

Reward Management System and Employee Performance in Nigeria Deposit Insurance Corporation (NDIC), Abuja

¹Farida Abdullahi, ²Khadijah Abubakar; ³Rahma Bashir Abbas,

⁴Ajalie Stanley Nwannebuife (PhD)

^{1,2,3,4}Department of Business Administration & Entrepreneurship, Nile University of Nigeria, Abuja Nigeria

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Abstract: *In every organization, employee performance is the fundamental aspect of organizational performance. In realizing that, a very good working reward system will help enhance employee performance. Confusion mostly arises in organization due to administering fair rewards. This study evaluates the “Impact of reward system on employee performance in Nigeria Deposit Insurance Corporation Abuja”. The study adopted the survey research design where questionnaires were administered to the staff of the organization. The sample size of the study was 323 respondents from NDIC Abuja and the response rate was 100%. The study used spearman rank correlation and multiple regression analysis technique to analyze the data collect from the field. The correlation analysis. The correlation analysis showed that correlation was positive in all dimensions of reward system, which implies that reward system and employee performance is positively related. The regression analysis shows that a 1% increase in recognition will lead to a 67.4% increase in employee commitment to work when all variables are held constant. 1% increase in salary will lead to 2.5% increase in employee commitment when held constant and 1% increase in promotion will lead to a 21.8% increase in employee commitment when all variables are held constant. That promotion and recognition have significant impact on employee performance. While salary is positive but statistically insignificant. The study showed that all independent variables have a significant and positive relationship with the dependent variables. This research recommended that promotion of hard-working staff should be accelerated and it also recommended that NDIC should recognize their hard-working staff using techniques like staff of the month, price and gift can be used to recognize hard working staff.*

Keywords: reward system, employee performance, organizational performance, promotion.

INTRODUCTION

In organizations employee performance is the fundamental aspect of organizational performance. To gain employee performance, the organization needs to have a good reward system that will help motivate the employee or staff to perform well. Some of the tools used in motivating the employees are recognition, promotion, bonus, salaries. A properly administered reward system can provide good and quality of employee performance (Noorazem & Sabri, 2021). Therefore,

employee performance is gained through good reward system. To stay successful in today's market, businesses must find ways to maintain and bring out the best performance from their employees (Perkbox, 2022).

Reward management system is a system that consists all financial and non-financial compensation packages of the organization (Ginbar, 2020). It is a way designed to motivate employees in the organization to help them perform well and help in achieving the objectives and goals of the organization. Reward management is the implementation of strategies or policies to help reward everyone in the company, in a fair and consistent way (Grewar, 2021). The management of reward concerns itself with evaluation and control of the compensation to workers, other employees benefit in terms of remuneration (Samuel, 2021). He also added that it advocates a structure for the effectiveness of work in an organization. He stressed on the structure of reward covers policies and practice for payment, executive payment, administration of salary and payroll investigation, reward analysis and team or group reward. Moreover, inability of rewarding staffs, will affect the productivity and performance of employees in the company. However, efficient reward system can be a good motivator but inefficient reward system can lead to low productivity, internal conflicts, absenteeism, high turnover, lateness and feeling grievances (Kalkidan, 2017). The main theme of reward management is to reward employees fairly equitably and consistently in correlation to the value of these individuals to the organizations (Mohammed, 2016).

Reward management is not only concerned with employee benefit and pay. It also includes non-financial rewards such as training, promotion, recognition and increase job responsibility. Reward is divided into financial and non-financial rewards. Then the financial and non-financial reward are grouped into extrinsic and intrinsic rewards. Extrinsic rewards are generally related to monetary rewards or cash rewards while they also include formal recognition such as appreciation letters, other fringe benefit, sales commission and promotion. Intrinsic rewards are non-monetary or non-cash rewards for example recognizing employee of the month or year, providing professional training opportunities. Furthermore, reward system is the way to increase organizational productivity and monitor the performance of employees hence, retaining qualified workforce and attracting new talents (Emelianova, 2019). Therefore, a good implemented reward system will help motivate the employees of the organization which will bring about increased performance and productivity and also help in achieving the main objectives and goals of the organizations.

