Effect of reward systems on workers' performance at the university of Abuja

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Abstract

This study examined the effect of reward systems on workers' performance at the University of Abuja. It utilized descriptive and inferential statistics on a sample of 337 workers' derived from 2145 workers through the random sampling technique. The results showed that employees are contented with the recognition accorded to them for executing good works, supervisors are open to assist or direct employees, supervisors encourage the ideas of employees' and their styles of accomplishing things, supervisors' expectations from employees in terms of job done are unclear to them and promotions and pay increases depend on the attainment of known performance goals exerted a positive effect on workers' performance. However, this university does not automatically reward good performance, exceptional incentives and rewards are provided by management to all employees and the process of performance appraisal is connected to the reward system had a negative impact on workers' performance. The study recommends that the University of Abuja management should ensure that rewards are based on merit and matched with performance to inspire workers to perform optimally. In addition, reward management practices on rewards for good performance, promotions going to people that deserve them and celebration of excellent service should be reviewed and strengthened.

Contents

Contribution of this paper to the literature
This study was the first to the best of our knowledge to utilize 13 items of reward management systems to investigate the influence of reward systems on workers' performance at the University of Abuja.

1. Introduction

In the competitive environment of business of the twenty-first century where universities are facing severe competition and workers' retention questions, reward systems act as a management catalyst for the attraction, retention and motivation of high-performance workers that give it a competitive advantage in the realization of the vision, mission and overall improvement in terms of performance. No wonder Brewster, Mayrhofer, and Farndale (2018) maintained that a best-performing workforce is a sine qua non for the realization of an organization's vision, mission and goals spelt out on its strategic plan. Thus, the foundation stone of thriving organizations is workers that are rewarded. The University of Abuja is one of the public universities in Nigeria. Universities are crucial in the provision of quality human resources, particularly manpower requirements in the private and public sectors, advances in science and technology and economic growth and development of economies of the world. However, this can only be realized when the university workers' are adequately rewarded to attain their goals. The enrolment of students had continued to increase in the public universities without an equivalent increase in infrastructural facilities, the number of workers and funds. Owing to this expansion, the universities faced challenges ranging from heavy workload, inadequate physical facilities, overcrowding, poor working conditions, poor and uncompetitive salaries and disenchanted workers' among others.

This partly explains the reasons behind the eight months of industrial action embarked upon by the Academic Staff Union of Universities (ASUU) for partial implementation of its 2009 agreement with the Federal government of Nigeria for better conditions of service, better remuneration and to save public universities that started on 14th February 2022 and ended on 17 October 2022. These ugly scenarios resulted in the exodus of some of the best certified academic staff to the private sector or overseas in pursuit of better opportunities notwithstanding that these institutions invested a lot in training some of them. This demands rewards for workers so that they could be retained at public universities. Kathombe (2018) maintained that a good system of reward with emphasis on rewarding workers and their teams acts as a vehicle for workers to attain higher performance and accomplish organizational objectives.

Furthermore, Barber and Bretz (2000) contended that the greatest impact of reward systems is felt through the ability of organizations to catch, motivate and retain a high calibre of workers and getting high levels of performance in return. This study could inform the development of competitive and comprehensive reward policies in the universities that are consistent with not only the objectives of the universities but mindful of the competitive realness of the labour market. Furthermore, the results would assist the employees' Union, the International Labour Organization, the human resource planners in the universities and other organizations of government to initiate a reward management structure that meets the desires of the workers.

Armstrong (2013) and Hafiza, Shah, Jamsheed, and Zaman (2011) maintained that reward systems could be formal and informal, monetary and non-monetary, and tangible and intangible. Furthermore, Mahaney and Lederer (2006) contended that the reward practices of several organisations are of two types. These are intrinsic (non-monetary) and extrinsic (monetary) rewards. Extrinsic rewards are tangible. In contrast, intrinsic rewards are intangible or psychological. Intrinsic rewards include achievement, appreciation, autonomy, attractive and challenging job, career development, empowerment, feeling of accomplishment, participation in decision-making, personal growth, praise, recognition, responsibility, training opportunities and vacations.

On the other hand, extrinsic rewards include fringe benefits, bonuses, incentives, promotions, salary, supervision and working conditions. Rewards could either be extrinsic or intrinsic or a mixture of both. No wonder, Kabuki (2019) contended that the pronounced performance of employees ultimately would result from a correct mix of strategies of reward management like developmental rewards, financial rewards, intrinsic rewards and social rewards. Furthermore, Armstrong (2009) maintained that rewards had been documented as a critical management tool that propels workers' to realise the objectives of organizations. Dewhurst, Guthridge, and Mohr (2009) emphasized that a total reward system is an efficient tool of management for the motivation of low-performance workers, and for boosting the job satisfaction of great achievers.

