Effects of Compensation Plan on Employee Performance in the Telecommunication Industry, Study of MTN Nigeria

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Abstract

The study examined the effect of compensation plan on employee performance in telecommunication industry in Nigeria with a case study of MTN Nigeria, Abia State. The essence of the study is to investigate whether compensation plan of the organization can to an extent determine the performance of employee in the organization. The methodology that was used for the study was survey design, primary and secondary sources of data were adopted, with a sample size of 133 which was selected among managers and other senior staff of MTN. The study revealed that if employees are well compensated by way of allowances, commission, salaries and other fringe benefits, they will increase their performance and finally recommend increase in allowance, commissions and salaries for increase in productivity.

1. Introduction

Compensation of employees is a major responsibility area in human resources management. Human resources manager are charged with the job of designing a program to attract and retain qualified applicants.

In the process therefore, the manager must measure the worth of each job and establish compensation that is fair in relation to other jobs in the organization and in the geographic area. Basically companies offer several compensations based on the job itself and the effect of outside influences (Adams, 2006).

As organization(s) strive to achieve one or more set objective through exhaustive utilization of human capital. So also the employee aims toward achieving individual objective while working for the organization (Okorie, 2005).

To this end, this research work seeks to fathom MTN Nigeria compensation system/culture and its implication on her workers' performance. The firm has over time proved to be most thriving viable and dynamic when compared with its compensation structure, directly or indirectly. However, the study examines the effect of compensation on employees' performance. The base of good compensation structure and employees' expectation at different levels and how the compensation structure is based on performance of individuals or job requirement of employees (Olusegun, 2012).

The telecommunication industry in Nigeria is confronted with many challenges. One those challenges is the issue of compensating and motivating their workforce. The employees of telecommunication companies in Nigeria are not well remunerated and basically, they are working on commission basis especially those that are in the marketing unit of the organization. Since compensation and motivation induces performance, people that are not well compensated become demotivated hence reduction in performance level of the individual worker which will have an adverse effect on the organizational performance. Other areas that are affected in compensation include allowances such as Housing, Health, Education, Transport etc. While under motivation, leadership attitude is not positive, lack of recognition,

and poor working environment and so on has hindered the positive performance of the telecommunication industry in Nigeria.

Despite these issues, the state has also identified the inflexibility problem of managers. This is because managers do not adapt to the human resource dynamics to overlap compensation plans that reflect the situation at hand. This law initiated the motivational significance of compensation plans. However, the indicators to measure compensation in the study will include prompt payment of salary, bonuses, commission, allowances.

The broad objective of the study is to examine the effects of compensation plan on employee performance in the telecommunication industry, using MTN Nigerian as a case study.

The specific objectives of the study are to:

- 1) Analyze the effect of prompt payment of salaries on employee performance in the telecommunication industry.
- 2) Ascertain the effects of commission on employee performance in the telecommunication industry.
- 3) Examine the effects of allowances on employee performance in the telecommunication industry.
- **4**) Evaluate the effect of fringe benefits on employee performance in the telecommunication industry.

In the research process, the following null hypotheses will be designed to guide the study. They are:

H01: Prompt payment of salaries has no significant effect on employee performance in the telecommunication industry.

HO2: Commission has no significant effect on employee performance in the telecommunication industry.

H03: Allowances has no significant effect on employee performance in the telecommunication industry.

H04: Fringe benefits has no significant effect on employee performance in the telecommunication industry.

2. Review of Related Literature

2.1.1 Conceptual Framework

Compensation is the tool used to increase employees' productivity. It seeks to attract and retain suitable and qualified employees encourage goods management- employee relationship and commitment and minimizes tension and conflict as it deals with all form of final returns tangible services and mechanism for good relationship. Furthermore, the major perceived case of industrial conflict is based on the fact that employees feel their benefits are denied or on verge of being denied. Thus the importance of good compensation system or culture is to provide a plat form for equity and fairness. This provides a challenging environment and increase productivity of employees. The compensation system ensures that intrinsic and extrinsic needs of employees at all levels are adequately carted for (good compensation culture when inculcated helps to develop organizational integrity, sound policy, procedures and practices capable of improving organizational productivity. Compensation is majorly concerned with better result which can be achieved by understanding and managing reward and compensation within an agreed framework, planned goal standard and competency requirement (Anorld, 2001). This is usually in relation to a good reward system.

