

Intrinsic Reward and Employees' Performance in Kogi State Civil Service Commission, Lokoja, Nigeria

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Abstract

Performance of employees is fundamental to achievement of both public and private organizations. This study investigates the influence of intrinsic rewards on employee performance in Kogi State Civil Service Commission, Lokoja. The study was based on the following objectives to determine the relationship between promotion and employee performance and to examine the relationship between delegation and employee performance in Kogi State Civil Service Commission, Lokoja. Primary data was collected through questionnaire administered on the selected target respondents. The data collected were analyzed using table, percentage and hypotheses were tested using linear regression, findings revealed that promotion has a positive influence on employee performance and that delegation has a positive relationship with employee performance. The study concluded that promotion and delegation influence employee performance. The study recommends that if employees work the acting capacity for a period of two years and have the required qualifications they should be promoted to such positions, the study further recommends that employees who are delegated should be involved in decision making in order to influence their commitment to work.

Keywords: *Intrinsic, Rewards, Employee, Performance, Job, Organisation*

Introduction

Organizational growth and sustainability depend on employee performance, which is impacted by the reward system used (Ngulube, 2015). Over the last few decades, the world business environment has undergone a radical transformation. The world has become smaller, not in a physical sense, but in terms of communication, competition, and economics. This has resulted in a significant change in the approach of successful organizations towards business and their employees. This transformation has affected the private sector considerably and is also indirectly impacting the public sector.

Organization's reward system shapes its culture and defines for the employee what type of behaviours the organization want to pay for and reinforce. Every organization attempts to control the competence and capabilities of its people in order to accomplish its goals, the difference is in the methodology. Lawler (2017) argues that control can best be obtained through incentives pay, close supervision, hierarchy and the careful delineation of responsibilities. The new logic management the approach involves employees in the business of the organization, looks to them for innovation and solutions and rewards them when the business succeeds. Some of what is drawing this change is an increased competition to obtain and retain human capital. According to Wyatt (2018) 83% of surveyed companies reported difficulty in recruiting 10 employees that have the skills that are critical to the succeed.

Wiscombe (2017) explains on a study that was conducted by Lawler that bothered on rationale of reinforcing the conception that intrinsic offers have a noteworthy outcome on the

performance of an organization in the study, carried out in 2017, Lawler questioned administrators and workers from 34 corporation in Australia and conclude that the acknowledgement of employees via the provision of intrinsic gifts augmented enthusiasm, amplified employee performance, was providing a realistic feedback means, assisted in receiving work completed enhanced organization productivity and was also facilitating the attainment of the administrators personal as well as professional goals. According to Reddy (2016) and Uchenna and Audu (2021), there is a crucial need for intrinsic incentives in the Australian workplace. Reddy's research emphasizes the importance of recognition as a means to motivate employees to have faith in their abilities, produce high-quality work, and foster loyalty towards their organization.

Intrinsic rewards are any benefits employees receive from an employer or job that is above beyond the compensation package for the purpose of attracting to the company as well as retaining and motivating the employees. While attempting to explain the concept of intrinsic reward, Jennifer et al., (2018), Uchenna and Audu (2022) pointed out that the powerful existence and the success of the organizations is defined through how they make their employee more satisfied. Hafiza et al, (2017), further equated intrinsic reward to intrinsic rewards that happens during managing the job itself like satisfaction of a finished task in an effective manner, career advancements through promotion, job security and personal recognition. From the conceptual perspective intrinsic rewards which the study intends to adopt include promotion, appreciation and delegation due to their effect on employee performance.

Valuing and rewarding employees can greatly influence an organization's effectiveness and is pivotal to the employment relationship. Neglecting to implement adequate reward systems can negatively impact employee motivation, commitment, morale, and ultimately, the organization's performance and effectiveness. Many organizations experience high turnover rates and suffer declines because they fail to implement intrinsic rewards that require only minimal effort (Aktar, Sachu, & Ali, 2017).

It is crucial to note that the high expense of monetary rewards often leads employers to limit their distribution, overlooking the fact that small gestures like recognition and open communication can significantly improve employee performance and cost very little. This highlights the fact that many organizations fail to recognize the value of intrinsic rewards, and instead rely on monetary incentives that are never sufficient for their employees. While employees require basic necessities to survive, they are more motivated by intrinsic gifts and incentives in the workplace. This implies that; regardless of how monetary incentives have been used widely in organizations, sometimes they discourage creativity in the workplace, a concept that can be achieved via the use of intrinsic rewards like career development via free trainings and work orientation.

