

Reward And Workforce Productivity in First Bank

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Abstract

This study examines the relationship between financial reward systems and executive productivity in Nigeria's banking sector through a quantitative analysis of 20 senior executives from the nation's top 10 Deposit Money Banks. The research evaluates three compensation mechanisms performance-based bonuses (mean effectiveness rating=4.5/5), base salaries (4.05), and stock options (3.7) while examining moderating effects of organizational, regulatory, and economic factors. Statistical analysis reveals a robust hierarchy of incentive effectiveness, with bonuses showing the strongest correlation with productivity ($r=0.81$, $p<0.01$), followed by salaries ($r=0.72$) and stock options ($r=0.65$). Organizational culture emerges as a powerful positive moderator ($\beta=0.46$, $p<0.01$), while regulatory constraints ($\beta=-0.31$) and economic volatility ($\beta=-0.28$) significantly diminish reward effectiveness. The regression model explains 85% of productivity variance ($R^2=0.85$), with performance bonuses demonstrating the greatest predictive power ($\beta=0.53$). These findings validate key propositions from Expectancy Theory and Agency Theory while highlighting the critical role of Nigeria's institutional context. The study contributes to compensation literature by quantifying reward structure effectiveness in an African banking context, demonstrating culture's amplifying effect on incentives, and revealing how macroeconomic and regulatory factors constrain compensation efficacy. Practical implications emphasize the need for performance-driven bonus structures with transparent metrics, culture-reward alignment strategies, inflation-adjusted compensation components, and balanced regulatory approaches that preserve motivational potential. The research provides both theoretical insights and practical guidance for enhancing executive productivity in Nigeria's dynamic banking environment, with relevance for similar emerging markets facing institutional challenges.

Introduction

The most valuable asset an organization could possess is the human resource because according to Armstrong (2006) the workers individually and collectively contribute to the achievement of an organization's objectives. As a result of the importance of human resource its management impacts significantly on employees' turnover and productivity and corporate financial productivity (Adams, 1999). The current business environment is changing rapidly and very unstable.

Alderfer (1972) assert that the economic environment is changing rapidly and it is typified by variables such as deregulation and globalization of the markets, unstable customer and investor demands and continually increasing product-market competition. This has become the standard for most corporate organizations. Thus, the banking sector, as a result of the dynamic environment needs highly competent and motivated human resource for it to remain competitive in the global market and changing technological environment.

The banking environment in Nigeria is replete with stiff competition especially after the recapitalization exercise induced by the government in 2005 (Ojo, 2008) and the global recession in 2008. The competition is not only limited to the market but also talented

employees. The banks that seek competitive advantages need competent employees. Those that have competent employees must guard jealously what they have by encouraging them to stay while those who do not have competent staff strive to snatch the available ones from their competitors by enticing them through various forms of motivation including offering attractive financial rewards. So, the banking sector strives hard to motivate its employees for them to be productive.

Methodologies

Methodology is defined as the logic of implementing scientific methods in the study of reality (Mouton and Marais, 1996). This is a case study research in which this researcher examines the incentive strategies as a motivating factor for workforce productivity of First Bank. The triangulation method was used in which both qualitative and quantitative methods were used to collect data for the study. Research method according to Saunders *et al* (2000, 2007) is a general plan of how to go about answering the research questions in a study. Research method deals about the research design which was defined by Yin (1989) as the logic that links the data to the initial questions of a study. The research design for the study focuses on the research strategy, data collection methods, instrument for collecting data and the process of collecting data, sources of data, qualitative and quantitative nature of data and validity and reliability of the data (Saunders *et al*, 2007).

