EFFECT OF INCENTIVES ON EMPLOYEES' PERFORMANCE AT BINGHAM UNIVERSITY, KARU, NASARAWA STATE

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ABSTRACT: The mismanagement of incentives given to employees in the contemporary workplace environment has never received urgent concern, as is the case today, considering the line of economic issues affecting the performance of employees. This study examined the effect of incentives on employee performance at Bingham University, Karu, Nasarawa State, Nigeria. The specific objectives were to assess the effects of promotions and bonuses on employee performance at Bingham University, Karu, Nasarawa State, Nigeria. The study adopted a survey research design, and the data were collected through questionnaires and analysed via Excel for data coding, descriptive statistics, correlation and multiple linear regression techniques. A total of 1076 staff constituted the population of the study. The Taro Yammane sampling method was used to obtain a reliable sample size of 294 staff of Bingham University, Karu, Nasarawa state, Nigeria. The findings of the study show that bonuses have positive but insignificant effects on employee performance at Bingham University, Karu, Nasarawa State, Nigeria, whereas promotions have positive and significant effects on employee performance at Bingham University, Karu, Nasarawa State, Nigeria. The study recommends that bonuses such as overtime pay for working beyond the usual working hours to nonteaching staff, specifically staff working in sections where the workload is much as long as the employment of more staff seems impossible. In addition, to the teaching staff, bonuses such as allowances for the running of additional programmes, mobile data for connecting to the internet in the case of online lectures, as well as those holding temporary positions such as exam officers, etc., should be provided. The management of Bingham University should frequently check the activities of the human resource or promotion committee to ensure that the personal interest of any member of the promotion unit does not hinder the progress or promotion of qualified employees, as this may cause demoralization of talent, thereby resulting in turnover.

Keywords: Incentive, Bonus, Promotion, Employee productivity

INTRODUCTION

The 21st century business terrain has continued to pose enormous challenges to human resource managers and business organizations despite the opportunities that abound in the environment, considering the dynamic nature of the environmental variables. Perhaps the contribution of employees as a factor cannot be underscored. Today, employees are seen as the face of the organization and, at the same time, as a fundamental asset to every organization; when not appropriately incentivized, the organization stands the chance of not meeting its target goals and objectives. Recently, incentives have gained enormous attention from different organizations compared with other human resource management strategies. Employees are not only interested in financial incentives but also want nonfinancial incentives.

Meridith, cited in Daniel (2019), explained incentives as any source or medium that encourages an employee or group of employees to perform better and to exert more effort beyond expectations. According to Palmer (Kefay & Kero, 2019), incentives are strategies employed by institutions to encourage staff to figure with elation and as concrete and ethical methods of satisfying individuals' moral and material wishes. An incentive is a form of payment associated with performance and gainsharing, such as a sharing of profits for employees due to increased productivity or cost savings (Peters & Peters 2020). Incentives are an external persuading issue that encourages the motive that directs the individual into hard work for a long duration, matching the desired performance within the institution to obtain the inducement (Kefay & Kero, 2019). According to Atambo cited in Kiros (2015), incentives are both methods used by institutions to encourage employees to work with high spirits and as concrete and moral methods of satisfying individuals' moral and material desires.

An incentive is a type of remuneration that can psychologically encourage employees to focus and perform better with their jobs. Dremina et al. (2016) asserted that employee turnover occurs due to a lack of appropriate incentives. Incentives are vital for an organization. According to Kochitty (2019), incentives have a positive motivational influence on employees, which helps improve their performance. All the measures taken by management to improve the performance of employees are incentives. Past studies have broadly classified financial incentives and nonfinancial incentives. Financial incentives involve direct payments of cash, such as salaries, bonuses, and commissions, whereas nonfinancial incentives may include the promotion of employees, flexible time, autonomy and employee involvement in the decision-making process. Employee motivational incentive programs have been found to be the most commonly adopted technique among organizations. The purpose of the program is to reward productive employees, as productivity reinforces positive behaviour and stir interest in employees. However, it is not enough for an employee to be satisfied materially, as nonmaterial aspects are as essential as material aspects are; an employee needs both to be fulfilled. Materials such as salary/wages, bonuses, allowances, and commissions, among others, should be included.

In today's competitive environment, the incentives of a company have a direct effect on its employee performance. An incentive is a physical need that affects employee performance. Employees' performance is influenced by many factors both externally and internally. Providing appropriate incentives that are fair and adequate for meeting requirements is a personnel department function that is difficult to implement. Every organization needs a strategic reward system for its employees that addresses salary, bonus, benefits, recognition and appreciation. The incentive includes the returns to the services rendered by employees as part of employment relationships. It has a large influence on the recruitment of employees, motivation, productivity and employee turnover. The level and magnitude of compensation should be of concern because the level of compensation determines lifestyle, self-esteem, and value of the company. Identifying and retaining efficient, competent and knowledgeable employees in organizations by developing and maintaining an effective compensation program for obtaining the best job performance from employees is essential.

