

## Effect of Financial and Non-Financial Motivation on Performance of Osun State Civil Servants

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### **Abstract**

*This study examined effect of financial and non-financial motivation on performance of Osun state civil servant. Primary data was obtained through the administration of structured questionnaire to purposively selected respondents comprising staffs of Personnel, finance and Administration units, in five Ministries selected from Osun State secretariat. A total of 118 respondents participated in the study. Financial and non-financial motivation variable regressed against performance of Osun state civil servants. Data obtained was analysed using inferential statistic such as One sample T-Test and Linear Regression technique. The results showed that both financial and non-financial motivation have positively and significantly influenced on performance given (  $t-v = 11.583$   $P < 0.05$ ) and (  $t-v = 9.392$ ;  $P < 0.05$ ) respectively. The study concluded financial motivation characterized by wages, salaries, housing allowance, transport allowance, gain sharing and overtime allowance invariably have positive effect on performance of civil servant in the area of output. This study therefore recommended that Government should ensure that remunerations like salaries and other allowances are commensurate with the work done as this would encourage civil servants to work hard towards achieving ministries objectives.*

**Keywords:** *Financial, non-financial, motivation, performance, state*

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### **INTRODUCTION**

Government at all levels is spending huge amounts of money on their reward programs which aim to motivate, retain, commit and attract new employees. Despite the great amount of money used in these reward practices only few of the government establishments are able to justify and measure whether the reward practices in use are efficient and resulting the outcomes which the reward programs try to aim (Armstrong et al 2010). Brown (2008), criticized the most commonly used reward practices in organizations: “—very few organizations seem to have any concrete evidence

to evaluate or justify their reward practices.” He also concluded that many of the practices in companies are in use because those have always been in place, because others do so or because the companies simply lack the correct information, resources or measurement tools to evaluate whether their reward practices are efficient or not. Markova and Ford (2011) mentioned that the real success of companies originate from employees’ willingness to use their creativity, abilities and knowhow in favor of the company and it is organization’s task to encourage and nourish these positive employee inputs by putting effective reward practices in place. The importance of motivated employees cannot be highlighted enough in an organizational context. Motivated employees are more productive, more efficient and more willing to work towards organizational goals than the employees who are experiencing low levels of motivation. The impact of financial and non-financial reward system on employee’s motivation represent an issue that continuously provokes interest for discussion and research. Most employer recognized that employees need to be manage holistically to ensure that they are productive, motivated and loyal.

Several studies on motivation and work performance conducted, for example in Sweden’s small and medium enterprises (Mruma, 2013), Akbar, Riaz, Arif, and Hayat (2018); Buwembo, Nabukeera and Bwengye (2019) Ultimate Companion Limited of Cameroon (Akah, 2010), indicated that employees, including civil servants, are motivated by both intrinsic factors and extrinsic factors. Therefore, none of the two sets of factors should be overlooked by managers when motivating employees for higher performance in an organization. A recent study revealed that motivation strategies employed in Government of Osun State are very much wanting. Workers are paid modulated salaries while they are forced to be present at work daily. It was discovered that civil servant are not held with high regard and they are treated in such a contemptible manner by the state government work is no more interesting as hardworking employee are often distracted as they seek for other means of survival (Rakshana & Sareena, 2016). Workers’ salaries are not given priority as compare with capital projects such as building of modern colleges and construction of roads. This has had a negative impact on performance as quality is compromised. This research intends to fill this gap. Therefore, it is against this background that the researcher wants to establish the combined effect of financial and non-financial motivation on the performance of civil servant in Osun state.

### **Research Questions**

Therefore, the following research questions were examined in the course of this study.

- i) What is the relationship between financial motivation and performance of Osun State Civil servants?
- ii) What is the relationship between non-financial motivation and performance of Osun State Civil Servants?

### **Objectives of the Study**

The broad objective of this study is to examine the effect of financial and non-financial motivation on performance of civil servant in osun state. While other specific objectives are to;

- i) examine the influence of financial motivation on performance of Osun State Civil Servants and

- ii) ascertain the influence of non-financial motivation on performance Osun State of Civil Servants.

This study also offers significant insight to the employees' attitudes and satisfaction towards the rewards in use and the level of motivation the employees feel to have. The results can be used to develop the reward practices in right direction in any organization and help these organizations better motivate their employees according to their needs.