2.1.2 Concept of Compensation

Compensation could be said to be wages paid directly for time worked, as well as more indirect benefits that employees receives as part of their employment contract with and organization. Salary connotes a regular paid compensation of a fixed amount to workers for services provided. Wages are in all-inclusive term that cover not only the pay received by workers in stores, factories, offices, banks etc., but also salaries of executives and commissions of sales persons. Wages reflect work-related remuneration such as base pay, merit, increases and bonuses according to Hackett and McDermott (1999), benefits are forms of compensation beyond wages for time worked including various protection plans (such as health) insurance or health insurance service and welfare issues (such as an organizational criteria or drug counselling) pay for time not worked (such as vacations or sick leave) and income supplements (such as stock ownership plans).

2.1.3 Compensation and Benefit

This involves the designing and implementation of individuals and organizations pay and benefits schemes. Employee compensation and benefit practices differ across employment units (e.g., organizations, business units, and facilities) on several dimensions (see e.g. Gerhart, Milkovich & Murray 1992) and organizations. Heneman and Judge (2000) state that employee compensation and benefit can be considered of crucial importance to both the employers and employees in such a way that it plays a key role of being one of the essential hearts of employment relationships. They continue by explaining that this is so in such a way that while employees typically depend on wages, salaries, and so forth to provide a large share of their income and on benefits to provide income and health security. For employers, compensation decisions influence their cost of doing business and thus, their ability to sell at a competitive price in the product market. In addition, compensation decisions influence the employer's ability to compete for employees in the labor market (attract and retain), as well as their attitudes and behaviors while with the employer.

2.1.4 Compensation Incentives for Human Resource

Fringe benefits are usually granted by most firms as a way of enhancing productivity. Fringe benefits are of various types and are given to employees apart from their regular pay. They provide compensation beyond the basic wages and salaries paid to workers.in discussing employee fringe benefits, we shall draw a distinction between the incentives provided for the operational level employees and those provided for the executives. This distinction is necessary because of the fact that the needs of the various groups of workers are essential different.

2.2 Theoretical Framework

2.2.1 Reinforcement Theory

Reinforcement theory, as developed by Hull (2008), suggests that successes in achieving goals and rewards act as positive incentives and reinforce the successful behaviour, which is repeated the next time a similar need emerges.

Insufficient attention is paid in motivation theories to the influence of expectations. No indication is given of any means of distinguishing in advance the class of outcomes, which would strengthen responses and those which would weaken them. It is therefore important to understand how the law of effect' operates when managing a rewarding performance at work place (Mwita, 2008).

2.2.2 Intrinsic and Extrinsic Perceptions of Motivation

Legge (2007) suggests that an individual can usefully be conceived as a system of biological needs, psychological motives, values and perceptions. This means that an individual's system

operates so as to maintain its internal balance in the face of the demands placed upon it by external forces and it develops in response to his or her basic needs to solve the problems presented by the external environment. But an alternative argument could be that each individual system will have unique characteristics because different individuals systems develop with different patterns of needs, value and perceptions; and individual systems are not static, but continue to develop as they encounter new problems and experiences.

The main difference between these two types of motivation is that extrinsic motivators can have an immediate and powerful effect, but it will not necessarily last long. Intrinsic motivators which are concerned with the 'quality of working life' are likely to have a deeper and longer-term effect because they are inherent in individuals and not imposed from outside (Mwita, 2008).

2.2.3 The Total Reward Model

Total reward describes a reward strategy that brings components such as learning and development together with aspects of the work environment, into the benefits package. In the total reward system both tangible and intangible rewards are considered valuable. Tangible rewards arise from transactions between the employer and employee and include rewards such as pay, personal bonuses and other benefits. Intangible rewards have to do with learning, development and work experience. Examples of these types of rewards are opportunity to develop, recognition from the employer and colleagues, personal achievement and social life. The aim of total reward is to maximize the positive impact that a wide range of rewards can have on motivation, job engagement and organizational commitments (Armstrong, 2006).

2.2.4 Application of Theory to the Study

The purpose of total reward is to create a cluster where all the different reward processes are connected, complementary and mutually reinforcing each other. In order to achieve internal consistency, the total reward strategies are horizontally integrated with human resource activities and vertically integrated with business strategies (Armstrong, 2006).