Objectives of the Study

Generally, the aim and objective of the study was to investigate the influence of intrinsic rewards on employee performance in Kogi State Civil Service Commission, Lokoja, the main objectives of this study are to:

- i. determine the relationship between promotion and employee performance in Kogi State Civil Service Commission, Lokoja.
- ii. examine the relationship between delegation and employee performance in Kogi State Civil Service Commission, Lokoja.

Statement of Hypotheses

H₁: There is no significant relationship between promotion and employee performance in Kogi State Civil Service Commission, Lokoja.

H₂: There is no significant relationship between delegation and employee performance in Kogi State Civil Service Commission, Lokoja.

Literature Review

The Concept of Intrinsic Rewards

Rewards that are used for appreciating employees in an organization benefit both the workers and the employers. When workers are acknowledged for suitable performance as well as productivity, they acquire augmented morale, satisfaction for their job and in addition to involvement in executive functions. As a result, organizations experience superior effectiveness and competence on top of an augment in sales and efficiency. Through organizational rewards, workers and employers enjoy an affirmative and fruitful working environment. There are two basic types of rewards in the workplace. The first type of rewards is monetary rewards. People work so as to satisfy their requirements and these requirements may be met by monetary rewards. Monetary rewards are refund in cash and in form of money for a given work done by workers in the company (Hansen, 2018). Workers would go any level to enhance their cash income as they will do something to avoid their source of income from being removed. The fact that workers fear to lose their jobs, cash has been a very efficient motivator only because money is necessary for continued existence in an economy (Dunham, 2017). Monetary reward in modern society is the most transferable means of satisfying fundamental requirements (Kohn, 2018). Physiological satisfaction, protection and social requirements may only be attained with money (Kepner, 2017).

Despite the positive role monetary rewards have played, employees have a tendency to have different approach and a manner towards money rewards (Hansen, 2017). The most general of the different reaction to salary and wages by employees is that once it crosses lowest levels, it is regarded as a measure of fairness. (Kohn, 2016) posited intrinsic rewards as extreme benefits made accessible to staff and are regarded as an addition to salaries and wages. It contains direct as well as indirect reimbursement (Shutan, 2018). The direct reimbursement can contain profit-sharing, illness pay, pension plans, and so on (Kerachsky, 2015). The indirect reimbursement can include welfare services, social as well as recreational facilities, etc. Pay, if merely it could be correctly packaged would somehow lead to the desired approach to work. Perception of employee of his pay with respect to other employees of same position could influence the satisfaction, which he obtains from the job. The aim of monetary rewards is to reward workers for outstanding performance through money (Nelson, 2017). Monetary rewards contain profit sharing, stock options, and project bonuses, scheduled and warrant bonuses (Allen, 2016). The aim of monetary rewards is to reward employees for brilliant job performance by opportunities.

Promotion

Mann (2010) asserts that promotion which is a form of recognizing one's outstanding performance helps to satisfy employees' need for security, belonging and personal growth. Promoted individuals tend to increase their commitment, conversely those who are by passed for promotion feel they are not treated fairly, their commitment decreases and their absenteeism increases.

According to Wayne (1998), promotion psychologically helps to satisfy employees' needs for security, sense of belonging and personal growth. Beardwell (2004) also observed that competition for promotion encourages employees to increase their level of effort and this improves on their performance. In one of his studies, it was found out that one employee had to quit her job because she had been promised a promotion after her studies but the promise was not fulfilled. Promotions should be used by the organizational management to place the most competent and productive worker on each job.

Delegation

According to Sengul, Gimeno, and Dial (2012), delegation or empowering one to act on behalf of another is a sine qua non (outcome) of the modern firm. Lupia (2001) indicates that delegation occurs when some people ask others to perform tasks on their behalf. For most of us, delegation is an important part of our daily life. Jenkins (2013) states that, there are many benefits of delegating and involving employees in the decision making of your company or department. When individuals feel appreciated, they tend to increase their effort and dedication towards achieving the success of the department or company and perform better.

As Cliffs (2010) explains, delegation is when a manager transfers authority to a subordinate. Without delegation, managers may end up doing all the work themselves and not fully utilizing their workers. Research has shown that delegation can lead to empowerment, as it allows individuals to freely contribute their ideas and perform their jobs in the most effective way possible. Accordingly, this increased employee performance.