### Research Hypotheses

H<sub>01</sub>: There is no significant influence of financial motivation on Civil Servant performance in Osun State.

H<sub>02</sub>: There is no significant influence of non -financial motivation on Civil Servant performance in Osun State.

## LITRATURE REVIEW

### 2.1` Conceptual Review

#### 2.1.1 Motivation

The word motivation is coined from the Latin word *Motus*, a form of the verb *Movere*, which means 'to move' (Greenberg & Baron, 2003). Robbins and Judge (2008) expand the term motivation to the set of psychological processes that cause the arousal direction and persistence of individuals' behaviour towards attaining a goal.

Re'em (2010), looks at motivation as it pertains to determination, intention, and self-choice; that is, motivation is under the employees' control and they actively choose whether to put effort and take action. Organizational scientists and practitioners have long been interested in employee motivation and commitment. This interest derives from the belief and evidence that there are benefits to having a motivated and a committed workforce (Meyer & Allen, 1997). Motivation has been a difficult concept to properly define, in part because there are many philosophical orientations towards the nature of human beings and about what we know about people (Onanda, 2015). Nelson et al. (2003) provided a definition that nicely accommodates the different theoretical perspectives that have been brought to bear in the explanation of work motivation. Work motivation is a set of energetic forces that originates both within as well as beyond an individual's being, to initiate work- related behaviour, and to determine its form, direction, intensity and duration.

#### Types of motivation

**A) Intrinsic motivation:** This are rated factors that influence people to behave in a particular way or to move in a particular direction. These factors include responsibility (feeling that the work is important and having control over one's own resources), autonomy (freedom to act), scope to use and develop skills and abilities, interesting and challenging work and opportunities for advancement. Intrinsic motivation has been studied since the early 1970s. Intrinsic motivation is the self-desire to seek out new things and new challenges, to analyze one's capacity, to observe and to gain knowledge. It is driven by an interest or enjoyment in the task itself, and exists within

the individual rather than relying on external pressures or a desire for consideration. Employees who are intrinsically motivated are more likely to engage in the task willingly as well as work to improve their skills, which will increase their capabilities.

## **B) Extrinsic motivation**

This concerns what is done for people to motivate them. It includes rewards such as increased pay, recognition, or promotion and punishments such as disciplinary action, withholding pay among others. Extrinsic motivation has a powerful effect, but it will not necessarily last long.

Extrinsic motivation comes from influences outside of the individual. In extrinsic motivation, the harder question to answer is where do people get the motivation to carry out and continue to push with persistence. Usually extrinsic motivation is used to attain outcomes that a person wouldn't get from intrinsic motivation. Common extrinsic motivations are rewards (for example money or grades) for showing the desired behavior, and the threat of punishment following misbehavior. Competition is an extrinsic motivator because it encourages the performer to win and to beat others, not simply to enjoy the intrinsic rewards of the activity. A cheering crowd and the desire to win a trophy are also extrinsic incentives.

### **Non-Financial Motivation**

Non-financial motivation is the integration of a system of reward and recognitions (Rewards and Recognition - R & R), which doesn't involve giving money directly to the employee. Non-financial motivations are described as motivators that are not in terms of money or cash. They include study leaves, work environment, conditional/occupational/health, safety, recreational facilities, infrastructure, social amenities, job security, professional development, training opportunities, affection and passion, status/prestige, recognition, sense and duty, promotion, respect, achievement, challenging work. Non-financial motivation refers to non-monetary rewards. These types of rewards do not involve direct payment of cash and they can be tangible or intangible. Armstrong (1999) sees nonfinancial motivation as including any rewards that focus on the needs people have to varying degrees for achievement, recognition, responsibility, influence and personal growth. According to Chiang and Birtch (2009), rewards that are non-financial in nature, such as the provision of an increase in holidays, and increases in family benefits, contribute towards the employee perceiving his/her workplace as a supporting and caring' organization.

### **Financial Motivation**

These are motivators that are in terms of money or cash such as salaries, and efficiency wages, direct financial benefits life insurance bonus, transport allowance, accommodation allowance, medical allowance, gain sharing, and tax breaks, among others.