In a research conducted in Asia, Gohari, Ahmadloo, Boroujeni, and Hosseinipour (2013) opined that demographic characteristics of employees like age, marital status and gender had inconsequential significance on their performance. However, factors such as bonuses, empowerment, fringe benefits, pay, promotion and recognition had an enormous significance on their performance. Furthermore, Ndung'u and Kwasira (2016) stressed that the implementation of reward management practices for the boosting of competitiveness, employee satisfaction and profitability is no more a philosophy that institutions can ignore since today's world is now lively with unceasing demands on institutions.

The objective of the University of Abuja is to have contented, productive and fulfilled workers. However, these goals have not been realized and the workers' have been displaying numerous trials that impact their performance and indirectly on the realization of the university's vision and mission. These include demanding working conditions, frequent labour-management crises, irregular structure of promotion, irregular payment of workers' salaries, inadequate staff development, lack of recognition of employees' achievements, lower workers' motivation, low workers' morale, low salaries, neglect of legislation of employment by the university, neglect of labour laws and edicts, numerous industrial strikes, partial implementation of ASUU's 2009 agreement with the Federal government of Nigeria, poor working environment, shallow skills training not aligned with the career path of workers', unhealthy competition between workers', unnecessary deductions from salary without prior consultations, the unpleasant and tough economic condition in Nigeria and high turnover of staff.

This poor performance had been blamed on management's inability to pay sufficient attention to the needs of the workers. As a result of these challenges, this study consequently intends to investigate the effect of reward systems on workers' performance at the University of Abuja. The question then is: What is the effect of reward systems on workers' performance at the University of Abuja? The rest of this paper is organized as follows: The literature review and theoretical framework would be presented in section two. Section three focuses on the

methodology. Section four would dwell on data presentation, analysis and discussion of results while the conclusion and recommendations would be displayed in section five.

2. Literature Review and Theoretical Framework

2.1. Empirical Literature

Numerous studies have been executed on reward systems and workers' performance in both developing and developed economies of the world. Some of these empirical studies are as follows: Eze (2012) examined the role of reward management in the performance of the organization with a focus on the University of Nigeria, Nsukka, Enugu State, Nigeria. Employing a descriptive research design, descriptive statistics and Chi-square methodology on a sample of 364 employees obtained from 4000 employees through the simple random sampling procedure, the findings indicated that there was a positive and significant relationship between monetary rewards and employee performance. In addition, the findings showed that non-monetary rewards had a significant impact on employee performance. Again, the results indicated that there was a positive link between reward and employee motivation. Furthermore, the results revealed that there was a positive association between total rewards systems and job satisfaction.

Similarly, Sajuyigbe, Olaoye, and Adeyemi (2013) investigated the effect of reward on employees' performance with emphasis on chosen manufacturing firms in Ibadan, Oyo State, Nigeria. Utilizing a survey research design and multiple regression methodology on a sample of 100 participants obtained through the purposive sampling technique, the findings showed that performance bonuses as an element of reward had a positive impact on employees' performance. However, other elements of reward like pay, recognition and praise exerted a positive and insignificant impact on employees' performance.

In another similar study, Arikwera (2015) examined the influence of reward management on employee performance with a focus on Integrated Community Based Initiatives (ICOBI). Using survey research design, descriptive statistics and inferential statistics on a sample of 100 employees selected from 120 employees through the purposive and simple random sampling methods, the results showed that pay, promotion opportunities and training had a positive and significant impact on employees' performance at ICOBI.

In Kenya, Rugami, Wambua, and Mwatha (2016) examined the influence of reward systems on employees' performance in Kenya's media industry. Employing a survey research design, descriptive statistics and inferential statistics on a sample of 105 employees of Daily Nation, Standard, People Daily and the Star derived from 980 employees, the findings showed that both intrinsic and extrinsic rewards had a positive impact on employees' performance in Kenya's media industry.

Furthermore, Ndichu (2017) investigated the effects of incentives and rewards on employee productivity in small banks in Kenya. Employing a survey research design, descriptive statistics and inferential statistics on a sample of 164 employees of First Community Bank in Nairobi selected through a simple random sampling procedure, the results showed that financial incentives exerted a positive and insignificant impact on employee productivity. However, non-financial incentives had a positive impact on employee productivity. Furthermore, reward systems had a positive impact on employee productivity.