Matthew (2010), states that delegation is an integral part of every employee's work. Delegation is used to tap into the skills and resources already within the group, avoid burning out a few leaders, get things done, prevent the group from getting too dependent on one or two leaders, enhance the functioning of the team, allow everyone to feel a part of the effort and the success, groom new successors and enable new skill development in the team. Succession planning is a dynamic, ongoing process of systematically identifying, assessing and developing leadership talent for future assignments and tasks. This literature highlights the benefits of delegation, including tapping into the skills of a pool of talented and skilled personnel. Delegation also prevents burnout among a few leaders and allows everyone to feel a part of the effort, leading to job satisfaction and success.

The Concept of Employee Performance

Development of organizations relies on various factors that are meant for improving sustainability in relation to the effectiveness of an organization. When productivity is improved, the commitment of workers is as well improved because the values of an organization, its culture and also the norms improve. Systems in organizations are usually based on culture that is effectively established because it helps in keeping working environments strong. The most important aspect of employee performance is that it helps in improving the establishment of a strong organizational culture in an organization. In this regard, the performance of workforce has long been considered as a foundation for many organizations because it leads to the expected developments. Employee' loyalty has its basis on the awareness as well as the knowledge of the culture of an organization, which in turn improves the behaviour of organizations whose operations are objective driven (Brooks, 2016). The culture of organizations has been broadly discussed in a study conducted by Administrative Science quarterly. Employee's basis regarding norms and values on the management of a particular organization aids in the improvement of 15 the performance of employees. Quality awareness leads to improved employee as well as organizational development.

The extent to which the achievements of a particular employee fulfill the mission of the organization that he/she works for is normally known as 'performance' (Cascio, 2016). Performance as a concept has earlier on been understood in different ways by various academicians and researchers; however, the majority of scholars have always related performance with transactional efficiency dimension and the efficiency of an organization towards achieving its goals (Stannack, 2018). An employee's job is put together by the degree to which an employee achieves targets as per the definition of the organization's mission, which in turn gives the definition of performance boundaries (Cascio, 2017). Particular researchers have been long identifying dissimilar deliberations, attitudes and viewpoints of performance because it aids in measuring contributed inputs as well as output measures of effectiveness that result in transactional relationship (Stannack, 2017). An

organization’s ability in establishing the ideal association with resources such as capital demonstrates effective as well as efficient resources management (Daft, 2016). For achievement of goals and organizational objectives, ample strategies have since the beginning of time been premeditated on the basis of the performance of organizations (Richardo, 2016).

Research Methodology

The study adopts the descriptive research design which is a method of surveying respondents by collecting responses for the purpose of statistical analysis. To this end, the primary data obtained were through a structured questionnaire and the collected data were subjected to descriptive and inferential statistical analysis.

The population of this research comprised the entire employees of Kogi State Civil Service Commission, Lokoja. Therefore, the total population is considered an infinite population. The population is considered infinite considering the fact that at the moment there is still not a finite number of employees because some employees are still having pending issues emanating from its previous staff screening. The research adopts Godden’ statistical formula which is statistical technique for determination of sample size therefore, in using the Godden statistical formula we have:

The Godden (2004) formula denoted as.:

$$SS = \frac{Z^2 (P) (1 - P)}{C^2} \quad \text{-- equ (1)}$$

$$\text{New SS} = \frac{SS}{1 + (SS - 1) \frac{1}{\text{Population}}} \quad \text{equ (2)}$$

Where SS = Sample size
 Z = Confidence level 95 %
 P = Percentage of population (50%)
 C= Confidence interval = 5 % (0.05)

$$SS = \frac{1.96^2 (0.5) (1- 0.5)}{0.05^2} \quad \text{equ (1)}$$

$$SS = \frac{3.8416 (0.5) (1 - 0.5)}{0.0025}$$

$$SS = \frac{0.9604}{0.0025}$$

$$SS = 384$$

Therefore, the sample size = 384

However, out of the total questionnaire distributed only 184 were duly completed and returned giving a retrieval rate of 48%. The questionnaire was close ended questionnaire while a five- point Likert-scale responses of strongly agree, Agree, Undecided, Disagree and strongly disagree was used. The study adopted both descriptive and inferential statistics in analyzing the data. However, the inferential statistics was used in testing the earlier formulated hypotheses and the simple regression analysis which is an inferential technique of examining the effect of the independent on dependent variables was used. The study tests two hypotheses using the linear regression statistical analysis using Statistical Packages for Social Sciences (SPSS). The independent variable is promotion, delegation and the dependent variable is employee’s performance. The analytical approaches adopted are the model summary and coefficients. The decision rule is to accept P. value if the alpha value is ≥ 0.05 otherwise the null hypotheses be rejected.