The benefits of a total reward system are described by Armstrong (2006) as: Greater impact when different types of rewards are combined, they will have a deep and long-lasting effect on the motivation, commitment and engagement of employees. Enhancing the employment relationship, total reward appeals more to employees due to the fact that it makes the maximum use of relational as well as transactional rewards. Enhancing cost-effectiveness because total reward communicates effectively the value of the whole reward package, it minimizes the undervaluing of the true costs of the packages. Flexibility to meet individual needs due to the variety of rewards, the total reward is able to answer the individual needs of the employees and hence bind them more strongly to the organization.

Winning the war for talent because relational reward processes are more difficult to replace than individual pay practices, total reward gives the organization the ability to attract and retain talented employees by differentiating their recruitment process and hence becoming "a great place to work".

3. Methodology

3.1 Research Design

This section will deal primarily on the method to be adopted in carrying out the research process. The blueprint for data collection, presentation and analysis, as well as the study population and sample size among other sub-topics are featured herein. The study will adopt survey design research. The opinion of the respondents will be elicited in the research process. The collection of data for this study was carefully done to ensure appropriate and balanced research. This research work requires the collection of both primary data and secondary data.

Primary Data: the primary data was collected through the administration of interview. These interviews were carried out on the branch managers and the heads of relevant department like marketing department and customer services.

Secondary Data: this data will be sourced through published related articles/Journals, government official documents and others.

3.2 Instrument of data collection

Questionnaire will be used for collection of primary data for the study. And open-ended questions will be designed.

3.3 Population of the Study

The population of the study represents the target of them to which telecommunication service, especially MTN in Abia State was studied. The population of the study was two hundred (200). These were selected among Management, MTN employees in Abia State Whose opinions were relevant to data collection and information generation for the study. Questionnaire and interview were used to achieve this.

3.4 Sampling and Sample Procedure/Technique

The researcher will however use a probability sample technique. Here all the elements of the sample were given equal opportunity for selection.

The sample size for the study was determined through Taro Yamen's method This is computed using the formula below;

$$n = \frac{n}{1 + N(e^2)}$$
Where n = Sample size
N = Population = 200
E = Sample error = 0.05
n = $\frac{200}{1 + (200)(0.05)^2}$
n = $\frac{200}{1 + (200)(0.0025)}$
n = $\frac{200}{1 + 0.5}$
n = 133
n = 133

4. Result and Discussion

The chapter involves the presentation of data, data analysis and discussion on findings. The chapter also involves the test of hypotheses.

4.1 Questionnaire Administration

Table 4.1: Distribution of questionnaire and response rate

Copies of questionnaire	Frequency	Percentage (%)	
Number Distributed	133	-	
Number returned	122	91.7	
Number not returned	11	8.3	
Number Correctly filled	90	67.7	
Number not correctly filled	32	24.1	

Source: Field survey, 2017

Table 4.1 above shows that out of 133 copies of questionnaire administered, 122 representing 91.3% were filled and returned, while 11 representing 8.3% were not returned. However, out of the 122 copies of questionnaire that were returned, 90 copies representing 67.7% were correctly filled; while 32 representing 24.1% were not correctly filled. This 90 (67.7%) became our sample survey for the study.

4.2 Data Collection and Presentation

This section concerned the presentation of the data collected on the personal and general data of the respondents relative to the study.

Section A: Primary Data

Table 4.2: Sex of respondents

Options	Frequency	Percentage (%)
Male	52	57.8
Female	38	42.2
Total	90	100

Source: Felid Survey, 2017.

The above table 4.2 shows that 52 (57.8%) of the respondents were male; while 38(42.2%) of them are female.

Table 4.3: Age of respondents

Options	Frequency	Percentage (%)
18 - 25 years	36	40
26 - 35 years	28	31.1
36 - 45 years	21	23.3
46 and above	5	5.6
Total	90	100

Source: Felid Survey, 2017.

The above table 4.3 indicates that 36(40%) fall within the age bracket of 18-25 years; while 28(31.1%) of them were between the age of 26-35 years. However, 21(23.3%) fall within the age bracket of 36-45 years; while 5(5.6%) are within 46 years and above.

Table 4.4: Marital status of the respondents

Options	Frequency	Percentage (%)
Married	24	26.7
Single	66	73.3
Divorced	-	-
Total	90	100

Source: Felid Survey, 2017.

The above table 4.4 shows that 24(26.7%) of the target respondents are married; while 66 (73.3%) of them are still single. But none is divorced.

Table 4.5:	Educational	qualification

Options	Frequency	Percentage (%)
WAEC/NECO	6	0.7
OND/NCE	31	34.4
HND/BSc	39	43.3
Others	14	21.6
Total	90	100

Source: Felid Survey, 2017.