Suharto et al. (2019) defined performance as a comparison of the results achieved with the participation of labour per unit time (usually per hour). Furthermore, the definition of employee work as expressions such as output, efficiency and effectiveness is often associated with productivity. Employee performance is the work achieved by a person or group of people following the authority or responsibility of each employee during a certain period (Majid & Idris, 2019). Performance is the result of work achieved by a person or group, such as work standards and targets determined during a certain period on the basis of norms, standard operating procedures, criteria and functions that have been determined or applicable within the company (Cummings & Worley 2018). Employee performance is a combination of output and behaviour that directs the output of goods and/or services (Arifin et al., 2019).

Incentives help employees work better in companies where employees receive various prizes, commissions or certificates, while companies do not need to increase their regular salary to reward their employees' performance. A well-designed incentive program will be very useful because it will increase motivation to improve performance and identify the main motivation factors (Norbaiti et al., 2022).

The study is restricted to the effect of incentives in terms of bonuses and promotions, among other factors, on employees' productivity in terms of effectiveness, efficiency and output in a citadel of learning at Bingham University, Karu, Nasarawa state of Nigeria. The reason behind this specific timeframe is the enormous changes and activities that took place during this period, the effects of which can be seen in the level of school growth.

Statement of the Problem

Recently, incentives have attracted much attention from employers and created many challenges for organizations, as employees determine their input and output levels on the basis of the incentives given to them. The negligence of the adequate structure of pay incentives, fringe incentives, and bonuses and, over time, benefits has led to many instances of inequitable justice in the administration of incentive schemes. The resulting effect on employee productivity could be negative. The negative attributes can be seen as high turnover, poor product quality improvement, job dissatisfaction, low morale, low commitment, absenteeism, high turnover intentions to stay with the organization and poor employee productivity, which affect input and output. Companies spend large amounts of money on their reward programs, which aim to motivate, retain, commit and attract new employees. Despite the large amount of money used in these incentives and rewards, only a few human resource managers are able to justify and measure whether they are efficient.

Furthermore, businesses in the 21st century face different calibres of issues that call for attention or threats ranging from customer-, supplier-, government-, competitors- and natural environment-related issues, of which the employees of the organization are not an exception. Considering the uncertainty and dynamic nature of the business terrain, human resource managers and organizations are faced with herculean tasks of identifying and implementing appropriate incentive strategies that will spur employees to an increased level of productivity. A service providing a citadel of learning, such as Bingham University, which primarily provides tertiary education, has continued to experience increasing and continuous levels of growth over the years, which can be likened to the high demand for tertiary education in the country and continent Africa as a whole. In view of this significant growth, Bingham University has adopted bonuses as an addition to promotion incentive strategies to increase the productive level of its employees. Despite the implementation of recognition, it was recently discovered that the expected level of productivity from her employees is below the target set by the organization in consideration of the resources invested. In light of the above, this study intends to determine which incentive scheme is responsible for the reduction in the productive level of employees.

The extant literature reveals that empirical studies have been carried out on incentives and employee performance, some of which have used employee productivity as a measure of employee performance but have been conducted at different locations, times and sectors. Similarly, none have used a combination of recognition, promotion, salary and bonus in measuring incentive systems. To the best of the researcher's knowledge, no studies have used Bingham University, Karu, Nasarawa, as a case study for measuring the aforementioned combination of proxies for the independent variable and (efficiency, effectiveness and output) for the dependent variable.

Objectives of the Study

The main objective of the study is to examine the effect of incentives on employee productivity at Bingham University, Karu, Nasarawa State, Nigeria. Other specific objectives of the study are as follows:

i. assess the effect of bonuses on employee productivity at Bingham University, Karu, Nasarawa State of Nigeria
ii. determine the effect of promotion on employee productivity at Bingham University, Karu, Nasarawa State of Nigeria

Statement of Hypotheses

The hypotheses given below should be tested empirically to weigh the effect on the research questions raised against the research problems already stated.

H_{01}: Promotion has no significant effect on employee productivity at Bingham University, Karu, Nasarawa State, Nigeria.

H_{02}: There is no significant effect of bonuses on employee productivity at Bingham University, Karu, Nasarawa State of Nigeria.

LITERATURE REVIEW

Conceptual Framework

Incentives

According to Hasibuan (2017), incentives are additional remuneration given to certain employees whose performance is above work performance. This incentive wage is a tool used to support the principle of fairness in providing compensation. Mangkunegara (2015) classified incentives into two categories: financial incentives and nonfinancial incentives. Financial incentives, specifically monetary benefits, are normally offered in the form of wages or salaries. This incentive is given because employees can exceed the work limit that should be completed. Non-financial incentives, that is, the incentives provided, are not in the form of money or cannot be valued in money. Usually, this incentive will be given in the form of an award, where this award will provide satisfaction to the recipient.