Moreover, in another related study, Agbenyo (2018) examined the effect of reward systems on employee performance at the University of Ghana. Using a survey research design, descriptive statistics and inferential statistics on a sample of 169 employees' out of 300 senior employees of the College of Basic and Applied Sciences of the University of Ghana selected through the simple random sampling technique, the results showed that intrinsic and extrinsic rewards exerted a positive and significant impact on employee performance.

Likewise, Kathombe (2018) employed a descriptive research design to examine the influences of reward management strategies on employees' performance in chosen universities in Nakuru County, Kenya. The study used regression methodology on a sample of 242 employees obtained from 620 employees of Egerton and Kabarak Universities through purposive and proportionate stratified sampling procedures. The Statistical Package for Social Sciences (SPSS) was employed for the analysis of data. The findings indicated that financial and non-financial rewards had a positive and significant effect on employees' performance.

Relying on the survey research design, Rashid, Hamza, and Said (2018) examined the effect of promotions, rewards and supervisor support on academic employee performance at Malaysian Universities. Using regression techniques on a sample of 200 employees derived from the University of Malaya and the National University of Malaysia through purposive and simple random sampling procedures, the findings revealed that promotions, rewards and supervisor support had a positive impact on employee performance at Malaysian Universities.

In a like manner, Kabuki (2019) utilized survey research design and inferential statistics to examine the influence of reward management strategies on employees' performance in Kenya's impact sourcing firms. Using a sample of 45 permanent employees of Cloud Factory Kenya Limited, the results revealed that financial reward, developmental reward, social reward and intrinsic reward had a strong positive link with employee performance at Cloud Factory Kenya Limited.

Mudey (2019) examined the influence of reward management on employee performance in private universities in Mogadishu, Somalia. Using survey research design, descriptive statistics and inferential statistics on a sample of 273 employees derived from 862 employees of Universities of Jaamacada SIMAD, Jaamacada Banaadir, Jaamacada Muqdisho, Jaamacada Plasma and Jaamacada Jamhuriya employing the Slovene's formula, purposive and simple random sampling techniques, the findings showed that financial reward, non-financial reward and reward management had a positive and significant relationship with employee performance at the private universities in Mogadishu, Somalia.

In Nigeria, Ejikeme, Ifedioranma, Onyemaechi, and Donatus (2020) investigated the effect of reward management on employees' performance in chosen manufacturing companies in Enugu State. Using a survey research design, descriptive statistics and t-statistics on a sample of 350 employees obtained from 2821 employees utilizing the Yamane (1967) formula, the findings showed that intrinsic and extrinsic rewards had a positive impact on employees' performance.

Agbaeze and Ebirim (2020) in another similar study examined the relationship between reward systems and organizational performance in the manufacturing industry in South-South Nigeria. Employing a descriptive research design and inferential statistics on a sample of 257 employees obtained from 450 employees of the five chosen manufacturing firms from Bayelsa, Delta, and Rivers States through Gordon's formula, the results disclosed that financial rewards had a positive and significant influence on employees' performance. In addition, non-financial rewards had a positive and significant influence on employees' performance.

In a similar study, Ogbu, Ewelike, and Udeh (2020) investigated the influence of rewards management on the performance of employees utilizing selected private sector organizations in Anambra State. Using survey research design, descriptive statistics and inferential statistics on a sample of 286 employees' derived from 1009 employees' of every registered private sector establishment in Anambra State that hired from 20 persons and over using the (Yamane, 1967) formula, the results revealed that extrinsic and intrinsic rewards exerted a positive and significant impact on employees' performance.

Kampororo, Wafula, and Mwangi (2021) investigated the influence of reward systems on employees' performance in public institutions in Rwanda with a focus on the Rwanda Housing Authority. Utilizing a descriptive research design and inferential statistics on a sample of 85 employees obtained from 108 employees using the Yamane (1967) formula, purposive and stratified sampling techniques, the findings showed that compensation, performance recognition, career development opportunity and employee benefits had a positive and significant relationship with employee performance.

In another related study, Noorazem, Sabri, and Nazir (2021) examined the influence of reward systems on employees' performance at McDonald's. Using a survey research design and inferential statistics on a sample of 132 employees' from McDonald's in Perlis and Penang province obtained through convenience sampling procedure, the results indicated that appreciation, bonuses, medical benefits and salary exerted a positive and significant impact on employees' performance.

Utilizing survey research design and inferential statistics, Pradhan (2022) explored the influence of reward systems on performance of employees' of service oriented organizations of Nepal. Using correlation and regression methodologies on a sample of 425 employees, the findings showed that achievement, appreciation, bonus, empowerment, promotion and salary had a positive and significant impact on employees' performance at eservice-oriented organizations of Nepal.