The above table 4.5 reveals that 6(0.7%) of the respondents have WAEC/NECO; while 31(30.4%) of them have OND/NCE. However, 39 (43.3%) of them are with HND/BSc; while 14(21.6%) of them have other qualification other than these.

Table 4.6: Position of the respondents

Options	Frequency	Percentage (%)
Senior staff	33	57.0
Junior staff	57	47.0
Total	90	100

Source: Felid Survey, 2017.

The table above 4.6 depicts that 33(57%) of the respondents are senior staff; while 57(47%) of them are junior staff.

Table 4.7: Years of experience of the respondents

Options	Frequency	Percentage (%)
0 - 4 years	33	36.7
5 – 9 years	36	40.0
10 years and above	21	23.3
Total	90	100

Source: Felid Survey, 2017.

The above table 4.7 reveals that 33 (36.7%) of the respondents have 0-4 years working experience with the bank; while 36(40%) of them have 5-9 years working experience. Lastly, 21(22.5%) of them have 10years experience and above.

Table 4.8: Payment of salaries of employees in an organization can affect the output the organization would achieve within period of time.

Question one: The payment of salaries of employees in an organization can affect the output the organization would achieve within period of time.

Responses	Frequency	Percentage%	
Strongly agreed	28	31	
Agreed	40	44.4	
Disagreed	10	11.1	
Strongly disagreed	10	11.1	
Undecided	2	2.2	
Total	90	100	

Source: Field survey 2017

From the table 4.8 above, 28 of the respondents representing 31% in table 4.6 above strongly agreed that The payment of salaries of employees have in an organization can affect the output the organization would achieve within period of time, 40 respondents representing 44.4% agreed, 10 respondents representing 11.1% both disagreed and strongly disagreed while 2 respondent representing 2.2% is undecided.

Table 4.9: Payment of salaries of employees in an organization can help the organization to sell its product with ease.

Question two: The payment of salaries of employees in an organization can help the organization to sell its product with ease

Responses	Frequency	Percentage%	
Strongly agreed	40	44.4	
Agreed	30	33.3	
Disagreed	10	11.1	
Strongly disagreed	10	11.1	
Undecided	0	0	
Total	90	100	

Source: Field survey 2017

From the table 4.9 above 40 of the respondents representing 44.4% in table 4.7 above strongly agreed that the payment of salaries of employees in an organization can help the organization to sell its product with ease, 30 respondents representing 33.3% agreed and 10 respondents representing 11.1% both disagreed and strongly disagreed.

Table 4.10: Payment of salaries of employees in an organization can help in increasing their job satisfaction.

Question Three: The payment of salaries of employees in an organization can help in increasing their job satisfaction.

Responses	Frequency	Percentage%
Strongly agreed	40	44.4
Agreed	40	44.4
Disagreed	4	4.5
Strongly disagreed	4	4.5
Undecided	2	2.2
Total	90	100

Source: Field survey 2017

From table 4.10 above, 40 respondents representing 44.4 both strongly agreed that the payment of salaries of employees in an organization can help in increasing their job satisfaction, 4 respondents representing 4.5% both disagreed and strongly disagreed while 2 respondent representing 2.2% is undecided.

Table 4.11: Payment of salaries of employees helps in employee retention in the company. Question four: The payment of salaries of employees helps in employee retention in the

company.

Responses	Frequency	Percentage%
Strongly agreed	36	40
Agreed	36	40
Disagreed	8	8.9
Strongly disagreed	8	8.9
Undecided	2	2.2
Total	90	100

Source: Field survey 2017

From table 4.11 above, 36 respondents representing 40% both strongly agreed that the payment of salaries of employees helps in employee retention in the company, 8 respondents representing 8.9% both disagreed and strongly disagreed while 2 respondent representing 2.2% is undecided.

Table 4.12: Use of commission can help in employee retention.

Question five: The use of commission can help in employee retention.

Responses	Frequency	Percentage%	
Strongly agreed	40	44.4	
Agreed	30	33.3	
Disagreed	10	11.1	
Strongly disagreed	10	11.1	
Undecided	0	0	
Total	90	100	

Source: Field survey 2017

Fourty (40) of the respondents representing 44.4% in table 4.12 above strongly agreed that the use of commission can help in employee retention, 30 respondents representing 33.3% agreed and 10 respondents representing 11.1% both disagreed and strongly disagreed.