Qualitative Method

Mouton and Marais (1996) define qualitative research approaches as “those approaches in which the procedures are not as strictly formalized while the scope is more likely to be undefined, and a more philosophical mode of operation is adopted.” As stated earlier, this study uses case study. A qualitative case study according to Merriam (1998) is “an intensive holistic descriptive and analysis of a single instance, phenomenon, or social unit.” This study is based on qualitative interpretivism which is a view of reality where knowledge depends on understanding and interpretation. Saunders *et al* define qualitative interpretivism as “the way we as human beings make sense of the world around us.” In this study qualitative interpretivism was used because the study is to identify and examine variables that are related to financial rewards, motivation, employee job satisfaction and productivity and to examine the relationships that exist among the variables. As a result of the complexity and uniqueness of motivating human beings because it is subjective and difficult to research, qualitative interpretivism is appropriate because it entertains subjectivity. The duty of this researcher is to seek to understand the subjective reality of the actors in First Bank in order to be able to know their motives, actions and intention in a given way that is significant (Saunders *et al*, 2007)

Quantitative Methods

This study uses both qualitative and quantitative research approaches hence the confusion which Mouton and Marais (1996) identified on the use of qualitative and quantitative methods in research does not apply. According to Mouton and Marais (1996), even the dyed-in-the-wood empiricists become qualitative when in interpreting statistical research results by extrapolating beyond the direct statistical analysed data. Be that as it may, these authors in general terms define quantitative research method as “the technique in social research that is more formalized as well as explicitly controlled, with a range that is more defined, and which, in terms of the methods used, is relatively close to the physical sciences.” Qualitative research approach is commonly associated with social science schools that belong to interpretivist sociological schools and is concerned with observation, description and generalization of propositions. This researcher uses qualitative as well as quantitative

research approaches because quantitative data are collected through the questionnaire instrument and these are subjected to statistical tests. Also, secondary data in terms of wages and salaries which showcase the financial rewards and the income of the banks which represents the productivity of the employees are subjected to statistical analyses too. The qualitative aspect comes in the form of qualitative interpretation of the findings of these analyses. Also, the human resources managers of these organizations are interviewed to know the areas, of incentives, motivation, job satisfaction and workforce productivity, where structured questionnaire could not clarify.

Sampling

Sampling involves the selection of some elements in a population through which conclusion about the population may be drawn (Cooper and Schinler, 2003). Sampling was used in the study because all the elements could not be researched due to costs and some difficulties in reaching the entire population.

Population of Study

The three organizations this study examined are First Bank. The study cut across all the strata of the organization because financial reward issues affect all employees. Therefore, the population of the study for the Bank as at 2010 based on their annual report and accounts is 12,783 employees. These include managers, senior staff and junior staff. However, contract staff in the banks are not covered because they are not considered as permanent employees and are denied of some incentives. Bringing them in may therefore bring in bias since they are denied of some rights which the permanent employees enjoy.

Sample Size

Since it is sometimes difficult to carry out a study on the whole population because of limited resources and time, it is very crucial to draw sample from the population. Therefore, as a result of the limitations of finance, time and human resources, a sample size of 300 respondents is used in this study. The respondents will be selected equally from the Bank. This means that 100 respondents will be selected in each of the Bank. These subjects are given questionnaire to complete. Since the study uses both quantitative and qualitative method, a sample size of 6 will be selected for interview in the Bank. Coopers and Schindler (2003) asserts that sample size using qualitative research is always small and it involves in-depth interview of subjects. The 6 subjects will be interviewed in the Bank in which 2 subjects are selected in each of the banks.

Sampling Techniques

Sampling technique is the procedure used to identify, choose and gain access to relevant data source. Sampling is relevant because it allowed access to assumptions, beliefs and practices of the role of respondents in supplying information about the concepts of study (Saunders *et al.* 2007). Therefore, simple random sampling technique was used to select respondents after they have been stratified into managers, supervisors (senior staff) and junior staff in the ratio of 10:50:40 respectively. This ratio is justified on the fact that there are more (supervisors) senior staff and junior than managers in the banks.

Data Collection

In this study, the researcher adopted questionnaire and interview to collect primary data while document analysis was use to collect secondary data.

Questionnaire Design

According to Singh (2006), questionnaire is a tool for descriptive survey research and it is considered as a measuring instrument which have items or questions that are considered as indicators of the list of chosen distinctiveness. There are different questionnaire methods: unstructured, semi-structured, and structured questionnaires McMurray and Scott (2004) state that unstructured questionnaire enables the researcher to explore an issue with more insight. This questionnaire is informal and enables in-depth exploration of a topic. That is, respondents are encouraged to supply information by using open questions and by asking them to clarify their statement.