According to Crowe (2019), incentive is an object, item of value, or desired action or event that spurs an employee to do more of whatever was encouraged by the employer through the chosen incentive. An incentive is a system of remuneration that is linked to performance, which is both material and nonmaterial, providing motivation or impetus for employees to work better and be more enthusiastic so that employee performance or work results can increase, which in the end, the company's goals can be achieved (Widyaningrum, 2018). An incentive is an extra reward to an organization's workers for good results (Sufian, 2016). Incentives are among the rewards given by a company to employees as a form of appreciation for their achievements (Ulfa & Ridwan, 2015). It is designed to encourage the performance of employees regardless of the form of incentives. It plays an important role in promoting employees' capacity and moving abilities, motivating them to develop their skills and abilities and balance organization requirements and individuals' needs, which effectively and efficiently improves organizational performance (Lucas et al., 2016).

According to Mohammed and Shabieb, who are cited in Kiros (2015), incentives are an external persuading factor that encourages the motive, which positively directs the individual into working harder, matching the required performance in the institution, to obtain the incentive. Incentives are stimuli given to employees to encourage them to act and do something for company goals, the purpose of which is to increase employee motivation so that employees are passionate about working to achieve company goals. Incentives also aim to increase productivity in carrying out their duties; therefore, the provision of incentives must be carried out on time to encourage every employee to work better than before (Widyaningrum, 2020). According to Quadri (2019), scholars have divided incentives into two types: concrete incentives and moral incentives. Moral incentives refer to indirect compensation through some certification, such as appraising someone, whereas concrete incentives refer to the direct way of compensating for one's effort by giving them bonuses.

Human resource management can also produce good performance in a company by means of assessment, giving remuneration to each individual member of the organization according to their work abilities where employees will work with their existing abilities. The policies that have been implemented by many companies for high-performing employees include the provision of incentives, promotions and other benefits that will be received by all high-performing employees. One of the factors that can affect employee performance is the provision of incentives such as remuneration provided by the company to employees as a result of the performance produced by employees working within a certain period of time (Sitanggang et al., 2021). For an organization to receive its money's worth and retain skilled employees, it needs to ensure that its incentive system is not an island by itself Abraham cited in (Maijo 2018).

One way to increase employees' morale and performance is through the use of incentives that can make an employee work harder, motivate or drive employees to behave in a certain way. The use of incentives is among the most important factors that encourage workers to put forth great efforts and work more efficiently and, in turn, improve employees' performance (Mfikwa et al., 2022). Financial or monetary rewards are the most common types of incentives used by organisations to increase employee performance. According to Anyim et al. (2018), monetary incentives can include salaries or wages, bonuses, medical, transportation, educational allowances, and pensions, among others. Financial incentives include stock options, profit sharing, raises, and commissions Ryu and Jinnai (2021). Different financial incentives are offered to employees for different purposes. Bonuses, for example, are extra monies offered to employees who work extra hours on a project, whereas pensions are deferred income that employees gather during their working lives and that belongs to them after retirement (Zaraket & Saber, 2017). Financial incentives can also be divided into direct incentives and indirect incentives. While direct financial incentives include good salary packages, profits, and commissions, indirect financial incentives are all benefits that are not covered by direct financial incentives Ndichu, (2017). As cited in Kiros (2015), incentives are divided into two categories: monetary incentives and nonmonetary incentives. The nonmonetary incentives are further classified into three categories: "Tangible Nonmonetary Incentives", "Social Nonmonetary Incentives" and "Job Related Nonmonetary Incentives. Nonmonetary incentives can take the form of improving working conditions, recognizing good work through verbal recognition or praise-informal recognition, such as a "thank you" noteletter of appreciation.

The most common reward scheme is one in which performance is pegged to pay, whereby workers receive bonus payments as a percentage of salary on the basis of organisational profitability or efficiency. Alternatively, individual reward packages can be issued where individuals increase their productivity, improve the quality of output, enhance their contribution to the department or section by making suggestions, and/or cooperate with other workforce members Ndichu, (2017). The main basic principle of incentive provision is that employees and companies must provide a fair and proper system for employees who work in the production/service process of a company (Mutiara, 2017).