Productivity and success of the business depends on the employee performance and motivation. Human capital is the most competitive asset for any company. In order to get the efficient result from human resources motivation is necessary (Khan & Hafiz Muhammad Waqas, 2017). It is one of the most important factors that brings competitive advantages by contributing their knowledge, skills and capabilities to the organization. Organizational performance is a function of employee's performance and the combination of other non-human resources. (Khan et al, 2017) argued that human capital can be retained and exert their extra effort in the organization through applying an integrated reward management system. Which include all financial and non-financial rewards designed by the organization to motivate and improve employees' performance.

In organization employees have preferences based on the type of reward. Therefore, company managers should know the most effective reward system which will support employees through increasing their performance. Otherwise, the reward management system becomes a cost rather than a benefit to the organization. A well-designed reward system helps to create motivation and good attitude in employees. The problem arises from the fact that employees have different needs and perceptions, so reward tools such as pay, promotion and so on have different value for different people. In considering the reward and when to administer it a manager should know the most accurate reward type and system which helps in increasing the motivation of employee to increase performance otherwise the system the reward becomes a cost rather than a benefit to the organization. Confusion mostly arises in some organization due to administering fair rewards and the system of designing. Some management like to base it on merit, where as some would like to base it on position, so under no circumstance must a subordinate be rewarded more than a superior. This is due to lack of good working reward system.

Furthermore, NDIC as a body examines the operation of banking system. The performance of the employees' need be adequately rewarded so that they are not influenced by the system and affect the performance of the organization as a whole. A poor administration of reward system leads to poor employee performance. Therefore, failure to adopt a good reward system leads to decrease in employee motivation and lower performance in the organization. Based on this major problem this research project seeks to explore the Impact of reward management system on employee's performance in Nigerian deposit insurance corporation (NDIC) Abuja. The main objective of the study is to determine the effect reward management system and employee performance in Nigerian deposit insurance corporation (NDIC) Abuja. The specific objectives are to:

- i. Examine the impact of promotion on employee commitment at Nigeria Deposit Insurance Corporation.
- ii. Investigate the impact of recognition on employee commitment at Nigeria Deposit Insurance Corporation.
- iii. Evaluate the impact of salary on employee commitment at Nigeria Deposit Insurance Corporation.

LITERATURE REVIEW

Conceptual Clarification

The subsection provides explanation of concepts. These concepts are known as dependent and independent variable. The independent variable consists of promotion, recognition and salary. While the dependent variable is just one which is employee performance.

Reward Management

The words reward management and reward have been defined by several authors. Reward management is a motivational practice that businesses use to reward employees for their achievements and success (Abourisk, 2021). The organization usually set goals and establish rules so that the employees can follow and help in achieving the goals. Also (Gungor, 2011) defined it as reward management system contains the organization's policies, processes and

practices for rewarding its employees in accordance with their contribution, abilities and artifice. An organization with a good reward system can help motivate employees by rewarding them based on their contribution abilities in the work place and by motivating them, it helps increase the productivity of the organization because the employees will increase their performance. Reward is also defined as one of the important elements to motivate employees for contributing their best effort to generate innovative ideas that leads to better business functionality (Ginbar, 2020). Therefore, reward is anything that motivates employee and stimulate performance. It is also a compensation an employee receives from an organization for the service contributed to the organization. Reward management systems have major impact on organizations capability to catch, retain and motivate high potential employees and as a result getting high levels of performance (Acharya, 2022).

Furthermore, reward management is a method, procedures and strategies designed by human capital manager to retain and attract employees to the company (Njanja & Maina, 2013). So reward management as a system design strategies in other to compensate the employees and retain them. According to (Emelianova, 2019) the reward system may vary in different organizations because of workforce personalities, backgrounds and preferences; hence, all reward systems have the same objectives to motivate employees for continuous improvement, personal development and professional growth. No matter the difference in organizations, the main purpose of all the reward systems is to motivate employees for continuous improvement and increase their performance which will help in achieving the objectives and goals of the organizations.

An efficient reward system should be flexible and contain both monetary and non-monetary rewards to meet the expectations of all employees (Yulia, 2019). Some employees' preference on reward is non-monetary reward which are also known as intrinsic reward such as promotion, recognition, increase of responsibilities. While others prefer monetary which is also known as extrinsic reward like bonus, salaries.

