

# Motivational Incentives and the Performance of Employees in Nigeria

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**Abstract-** *The purpose of this study was to examine the effect of motivational incentives on the performance of information and communication technology (ICT) companies in Nigeria. The study adopted questionnaires developed and administered to 100 ICT companies in Delta State, Nigeria. The study employed three (3) motivational incentives (promotion, bonus for excellence, and job security). Data obtained in the survey were analyzed using non-parametric tests. The result indicated that motivational incentives (promotion, bonus for excellence, and job security) positively significantly resulted to increased performance of employees of ICT companies in Delta State, Nigeria. Thus, it was recommended that management of ICT companies should as a matter of fact and urgency halts and/or discourages the retrenchment of employees, particularly those that are motivated to work. Also, there is the need for management of ICT companies to improve on the motivational incentives offered to employees since they are capable of enhancing the performance of employees.*

**Indexed Terms-** *Motivational incentives; Employee performance; Information communication management; Telecommunication companies; Nigeria*

## I. INTRODUCTION

The current state of affairs in a country in general as relating to the workforce motivation makes it necessary to temper this optimism with caution, “employees are on strike again over what? They are asking for another pay increase after the one granted few months. What more do they want? These statements and many others are reported in the dailies and are commented upon by the public in various organizations (Mia, Thatok & Dwi, 2020). The questions are often asked as to what employees in

general and particular want from their employers; can there be an end to the clamor for increases in wages?

Furthermore, why do employees work and what induces them to offer their best to their organizations (Najameddin, Ali & Jamshed, 2021). It would appear as if money and more money is what they ever ask for, but the fact is that money is a motivator and motivation is a determinant of employee performance. According to Odiri (2016a), there is a general notion that if only management can identify other things that can motivate the workforce apart from money, perhaps there will be a dramatic increase in the level of performance.

Consequently it therefore follows that the efficiency and performance of any organization will have a multiplier effect on the economy in general (Park & Jang, 2017). To achieve the desired efficiency and performance levels, business organizations rely on a highly motivated workforce that shares the vision and aspirations of the organization (Odiri, 2009). What then can the telecommunication industry do to elicit the right work attitude and drive from employees towards achieving continuous performance, is the fulcrum that drives this study. The remaining section of this paper is divided into review of literature, methodology, empirical results, conclusion and recommendations.

## II. REVIEW OF LITERATURE

### 2.1 Motivational Incentives

Dixit (2012) sees motivation as the roots in the philosophical principle of hedonism –namely that individuals tend to seek pleasure and avoid pain. Hedonism assumes a certain degree of conscious behavior on the part of individuals whereby they make intentional decisions or choices concerning future actions. In theory, people rationally consider the

behavior alternatives available to them and act to maximize positive results and to minimize negative results (Odiri, 2009). These assumptions were however not testable and with a spirit of inquiry, motivational theory gradually moved from the realm of philosophy to the more empirically based science of philosophy (Odiri, 2016a; Odiri, 2009).

Even then, motivation is relatively a new concept in psychological theory it entered the discipline as 'instinct', only to be reformulated as 'drive'. There are basically four (4) theories of motivational concept and a brief comment on each of them will enhance the understanding of the nature of motivational incentives; the instinct and drive theories. According to Odiri (2016b), motivation was originally derived from the Latin word 'movere' which means 'to move' though this could be an inadequate description for what is meant.

Dixit (2012) believed that motivational incentives have to do with set of independent and dependent relationships that explains the direction, amplitude and persistence of an employees' behavior, holding constant the effects of aptitude, skill, and understanding of the task, and the constraints operating in the environment. Perhaps we can distinguish common factors to all these definitions, namely: what energizes human behavior; what directs or channels such behavior; and how such behavior is maintained or sustained and it is also possible perhaps to say that these are the major components of motivational incentives (Benabou & Tirole, 2013).

## 2.2 Performance of Employees

Employees differ not only in their ability to work but also in their will to be motivated. Work is an important event, a fact that is inevitable in the life of an individual whatever form, it is done; it is an activities and source of satisfaction ones needs (Dutton, 2010). Employee try to find satisfaction in what they do and as a result the manager should be able to understand the problems faced by his workers and find a way of satisfying their needs and aspiration (Al-Mehrai & Singh, 2016). According to Akerlof (2007), there is the general assumption that an adequately motivated worker will in turn give in his or her best towards the attainment of a general consensus.

Consequently when an employee is motivated, the question of poor performance will be forgotten in an organization(Dixit, 2012).Thus, manager who are successful in motivating employees are made often providing an environment in which appropriate or adequate goals called incentive are made available for the needed satisfaction of the employee (Odiri, 2016a). Agell and Lundborg, (2008) opined that a good number of workers are adequately paid in their jobs so as to work hard and maintain a high standard of performance while some even work hard but do not receive much material gains to show for it.

The issue under consideration is how a worker in an organization with a particular set of needs. Sinebe and Okoro (2023); Wilkinson, Ryan, Mims and Koestner (2009) came up with the following axiom about human behavior that all human behavior has a course, which can be traced to the effect of environmental issues; the root of human behavior is traceable to needs wants and motives; and human behavior is goal seeking to satisfy personal needs.

## III. METHODOLOGY

A research design is the plan, structure and strategy of investigation conceived to obtain answers to the research questions, to test hypotheses and to control variables (Odiri, 2014; Okoro, 2014; Okoro & Egbunike, 2017; Okoro & Egber, 2019). In this study, the survey research design was employed to examined the link between motivational incentives (promotion, bonus for excellence, and job security) and the performance of employees of ICT companies in Nigeria. In view of the above, the population of this study comprised of all employees of five (5) ICT companies in Delta State, Nigeria.