According to Mathauer and Imhofff (2016), nonfinancial incentives are any means of incentives that do not involve directly money, transfers of monetary value or equivalents. Nonfinancial incentives are the keys to improving employees' motivation, job satisfaction and better performance, and there are a number of nonfinancial incentives that may represent more effective means of improving the quality of work performance as well as motivational level (Franco, et al, 2014). An incentive exists to motivate employees to work towards achieving the strategic goals set by the entities. Armstrong, as cited in Anku et al. (2018), "incentives consist of the processes and practices which combine to ensure that the reward management is carried out effectively to the benefit of the organization and the people who work there", it is based on the reward strategy, which is derived from a business strategy. This strategy coordinates and controls the operation and advancement of reward practices and processes and thus shapes policies that involve reward management, which influences incentive practices, processes, and procedures (Anku et al., 2018).

Bonuses

A bonus is an additional monetary reward or incentive provided to employees by organizations, usually in addition to their regular salary. It is a form of performance-based compensation that is given to recognize and reward employees for their exceptional contributions, achievements, or meeting specific targets. Bonuses can take various forms, such as annual bonuses, performance bonuses, profit-sharing, or sales commissions. According to Andrew (2019), a bonus is a financial compensation that is above and beyond the normal payment expectations of its recipient. This compensation is the compensation that is over and above the amount of pay specified as a base salary of the hourly rate of pay (Susan, 2019). A bonus is a sum of money offered to an employee over and above the salary or wages as a reward for his or her good performance (Sharma, 2021). The bonus incentive is a payment for the accomplishment of specific planned objectives. The intent of this incentive scheme is to influence certain behaviors toward the attainment of goals or set objectives. Once the objectives are met, a payment is made (Gomez-Mejia, & Balkin 2015). Incentives can be seen as the goal of making more money frequently by employees who receive other types of incentives (e.g., fixed salary), even when working on the same task. For example, when salespeople receive a bonus every time that they sell a car, each sale serves as a reminder of money and reinforces the broad goal of making money (Hur et al., 2021).

Bonus pay is compensation over and above the amount of pay specified as wages or salary, and it is distributed only as the organization is able to pay or as outlined in an employment contract. Bonus pay is used by many organizations to improve employee morale, motivation, and productivity or to thank employees who achieve a significant goal. Employers with well-developed performance management systems often connect compensation to performance appraisal ratings to determine the amount of salary increases and bonuses for employees who meet or exceed the company's performance expectations. Other companies may include bonuses as part of their employee recognition and reward programs or pay employees bonuses upon reaching organizational goals (Dike et al., 2016). However, they stipulate that there are different categories of bonuses: Performance Bonus and Year-End Bonus.

Promotion

Happy workers are also productive workers (Ansari & Chimani, 2015). Promotion means climbing the corporate ladder; in other words, when an individual moves from one designation to a higher one, it is considered a promotion. For some people, the key for job satisfaction is promotion. They feel that their status has improved, which gives them power and satisfaction (Ligare, Wanyama, & Aliata, 2021). Armstrong (2019) maintains that a promotion policy could state the organization’s intention to promote from within, whenever this is appropriate as a means of satisfying its requirements for high-quality staff. The policy could, however, recognize that there will be occasions when the organization’s present and future needs can be met only by recruitment from outside. Promotion, when and wherever it happens, comes with two impressions: the monetary aspect and the change in position from low to high in the organizational hierarchy. Promotion is aimed at enhancing employee motivation and ultimately leads to achieving organizational goals; that is, when employees are motivated, their morale increases, resulting in high performance and productivity to a large extent, thereby increasing the overall organizational performance level (Abdulmumini, 2021).

Employee Performance

Suharto et al. (2019) defined performance as a comparison of the results achieved with the participation of labour per unit time (usually per hour). Performance is the result of work achieved by a person or group, such as work standards and targets determined during a certain period on the basis of norms, standard operating procedures, criteria and functions that have been determined or applicable within the company (Cummings & Worley, 2018). They also stated that the achievement of the goals of each work carried out by employees will have an overall impact on the goals of the organization. Therefore, an employee must understand the performance indicators as part of understanding the final results of his work, namely, the amount of work, quality of work, punctuality, attendance and ability to cooperate. Employee performance is a combination of output and behaviour that directs the output of goods and/or services (Arifin et al., 2019). Employee performance is the work achieved by a person or group of people following the authority or responsibility of each employee during a certain period (Majid & Idris, 2019). Furthermore, the definition of employee work as expressions such as output, efficiency and effectiveness are often associated with productivity (Norbaiti, Hamdilah, Husein, & Arifin, 2022).

Ebert and Freibichler (2017) define employee productivity as a performance measure of both the efficiency and effectiveness of an employee or a group of employees. They explain that productivity can be evaluated in terms of an employee's output within a specific period. The productivity of a given employee is assessed relative to an average for employees doing a similar task (Hanaysha & Majid, 2018). According to Ndichu (2017), employee productivity is one of the paramount concerns in the overall management of any organization, and without staff productivity, the performance of the entire organization would fail to meet its desired aims.