Promotion

Promotion is the occurrence of labor transferred from a higher position in wages, responsibilities and/or organizational level (Razak & Sarpan, 2018). It is an increase in position at the organization mostly based on hard work and a well done job. promotion is one of the best form of reward and it comes with better salary, higher responsibilities and job satisfaction. All employees wants to be promoted in the work place to get the advantages that comes with it. Promotion is one of the tools of reward that is used to increase employee performance in the organization. Increased performance brings about increased productivity in the organization. Promotion is a motivational tool that increases the eagerness and willingness of employees to act and gives an opportunity to perform better which encourages them to improve their competence (Gabriel & Duda, 2017). When an employee senses no feeling of advancement, they tend to resent the job therefore promotion helps organization to avoid such feeling in the mind of the employee. Promotion is helpful for companies as it improves the company's culture and working environment (Castelino, 2021). Moreover, there is need to promote employees on the basis of merit in order to motivate employees' performance and productivity (Gathungu & Iravo, 2015). This means that organization should promote employees that are doing well in the work place examples staff that are punctual and finish their assigned job on time by doing that it will motivate the employees and they will be increase in performance and productivity.

Recognition.

Employees not only want compensation but also need to be valued by their supervisors (Syed & khaliq, 2019). It will help increase employees' morale. Employee recognition does not focus on the amount of money and material, but it does recognize employees and their achievement and values in the workplace (Yang & Jiang, 2022). Recognition is a tool used in motivating employees in other to increase productivity and performance. Organizations recognize employees to keep their self- esteem high and keep them passionate (Durrab et al, 2019) employees that are well recognized are well motivated and they perform well. When effective recognition is provided in work place, favorable working environment is produced, which motivates employees to become committed their work and excel in their performance (Abena & kyeremeh, 2016). Recognition is an appreciation and acknowledgement of employees for what they have achieved and successes in the organization (Acharya, 2022). Also recognition signify gratitude and respect for employees to their successful performance in the organization (Acharya, 2022). When employees feel valued, they are more engaged, motivated, and likely to go the extra mile for their company (Wickham, 2021). Recognition makes employees feel valued and motivated which in return they increase performance in the organization.

Salary

Salary is a fixed periodical payment for non- manual employees usually expressed in annual terms, paid per month with generally no addition to productivity (Ojeleye, 2017). Also salary is defined as a fixed amount paid to employees at regular intervals for their performance and productivity in a day (Nurul et al, 2021). It is the main tool for the organization to reward to employee. According to (Ginbar, 2020) salary is a formal payment to the employees for his or her job activity in the organization. The amount paid to the employees are set by the management of the organization. Performance related pay directly impact workers performance creating the output through pay and workers are able to give more pay structure according to the performance (Nagaraju & J, 2017). Salary is very important for employee performance. Therefore, they are very important for the organization. Moreover, salary or wages has become very important that works as an effective tool in increasing employee performance (Nurul et al, 2021). He also added that allowances are not influenced by employee performance except for the salary. So salary is a very important mechanism used in other to motivate the employees and encourage them to perform well.

Employee Performance

Companies and organizations should focus on building employees positive performance, through providing employees with a group of tools and skills to meet out new realities and challenges (Tuffaha, 2020). Employee's performance is a combination of efficiency and effectiveness of employee's daily tasks to meet the expectations of the shareholder (Bataineh, 2017). In an organizational context of performance, employee performance is defined as the degree to which an organizational member contributes to achieving the goals of the organization (Nurul et al, 2021). Employee performance is vital to an organization as they play as a mechanism that contribute to the success of the organization. And rewarding the employees will help motivate them and help increase their performance. Moreover, most organizations can measure employee performance through the quantity of output, quality of output, timeliness of output and labor

productivity (Noorazem et al, 2021). Whatever the employee does or does not do will affect the reputation of the organization.

Every organization needs effective and productive employees whose job performance is at an optimal level to be able to achieve their organizational goals (Myint & War, 2020). The efficiency and effectiveness of the whole organization depends on employee individual efficiency and effectiveness in achieving individual task and duties. Also, according to (walter t. ngwa, 2019) employee performance is the successful completion of a task by an individual or individuals, as lay down and measured by a supervisor of the organization. This entails meeting the acceptable standards while utilizing available resources efficiently and effectively within a changing environment.