Data Analysis and Results

Test of Hypotheses

Hypothesis 1

There is no significant relationship between promotion and employee’s performance of Kogi state civil service commission, Lokoja

Table 1. Model Summary
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.796 ^a	.633	.632	.12732	.201

a. Predictors: (Constant), promotion

b. Dependent Variable: Performance

Table 1 shows that the dependent variable (performance) affect independent variable (promotion) as indicated by R of 0.796. The coefficient of determination R^2 (R square) which measures the percentage of the total change in dependent variable that can be explained by independent variable indicating that promotion increase 0.633 which means that promotion is affected about 63% of employee’s performance.

However, this could be overstated so the adjusted estimate for the whole result was explored and it also gives 0.632.

Table 2. Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.143	.022		2.321	.000
	Promotion	.312	.016	.322	22.32	.000

a. Dependent Variable: Performance

To test the significance of the regression for the two variables promotion (independent variable) and employees' performance (Dependent variable) the P-value was considered. The result shows that the average employees' performance is 0.143 when promotion is zero. Again, the t-test value is 2.321 and its sig-value is 0.000 which is less than alpha value of 0.05 hence, it means that it is statistically significant. This implies that without the influence of promotion the average employees' performance is 0.16. The average rate of employees' performance resulting from promotion is 0.322. The promotion value of 22.32 and its sig-value is 0.000 which is less than alpha value of 0.05. It means that it is statistically significant. Hence, single unit change in promotion is influenced by employees' performance which means that the null hypothesis that there is no significant relationship between promotion and performance in Kogi state civil service commission, Lokoja is rejected.

Hypothesis 2

There is no significant relationship between delegation and employee's performance of Kogi state civil service commission, Lokoja

Table 3. Model Summary
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.895 ^a	.801	.800	.12723	.113

a. Predictors: (Constant), delegation

b. Dependent Variable: Performance

Table 3 shows that the dependent variable (performance) affects independent variable (delegation) as indicated by R of 0.895. The coefficient of determination R² (R square) which measures the percentage of the total change in dependent variable that can be explained by independent variable indicating that delegation increase 0.801 which means that delegation is affected about 80% of employee's performance. This also implies that a 1% increase in delegation will lead to about 80% effect on employee performance. However, this could be overstated so the adjusted estimate for the whole result was explored and it also gives 0.800.

Table 4.

Model		Coefficients ^a			T	Sig.
		Unstandardized Coefficients	Std. Error	Standardized Coefficients		
1	(Constant)	.123	.042	Beta	3.314	.000
	delegation	.612	.018	.316	24.34	.000

a. Dependent Variable: Performance

To test the significance of the regression for the two variables delegation (independent variable) and employees' performance (Dependent variable) the P-value was considered. The result shows that the average employees' performance is 0.123 when delegation is zero. Again, the t-test value is 3.314 and its sig-value is 0.000 which is less than alpha value of 0.05 hence, it means that it is statistically significant. This implies that without the influence of delegation the average employees' performance is 0.18. The average rate of employees' performance resulting from delegation is 0.316. The delegation value of 24.34 and its sig-value is 0.000 which is less than alpha value of 0.05. It means that it is statistically significant. Hence, single unit change in delegation is influenced by

employees' performance which means that the null hypothesis that there is no significant relationship between delegation and performance in Kogi state civil service commission, Lokoja is rejected.

Conclusion

Base on study findings, it was concluded that if employees are appreciated by acknowledging their individual achievement, receiving rewards and gifts as well as letters of praise for good performance, they will be motivated to perform well. It was also learnt that appreciating employees verbally, or giving them certificates and other gifts makes them feel valued which in turn motivates them to improve performance. It was further concluded that assigning employees challenging work enhances their commitment to the job, thereby improving performance. It was therefore learnt that if employees are promoted, they are encouraged to work harder to maintain their positions or even be promoted to higher positions and also retained at the Organization.

Recommendations

The study recommends that if employee's works in acting capacity for a period of two years have the required qualifications and have demonstrated their capacity to deliver outputs they should be promoted and confirmed in such positions. The Organization should not recruit staff from outside to fill such vacancies. This will motivate employees and encourage them to improve their performance. Again, the study recommends that employees should be allowed to participate in meetings from where they can contribute ideas and make decisions that lead to improved performance. The study further recommends that employees at the Management level should clearly define the responsibilities delegated to subordinates for effective execution and implementation.

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