After a comprehensive and up-to-date review of important literature, we discovered that several studies have been executed on the nexus between reward systems and workers' performance in both the developing and developed countries of the world. Numerous studies outside Nigeria probed the relationship between reward systems and workers' performance in universities (Afriyie, Twumasi, Sarpong, & Darko, 2020; Agbaeze & Ebirim, 2020; Kathombe, 2018; Kawara, 2014; Mudey, 2019; Nalweyiso, 2012; Rashid et al., 2018). To the best of our knowledge, Eze (2012) was the only study conducted in the university in Nigeria that investigated the effect of reward systems on the performance of organizations. He examined the role of reward management in the performance of organization with focus on the University of Nigeria. However, the focus was on University of Nigeria rather than the University of Abuja.

Contrariwise, some of the studies on reward systems executed in Nigeria focused on the relationship between reward systems and employees' performance (Agwu, 2013; Akpoviroro, Akanmu, Olalekan, & Alhaji, 2018; Akpuruku, 2019; Emejulu, 2020; Francis, Zirra, & Mambula, 2020; Muogbo & Chineze, 2018; Ogbu et al., 2020; Sajuyigbe et al., 2013). Some dwelt on the effect of reward systems on organizational performance (Agbaeze & Ebirim, 2020; Eze, 2012). The rest were on the effect of reward systems on employees' attitude and motivation (Ekeoma, 2014). Previous studies conducted in Nigeria indicated that most of the scholars have addressed the effect of reward systems on employees' performance. Only few investigations were done on the educational sector in Nigeria regarding the dimension of reward system. Furthermore, only a few studies have been executed on the influence of reward systems on employees' performance in universities in Nigeria. This study is required to bridge this gap by examining the relationship between reward systems and workers' performance at the University of Abuja.

2.2. Theoretical Framework

This study would be shepherded by the Herzberg's Two Factor Theory. The theory was created by Herzberg (1964). This theory is a yardstick for explaining the factors that affects performance at the workplace. Again, an organization decision on the strategy and administration of contingent pay is based on it. This study was anchored on this theory because motivators and hygiene factors connect precisely to intrinsic and extrinsic reward systems. Herzberg (1964) made a distinction between the factors that leads to job satisfaction and job dissatisfaction at the work station. The factors that lead to job satisfaction were identified as motivators (satisfiers) whereas the factors that lead to job dissatisfaction were pinpointed as hygiene factors (dissatisfiers).

Motivators are also known as intrinsic factors. When motivators are in a workplace, it would inspire workers to work harder (Herzberg, 1966). They comprise achievement, advancement, autonomy, chance to do something important, challenging work, feeling of importance to an organization, growth, participation in decision making, recognition, responsibility and the work itself. In contrast, hygiene factors cannot inspire workers to work harder but if they are not present in the workstation, would result in the demotivation or dissatisfaction of workers'. Hygiene factors are also regarded as extrinsic factors. These factors comprise administration, fringe benefits, good pay, interpersonal relations, job security, level and quality of supervision, organizational policies, paid insurance, salary, status, supervisory practices, vacations and working conditions.

Motivators deals with the actual work (Guest, 1995). This entails the level of attractiveness of the work and the opportunities for extra responsibility, promotion and recognition. On the other hand, hygiene factors deal with the factors surrounding the work rather than the work. For instance, in the contention of Guest (1995) if a working condition that is safe and a satisfactory salary were offered by the management, workers would come to work. However, these factors would not inspire them to work harder. Hence, financial and non-financial strategies of reward can encourage workers performance or work against the needed motivation. Thus, the two-factor theory of

Herzberg elucidates how monetary and non-monetary strategies of reward or by implication motivators and hygiene factors affect workers' performance.

Herzberg (1964) claimed that the factors resulting in work satisfaction are detached from those that result in work dissatisfaction. Thus, administrators pursuing the elimination of work dissatisfaction factors may achieve peace but certainly not motivation. Their workforce may be pacified rather than being motivated. Furthermore, the relevance of this theory for this study is based on the ground that it stated the two elements that influence work performance. These are intrinsic and extrinsic reward systems. The extrinsic factors comprise promotion and salary. In contrast, the intrinsic factors comprise praise and recognition. Thus, when workers at the University of Abuja are rewarded through intrinsic and extrinsic rewards, workers' performance would be affected. This confirms the contention of Blinder and Choi (1990) that when certain conditions subsist, rewards motivate performance. The management of University of Abuja can thus enhance their workers' performance by influencing them through numerous reward management policies, strategies and processes.