According to "merit pay" or "performance pay" approach, a standard for individual performance is set, such as increased workers turnover and if a worker meets or exceeds this standard, he or she receives a bonus or a salary increase. Merit pay is frequently used in the private sector as a management tool to achieve organizational goals. The main argument in favour of merit pay is that it can foster individual motivation by recognizing effort, achievement and rewarding it in a

concrete way (Kawesa, 2004). Financial motivation directly involves monetary rewards. Some directly provide the employee with cash. E.g. base salary, bonuses, and commissions.

### **Employee Performance**

Naharuddin and Sadegi (2013) emphasized that employees' performance depends on the willingness and openness of employees to do their job. Further, they stated that by having this willingness and openness of employees to do their job, it could increase the employees' productivity which also leads to performance. Foot and Hook (2008) asserted that employees need to be given the ability to contribute to the performance of the firm together with the means and incentive to do so. They further argued that the management should work in partnership with its employees for continuous and increased production through the use of involvement and partnership practices. They also asserted that organizations should attempt to maximize their employees' contribution to the achievement of organizational goals so that employees have the ability to add value through high-performance working while, at the same time, directly benefiting employees themselves.

### **Theoretical Framework**

This study was anchored on Maslow theory: Maslow theory of "Maslow's Hierarchy of needs". Consequently, Maslow (1943) reasoned that human beings have an internal need pushing them on towards self-actualization (fulfilment) and personal superiority. Maslow came up with the view that there are five different levels of needs and once we happen to satisfy a need at one stage or level of the hierarchy, it has an influence on our behaviour. At such levels our behaviour tends to diminish; we now put forth a more powerful influence on our behaviour for the need at the next level up the hierarchy. Firstly, individuals are motivated by biological needs (physiological needs). According to Maslow, physiological needs form the basic needs for survival and this may include food, warmth, clothing and shelter. He postulated that when people are hungry, do not have shelter or clothing, they are more motivated to fulfil this need because these needs become the major influence on their behaviour. However, when people do not have a deficiency in those basic needs (physiological needs), their needs tend to move to the second level where they are equally seen by Maslow as the highest order of needs. Maslow puts security needs on the second level and argues that they tend to be the most essential for people at this level. This is expressed in safety in the employee's health and family. The third level of needs for Maslow is the social needs. When feeling secure and safe at work, employees place job relations as their focus that is, trying to build up a good friendship, love and intimacy. The fourth level is self-esteem needs: At this level, individuals feel satisfied when they are recognized and valued by others.

### **Empirical Review**

Onanda (2015) asserts that motivated employees under no circumstance will churn out decreased performance. The study revealed that trust, respect and high expectation were seen by most of the employees (71%) as a form of motivation, indicating that as employees, they desire self-respect from management and colleagues and self-esteem. Promotion and growth as motivational factors enhance performance as 69% of the employees shared this opinion. He concluded that great strides should be made to motivate all the staff to enhance performance.

Rakshana and Sareena (2016) conducted a study on impact of financial and non- financial motivation on employees' performance in Orient Lanka Confectionery (Pvt) Ltd- Kandy. The author selected 100 employees as the sample and self-developed questionnaire was used to collect primary data to analyze. They found that there is a positive relationship between financial motivation and employee performance as well as a positive relationship between non-financial motivation and employee performance.

Niwamanya (2016) investigated the effect of financial and non-financial motivation on performance of teachers in private secondary schools in sheema disrict, Uganda. He used cross-sectional descriptive study assessed the relationship between motivation and performance of teachers in private secondary schools in Sheema District, Uganda. He gathered the data using questionnaire, interview, guide and documentary review methods. He adopted purposive sampling to select 10 head teachers from 10 private secondary schools in Sheema District, and 212 teachers out of 383 teachers from ten schools in Sheema District. He found that there was significant positive relationship between financial motivation and teachers' performance in private secondary school teachers as well as non-financial motivation being significantly positively related to performance of private secondary school teachers in Sheema District.

Akbar, Riaz, Arif, and Hayat (2018) examined the impact of non-monetary incentives on job satisfaction in Pakistani private firms. Data was gathered using a self-management questionnaire. Correlation and regression tests were used to examine the data. The findings revealed that job happiness is boosted by recognition, flexible work arrangements, employee feedback, freedom, development chances, promotions, empowerment, a competitive work environment, and individual compensation preferences. Furthermore, it is thought that focusing on aspects that positively affect job satisfaction will boost employee performance and create a happy work environment, which will aid in increasing organizational productivity.