The semi-structured questionnaire format allows the researcher to use questions that may be different from time to time. The order and number of question may be varied according to the flow of organisational context that is encountered in relation to the research topic Saunders *et al* (2003). A structured questionnaire is used with an identical set of questions. It could be an open ended or closed ended depending on how the question is framed and asked. Each respondent statements should be recorded as fully as possible and in respondent's own words. Considering the above three methods, the author adopts structured questionnaire to be used to elicit information from the bankers in the Bank. The chosen method allows flexibility in answering the questions. Considering that the respondents are always busy, a simple questionnaire was designed. The questionnaire was scaled within the range of 5-points responses using Likert summated rating scale technique, ranging from strongly disagree to strongly agree. Each scale was ranked from one point to five points. That is; strongly disagree, disagree, no idea, agree and strongly agree. However, Singh (2006) posits that questionnaire has some weaknesses which include the planning and development problems, the doubtful reliability and validity of collected data, and the selection of representative sample. Despite the above weaknesses questionnaire is good because it allows wide coverage with accomplished minimum resource use. The issue of validity and reliability will pose little or no problem since the researcher is a manager in one of the Bank. Also, statistical analysis which will be processed using computer will reduce the problem of interpretation of the results.

Observation

According to Mouton and Marais (1996) observation is defined as the process through which researchers establish a link between reality and their theoretical assumptions in which they can take a large variety of guises, ranging from jotting down subjective experiences to psycho-physiological measurements of certain body functions. The researcher will observe the employees to know their reaction when salaries are paid at the end of the month.

Personal Interview

Personal interview which was unstructured was used in collecting data in this study. This allows the researcher to collect information that is useful in the interpretation stage of this study. The qualitative data collected from the personal interview is analysed by observing some behavioural patterns that enables this researcher look for explanations and analyse the explanations with a view to understand the topic being investigated (White, 2000). This also helps in designing the questionnaire that was administered on the subjects of the study.

Procedure for Data Collection

As stated above, qualitative and quantitative methods were used in this study. In using the methods, qualitative and quantitative data were collected. Questionnaire, unstructured interview and observation were used to collect data. Documentary evidence was collected

using the annual reports and accounts of the banks. The wages and salaries figures and income figures were collected from the documents. In collecting primary data, questionnaire was self-administered on the subjects in First Bank while with the help of a friend; questionnaire was administered in First Bank. The researcher personally conducted unstructured interview in all the Bank. Also, personal observations were made by researcher by visiting the Bank observing the enthusiasm of the employees in performing their duties. Also, observations were made by visiting the employees when their salaries were paid to experience whether they are happy when the salaries were paid. During this period interviews were conducted on the employees (the respondents).

Data Analysis

Data collected through the questionnaire was processed using Statistical Package for Social Science (SPSS) and descriptive statistics were used to analyse the results which were presented in tables. The means and standard deviations of each item in the questionnaire were computed showing whether it is more than the average scale of 3. Correlation statistic was computed to test the three hypotheses of the study. The p value was compared with the 5% or 1% level of significance to accept or reject the null hypothesis (H_0). For the secondary data, financial reward which is represented by the wages and salaries was correlated with productivity which is represented by gross revenue.

Table 4.1: Descriptive Statistics on Financial rewards

	N	Mean	Std. Deviation
I want financial reward that is attached with productivity.	240	4.12	1.034
I prefer salary reduction than job loss	240	4.02	1.161
My salary is not commensurate with what others in other organizations are receiving	240	3.87	1.254
Promotion that financial reward is not attached will not be appreciated	240	3.84	1.409
Financial rewards are very important to all employees in the banking sector	240	3.78	1.080
I will move to another bank or organization that is ready to pay higher than this bank no matter the risk attached	240	3.13	1.540
My needs and that of my family cannot be met with the present salary this bank is paying	240	3.00	1.555
Salary and wage payment in the banks is one of the best in the country	240	2.93	1.361
Too much emphasis should not be placed on financial rewards in the banking sector	240	2.78	1.124
I prefer non-financial rewards such as promotion, children education sponsorship	240	2.48	1.360
Valid N (listwise)	240		

From Table 4.1 above two (2) are very critical factors because their measure is above 4.0. These include “I want financial reward that is attached with productivity” as the most critical with mean score of 4.12; and the item I prefer salary reduction than job loss measures 4.02.