Productivity refers to the ratio of output to input or the relationship between the output generated by a production or service system and the input provided to create this output. Many firms believe that productivity is affected by employees’ motivations, attitudes, and behaviours for organisations to achieve optimal performance.

Empirical Review

Kiros (2015) explored the effect of nonfinancial incentives (recognition, promotion, training, working conditions and performance feedback) on employees’ performance. It is explanatory research and uses a quantitative research approach. The target population of the study was professional employees of the company. A sample size of 371 out of 5185 employees was used. The relevant data were collected through a survey questionnaire with a stratified-random sampling technique for distributing the survey questionnaire. The response rate for the study was 81% of the distributed questionnaires. The data were analysed mainly via descriptive statistics, correlation and regression analyses, and the proposed hypotheses were tested, all of which were accepted. The major findings of the study revealed that the effects of recognition, promotion training, performance feedback and working condition factors on employees’ performance were positive and significant. According to the descriptive analysis, the overall employees’ performance in the company was at a medium or average level. The multiple regression models explain 61.8% of the variance in the dependent variable (employees' performance), which is accounted for by the independent variables (recognition, promotion, training, performance feedback and working conditions). The regression model reveals that the five independent variables are significant predictors of the performance of the dependent variable, with standardized beta coefficient values of .181, .124, .212, .155 and .320.

Nanle et al. (2020) examined the effects of recognition and promotion on employees' job satisfaction with selected outsourced service providers in the Jos Plateau State. A survey research design was adopted. The population of the study included 541 employees, which consisted of all the employees of the five (5) selected outsourced service providers in Jos, Plateau State. The sampling technique used was census. A total of 541 copies of the questionnaire were distributed, of which 448 (82%) were properly filled out and returned. The data were analysed via simple linear regression analysis, and the Pearson product moment correlation was used to test the relationships among recognition, promotion and job satisfaction. The findings of this study revealed that recognition ($R2 = 0.558$, $R2 = 0.558$, $p<0.05$) and promotion ($R2 = 0.683$, $p<0.05$) have positive significant effects on employees' job satisfaction with selected outsourced service providers in Jos, Plateau State. The study concluded that recognition and promotion factors had a significant positive effect on employees' job satisfaction with the outsourced service providers in Jos, Plateau State. It is therefore recommended that the management of these outsourced companies improve recognition and promotion to reduce the level of dissatisfaction among employees.

Kefay and Kero (2019) studied the effect of incentive schemes (promotion, recognition and training) on employees' motivation. The study used descriptive and explanatory data, which were the primary sources of data. A total of 162 questionnaires were distributed, all of which were returned and used for the study, and stratified and simple random sampling methods were applied to determine the respondents for the study. However, this study aims to examine employees' perceptions of the incentive scheme of the bank; the motivation level of employees in the bank; and the effects of promotion, recognition, and training on employees' motivation. Among the major findings, the overall perceptions of respondents about current nonfinancial incentive practices were that they are happy and satisfied with promotion and training but are neutral in recognition. The results of the regression analysis revealed that promotion, recognition, and training were significant predictors of employee motivation. Additionally, a significant portion of employees were motivated to perform their job well. A review of banks' recognition practices is recommended to increase the current motivation level of employees.

Kibru and Kero (2020) investigate the effect of a nonfinancial incentive scheme on employees' motivation. Therefore, the study was descriptive and explanatory and used a primary source of data. A total of 162 questionnaires were distributed, all of which were returned and used for the study, and stratified and simple random sampling methods were applied to determine the respondents for the study. However, this study aims to examine employees' perceptions of the incentive scheme of the bank; the motivation level of employees in the bank; and the effects of promotion, recognition, and training on employees' motivation. Among the major findings, the overall perceptions of respondents about current nonfinancial incentive practices were that they are happy and satisfied with promotion and training but are neutral in recognition. The results of the regression analysis revealed that promotion, recognition, and training were significant predictors of employee motivation. Additionally, a significant portion of employees were motivated to perform their job well.

Norbaiti et al. (2022) analysed the effects of wages and incentives on employee performance. This research was also causal associative, namely, research that aims to determine the causal correlation between two or more variables, namely, the independent or independent variables (wages and incentives) on the dependent variable (employee performance), with the respondents as private employees who had various positions in private companies in Banjarmasin as many as 30 people. The questionnaires were divided, tabulated, and tested via correlation regression to determine the relationships among the variables. The results showed that partial wages had a significant positive effect on increasing employee performance, partial incentives had a significant positive effect on increasing employee performance, and wages and incentives had a significant positive effect on increasing employee performance.