However, this theory proposes that managers should utilize both motivators and hygiene factors for the improvement of workers' attitudes and productivity and not think that boosting satisfaction would results in a decline in dissatisfaction. No wonder, Robbins (2001) argued that Herzberg two-factor theory gives a better knowledge that a person's connection to job is fundamental and that one's attitude to job can actually decide success and failure. Notwithstanding the benefits of this theory, it has a few limitations. First, the link between satisfaction and performance was not estimated. Second, there was no evidence to show that productivity would result from factors of motivation. Third, the underpinning assumption that everybody's needs were alike was unproven.

3. Methodology

A survey research design was employed for this study. The 2145 employees' of the University of Abuja would constitute the population for this study. This comprises of the 640 academic staff and 1505 non-academic staff of the university. The sample size was established with a 95% confidence level utilizing Yamane (1967) formula.

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

Where:
$n = sample\ size$.
$N = population$.
$e = allowable\ error\ (\%)$.

Substituting into the formula:

$$n = \frac{2145}{1 + 2145(0.05)^2}$$

$$n = \frac{2145}{1 + 2145(0.0025)}$$

$$n = \frac{2145}{1 + 5.3625}$$

$$n = \frac{2145}{6.3625}$$

$$n = 337.13$$

Based on this formula, a sample size of 337 was realized. The probability and non-probability sampling methods were used in the study. The purposive and random sampling methods were employed in this study. The University of Abuja was chosen due to the gap in the literature and because Lecturers and students from the whole Federation plus the Federal Capital Territory (FCT) are there. Thus, their views on this issue could approximate that of the country. The simple random sampling technique was utilized to choose 337 workers' from the academic and non-academic staff. The simple random sampling method was utilized because it ensures that all workers' have equal chances of being selected. Furthermore, it prevents bias in the process of selection.

Hence, 337 questionnaires were administered to workers' in the University of Abuja. The study used primary and secondary data. The structured questionnaire formed the basis for the derivation of the primary data. Conversely, existing and systematic works on the effect of reward systems on the performance of employees' in form of books, internal and external reports of government, journal articles, magazines, newspapers, reports and publications of development partners and Ministries, international organizations, Non-Governmental (NGOs), and Ministries, Departments and Agencies (MDAs) constituted the secondary data.

We utilized 13 items for the measurement of reward management systems. The thirteen items of reward management systems established by Husin, Chelladurai, and Musa (2012) would be used for this. The performance of workers' was measured through 11 items. The performance of workers' was proxied by productivity. This was due to the fact that it was usually employed in the literature by scholars to measure performance. The validity and reliability of the instruments of measurement and the existence of unique elements in the data was determined through the Principal Components Analysis (PCA) and Cronbach-alpha coefficients. A Cronbach-alpha coefficient of 0.70 and above is deemed acceptable. Hence, the certainty, reliability and stability of the measurement instrument would not be in doubt if Cronbach-alpha coefficient falls within this range. We employed descriptive and inferential statistics for the analysis of the collected data. The International Business Machines Corp (IBM) Statistical Package for Social Sciences (SPSS) was used for data analysis.

4. Data Presentation, Analysis and Discussion of Results

Three Hundred and Thirty Seven questionnaires were administered to workers' at the University of Abuja. However, we recovered 300 questionnaires. The response rate was 89%. In contrast, 11% of the employees' did not answer to the questionnaire. We realized a Cronbach-alpha reliability score of 0.916 and 0.969 for the reward management systems construct and measures of work performance respectively. The instrument revealed an overall Cronbach Alpha value of 0.883. This coefficient was considered reliable for this study. The demographic characteristics of respondents are depicted in Table 1.

Table 1. Demographic characteristics of respondents.

Variable	Items	Frequency	Percentage (%)
Type of staff	Academic staff	220	73.3
	Non-academic staff	80	26.7
	Total	300	100.0
Number of years worked	Less than 5 years	40	13.3
	6-10 Years	49	16.3
	11-15 Years	116	38.7
	16-20 Years	29	9.7
	21-25 Years	40	13.3
	26 Years and above	26	8.7
	Total	300	100.0
Marital status	Married	225	75.0
	Single	75	25.0
	Widowed	0	0.0
	Separated	0	0.0
	Never married	0	0.0
	Divorced	0	0.0
	Engaged to be married	0	0.0
	Total	300	100.0
Gender	Male	235	78.3
	Female	65	21.7
	Total	300	100.0
Age	21-25 Years	4	1.3
	26-30 Years	41	13.7
	31-35 Years	124	41.3
	36-40 Years	14	4.7
	41-45 Years	42	14.0
	46-50 Years	15	5.0
	51-55 Years	45	15.0
	56-60 Years	15	5.0
	61-65 Years	0	0.0
	66-70 Years	0	0.0
	Total	300	100.0
Education	No education	0	0.0
	Primary education	0	0.0
	Secondary education	16	5.3
	Polytechnic education	12	4.0
	Tertiary education	272	90.7
	Total	300	100.0

Source: Field survey, 2022.