Also 4 out of the 10 items are critical since they measure between 3.0 and 4.0. The item “My salary is not commensurate with what others in other organizations are receiving” measures 3.87 while the last critical item is “I will move to another bank or organization that is ready to pay higher than this bank no matter the risk attached” with measurement of 3.13 mean score. Other three items are fairly critical factors with measurement of between 2.78 and 3.0. Only one item is a low critical factor with measurement of 2.48 which is between 2.0 and 2.5

Descriptive Statistics on Motivation

Motivation was measured with 10 items in the research instrument. The items were designed using 5-point Likert Scale, with the expected maximum mean score of 5 and expected minimum mean score of 1.

Table 4.2: Descriptive Statistics on Motivation

	N	Mean	Std. Deviation
Public recognition by management of job well done may be a motivator to me	240	3.92	1.117
Clashes in my goals and that of the bank's has no consequence on my motivation to work	240	3.83	1.212
Assurance of job security will motivate me in this bank	240	3.80	1.036
Fear of loosing my job will motivate me to greater productivity if assurance is given by the management	240	3.76	1.001
Openness of management of this bank tends to increase my productivity	240	3.63	1.379
Assurance of getting results for my efforts will motivate me more than financial rewards	240	3.25	1.223
Retrenchment as a result of merger and acquisition reduce my desire to perform	240	3.12	1.443
Participation in decision making in this bank will motivate me to high level of productivity	240	2.82	1.411
Management style of not taking good care of employees of this bank has no effect on my productivity.	240	2.48	1.316
Increase in my status will have no effect in motivating me in this bank	240	2.12	.830
Valid N (listwise)	240		

From Table 4.2 above none of the items is very critical. However, 7 items are critical since they measure between 3.0 and 4.0. These include “public recognition of job well done by management may be a motivator to me” with the highest mean score measurement of 3.92. Only one item is a fairly critical factor with measurement of between 2.50 and 3.0. Other two items have low critical factor with measurement between 2.0 and 2.5.

4.3 Descriptive Statistics on Employee as a critical Asset of Organisation

Employee was measured with 5 items in the research instrument. The items were designed using 5-point Likert Scale, with the expected maximum mean score of 5 and expected minimum mean score of 1.

Table 4.3: Descriptive Statistics on Employee as a critical Asset

	N	Mean	Std. Deviation
This bank rather than promote from within hires from outside	240	3.54	1.356
Training and mentoring of employees is not a great priority in this bank	240	3.36	1.477
This bank easily retrench her employees	240	2.78	1.406
This bank does not recognize the importance of employees	240	2.33	1.292
Some employees do not matter when considering this bank competitiveness	240	1.69	1.013
Valid N (listwise)	240		

From Table 4.3 above none of the items is very critical. However, 2 items are critical since they measure between 3.0 and 4.0. These include “this bank rather than promotes from within hires from outside” as it measures of 3.54 while the item “training and mentoring of employees is not a great priority in this bank” measures 3.36. One item each is a fairly critical factor, a low critical factor and a very low critical factor.

4.4 Descriptive Statistics on Productivity

Productivity was measured with 5 items in the research instrument. The items were designed using 5-point Likert Scale, with the expected maximum mean score of 5 and expected minimum mean score of 1.

Table 4.1: Descriptive Statistics on Productivity

	N	Mean	Std. Deviation
Relatively, productivity in this bank can be compared with other sectors in the economy	240	3.53	1.360
Productivity in the banking sector does not reflect in the entire economy	240	3.30	1.447
Workforce productivity is related to length of service and experience in this bank	240	2.82	1.432
My salary is not commensurate with my level of productivity	240	2.66	1.353
Promotion is not entirely attached to workforce productivity in this bank	240	2.04	1.239
Valid N (listwise)	240		

From Table 4.4 above none of the items is very critical. However, 2 items are critical since they measure between 3.0 and 4.0. These include “Relatively, productivity in this bank can be compared with other sectors in the economy” as it measures 3.53 while the item “Productivity in the banking sector does not reflect in the entire economy” measures 3.30. Two items are fairly critical factors because they measure between 2.5 to 3.0. An item has a low critical factor since it measures 2.04 which is between 2.0 and 2.5.