Buwembo, Nabukeera and Bwengye (2019) examine the effect of non-financial rewards on motivation and performance in MoIA. The study adopted a descriptive survey design on a target population of 152 staffs of MoIA, Department of Citizenship and Immigration Control out of which a sample of 110 was drawn using stratified random and purposive sampling techniques. Data was collected from 100 employees by means of a questionnaire supplemented with interviews, descriptive statistics, correlation and regression analyses were used to examine the effects of the variables i.e. nonfinancial rewards, motivation and performance. The study results showed that, the correlation coefficient between non-financial rewards and motivation, indicated statistically a positive significant relationship while the correlation coefficient between non-financial rewards and performance was showing no positive significant relationship between motivation and performance.

Nabukeera, Bwengye, and Buwembo (2019) investigated the impact of non-monetary incentives on employee motivation and company performance in Uganda. The purpose of this research is to determine how non-monetary incentives influence employee performance. This study employed a descriptive research design. Non-monetary rewards and motivation had a correlation and statistically significant but non-monetary rewards and performance had a correlation but a negative relationship. There is a strong link between motivation and performance. As a result, while good management of non-monetary rewards boosts motivation, motivation has no direct impact on



performance. The study presented a conceptual gap since it focused on corporate performance and not employee performance.

Kamwenji, Ngugi and Kamaara (2022) examined the influence of non-financial rewards on employee performance in the state corporations in Kenya. The study used descriptive and explanatory research designs and targeted 6 respondents from the 107 sampled state corporations totaling 642. The findings showed that non-financial rewards are a strong predictor of employee performance. The study recommends that management of State Corporations in Kenya should develop programs of sponsoring the top performing employees to pursue further studies of their interest as a way of encouraging continued improved performance.

## METHODOLOGY

The study employed survey research design. This was deemed appropriate because it enabled the researcher to obtain the opinion of the representative sample of the target population. A well-structured closed ended questionnaire will be administered to elicit relevant information from the targeted population. The study is an analysis of the relationship between motivational variables and performance of civil servant in Osun. This study was carried out in Osun State, located in southwestern Nigeria. Population of the study consisted of five ministries in Osun State secretariat. As at years 2021, the list of employees in selected ministries as obtained from Osun State secretariat are shown in the table below:

**Table 3.1. Population Table**

S / N	Ministries/ units	ministry of works	ministry of agriculture	ministry of art and culture	ministry of education	ministry of finance	Total
1	Personnel	15	12	10	11	10	58
2	Finance	17	11	12	12	12	64
3	Administrative	20	18	15	16	14	83
	Total	52	41	37	39	36	205

Sampling was utilized to select three units from the ministry using simple sample random technique. Closed ended questionnaire was administered to the personnel, finance and administrative units. Stratified sampling techniques was to divide the sample size into three strata and this technique was used because of its heterogeneous population in nature which functions and qualities of employees varied in different units in ministries. The research derived the sample size statistically by using Taro Yamane (Mohammed and Mohammed, 2012), as follows:

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

Where n = Sample size

N = Population

e = Level of significance (0.05)

$$n = \frac{205}{1 + 205(0.05^2)}$$

$$n = \frac{205}{1+205(0.05)^2}$$

$$n = \frac{205}{1.5125}$$

$$n = 136$$

The sample size consists of one hundred and thirty -six (136) of relevant employees of units selected in ministries of Osun State secretariat. This study employed primary data which was aided in providing relevant answers to the research questions and to achieve the objective of the study. The primary source of data was the questionnaire and was administered to the selected staffs of the three units comprised both senior and junior in the ministries of Osun State secretariat respectively. The responses of 118 was received out of 136 distributed to respondents were used for data analysis.

The questionnaire was closed- ended with strongly agreed, agreed, undecided, disagreed and strongly disagreed responses. The questionnaire was self- administered to the respondents. To ensure validity of the instruments, the initial drafts of the instrument were scrutinised and content construction that were required to check for all non – technical flaws in the instruments by supervisor. The methods of analyses in this study were simple percentages, bar chart frequency of respondents. Inferential statistics such Ordinary Least Square – Linear Regression methods with the aid of Statistical Package of Social Science (SPSS) window 23 was employed to achieve the objectives respectively.

