3 degrees of freedom, the calculated t-value (3.38) is greater than critical t-value (2.35). Consequently, the null hypothesis was rejected while the alternative which suggests that employee empowerment have positive and significant relationship with employee performance was accepted.

4.3 Discussion of Research Findings

The broad objective of this study was to investigate the effect of reward (nonfinancial) and effective performance management on employee productivity in the selected large private sector organizations in some states of the South-East, Nigeria. Organizations offer different kinds of reward to their employees all in a bid to effectively manage their performance to facilitate the achievement of organizational goals.

In this study, the result of the test of hypothesis one, indicate that task autonomy helps in enhancing high employee productivity in the organization. This finding supports substantially, the results of a study undertaken by Tausif (2012) which showed that task autonomy has significant positive relationship between satisfactions of employees. The finding also corroborates the conclusion of Thomas et al (1999) on the influence of organizational democracy and effect on employees' attitude in the workplace. In the same vein, the results of hypothesis two shows that employee task/job involvement has significant effect on productivity. Involvement is an intrinsic reward which has been found to be very effective in motivating the workers. However, involvement is not enjoyed by everybody in an organization rather, it is available to those who are trustworthy, those whose tasks are significant, a fit achievable only through dedication and commitment to duty. Task involvement extends to involvement in managerial decision-making. The implication here is

that employees are encouraged to increase their productivity when they realize that their contributions are being valued and appreciated.

The result of hypothesis three shows that employees' task significance affects their productivity significantly. The result supports those of Rehman et al (2010) and Ananatha et al (2013) when they found in their separate studies that significant relationship exist between task significance and employee job satisfaction. Also, the result of hypothesis four shows that positive and significant relationship exist between empowerment and employee performance. There is therefore no doubt that an empowered employee contribute significantly towards the realization of the objectives of the organization.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The study explored the effect of reward and effective performance management on employee productivity in private sector organizations in the South-East, Nigeria. Through the use of descriptive survey method, a sample of 336 was determined and the data collected thereafter were quantitatively analyzed. The findings indicate that task autonomy, task involvement, task significance and employee empowerment were significantly related to employee productivity in the organization, particularly the private sector organizations where many of the workers opt for non-monetary rewards unlike the public sector where extrinsic rewards are preferred.

5.2 Conclusion

It can be safely concluded from the foregoing that an empowered organizational climate would help to create a pool of committed and self-motivated individuals with visions, creativity, innovation and technical powers to convert the threat of change into opportunity for business growth development. Consequently, in this study, we have tried to stress the need for management to look beyond mere financial aspect of employees' motivation, by also appreciating the value of the non-monetary component of employee motivation in form of integration and empowerment.

5.3 Recommendations

To fully maximize the motivational impact of an effective reward system in an organization, the following recommendations were considered worthwhile:

1. The managers of an organization should allow sufficient task autonomy to the workers since it was proved to be very effective in enhancing employee productivity.
2. Task involvement is an intrinsic reward which the employee cherishes tremendously because it enables them to assess the value the management places on them. Management should encourage higher involvement of the workers to promote more conducive organizational climate for achieving increased productivity.
3. Task significance has been found to be a source of employee job satisfaction and improved performance. Management should make the employees feel that their contributions to the organization are valued.
4. An empowered worker is an efficient worker. The management should try to create an environment conducive for maximum utilization of employees' skills, competencies, creativity and talent for the benefit of the organization.

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