Theoretical Review

One of the earliest works which explains employee motivation was conducted by Maslow (1954) (Emelianova, 2019). When Abraham Maslow created his hierarchy of needs, he argued that humans are motivated by five essential needs: physiological, safety, social, self- esteem and self-actualization (also known as self fulfilment). The hierarchy was Maslow's way of making sense of what motivates people to do the things they do or behave the way they do (Thompson, 2017). The hierarchy of needs as follows:

Physiological need: basic issues of survival such as salary and stable employment.

Security needs: physical and emotional environment issues such as benefits, pension, safe work environment, and fair work practices.

Belongingness needs: social acceptance issues such as friendship or cooperation on the job.

Esteem needs: positive self- image and respect and also recognition issues such as job titles and nice work spaces.

Self-actualization needs: achievement issues such as workplace autonomy, challenging work, and subject matter expert status on the job.

Maslow's hierarchy of needs highlights the satisfaction of the highest level of the hierarchy as the ultimate goal (Brown, 2021). The level involves the need of self -actualization. Managers should help employees achieve self- actualization as a way of creating the highest level of motivation to drive the employees' performance further (Brown, 2021).

However, Maslow introduced the idea that our need constantly change: as one need is met then so we desire the level above (Thomson, 2021). Example the pay rise employees receive today would not motivate them for the next five years, the recognition award presented to the employees two years ago would not satisfy their current needs for appreciation, and training course they did three years ago would not satisfy their need to be learning new skills and knowledge now.

Furthermore, understanding the relevance of Maslow's hierarchy of needs and applying it in workplace, can help managers categorize employee needs to prioritize improvement actions towards creating an environment where employees feel their needs are fulfilled and they stay motivated to work (Sharma, 2021). Also, he stated that the higher level needs cannot be met unless the lower level needs are met. Maslow divided his five needs into lower-level needs that were physical and high level psychological needs (Markgraf, 2018).

Furthermore, an employee is not going to be motivated and improve performance unless the basic level of needs is fully satisfied. Maslow's hierarchy of needs broadly support the concept that reward and recognition (basic needs) and (self-esteem needs) of employees, if met, leads to satisfaction of the particular employee (Zeb et al, 2018). The theory states that needs at different level reflect reward and recognition. For example, physiological needs represent the tangible reward in the shape of salary and food while social needs are intangible reward which are encouragement, appreciation and positive feedback provided by managers or superiors. And also, an individual strives for recognition which will increase his/her self-esteem.

Empirical Review

A lot of studies have been conducted on reward management system and employee performance in the workplace. Here are some of the previous studies conducted by a lot of researchers. Berhan (2017) did his study to investigate whether reward system has an impact on performance of employees at national bank of Ethiopia. His multiple regression analysis showed there is a positive relationship between monetary and non- monetary rewards with the perceived employee performance in the bank. But his study lacked qualitatively analyzed results though he argued his study is based on mixed research approach.

Also, according to Ginbar (2020), in current highly competitive business environment, having well performing and inspired employees are the main success factor for any organization. The aim of his study was to examine reward management system on employee performance in the case of IE network solution plc. The study was conducted through a mixed research approach which are descriptive and explanatory research design. he administered a total of 80 questionnaires. 77 were returned. Therefore, the descriptive, correlation and multiple regression analysis were computed through SPSS version 23. The study recommended that the company should evaluate and redesign its reward system to be integrated with overall strategies of the company for enhanced performance of employees and productivity of the organization.

Similarly, a study was conducted by Asiyiqin, Sabri, and Nazir (2021) which purpose of the research is to investigate the effects of the reward system in an organization on employee performance. The variable tested in this study includes salary, bonuses, appreciation and medical benefits. This study used a quantitative approach where 132 sets of questionnaires were distributed to the employees selected using convenience sampling. Data were analyzed using SPSS software and other analyses were carried out such as correlations analysis and regression analysis. The results show that all variables have a significant impact on employees' performance. The results of this study can be used by the companies to improve its reward system and to ensure it could help in increasing the employees' performance and satisfaction.