### Model Specification

The model of study was established the relationship between the dependent variable PCS and independent variables (Financial and Non -financial motivation).

#### PSC Model

This model shows the significant relationship between (PCS and FIM NFM,)

The model is specified on the functional and stochastic form

#### Hypothesis One

$$PCS = f(FIM, e) \dots\dots\dots eq. 1$$

$$PCS = \beta_0 + \beta_1 FIM_i + e \dots\dots\dots eq 2$$

#### Hypothesis Two

$$PCS = f(NFM, e) \dots\dots\dots eq. 3$$

$$PCS = \beta_0 + \beta_1 NFM_i + e \dots\dots\dots eq 4$$

Where,

$\beta_0$  = Constant Parameter;  $\beta_1$  = Regression Coefficient of Variables

PSC = Performance of civil servant; FIM = Financial Motivation

NFM = Non-financial motivation,  $e$  = Stochastic Error term

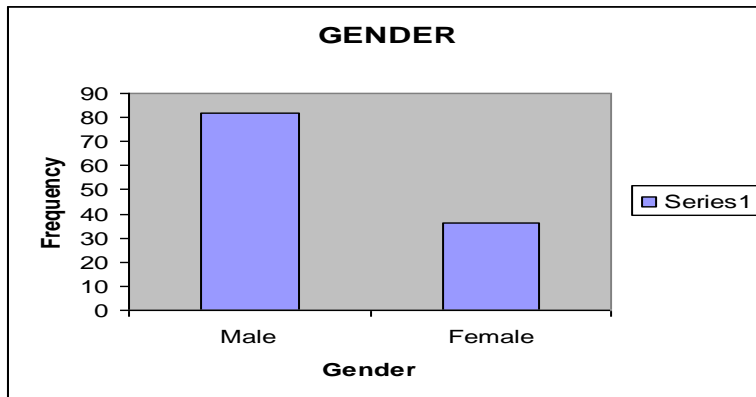
$i$  = Cross sectional



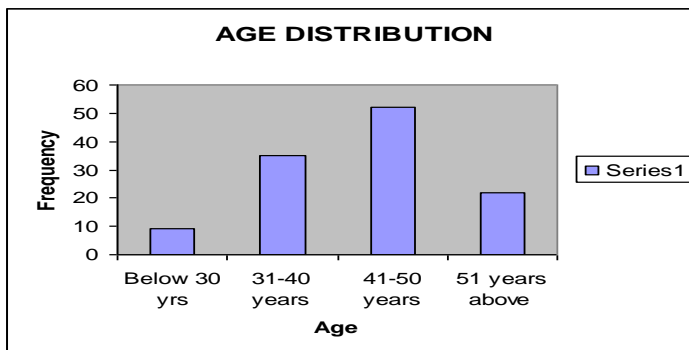
## ANALYSIS OF RESULTS

Demographic background of respondents covered section A and other sections covered the tables on responses toward the questionnaire