The demographic features of the respondents are shown in Table 1. It indicated that 220 or 73.3% were academic staff while 80 or 26.7% were non-academic staff. The findings revealed that a mass of them (73.3%) were the academic staff. It indicated that 116 or 38.7% had been employed at the University of Abuja for a time of between 11-15 years. On the other hand, the rest (61.3%) were distributed between the periods of less than 5 years, 6-10, 11-15, 16-20, 21-25 and 26 years and beyond. Consequently, the years of experience of majority of the workers' qualifies them to pass judgment on the matter under study. Also, their marital status showed that 225 or 75% of them were married, 75 or 25% of them were single. The divorced, engaged to be married, never married, separated and widowed equally shared 0 or 0%. The results indicated that the majority of the respondents (78.3%) were male and the remaining (21.7%) were female. Furthermore, 124 or 41.3% were in the age category of 31-35 years. However, the rest (58.7%) were distributed between the age categories of 21-25, 26-30, 36-40, 41-45, 46-50, 51-55 and 56-60 years. From the perspective of education, 272 or 90.7% had tertiary education. Those with secondary education trailed with 16 or 5.3%. On the other hand, 12 or 4% had polytechnic education.

To determine the effectiveness of the reward management practices at the University of Abuja, we employed a five-point Likert tool. This was depicted in Table 2. The reward management practices were obtained due to an in-depth literature review, interviews and participant observation. We pinpointed thirteen reward management systems created by Husin et al. (2012) and built it into the questionnaire and the employees of the University of Abuja were demanded to specify the choice that matches their view. The decision on each view was based on 3.00, the mean of a five points rating scale. Since the average of a five points rating scale tallies with the agreed view, 3.00 was employed to determine the effectiveness of each element of reward management systems at the University of Abuja. An opinion with a mean rating of 3.00 and above was deemed as agreed. In contrast, opinions with a mean rating of less than 3.00 were deemed as not agreed. To a great degree, most of the respondents agreed that this university does not automatically reward good performance. It was ranked first among the reward management practices under consideration. This was because it had the highest frequency of 944 and a mean score of 3.15. It was the only reward management practice rated above a mean score of 3.00. However, most of the respondents concurred that the remaining reward management practices were not effective at the University of Abuja. This was premised on the fact that views on all these reward management practices were rated below a mean score of 3.00.

Table 2. Distribution of respondents based on reward management systems at the University of Abuja.

Code	Opinion	Strongly agree (X5)	Agree (X4)	Undecided (X3)	Disagree (X2)	Strongly disagree (X1)	Sum	Mean	Std. dev.	Rank
RM1	This university does not automatically reward good performance.	265	356	168	106	49	944	3.15	1.35	1st
RM2	Employees are contented with the recognition accorded to them for executing good works.	145	316	177	176	45	859	2.86	1.24	3rd
RM3	This university gives promotions to the individuals that merit them.	70	340	105	186	73	774	2.58	1.26	4th
RM4	Exceptional incentives and rewards are provided by management to all employees at each level.	50	252	123	160	106	691	2.30	1.24	6th
RM5	Excellent service is remarkably celebrated by this university.	30	300	129	128	112	699	2.33	1.26	5th
RM6	Supervisors acknowledge employees for executing jobs of high-quality.	40	288	114	124	120	686	2.29	1.29	7th
RM7	Supervisors are open to assist or direct employees.	55	64	276	110	126	631	2.10	1.12	10th
RM8	Supervisors encourage the ideas of employees' and their styles of accomplishing things.	50	100	258	134	112	654	2.18	1.12	9th
RM9	Supervisors utilize the rewards at their disposal to show employees that they have executed good jobs.	0	84	222	122	144	572	1.91	1.00	11th
RM10	Supervisors' expectations from employees in terms of execution of job are not always clear to them.	70	368	243	200	13	894	2.98	1.00	2nd
RM11	The process of performance appraisal is connected to the reward system.	0	136	222	246	69	673	2.24	0.94	8th
RM12	Promotions and pay increases depend on the attainment of known performance goals.	0	188	198	200	87	673	2.24	1.04	8th
RM13	The standards for job performance evaluation are regularly revealed to employees by the managers.	30	120	144	112	160	566	1.89	1.13	12th

Note: RM represents reward management systems.
Source: Field survey, 2022.