Also, Okosi (2020) examined the study of effect of reward system on employee performance in sachet water companies in Anambra state. The objectives of this study were to assess the effect of wages and salaries on employee performance, to determine the effects of recognition on employee performance, to investigate how staff training and development affect employee performance. The population of the study consist of 525 employee of the selected sachet water companies in Anambra state. A sample size of 150 employees was drawn from the population using purposive sampling. which 139 copies of questionnaires were completed and returned showing 96% response rate. Research hypotheses were tested using Multiple Regression Analysis (MRA) which was carried

out with the aid of Statistical Package for Social Science (SPSS) version 23. Findings from the study revealed that wages and salaries have a significant impact on employee performance in the selected companies in Anambra state. The study results also showed that staff recognition have a positive effect on employee performance in the selected companies. Staff training and development showed a significant positive effect on employee performance. the study therefore, recommends that Employees should be trained according to the present content of the environment.

Furthermore, Manzoor, Wei and Asif (2021) did a study on the impact of intrinsic rewards on the performance of an employee. Data have been collected through the use of questionnaire from small and medium enterprises of Pakistan. A total of 400 questionnaires was distributed to the target population, and 300 were responded. To test the hypotheses, the confirmatory factor analysis and the structural equation modeling have been used. The results of the study have shown a positive impact of intrinsic rewards on employee performance. The study also revealed that the motivation of an employee significantly mediates the association between intrinsic rewards and the performance of the employee.

Additionally, Zaha, Nishatnaz, Vrushabh, Adarsh, Arit (2020), investigated a study of Impact of rewards system on employee motivation: A study of a manufacturing firm in Oman. The goal of the study is to depict the effect of reward and recognition on the overall productivity, performance, and motivation. The data collected for the research was through an exploratory research design wherein the questionnaires was distributed to a population of 30 respondents. and a stratified sampling technique was used. Both the qualitative and quantitative data were used while concluding the major finding. The study helped to uncover the fact that the employees did not just require improvement in reward systems but also recognition for their contribution of work which the firm gave less importance. Recognition can be provided with the help of basic rewards like employee of the month, employee of the week or employee of the year.

Moreover, another study by Chinelo (2017) investigated effects of employee reward and performance in selected small scale Industries in Anambra State, Nigeria. Primary data was collected using questionnaires. A sample of 280 respondents was selected from a population of 12,627 employees using stratified random sampling method. The study revealed that intrinsic rewards have positive but insignificant effect on workers' performance while extrinsic rewards have positive but insignificant influence on workers' performance too. However, intrinsic rewards have stronger relationship than extrinsic rewards. The study also found that performance of employees of the small scale businesses in Anambra State does not have significant effect on their job satisfaction.

Furthermore, a study conducted by Olusegun, Oluyemi, Olufunmilayo and Samuel (2017) examined the influence of reward on worker job performance using health sector as a reference. The study used descriptive survey research for the study. Primary data was collected using questionnaires. The influence of reward system on workers performance was analyzed using ordinary least square regression analysis method. The study revealed that there is a positive relationship between reward and worker performance.

Literature Gap

After reviewing all the empirical studies a lot of things have been addressed by the researchers especially on how reward management system has affect employee performance as it is practiced around the world. The quality of the reward management system has a lot of impact on the level of performance and motivation of the employee or staff. Also most employees perform less or reduce the level of their performance because of poor way of managing the reward system in the organization. However, the literature gap identified from the empirical studies is, the human resource management must make sure they have a good working reward system and consider the preference of the employees on the type of reward they prefer which motivates them more to increase their performance. By doing this the organization will gain more from the employees. A lot of employees tend to be less motivated because of the poor management of reward system. This study will bridge this gap. Therefore, this study aims to determine the impact of the reward management system on employee performance at NDIC Nigerian Deposit Insurance Corporation Abuja.

METHODOLOGY

To achieve the objective of the study and arranging conditions for collection and analysis of data the researcher used survey type of research design. In this study, the target population is all the employees at the Nigerian Deposit Insurance Corporation Abuja headquarters. The target population of the study consists of 2000 employees of NDIC. The NDIC Abuja head office is selected for the study because it has the largest numbers of staffs with experience compared to the zonal offices in Nigeria and also has a representation of all departments. In this study to obtain the sample size stratified sampling technique will be used. From the existing structure of the NDIC, comprising the head office and 8 zonal offices spread across Nigeria. The head office gives the true representation of the organization. The corporation is stratified into junior, senior and executive staff. The target population of the employees in the organization is 2000 so the study used Krejcie & Morgan formula which is $X^2 NP (1-P) / e^2 (N-1) + X^2 P (1-P)$.