Samuel (2016) examined the impact of incentives on workers' productivity in the Benue State Civil Service. The research was carried out in 20 ministries, departments and agencies. A total of 501 workers formed the sample size. To address the issue raised above, 82 related studies were reviewed. Nine objectives and nine questions were posed, and nine research hypotheses were formulated. A self-developed opinion survey questionnaire was distributed face-to-face to each of the 501 workers to express their views of the impact of incentives on their productivity. The opinions obtained from 500 studies were analysed via correlation and regression statistics to test the nine hypotheses. The results were as follows: There was a significant negative effect of salary increase, job enlargement, and training on workers' productivity. The methods of promotion and demotion used by the Civil Service had a significant negative effect on workers' productivity. The absence of appropriate housing and transport allowances did not have a major retarding effect on workers' productivity. The amount of bonus pay, office furnishing, workgroup, and job security, introduced, greatly changed (positively) workers' productivity. Reduced work hours, separate offices, and verbal commendation did not significantly impact workers' productivity. Excessive high temperature, illumination, and noise were not significantly detrimental to worker productivity. By changing incentives schedules, workers would not significantly produce more goods and services. How workers and machines are organized and grouped does not significantly improve their productivity, and high pay does not lead to high productivity.

Mfikwa et al. (2022) assessed the role of financial incentives (bonuses, gift cards, extra paid time off, and paid training opportunities for free meals) on employees' performance at the Iringa Municipal Council in Tanzania. The study employed a quantitative research approach and a randomly selected sample size of 339 employees out of a total population of 2,215 employees at the Council. The collected research data were analysed via descriptive and inferential statistics such as multiple linear regression. The findings revealed a positive but insignificant contribution of financial incentives to employees' performance in the Iringa Municipal Council. For instance, financial incentives contributed to approximately 52% of the variation in employee performance (β = .529), but the contribution was statistically insignificant (p = .127). This demonstrates that there could be other factors that drive employee performance at the Iringa Municipal Council, and different approaches are required to enhance employee performance. The study recommends that further studies focus on assessing the contribution of incentives to employees' performance in other types of local government, such as rural and district councils, as well as central government institutions (Kassim, Anyanwu, & Nwuche, 2017).

Kassim et al. (2017) explored the relationship between incentive management strategies (Bonus and Paidifiersy) and employee performance. The review considered cash incentives and noncash incentives as dimensions of incentive management strategies, whereas productivity and tardiness were used as measures of employee performance. The study adopted a cross-sectional survey, which is a form of quasiexperimental design. Data were collected from a sample of 281 employees drawn from a populace of 751 representatives in the chosen fabricating firms. Our findings reveal significant associations between the study variables, where dimensions of incentive management are revealed to be significantly associated with the measures of employee performance. We concluded that incentive management, through its measures, cash incentives and noncash incentives significantly correlate with employee performance, thus enhancing outcomes such as work productivity and tardiness. We recommended that the management and structuring of incentive plans ought to take after efficient and unmistakably laid out methodologies that are legitimate and practical given the instability of the outer condition and the danger of the steadiness and agreement of the association. Motivating force administration and practices, for example, pay motivators and incidental advantages, ought to be founded on reasonable and standard techniques as per mechanical benchmarks, files and systems and ought to, in a similar manner, adjust to moral valuations and practices.

Salami et al. (2020) determine the relationship between financial rewards (bonuses and pay raises) and employees' performance. The study adopted a survey research approach as the research design. Both descriptive and inferential statistics were employed. The target population was employees working in the Nigerian Copyright Commission, which constituted a sample size of 187. Primary data were collected via structured questionnaires. The quantitative data were analysed via the Statistical Package for Social Sciences (SPSS). The study revealed that there was a positive and significant relationship between cash bonuses and employee performance as well as a positive and significant relationship between pay raises and employee performance. On the basis of these findings, the study concluded that cash bonuses and pay raises have positive and significant effects on employee performance. The study recommended that policy makers formulate policies rather than embracing reward systems that could be implemented by related public sector agencies to give them a competitive advantage and establish structures that support employee performance.

Theoretical Review

Herzberg two-factor theory

As previously mentioned, many theories are based on Maslow's study of motivation, and Herzberg's two-factor theory is among the most prominent theories. This theory describes the relationship between employee performance and motivation. Fredrick Herzberg agreed with Maslow that it is not possible to keep employees satisfied by meeting low-level needs. Therefore, managers should seek to meet the greater needs of employees, particularly their psychological needs such as appreciation and recognition. This theory argues that managers should seek job improvements by planning the personal and professional development of employees so that they are satisfied that they have significant personal and professional growth in the future in their current employment (Herzberg, 1966). The study conducted by Herzberg, Mausner, and Snyderman (1959) identified two types of factors of employee motivation: motivation factors, which aim to motivate employees to excel at their jobs and tasks, and hygiene factors, which typically ensure that the staff remains happy and satisfied. As a result, Herzberg created the motivation-hygiene theory, where he explained the effects of these factors. The factors that increase satisfaction are called satisfier factors or motivators, and the factors that lead to dissatisfaction are called dissatisfiers or hygiene factors. Herzberg's theory also considers that threats, punishments, or similar stimuli applied to managers may improve job performance. However, these methods have a short-term effect on employees and, in the long run, negatively affect employee satisfaction and lead to a decrease in performance (Stringer et al., 2011). Furthermore, two-factor theory studies both intrinsic and extrinsic rewards, indicating that only using both methods is it possible to create a balanced reward system that would help organisations motivate employees and improve their performance (Herzberg, Mausner, & Snyderman, 1959).