Table 4.13: Use of commission can help increase employee output of the organization. Question six: The use of commission can help increase employee output of the organization.

Responses	Frequency	Percentage%	
Strongly agreed	40	44.4	
Agreed	40	44.4	
Disagreed	4	4.5	
Strongly disagreed	4	4.5	
Undecided	2	2.2	
Total 90		100	

Source: Field survey 2017

From table 4.13 above, 40 respondents representing 44.4 both strongly agreed and agreed that The use of commission can help increase employee output of the organization, 4 respondents representing 4.5% both disagreed and strongly disagreed while 2 respondent representing 2.2% is undecided.

Table 4.14: Use of commission can help increase the understanding between the organization and the employee.

Question 7: The use of commission can help increase the understanding between the organization and the employee.

Responses	Frequency	Percentage	
SA	36	40	
A	37	41.1	
D	4	4.4	
SD	8	8.9	
U	5	5.6	
	90	100	

Source: Field Survey, 2017

From the table 4.14 above 36 of the respondent representing 40% strongly agreed that the use of commission can help increase the understanding between the organization and the employee, 37 respondents representing 41.1 agreed and 4 respondent representing 4.4% disagree and representing and 99 strongly disagree and 5 respondents representing 5.6% are undecided.

Table 4.15: Use of commission encourages the employee to put more effort is selling the company's product.

Question 8: The use of commission encourages the employee to put more effort is selling the company's product.

Responses	Frequency	Percentage	
SA	43	47.8	
A	31	34.4	
D	6	6.7	
SD	6	6.7	
U	4	4.4	
	90	100	

Source: Field Survey, 2017 Question 9

From the table 4.15 above, 43 respondents representing 47.8% strongly agreed that offering the use of commission encourages the employee to put more effort is selling the company's product and 31 respondent representing 34.4% agreed and 6 respondents representing 6.7 both disagree and strongly disagree, 4 respondents representing 4.4% are undecided.

Table 4.16: Paying allowances can help in motivating the employee for getting customers for the company.

Question 9: Can Paying allowances help in motivating the employee for getting customers for the company?

Responses	Frequency	Percentage	
SA	32	35.6	
A	34	37.8	
D	9	10	
SD	7	7.8	
U	8	8.8	
	90	100	

Source: Field survey 2017

From the table 4.15 above 32 respondent representing 35.6% strongly agreed and 34 respondent representing 37.8% agreed that Paying allowances can help in motivating the employee for getting customers for the company and respondent 9 representing 10% disagree 7 respondent representing 7.8% strongly disagree, and respondent representing 8.8% are undecided.

Table 4.17: Paying allowances can help to increase employee loyalty for the company. Question 10: Can Paying allowances help to increase employee loyalty for the company?

Responses	Frequency	Percentage
SA	40	44.4
A	38	42.2
D	3	3.3
SD	5	5.6
U	4	4.5
	90	100

Source: Field survey 2017

From the above table 4.17, 40 respondent representing 44.4% strongly agreed and 38 respondent representing 42.2% that trust help in customers retention in business activities and 3 respondent representing 3.3% disagreed, 5 respondent representing 5.6% strongly disagreed, 4 respondent representing 4.5% are undecided.

Table 4.18: Giving employee health benefits can help to increase the volume of sales by the employee.

Question 11: Can giving employee health benefits help to increase the volume of sales by the employee?

Responses	Frequency	Percentage	
SA	41	45.6	
A	35	38.9	
D	4	4.4	
SD	4	4.4	
U	6	6.7	
	90	100	

Source: Field survey 2017

From the above table 4.18, 41 respondent representing 45.6% strongly agreed that giving employee health benefits can help to increase the volume of sales by the employee; while 35 respondent representing 38.9% agree, 4 respondent representing 4.4 both disagreed and strongly disagreed and 6 respondent representing 6.7% are undecided.

Table 4.19: Giving employee promotion can help in increasing sales performance for the company.

Question 12: Can giving employee promotion can help in increasing sales performance for the company.

Responses	Frequency	Percentage	
SA	42	46.7	
A	40	44.4	
D	4	4.4	
SD	2	2.2	
U	2	2.3	
	90	100	

Source: Field survey 2017

From the above table 4.19, 42 respondent representing 46.7% strongly agreed that giving employee promotion can help in increasing sales performance for the company, while 40 respondent representing 44.4% agreed, 4 respondent representing 4.4% disagreed while 2 respondent each representing 2.3 are both strongly disagreed and undecided.