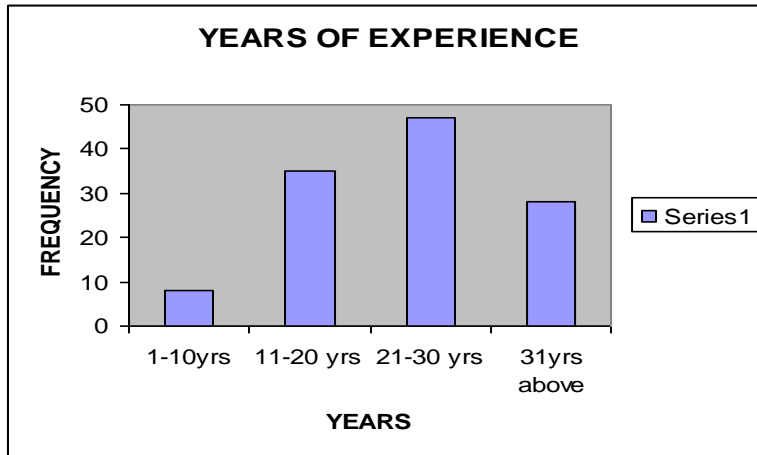
Section A: Demographic Background



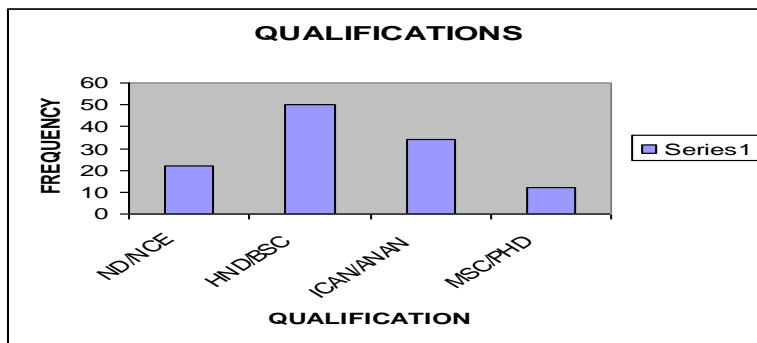
The above table shows that the 69.5 per cent of respondents were males while 30.5 per cent were female respondents. It is interesting to note that about 69.5 per cent of the respondents were male



The chart above shows that the median age was 40year old where less than half ( 40.5 per cent) belonged to the active working age of between 41 and 50 years old respectively.

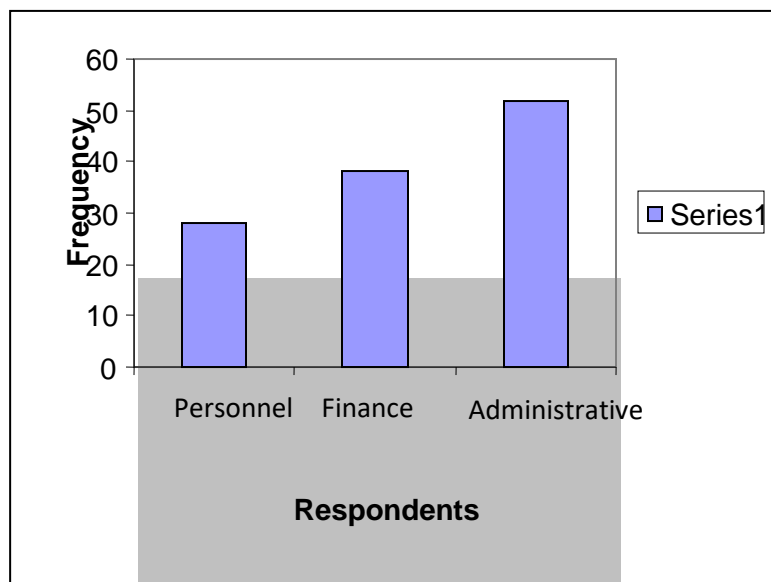


The above bar chart shows that most of the respondents were experienced. It is interesting to note that about 47 respondents had experienced 21-30 years which shows the level of maturity and experience is highly impressed.



The above chart shows that about 22 respondents are holders of ND/NCE certificate while 34 respondents were professionals while others are masters and PhD holders. Even though the respondents, in general, were highly educated.

DEPARTMENTAL LEVEL OF RESPONDENTS



The above chart shows that bursary respondents were (32.2per cent).Heavy concentration of the respondents was based on internal audit which is 44.1 % respectively.

#### 4.2 Test of Hypotheses

Table 4.2.1: One sample T- Test on Respondents perception towards financial motivation

ITEMS		SA	A	U	D	SD	Me an	St. D	T- val	Sig. (2 taile)
Allowances, wages and salaries given to Civil servant are commensurate to the work done	Freq	84	28	6	0	0	4.5	.59	84.	0.00
	%	71.2	23.7	5.1	0	0	8	0	2	0
Ensures timely payment of due allowances	Freq	45	39	34	0	0	4.5	.60	81.	0.00
	%	38.1	33.1	28.8	0	0	5	8	4	0
Pays extra attention especially when paying for extra work done	Freq	53	36	29	0	0	4.6	.58	85.	0.00
	%	44.9	30.5	24.6	0	0	0	7	2	0

Permanent secretaries and Directors gives workers incentives	Freq	66	46	6	0	0	4.5	.63	77.	0.00
	%	55.9	39.0	5.1	0	0	4	6	6	0
Gives packages /presents /gifts to outstanding performers.	Freq	67	34	17	0	0	4.5	.60	81.	0.00
	%	56.8	28.8	14.4	0	0	4	8	8	0
Full payment of salary timely motivate the workers	Freq	16	19	26	36	21	4.5	.60	81.	0.00
	%	13.6	16.1	22.0	30.5	17.8	6	6	6	0