Herzberg two-factor theory underpins the study as a result of the theory's consideration of intrinsic and extrinsic motivation, which sees promotion and recognition as intrinsic motivational factors and salary and bonuses as extrinsic motivational factors. This theory describes the relationship between employee performance and motivation.

METHODOLOGY

The study used a survey research design, and the target population comprised all academic and nonacademic staff of Bingham University, Karu, Nasarawa State. The total population of the academic and nonacademic staff of the University is estimated at (765) senior staff and three hundred eleven (311) junior staff, totalling one thousand seventy-six (1,076). The Taro Yamane (1967) formula was used to determine a manageable and statistically reliable sample size of 292 due to the large size of the population. The instrument for data collection used was a questionnaire, as the study utilized the primary data source. The study adopted multiple regression as the statistical tool, which is used to indicate the cause-and-effect relationships between the dependent variable and the independent variable. The study also used descriptive statistics to express the variables. The regression model was estimated via the SPSS statistical package for social sciences software version 28.

Model Specification

For this study, the signs of the effects of the variables were tested via multiple regression. The model is as follows:

$EP = \alpha + \beta_1 BON + \beta_2 PRO + \mu$ ……………1

where EP = employee productivity, which is the dependent variable, and α is the intercept $\beta_{1.}$ β_2 and β_3 are the parameters of the estimates of the independent variables, such as bonuses and promotions.

β_0 = Constant

Ɛ = Standard error terms

BON = Bonus

PRO = Promotion

μ= error term

DATA ANALYSIS AND RESULTS

Table 1: Correlations

Table 4.1 below presents the correlation results for Employee Performance (EP) Bonus and Promotion. It explains the strength of the relationship between the variables under consideration.

		EP	BON	PRO
	Pearson Correlation	1	.367**	.841**
EP	Sig. (2-tailed)		.000	.000
	N	294	294	294
	Pearson Correlation	.367**	1	.379**
BON	Sig. (2-tailed)	.000		.000
	N	294	294	294
	Pearson Correlation	.841**	.379**	1
PRO	Sig. (2-tailed)	.000	.000	
	N	294	294	294

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

Source: SPSS Output version 28 (2023)

Decision rule: 5% level of significance

Table 4.1 shows that there is a positive but weak relationship between Bonus (BON) and employee performance at the 5% level of significance, with a correlation coefficient of 0.367. This means that bonuses have a positive but weak relationship with employee performance at Bingham University, Karu, Nasarawa State of Nigeria.

Promotion (POM) has a positive and strong relationship with employee performance at Bingham University, Karu, Nasarawa State of Nigeria, at the 5% level of significance, with a correlation coefficient of 0.841. The implication is that there is a positive and strong relationship between promotion and employee performance at Bingham University, Karu, Nasarawa State of Nigeria.

Regression Results

This section discusses the regression results, which include a model summary, ANOVA and the coefficient table, in relation to incentives and their effects on employee performance at Bingham University, Karu, Nasarawa State of Nigeria. The results are presented below:

Table 2: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.845[a]	.714	.713	.453
a. Predictors: (Constant), PRO, BON				

Source: SPSS Output version 28 (2024)

Table 4.2.3 above shows the coefficient of the regression R^2 with a value of 0.714, which means that 71% of the variation in employee performance can be explained by Bonus and Promotion. The remaining value of (0.286), representing 29%, can be explained by other related factors not included in the regression model.

Table 3: ANOVA

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	149.951	2	74.976	365.327	.000[b]
	Residual	59.927	292	.205		
	Total	209.878	294			

a. Dependent Variable: EP
b. Predictors: (Constant), PRO, BON

Source: SPSS Output version 28 (2024)

Decision rule: 5% level of significance

Table 4.1.4 shows the fitness of the model formulated earlier. The F statistic is 365.327, with a tabulated p value of 0.000, which is less than the 5% level of significance, i.e., 0.000<0.05. The implication is that the model is well fitted and that the null hypotheses can be rejected. In conclusion, incentives affect employee performance at Bingham University, Karu, Nasarawa State of Nigeria.