4.3 Test of hypotheses

Table 4.20: Compensation plans (factors) and Employee performance

Variables	+Linear	Exponential	Semi-log	Double-Log
	function	Function	Function	Function
Constant	8.491	2.323	2.092	6.101
	(4.031)***	(3.898)***	(5.125)	(1.592)*
X1=Salary	323.720	188.290	2.047	2.315
	(4.358)	(5.736)	(2.038)	(3.119)
X2=Allowances	0.011	4.976	2.352	2.418
	(2.750)***	(2.882)***	(4.030)***	(5.420)***
X3=Commission	0.025	0.007	0.558	0.252
	(1.827)**	(2.33) **	(0.954)	(1.869)**
X4=Mot. Practice	0.001	0.000	-0.579	0.317
	(2.523)**	(2.939)**	(1.178)	(2.805)***
X5=Per. of Mot.	0.034	3.27	0.270	0.047
	(0.672)	(0.062)	(1.278)	(0.961)
\mathbb{R}^2	0.700	0.536	0.646	0.781
F-ratio	42.208	2.742***	11.054***	32.554***

Source: Computed from field survey data, 2017.

Figures in parenthesis are t-value

4.4 Discussion of findings

The R² (coefficient of multiple determination) which is 0.700 shows that the model is 70.0% variation in employee performance are accounted for by the independent variables included in the model and it indicates goodness of fit. About 30% can be attributed to error and omitted variables in the model.

However, the linear function was chosen as the lead equation.

^{+ =} Lead equation

^{*** =} Significant at 1% probability level

^{** =} Significant at 5% probability level

^{* =} Significant at 10% probability level

Salary was significant at 1% level of probability and positively affects employee performance of the bank. This implies that increase in salary leads to increase in employee performance. This may be due to increase in salary, or due to prompt payment of salary which was significant at 1% probability level.

Allowances was significant at 5% level of probability and positively affects employee performance. This implies that increase in allowances leads to increase in employee performance.

Commission and motivational practice were significant at 5% respectively and positively affect employee performance. This implies that increase (improvement) in commission and motivational practices lead to increase on employee performance. This confirms the findings that financial effective compensation schemes increase workers' performance.

5. Summary Conclusion and Recommendations5.1 Summary

The study was an extensive analysis of the effect of compensation plan on employee performance in the telecommunication industry. In carrying out the research, the study was divided into five chapters. These covered the introduction of the study, literature review, research methodology, data collection and analysis that captured chapter one to four respectively. While the summary, conclusion and recommendations were featured in chapter five. However, after the study, empirical analysis and statistical research led to the following conclusions drawn from the research finding.

5.2 Conclusion

The following conclusions were drawn from the study:

The study established that majority of the respondents were of the opinion that if they would be recognized and compensated for a job well done it would highly enhance their Performance. However, while employee compensation affects Performance, some factors may boost output without costing the company anything. Employee recognition as a form of reward can be both tangible and intangible. Tangible recognition comes in many forms, such as "employee of the month", perfect attendance, or other special awards. Recognition can also be intangible and psychological in nature.

Specifically, it was discovered that salary was significant at 1% level of probability and positively affects employee performance of the telecommunication industry. This may be due to increase in salary, or due to prompt payment of salary which was significant at 1% probability level, that allowance was significant at 5% level of probability and positively affects employee performance.

That commission and motivational practice were significant at 5% respectively and positively affect employee performance. There is a strong and positive relationship between motivation and employee performance. This was justified by 0.891 as the co-efficient of correlation, at 10% significant level.

These conclusions confirm the findings of Anyanwu (2012) that effective compensation is an injector that increases workers' performance in the telecommunication industry.

5.3 Recommendations

Taking cognizance of the results of the analysis, the research suggests the following recommendations:

i. To enhance and consolidate on the gains of increased employee performance, the telecommunication industry employees should be compensated.

- **ii.** There should be increase in salary, commission and allowances of the telecommunication industry staff. Such will boost their morale and performance in the long-run.
- iii. Finally the study recommends that the telecommunication industry need to improvise employee recognition programs for jobs well done, this will motivate employees thus enhancing employee Performance in the public sector.

5.4 Suggestions for Further Research

From the general objective of the study and the research findings, the researcher suggests further studies be done on the very same topic but to cover a wider scope such as the public sector in order to confirm if the research findings of this study will be the same.

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