Source: Authors Computation, 2023

Table 4.2.1 showed respondents perception towards financial motivation from respondents' point of view. The table above showed the Items 1-6, t-values of 84.2, 81.4, 85.2, 77.6, 81.8 and 81.6 respectively. Since these values are greater than the t-critical table value of 1.98 as confirmed  $P < 0.05$ , the stated Null Hypothesis is rejected. This implies that all perception towards financial motivation stated in table above have significant impact on performance of Civil servants in Osun state such as Allowances, wages and salaries given to Civil servant are commensurate to the work done , Ensures timely payment of due allowances , Pays extra attention especially when paying for extra work done , Permanent secretaries and Directors gives workers incentives, Gives packages /presents /gifts to outstanding performers, Full payment of salary timely motivate the workers

### Hypothesis One

$H_{01}$ : There is no significant relationship between financial motivation and Civil Servant performance in Osun State. This study was analysed by employed the Ordinary Least Square – Linear regression models to test the relationship between dependent variable of PCS and independent variables (financial Motivation).Hypothesis was test at 0.05 significant level so as to know whether a significant relationship exists between dependent variable and independent variable. The results of the Ordinary Least Square (OLS) regressions tested were presented below.

**Table 4.2.2: Regression Results (Financial Motivation and Performance of civil servants)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.222	.237		9.375	.000
	Financial Motivation	.556	.048	.732	11.583	.000
	R <sup>2</sup>	.536				
	Adjusted R <sup>2</sup>	.532				
	F- stat	133.941	(0.000)			

Source: Authors Computation, 2023

From the estimated model in the table 4.2.2, it was noticed that approximately 54 percent of performance of civil servants is influenced by changes in financial motivation given the estimated value of the R<sup>2</sup> of 0.54. The remaining 46 percent is caused by variables that are not included in the model, which is accounted for by the stochastic error term. With the adjusted R<sup>2</sup> of 0.532. It means that the variation in the value of dependent variable of performance of civil servants is explained by 53.2 per cent of the value of financial motivation. The unexplained variation is just 46.8% which makes it not highly impressive

The table 4.2.2 showed that financial motivation was predictor of performance of civil servants ( F (1,116) = 133.941; P< 0.05). Hence, null hypothesis is rejected. This implied that there is a significant relationship between financial motivation and performance of civil servants in Osun State. The results also revealed in table 4.2.4 that the predictor variable of financial motivation have positive and significant influenced on the performance of civil servants in Osun State as shown (  $\beta = .556$ , t = 11.583 P< 0.05)

**Table 4.2.3: One sample T- Test on Respondents perception towards non- financial motivation**

ITEMS		SA	A	U	D	SD	Mean	St.D e	T- val	Sig. (2 taile )
Recognizes civil servants efforts towards achieving ministries goals and objectives	Fre q %	84 71. 2	28 23. 7	6 5.1	0 0	0 0	4.66	.573	88.3	0.00 0
Involves civil servants in decision making	Fre q	45	39	34	0 0	0 0	4.09	.816	54.5	0.00 0

	%	38.1	33.1	28.8						
Always interested in the welfare of civil servants	Frequency	53	36	29	0	0	4.20	.812	56.2	0.000
	%	44.9	30.5	24.6	0	0				
Allows civil servants to participate in budgeting process	Frequency	66	46	6	0	0	4.51	.596	82.2	0.000
	%	55.9	39.0	5.1	0	0				
Gives civil servants responsibility with authority	Frequency	67	34	17	0	0	4.42	.733	65.6	0.000
	%	56.8	28.8	14.4	0	0				
Tries to understand the workers' problems and situations	Frequency	16	19	26	36	21	2.77	1.29	23.2	0.000
	%	13.6	16.1	22.0	30.5	17.8				

Source: Authors Computation, 2023

Table 4.2.3 showed respondents perception towards non- financial motivation from respondents' point of view. The table above showed the Items 1-6 , t-values of 88.3, 54.5, 56.2, 82.2, 65.6 and 23.2 respectively. Since these values are greater than the t-critical table value of 1.98 as confirmed  $P < 0.05$ , the stated Null Hypothesis is rejected. This implies that; all non- financial motivation stated in table above have significant impact on performance of civil servants in Osun State .