4.5 Descriptive Statistics on Job Satisfaction

Productivity was measured with 5 items in the research instrument. The items were designed using 5-point Likert Scale, with the expected maximum mean score of 5 and expected minimum mean score of 1.

Table 4.4: Descriptive Statistics on Job Satisfaction

	N	Mean	Std. Deviation
I am satisfied with the working conditions in this bank	240	4.18	1.036
I am ready to put in extra hours for this bank	240	3.98	1.128
My relationship with my other colleagues create satisfaction	240	3.85	1.094
The level of communication between me and my boss create job satisfaction	240	3.72	1.194
I will not leave this job to another even if high salary is offered to me	240	2.89	1.196
Valid N (listwise)	240		

From Table 4.4, one of the items is very critical since its mean score is 4.18. Also, 3 items are critical since they measure between 3.0 and 4.0. An item has a fairly critical factor since it measures 2.89 which is between 2.5 and 3.0.

4.4 Test of Hypotheses

This section presents the test of the hypotheses formulated for this study using correlation statistics. The table below shows the correlation matrix table showing correlation between motivation, job satisfaction, productivity and incentives. The three hypotheses in this study are:

Ho1: Financial reward does not have any effect on workforce productivity in the banking industry in Nigeria

Ho2: Financial reward does not have any relationship with motivation of employees in the banking industry in Nigeria

Ho3: There is relationship between job satisfaction and employee job productivity

4.4.1 Correlation Analysis

This section presents the correlation statistics of the study

Table 4.5: Correlations

		Financial reward	Motivation	Employee	Productivity	Job Satisfaction
Financial reward	Pearson Correlation	1	.048	-.117	.127(*)	.082
	Sig. (2-tailed)		.464	.070	.049	.207
	N	240	240	240	240	240
Motivation	Pearson Correlation	.048	1	.073	-.030	-.090
	Sig. (2-tailed)	.464		.263	.649	.163
	N	240	240	240	240	240
Employee	Pearson Correlation	-.117	.073	1	.121	.271(**)
	Sig. (2-tailed)	.070	.263		.060	.000
	N	240	240	240	240	240
Productivity	Pearson Correlation	.127(*)	-.030	.121	1	.221(**)
	Sig. (2-tailed)	.049	.649	.060		.001
	N	240	240	240	240	240
Job Satisfaction	Pearson Correlation	.082	-.090	.271(**)	.221(**)	1
	Sig. (2-tailed)	.207	.163	.000	.001	
	N	240	240	240	240	240

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).

Table 4.5 shows the results of the Pearson Correlation statistics which was processed using SPSS. From the table correlation that is significant at 0.05 level was flagged with one star while the one that is significant at 0.01 level was flagged with two stars. Thus, the correlation between financial rewards and productivity is .127(*). Also, correlation coefficient between employee and job satisfaction is .127(*) and correlation coefficient between productivity and job satisfaction is .221(**). Other correlation is not significant.

Relating this with the three hypotheses above, it could be stated that financial reward has relationship with productivity, hence the H_0 of hypothesis one is rejected. For hypothesis two the correlation coefficient of .464 was not flagged by the computer indicating that the

relationship is not significant there by accepting the H_0 . For the third hypothesis, there is significant relationship between productivity and job satisfaction, thus the H_0 is also rejected.

4.4.2 Regression Analysis

This section presents the multiple regression of the data. The dependent variable is financial rewards while the independent or predictor variables are; motivation, productivity, employee as asset of a bank and job satisfaction.

Table 4.6: Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.218(a)	.048	.032	4.13588
a Predictors: (Constant), Job Satisfaction, Motivation, Productivity, Employee				

Table 4.7 ANOVA(b)						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	201.390	4	50.347	2.943	.021(a)
	Residual	4019.794	235	17.106		
	Total	4221.183	239			
a Predictors: (Constant), Job Satisfaction, Motivation, Productivity, Employee						
b Dependent Variable: Financial reward						

Table 4.8 Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	29.200	3.025		9.653	.000
	Motivation	.070	.062	.073	1.133	.258
	Employee	-.223	.089	-.166	-2.498	.013
	Productivity	.170	.088	.127	1.934	.054
	Job Satisfaction	.164	.106	.105	1.553	.122
a Dependent Variable: Financial reward						