Table 3. Principal component analysis results of the construct of reward management systems.

Code	Factors and observed variables	Loadings	Eigenvalues	Percentage of variance
Factor: Reward management systems				
RM1	This university does not automatically reward good performance.	0.397	6.841	52.626
RM2	Employees are contented with the recognition accorded to them for executing good works.	0.508	1.913	14.719
RM3	This university gives promotions to the individuals that merit them.	0.877	1.345	10.347
RM4	Exceptional incentives and rewards are provided by management to all employees at each level.	0.839	0.809	6.225
RM5	Excellent service is remarkably celebrated by this university.	0.877	0.557	4.283
RM6	Supervisors acknowledge employees for executing jobs of high-quality.	0.904	0.358	2.754
RM7	Supervisors are open to assist or direct employees.	0.814	0.288	2.217
RM8	Supervisors encourage the ideas of employees' and their styles of accomplishing things.	0.850	0.213	1.640
RM9	Supervisors utilize the rewards at their disposal to show employees that they have executed good jobs.	0.884	0.209	1.611
RM10	Supervisors' expectations from employees in terms of execution of job are not always clear to them.	0.494	0.178	1.369
RM11	The process of performance appraisal is connected to the reward system.	0.587	0.112	0.860
RM12	Promotions and pay increases depend on the attainment of known performance goals.	0.538	0.104	0.799
RM13	The standards for job performance evaluation are regularly revealed to employees by the managers.	0.569	0.071	0.549
Total variance explained by reward management systems				100

Note: Extraction method: Principal component analysis. KMO measure of sampling adequacy = 0.847, Bartlett's chi-square 3564.32 with 78 d.f., p < 0.05, and Bartlett's test of sphericity = 0.000.

Table 3 depicts the items and factor loadings of the construct of reward management systems. To ascertain the number of items under this construct that would represent it best, a PCA was conducted. To improve clarity, the proposition that loadings less than 0.40 should be ditched from the analysis was implemented. This was because a factor loading with a value of 0.4 and beyond was considered valid. Once more, factor loadings lower than 0.30 were deemed to be low while loadings more than 0.40 were deemed to be high. The results indicated that all the loadings were valid for further analysis. A check was carried out to confirm that the variables were correlated at a moderate level and that minimum conditions were satisfied. We realized the Kaiser-Meyer-Olkin (KMO) measurement assumption. The KMO estimate of 0.847 indicated the relevance of the investigation. This was because it fulfilled the first assumption for factor analysis. The significance of the Bartlett test of sphericity (Chi-Square with degrees of freedom 78 = 3564.32, p=0.000) further showed that it was right to conduct factor analysis. These elements were subjected to final analysis.

Table 4. Principal component analysis results of the factors of work performance.

Code	Factors and observed variables	Loadings	Eigenvalues	Percentage of variance
Factor: Work performance				
WP1	Quality services	0.770	8.520	77.454
WP2	Effectiveness	0.850	0.985	8.952
WP3	Service delivery	0.884	0.427	3.880
WP4	Productivity	0.918	0.291	2.643
WP5	Mental production (Decisions)	0.750	0.228	2.077
WP6	Return to government	0.891	0.146	1.323
WP7	Investment in research	0.902	0.117	1.063
WP8	Web ranking	0.902	0.104	0.947
WP9	Task done	0.931	0.082	0.749
WP10	Observable action	0.931	0.061	0.558
WP11	Rate of innovation	0.931	0.039	0.355
Total variance explained by work performance				100

Note: WP denotes work performance.
Extraction method: Principal component analysis. KMO measure of sampling adequacy = 0.924, Bartlett's chi-square 4800.98 with 55 d.f., p < 0.05, and Bartlett's test of sphericity = 0.000.

In Table 4, a PCA was conducted on work performance to derive information on the number of elements that represents the data best. However, no element was rejected from it. All the elements revealed good internal reliability and were endorsed for further analysis. A check was carried out to confirm that the variables were correlated at a moderate level and that minimum conditions were satisfied. We realized the KMO measurement assumption. The KMO estimate of 0.924 indicated the relevance of the investigation. This was because it fulfilled the first assumption for factor analysis. The significance of the Bartlett test of sphericity (Chi-Square with degrees of freedom 55 = 4800.98, p=0.000) further showed that it was right to conduct factor analysis.

Table 5. Regression results.