Given the large population of ICT companies, a sample of 110 ICT employees were sampled. The sample was arrived at via purposive sampling technique, which according to Okoro and Egber (2020); Odiri (2015); and Okoro and Kigho (2013) is a way of ascertaining a sample required for an investigation. In this study, motivational incentives and employee performance questionnaire was used in obtaining responses from the research subjects. The questionnaire was developed based on ideas obtained from the literature and consisted of five component

parts (employee performance and dimensions of motivational incentives – promotion, bonus for excellence, and job security)

The scales of questionnaire range from strongly agree, agree, undecided, disagree to strongly disagree. Reliability of the instrument was determined by responses obtained from 40 respondents who were employees of other ICT companies who do not form part of this study. Split-half method was employed for the reliability test and the coefficient was established at 0.76 (employee performance), 0.79 (promotion), 0.68 (job security), and 0.70 (bonus for excellence)

In analyzing the data collected (the dependent variable which is employees’ performance; and independent variable which is motivational incentives - promotion, job security, and bonus for excellence), the use of tables and simple percentage became paramount. The statistical test adopted for this study was the non-parametric test (chi-square) statistical tool at 0.5% level of significance.

IV. EMPIRICAL RESULTS

Table 1: Gender of Respondents

Options	No. of Respondents	Percentage
Male	67	67%
Female	33	33%
Total	100	100%

Source: Fieldwork, 2023

The table shows the gender of respondents. From the table above, 67(67%) and 33(33%) of the respondents were male and female respectively. This implies that majority of the respondents used in the study are male.

Table 2: Educational Qualifications of Respondents

Options	No. of Respondents	Percentage
WASC/Equivalent	-	-
OND	20	20.0%
B.Sc./HND	78	78.0%
MBA/M.Sc.	2	2.0%
Total	100	100%

Source: Fieldwork, 2023

The table shows the educational qualifications of respondents. From the table, 78(78.0%) and 20(20.0%) of the respondents hold B.Sc./HND and OND respectively while 2(2.0%) of the respondents hold MBA/M.Sc. and none of them with WASC equivalent.

Table 3: Contingency Table for Promotion and Employees’ Performance

Cell	O	E	(O – E)	(O – E) <sup>2</sup>	(O – E) <sup>2</sup> /E
Strongly Agree	31	8	23	529	66.1
Agree	10	4	6	36	9.0
Undecided	3	1	2	4	4.0
Strongly Disagree	21	5	16	256	51.2
Disagree	14	5	9	81	16.2
	89			X <sup>2</sup>	14.82

Source: Fieldwork, 2023

Decision: Since the calculated value of X<sup>2</sup> (14.82) exceeds the critical value of X<sup>2</sup> (9.49), it was shown that there is significant link between promotion (a motivational incentive) and employees’ performance

Table 4: Contingency Table for Bonus for Excellence

Cell	O	E	(O – E)	(O – E) <sup>2</sup>	(O – E) <sup>2</sup> /E
Strongly Agree	57	24	33	1089	45.38
Agree	20	7	13	169	24.14
Undecided	0	0	0	0	0
Strongly Disagree	12	3	9	81	27
Disagree	0	0	0	0	0
	89			X <sup>2</sup>	20.7

Source: Fieldwork, 2023

Decision: Since the calculated value of X<sup>2</sup> (20.7) exceeds the critical value of X<sup>2</sup> (9.49), it was shown that there is significant link between bonus for excellence (a motivational incentive) and employees’ performance

Table 5: Contingency Table for Job Security and Employees' Performance

CELLS	O	E	(O - E)	(O - E) <sup>2</sup>	(O - E) <sup>2</sup> /E
Strongly Agree	41	23	18	324	14.1
Agree	10	3	7	49	16.3
Undecided	3	1	2	4	4.0
Strongly Disagree	21	12	9	81	6.75
Disagree	14	4	10	100	25
Strongly Agree	89			X <sup>2</sup>	14.82

Source: Fieldwork, 2023

Decision: Since the calculated value of X<sup>2</sup> (14.82) exceeds the critical value of X<sup>2</sup> (9.49), it was shown that there is significant link between job security (a motivational incentive) and employees' performance.

#### CONCLUSION AND RECOMMENDATIONS

This study revealed that motivational incentives have undergone tremendous change and a major debate in the management literature. Some of the change is essential for growth and to make it adjust to the changing economic and socio-political evolution of ICT companies. However, employees in recent times seem to have undergone a trauma which is linked with retrenchment. Reason being due to new global positioning process and implementation of same management style; a common practice of companies (Sabino, Neto, Morais & Dos-santos, 2021).

In this study, we examined the effect of motivational incentives on the performance of employees among information and communication technology (ICT) companies in Delta State, Nigeria. The study used questionnaires administered to ICT companies and three (3) motivational incentives dimensions (promotion, bonus for excellence and job security). Data obtained in the survey were analyzed via non-parametric test. The result indicated that motivational incentives (promotion, bonus for excellence, and job security) positively significantly resulted to increased performance of employees of ICT companies in Delta State, Nigeria.

Consequent upon the above findings, it was recommended that management of ICT companies should as a matter of fact and urgency halts or discourages the retrenchment of employees, particularly those that are talented and motivated to work for the organization. Also, there is the need for management of ICT companies to improve on the motivational incentives offered to employees since they are capable of enhancing the performance of employees

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