Table 4.6 – 4.8 present the regression analysis of the variables regression coefficient is 0.218 while the R^2 is 0.48 and adjusted R^2 is 0.32. There measurements are very low. The ANOVA table shows $p = 0.021$ and F statistics = 2.943. The regression equation as shown by Table 4.8 will be $Y = X_1 + X_2 + X_3 + X_4$ where X_1 = motivation, X_2 = Employee, X_3 = Productivity and

X_4 = Job satisfaction. The constant = 29.200. Substituting the coefficient values to the regression equation, $Y = 29.200 + 0.70X_1 + -0.223X_2 + 0.170X_3 + 0.164X_4$

4.5 Secondary Data

This section presents the correlation and regression statistics of secondary data collected through the banks' annual report and accounts. The gross earning and total salaries of the workers were analysed using correlation and regression. This was to serve as a confirmatory result and to show if financial rewards (salaries and wages correlate with productivity (gross earnings). The regression statistics is to show the extent of relationship between gross earning and salaries and wages.

Table 4.9 Banks' number of employees, Salaries and Gross Earning

Banks	Year	Gross Earning	Salaries and Wages	No of Staff
		Million	Million N	
First Bank	2010	207,524	47,313	7,603
	2009	175,390	43,841	8,195
	2008	130,600	31,305	8,495
	2006	61,243	14,679	7,053
	2005	49,475	11,936	6,692

Table 4.9 shows the data for the analysis of correlation and regression statistics which are presented. Because of inavailability of data the Bank were combined.

Table 4.10: Correlations on Secondary Data

		Gross Earning	Salaries and Wages	Number of staff
Gross Earning	Pearson Correlation	1	.863(**)	.534
	Sig. (2-tailed)		.000	.074
Salaries and Wages	Pearson Correlation	.863(**)	1	.820(**)
	Sig. (2-tailed)	.000		.001
Number of staff	Pearson Correlation	.534	.820(**)	1
	Sig. (2-tailed)	.074	.001	

** Correlation is significant at the 0.01 level (2-tailed).

Table 4.10 shows that there is relationship between gross earning and salaries with correlation coefficient of .863(**) at 1% level. This confirms the result obtained in Table 4.5 where the Pearson coefficient correlation is 0.127(*) which indicates that there is relationship between financial rewards and productivity.

Table 4.11: Model Summary on Secondary Data

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.863(a)	.744	.719	32532.141
a Predictors: (Constant), Salaries and Wages				

Table 4.11 shows the regression summary of the secondary data. Regression coefficient shows that the relationship between salaries and gross income and the extent of relationship account for 74.4 percent

Table 4.12: ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30825266401.445	1	30825266401.445	29.126	.000(a)
	Residual	10583402204.555	10	1058340220.455		
	Total	41408668606.000	11			
a Predictors: (Constant), Salaries and Wages						
b Dependent Variable: Gross Earning						

Table 4.12 shows the p value of the ANOVA statistics to be .000 and F statistics to be 29.126, hence the HO that there is no relationship is failed to be accepted since α of 0.05 is higher.

Table 4.13: Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	41813.960	14241.162		2.936	.015
	Salaries and Wages	3.401	.630	.863	5.397	.000

a Dependent Variable: Gross Earning

Table 4.13 presents the regression coefficients table showing the constant for the regression equation. The linear regression equation is: $Y = 41813.96 + 3.401X$ where Y is gross earning (productivity) and X is salaries and wages.

4.6 Reliability Test

This section presents the reliability test of all the data using Cronbach Alpha.

Reliability Statistics	
Cronbach's Alpha	N of Items
.622	46

The Cronbach Alpha is 0.622 which shows that there is reliability of the data used in this study since the Cronbach Alpha is above 0.60.

Summary of Findings

Respondents are ready to move to other banks that are paying higher even with any attached risks. This is buttressed by the item “I prefer non-financial rewards such as promotion, children education sponsorship” that measures low mean score.

Security of job is a good motivator in the banking sector in Nigeria. This might be as a result of retrenchment induced by competition, recapitalization, merger and acquisition that have been the lots in the sector for sometimes now. The high level of unemployment and recession in the economy does not help employee in taking decisions on issue of motivation.