X^2 = chi-square which is constant 3.841; e = margin of error; N= Population; P= proportion of population. At 95% confidence level.

$$3.841 * 2000 * 0.5 (1-0.5) / 0.05^2 * (2000-1) + 3.841 * 0.5 (1-0.5)$$

$$3.841 * 2000 * 0.5 * 0.5 / 0.0025 * 1999 + 3.841 * 0.5 * 0.5$$

$$1920.5 / 5.95$$

323 approximately.

The 323 comprises of males and females junior, senior, and executive staff were selected as sample size. For sampling technique, stratified sampling technique was used to determine the number of respondent. The source of data that will be used for this study is the primary source of data collection. The primary data will be gathered through using questionnaires which will be

gathered after the staff of NDIC have responded. The items generated on the questionnaire in line with the variables identified on the research questions and the hypothesis after the review of relevant concepts and other personal observations. The instrument has two sections. The first part sought the background information of the respondents. The second part has the items or statements constructed in line with the research questions and the hypothesis earlier stated.

The research questions and hypothesis formulated for the study guided the process of data analysis. The options selected (i.e strongly agree, agree, strongly disagree, and disagree) stated on the instrument will grade the frequencies and the means calculated. For the clarification of results four points likert scale ranging from strongly agree, agree, strongly disagree and disagree, spearman rank correlation analysis will use the level of relationship between two variables at 0.05 level of significance. The method of data analysis to be adopted for these study regression and correlation analysis. The reason why regression was used is to predict and explain a number of response between the variables and the reason why correlation analysis will be used is to get quick summary of the relationship between variables. Descriptive analysis will be used to measure the dependent and independent variable.

Model Specification

ECOM= f(RMS).....3.1

EP = α + β_1 P + β_2 R + β_3 S + e3.2

ECOM = Employee Commitment EP = Employee Performance; α = Intercept; P = promotion; R = Recognition; S = Salary; e= Error term.

DATA ANALYSIS AND DISCUSSIONS

Descriptive/Summary Statistics of the Variables

The measures of central tendencies (mean and standard deviation) were computed in this section to determine the nature of the distribution of the variables used in this study. The skewness and kurtosis of the variables were also computed to better understand the nature of their normality distribution.

Descriptive/Summary Statistics of the Variables

Variables	Mean	Std. Deviation	Skewness	Kurtosis
EMC	27.9690	.40066	-13.370	183.306
ROC	19.9752	.24798	-11.173	129.600
SAL	15.4025	1.09726	-1.687	1.667
PRO	19.9164	.70654	-8.811	78.226

Computed by the researcher using IBM SPSS version 20 (2024)

The table above shows summary statistics of the variables used in this study. There are four

variables used in the study which include, Employee Commitment (EMC) which serves as proxy for performance, Recognition (ROC), Salary (SAL), and Promotion (PRO). From the results above, employee commitment (EMC) mean value of 27.96 with a standard deviation of 0.40, meanwhile, recognition (ROC) has a mean of 19.9 and a standard deviation of 0.24 as salary (SAL) has mean of 15.4 and a standard deviation of 1.09. Likewise, promotion (PRO) has a mean and standard deviation of 19.9 and 0.70 respectively. In relation to the normality of the variables, the distribution is normal if the values of skewness and kurtosis are close to zero. A positive skewness value indicates positive (right) skew; a negative value indicates negative (left) skew. The higher the absolute value the greater the skewness. Similarly, a positive kurtosis value indicates that the variables are flatter to the left as compared to the normal distribution and they are of a leptokurtic distribution, while a negative kurtosis indicates that the variables are flatter to the right as compared to the normal distribution and they are of a platykurtic distribution. The higher the absolute value the greater the kurtosis. From the table above, the skewness values of the variables ranges from -1.687 to -13.370, thus indicating that the data is approximately symmetric and all the variables are negatively skewed. In respect of kurtosis, the values fall within positively skewed and which are far from zero, hence indicating that the data is approximately symmetric and the variables have a leptokurtic distribution.

Inferential Analysis

The inferential analysis here constitutes the estimations analysis which are Correlations and multiple regression analysis. The variables that will be used in the study are Employee commitment (EMC) which serves as proxy for performance which is the depended variables, Recognition (ROC), Salary (SAL), and Promotion (PRO) are the independent variables.