### Hypothesis Two

This analysed by employed the Ordinary Least Square – Linear regression models to test the relationship between dependent variable of PCS and independent variables (non financial Motivation). The results of the Ordinary Least Square (OLS) regressions tested were presented below.



Table 4.2.4 Regression Results ( Performance of civil servant and Non- Financial Motivation)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.753	.235		11.704	.000
Non Financial Motivation	.448	.048	.657	9.392	.000
R <sup>2</sup>	0.432				
Adjusted R <sup>2</sup>	.427				
F-Stat	88.215	(0.000)			

Source: Authors Computation, 2023

From the estimated model in the table 4.2.4, it was noticed that 43.2 percent of performance of civil servants is influenced by changes in non financial motivation given the estimated value of the R<sup>2</sup> of 0.432. The remaining 56.8percent is caused by variables that are not included in the model, which is accounted for by the stochastic error term. With the adjusted R<sup>2</sup> of 0.427, It means that the variation in the value of dependent variable of performance of civil servants is explained by 42.7 per cent of the value of non financial motivation. The unexplained variation is just 47.3% which makes it not highly impressive

The table 4.2.4 showed that non financial motivation was predictor of performance of civil servants ( F (1,116) = 88.2151; P < 0.05). Hence, null hypothesis is rejected. This implied that there is a significant relationship between non financial motivation and performance of civil servants in Osun State. The results also revealed in table 4.2.8 that the predictor variable of non financial motivation have positive and significant influence on the performance of civil servants in Osun State as shown (  $\beta = .448$ , t = 9.392 P < 0.05)

### 4.3 Discussion of Results

This study investigated the effect of financial and non-financial motivation on performance of civil servant in osun state. This study measures the non-financial motivation, financial motivation and civil servant performance. The study on non-financial motivation is restricted on six indicators of Job security, Responsibility, Recognition, Promotion, Respect and Accommodation of civil servants. In financial motivation the research only looks at six indicators of wages, salaries, housing allowance, transport allowance, gain sharing and overtime allowance respectively. This corroborated with the studied of Danish and Usman (2010) who observed that a statistically significant and favourable association was found to influence rewards and motivation, indicating that modifying the rewards extended to employees would result in parallel modification in job satisfaction and motivation. On the other hand, regular and special salary increases, fringe benefits,

incentives, bonuses, and other payments result in elevated employee morale and hence higher motivation.. This study concurred with Niwamanya (2016) who also disclosed the Effect of financial and non-financial motivation on performance of teachers in private secondary schools in sheema district, Uganda. He found that there was significant positive relationship between financial motivation and teachers' performance in private secondary school teachers as well as non financial motivation being significantly positively related to performance of private secondary school teachers in Sheema District. This study also supported by Onanda (2015) who asserts that motivated employees under no circumstance will churn out decreased performance. The study revealed that trust, respect and high expectation were seen by most of the employees (71%) as a form of motivation, indicating that as employees, they desire self-respect from management and colleagues and self-esteem. Promotion and growth as motivational factors enhance performance as 69% of the employees shared this opinion. He concluded that great strides should be made to motivate all the staff to enhance performance This study corroborated with Rakshana and Sareena (2016) conducted a study on impact of financial and non-financial motivation on Employees' Performance. They found that there is a positive relationship between financial motivation and employee performance as well as a positive relationship between non -financial motivation and employee performance. They concluded that non-financial motivation has a greater impact on employee performance than financial motivation in Orient Lanka Confectionery (PVT) Ltd.

#### **CONCLUSION AND RECOMMENDATIONS**

In view of the above findings, it is concluded that there is a positive significant influence of financial motivation and non-financial motivation on the performance of Civil servants in Osun State. In the light of the foregoing findings and conclusions, the following recommendations are given:

- Government should ensure that remunerations like salaries and other allowances are commensurate with the work done as this would encourage civil servants to work hard towards achieving ministries objectives.
- Head of Ministries should ensure timely payment of allowances as this would compel workers to beat deadlines on minimal supervision.
- Since human beings are craving beings, there is a need for Government to equally address workers' motivation using non-financial means like recognition, promotion with pay, challenging responsibility.

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