Table 4: Coefficients

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.027	.117		8.788	.000
	BON	.038	.023	.057	1.669	.096
	PRO	.704	.029	.822	24.277	.000

a. Dependent Variable: EP

Table 4. shows that the co-efficient of Bonus (0.038) is positive but insignificant considering the T statistic (1.669) value and the p value (0.096) in enhancing employee performance at Bingham University, Karu, Nasarawa State of Nigeria. EP= 1.027 + 0.038log_BON shows that employee performance at Bingham University, Karu, Nasarawa State of Nigeria, increases by 3.8% for every 1% increase in Bonus. This implies that Bingham University is not doing enough in terms of the implementation of Bonus policies.

The coefficient of promotion (704) is positive and significant considering the T statistic value (24.277) and the p value (0.000) for improving employee performance at Bingham University, Karu, Nasarawa State of Nigeria. EP= 1.027 + 0.704log_PRO shows that employees' performance at Bingham University, Karu, Nasarawa State of Nigeria, increases by 70% at every 1% increase in promotion. This implies that Bingham University is doing well in terms of the implementation of promotional policies.

DISCUSSION OF FINDINGS

The analysis revealed that incentives positively affect the performance of employees at Bingham University, Karu, Nasarawa State of Nigeria. However, the specific findings are as follows:

On the basis of the responses and the analysis, the first finding reveals that bonuses insignificantly improve the performance of employees at Bingham University, Karu, and Nasarawa State of Nigeria, as most of the respondents indicate that Bingham University has a bonus or allowance policy for its staff. There is an equal opportunity for bonus entitlement, specifically among excellent and well-performing staff. Bonuses are paid to Bingham University staff as at when due, whereas others state that employees of the organization do not receive a fair share of bonuses. This implies that Bingham University is not doing enough in terms of the implementation of a robust Bonus policy. This result contradicts the findings of Samuel (2016), who reported that the amount of bonus pay has greatly changed (positively) workers' productivity. The study is in disagreement with the study of Mfikwa, Kisawike, & Golyama, (2022) in their study of the role of financial incentives (bonuses, gift cards, extra paid time off, paid training opportunities free meals) on employee productivity at the Iringa Municipal Council in Tanzania." Their results with respect to bonuses revealed a positive but insignificant contribution of financial incentives to employee productivity in the Iringa Municipal Council. The studies of (Kassim, Anyanwu, & Nwuche, 2017; Salami, Olaifa, Kolawole, & Rahmon, (2020) on the relationship between incentive management strategies (Bonus and Paid holiday) and employee productivity, which are specific to bonuses, also contradict the results of the current study, indicating that significant associations between their study variables (bonus) and the measures of employee productivity exist.

The second hypothesis tested revealed that promotion has a positive and significant effect on the performance of employees at Bingham University, Karu, Nasarawa State of Nigeria. This was observed from the testimony of the respondents, who stated that Bingham University has a promotional policy for her employees; Promotion at Bingham University is based on the competencies of her employees; Bingham University offers opportunities for career development and talent retention, which contribute to promotion privileges; and ethnic discrimination during promotion activities is not associated with Bingham University. This implies that Bingham University promotes it employees as at when due. This result is supported by the findings of Kiros (2015), who stipulate that promotion of employees' performance is positive and significant. The study of Kibru and Kero (2020) is also in line with the current study.

Conclusion

This study contributes to the list of few empirical studies in the area of incentive management from a faith-based tertiary institute of learning (Bingham University, Karu, Nasarawa State, Nigeria) in relation to employee performance. The following conclusions were deemed crucial and are presented as follows:

The study concludes that bonuses have a positive but insignificant effect on employee performance at Bingham University, Karu, Nasarawa State, Nigeria. Promotion has a strong positive and significant effect on employee performance at Bingham University, Karu, Nasarawa State, Nigeria.

Recommendations

On the basis of the findings of the study, the following recommendations were postulated to further strengthen the management of incentive strategies at Bingham University, Karu, Nasarawa State, Nigeria:

The management of Bingham University should frequently check the activities of the human resource or promotion committee to ensure that bias, decimation and personal interest of any member of the promotion unit concern do not hinder the progress or promotion of qualified employees, as this may cause demoralization of talent, thereby resulting in turnover.

Bonuses such as overtime pay for working beyond the usual working hours, specifically for staff working in sections where the workload is high or in situations where the employment of more staff seems impossible. To the teaching staff, bonuses such as allowances for the running of additional programs, mobile data for connecting to the internet in the case of online lectures, and those holding temporary positions such as exam officers.

Suggestions for further study

This study implies that Bingham University can make bonus more attractive in order to reduce employees' overdependence on salary as this will enhance the solution to their financial needs. Additionally, studies could be conducted on the effect of incentives on employees' commitment, employees attitude to work and employees retention

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