It might be assumed employees are not critically looked at as extremely important in the banking sector since there seems to be other available source of getting employees without recourse to internal employees. This does not mean that employees are not seem as critical to the competitiveness of the banks.

The responses of the employees on job satisfaction suggest that they may be satisfied with their jobs, even with the level of pressure they are facing at work.

Conclusions

In this study, the problem of using financial rewards as a motivating variable for employees in the banking sector to increase and improve their productivity is born out of the importance of the sector in the development of the real sector specifically and the economy as a whole. Unfortunately, the impact of banking sector is not being felt in the real sector as well as the economy as a whole. The fact remains that a well performing employee of an organization will reflect on the productivity of the entire organization. This was being expected in the banking sector which is one of the industries that are paying high salaries to its workers. There are other variables that are related to incentives and workforce productivity hence this study in chapter one proposes to investigate empirically whether there is relationship between employee satisfaction and productivity, whether there is relationship between financial reward and employee motivation and whether there is relationship between financial reward and workforce productivity.

One of the objectives of the study was to review literature on financial rewards with other variables that are related which this study identified. Thus, literature on financial reward, employee satisfaction, motivation and productivity were reviewed in chapter two of the study. There were links observed between these variables despite the fact that literature in Nigeria on the variables is very scarce and this study was meant to fill this gap. In the developed world there have been criticisms of the pioneered motivation theories such as Maslow need theory, theory X and Y by McGregor and motivation-hygiene theory of Herzberg, however, in today's daily operations of business organizations in the developing world these theories are still very relevant. Therefore, this study reviewed literature on these motivation theories as they are used when compensation packages of employees are being determined. The subject of this study is the employee in the banking sector which is very important to the growth and productivity of organizations (Armstrong and Baron, 2002). Therefore, literature considering employees as capital and important assets was reviewed (Bichtha, 2003; Drucker 1979). Job satisfaction is a variable writer and scholars have identified to influence workforce productivity hence the literature on job satisfaction and workforce productivity was reviewed (Wehrich, Cannice and Koontz, 2008; Rabnor and Barnes, 2007; Armstrong, 2006). Productivity is very important hence organizations strive to improve and increase workforce productivity which will reflect on the entire organization's productivity (Metz and Kulik, 2011).

To empirically determine the relationships of these identified variables in this study, chapter three presents the methodology that was used. The triangulation methodology was adopted and both qualitative and quantitative data were collected using both qualitative and quantitative research methods. Therefore, unstructured interview was conducted and observations of the employees during the end of the month when salaries and wages are paid were made using qualitative method. Quantitative method was adopted by using questionnaire which was administered on the employees which were selected using stratified simple random sampling. The quantitative data collected was processed with SPSS using descriptive statistics to examine how critical are the items that were used to measure variables such as financial rewards, motivation, employee as an asset of an organization, productivity and job satisfaction. The use of triangulation research method was considered the best because it involved the use of multiple methods of analysis in which one method will complement the other.

Chapter four of the study presents the analysed data. The first section presents the qualitative data while the second part presents the quantitative data. It could be concluded from the 240 respondents that returned good well completed questionnaire that financial rewards influence workforce productivity. It could also be suggested that job satisfaction has relationship with productivity but financial reward does not have relationship with motivation. These were shown by the propositions of the study which were tested using correlation and regression statistics.

Recommendations

As a result of the findings and conclusions of this study the following recommendations are made.

- a) Employees should be made to be aware that their productivity will be rewarded with financial rewards. This means that reward and compensation in form of salaries and wages should be based on productivity.
- b) It is imperative to allow employees to make contributions to reward and compensation policies. Employees may be asked how they feel about rewarding with stock option and or children scholarship scheme or any other reward system. This will enable the management to plan reward system strategically.
- c) Banks' management should be aware of the fact that the needs and wants of the employees must be satisfied and therefore the reward and compensation must be able to satisfy the needs and wants of the employees. This is where Maslow hierarchy of needs is very relevant.
- d) Management needs to deemphasize on the use of financial rewards in all situations to compensate and reward employees. This should start from the top management and flow to the lower levels.
- e) Since this study suggested that financial reward does not motivate employee, it is imperative to examine those variables that will lead to motivation of employees in the banking industry.

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