Correlation Analysis

The study used the correlation matrix to analyze the relationship between the dependent variables and the independent variables

Correlation Matrix

Variable	EMC	ROC	SAL	PRO
EMC	1			
ROC	.705**	1		
SAL	.147**	.131*	1	
PRO	.630**	.891**	.147**	1

Correlation is *** Statistical significance at the 1 per cent levels, **Statistical significance at the 5 per cent levels. *Statistical significance at the 10 per cent levels (2-tailed). Computed by the researcher using IBM SPSS version 20(2024)

The table above shows the spearman rank correlation matrix of the variables used for the study. The correlation matrix shows the extent of relationship between the dependent variable and the independent variables. From the results above, EMC has a positive relationship with ROC at 70.5% and the relationship is significant at 5% level of significance, while SAL have a positive

relationship with EMC at 14.7% and the relationship is significant at 5% level of significance. Also, the relationship between PRO and EMC is highly significant at 5% and they have a positive relationship at 63%. Because the correlation was positive in all the dimensions of reward system, implies that reward systems and employee performance is positively related, which means the better reward system has a high relationship with employee commitment.

Multiple Regression Analysis

The table below shows the regression result of the variables used for the study. The OLS multiple regression technique was used to test the impact between the independent variables and the dependent used for the study. An econometric model was designed to investigate the effects on the dependent variable, as the expected direction and amount of change in the criterion for a 1-unit increase of independent variable; while all the other variables held constant. Probability test of significance (p-value) of the parameters are employed in the research to verify the statistical significance of the estimates. All computations were done at 5 percent (5%) level of significance. If the probability (p-value) is less than or equal to 0.05 ($p\text{-value} \leq 0.05$) the null hypothesis will be rejected and alternate hypothesis will be accepted, given that the estimates are statistically significance. However, if the p-values is greater than 0.05 ($p\text{-value} > 0.05$) the null hypothesis will be accepted and the alternate hypothesis will be rejected, certain that the estimates are not statistically significance.

Multiple Regression Table

Variables	Coefficients	SE	t-values	P-Values
ROC	.674	.081	8.361	.000
SAL	.025	.014	1.781	.076
PRO	.218	.028	7.651	.000
Constant	9.787			
R ²	.554			
Adj R ²	.549			
F-statistics	131.913			
F-probability	0.000			
Durbin-Watson	1.228			

The asterisks ** indicate significance at 5%. The figures in parenthesis () are standard errors. Source: Computed by the researcher using IBM SPSS version 20 (2024)

The table above shows an R-Square value is 0.554 while the Adjusted R-Square is 0.549. This implies that the model explains about 55% of the total variation in commitment (dependent variable) as explained by the independent variables. F-Statistics of the model measures the overall significance of the regression model. It shows if the model as a robust and fit. The null hypothesis explained that the model is statistically insignificant if P-value is greater than 0.05. From the table above, the P-value is 0.000 which is less than 0.05, which implies that at 5% level of significance we thereby reject Ho and conclude that the model has a fit and robust and it is statistically significant, that means there exist a true relationship between the independent variables and the dependent variables. The table above also shows the coefficient of independent

variables provided with the t-statistics values as well as the probability values to ascertain the level and significant of the impact of the independent variables on the dependent variable.

Recognition (ROC): The sign of the coefficient of ROC is positive and statistically significant. The value of the coefficient of 0.674 implies that on an average a one percent (1%) increase in ROC will lead to a 67.4% increase in employee commitment (EMC) to work when all variables are held constant. This implies that the higher the recognition of committed employee will increase their commitment to work.

Salary (SAL): The sign of the coefficient of SAL is positive and statistically insignificant at 5% but significant at 10%. The value of the coefficient of 0.025 implies that on an average a one percent (1%) increase in employee salary will lead to a 2.5% increase in employee commitment (EMC) to work when all variables are held constant. This implies that the higher the salary of the employees they are more likely to be more committed to their work.

Promotion (PRO): The sign of the coefficient of PRO is positive and statistically significant. The value of the coefficient of 0.218 implies that on an average a one percent (1%) increase in employee promotion will lead to a 21.8% increase in employee commitment (EMC) when all variables are held constant. This implies that when employees are promoted to the higher ranks at work place, they are more likely to be committed to their work.