Factor/Model	Unstandardized coefficients	Standard error	T-statistic	Sig.
Constant	0.301	0.227	1.326	0.186
This university does not automatically reward good performance.	−0.214	0.067	−3.212	0.001
Employees are contented with the recognition accorded to them for executing good works.	0.715	0.080	8.917	0.000
This university gives promotions to the individuals that merit them.	0.174	0.109	1.592	0.112
Exceptional incentives and rewards are provided by management to all employees at each level.	−0.263	0.104	-2.539	0.012
Excellent service is remarkably celebrated by this university.	−0.172	0.117	−1.476	0.141
Supervisors acknowledge employees for executing jobs of high-quality.	−0.106	0.130	−0.821	0.412
Supervisors are open to assist or direct employees.	0.333	0.092	3.633	0.000
Supervisors encourage the ideas of employees' and their styles of accomplishing things.	0.372	0.099	3.767	0.000
Supervisors utilize the rewards at their disposal to show employees that they have executed good jobs.	0.130	0.115	1.134	0.258
Supervisors' expectations from employees in terms of execution of job are not always clear to them.	0.134	0.073	1.847	0.066
The process of performance appraisal is connected to the reward system.	−0.286	0.094	−3.047	0.003
Promotions and pay increases depend on the attainment of known performance goals.	0.177	0.101	1.757	0.080
The standards for job performance evaluation are regularly revealed to employees by the managers.	0.020	0.093	0.218	0.828
Parameters of the model				
R²	0.561			
Adjusted R²	0.542			
F-statistic (Sig.)	28.164 (0.000)			
Dependent variable: Workers' performance				

Table 5 revealed the results of the regression analysis. The results showed that this university does not automatically reward good performance, exceptional incentives and rewards are provided by management to all employees at each level and that the process of performance appraisal is connected to the reward system had a negative impact on workers' performance at the University of Abuja. In contrast, employees are contented with the recognition accorded to them for executing good works, supervisors are open to assist or direct employees, supervisors encourage the ideas of employees' and their styles of accomplishing things, supervisors' expectations from employees in terms of execution of job are not always clear to them and promotions and pay increases depend on the attainment of known performance goals exerted a positive effect on workers' performance at the University of Abuja. The plausible reason for the positive and significant relationship between supervisors' expectations from employees in terms of execution of job are not always clear to them and their performance could be explained by the extra effort devoted by them to knowing what the supervisors want. In addition, the plausible reason for the negative and significant relationship between the process of performance appraisal is connected to the reward system and workers' performance could be explained by the nepotism that characterizes the process of performance appraisal in most economies of the world, particularly the developing ones. Thus, people get rewarded for doing nothing. Furthermore, the plausible reason for the negative and significant relationship between exceptional incentives and rewards are provided by management to all employees at each level and workers' performance at the University of Abuja could also be partly explained by nepotism. If nepotism is allowed a place in the reward system, no objectives would be attached to these excellent incentives and rewards by the university management. Hence, employees would be rewarded despite their levels of performance. Furthermore, it explains why good performance does not automatically get rewarded at the University of Abuja. The results showed that 56% of workers' performance at the University of Abuja could be explained by reward management systems. The F-statistic of 28.164 and its significance value of 0.000 revealed that the model had a good fit.

5. Conclusion and Recommendations

Based on the results, this university does not automatically reward good performance, exceptional incentives and rewards are provided by management to all employees at each level and that the process of performance appraisal is connected to the reward system were the reward management practices that affected workers' performance negatively at the University of Abuja. In addition, employees are contented with the recognition accorded to them for executing good works, supervisors are open to assist or direct employees, supervisors encourage the ideas of employees' and their styles of accomplishing things, supervisors' expectations from employees in terms of execution of job are not always clear to them and promotions and pay increases depend on the attainment of known performance goals were the reward management practices that affected workers' performance positively at the University of Abuja. The study recommends that the University of Abuja management should ensure that rewards are based on merit and matched with performance to inspire workers to give their best. In addition, the university management should sustain their reward management practices on recognition of workers for doing good jobs, supervisors' assistance to workers, supporting of workers' ideas and ways of getting things done by supervisors and linkage of promotions and pay increases to attainment of documented performance objectives. Furthermore, reward management practices on rewards for good performance, promotions going to people that deserve them, celebration of exceptional service, recognition of workers by supervisors for doing high-quality work, use of rewards by supervisors to let workers know when they have done fine jobs, linkage of performance appraisal process to reward system and consistency of dissemination of standards for job performance evaluation by managers to workers should be reviewed and strengthened.

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