DISCUSSIONS OF MAJOR FINDINGS

This research has several implications based on the descriptive statistic as well as the inferential statistics. The main revelation of the study was that reward system improves employees' commitment in NDIC. The discussions of the findings are based on the objectives of the study.

Promotion on Employee Commitment

The results show that promotion has a positive and statistically significant impact on employee performance. This implies that when employees are promoted to the higher ranks at work place they are more likely to be committed to their work. The results conform to the apriori expectation as whenever hard working staffs are being promoted they are going to show more commitment to their work. As Gathungu, et al, (2015) indicated that there is need to promote employees on the basis of merit in order to motivate employees' performance and productivity. The findings of this study is in line with the finding of Castelino, (2021) who posit that promotion is helpful for companies as it improves the company's culture and working environment. Likewise, Akter, Mutsuddi, and Momotaj (2020) concluded that revealed how employees responded to the reward systems. It concluded that reward system have a significant effect on employees attitudes toward work.

Salary on Employee Commitment

The results show that salary is positive but statistically insignificant. This implies that the higher the salary of the employees they are more likely to be more committed to their work. However, the insignificant level may indicate that the staff salary increment in NDIC wouldn't change the commitment of the staff as they are government staff with a well recognizable salary structure. As (Ginbar, 2020) pointed out that performance related pay directly impact workers performance

creating the output through pay and workers are able to give more pay structure according to the performance. (Noorazem & Sabri, 2021) argued that Salary is very important for employee performance. Therefore, they are very important for the organization. Moreover, salary or wages has become very important that works as an effective tool in increasing employee performance (nurul et al, 2021). They further added that allowances are not influenced by employee performance except for the salary. So salary is a very important mechanism used in other to motivate the employees and encourage them to perform well. This finding is inline with the study of Akter, Mutsuddi, and Momotaj (2020) who revealed how employees responded to the reward systems. It concluded that reward system have a significant effect on employees attitudes toward work. The study suggested improving the reward system of organizations to increase employee satisfaction. Also, (Adekunle et al, 2017) revealed that there is a positive relationship between reward and worker performance.

Recognition on Employee Commitment

The result shows that recognition has a positive and statistically significant impact on employee commitment to work. This implies that the higher the recognition of committed employee will increase their commitment to work. This result conforms to the apriori expectation as recognition of hard-working employee is meant to increase their work commitment. As posited by syed (2019) employees not only want compensation but also need to be valued by their supervisors. It will help increase employees' morale. Employee recognition does not focus on the amount of money and material, but it does recognize employees and their achievement and values in the workplace (syed, 2019). Also, Durrab et al, (2019) pointed out that employees that are well recognized are well motivated and they perform well. When effective recognition is provided in work place, favorable working environment is produced, which motivates employees to become committed their work and excel in their performance (Kyeremeh, et al, 2016). This findings is inline with the study of, Okosi (2020) who examined the effect of wages and salaries on employee performance, to determine the effects of recognition on employee performance and concluded that staff recognition have a positive effect on employee performance in the selected companies.

CONCLUSION AND RECOMMENDATIONS

The study was aimed to determine the Impact reward management system and employee performance in Nigerian deposit insurance corporation (NDIC) Abuja. The study was able to establish the facts that promotion and recognition have a significant effect on employee commitment. This may be because majority of the respondents prefer promotion and recognition policies of the NDIC. However, the salary despite being positive, it is statistically insignificant. This implies that the salary package of the respondents is good but doesn't implies that it will increase employee commitment. Hence, it will be concluded that organizations and managers should consistently recognize and reward their committed and hardworking employees irrespective of the type and size of the organization they work in. Hence, even in highly paid organization, the reward and recognition is very important in ensuring employees commitment. Also, the study concluded that recognition has a positive and statistically significant impact on employee commitment to work. This implies that the higher the recognition of committed employee will increase their commitment to work. This results conforms to the apriori

expectation as recognition of hard working employee is meant to increase their work commitment. Based on the findings of this research work, it is necessary to provide a set of policy recommendations that would be applicable to the bank managers and government.

The study concluded that promotion has a positive and statistically significant impact on employee performance. Hence, the study recommends that promotion of hard working and committed staff should be accelerated. The acceleration should be done according to merits and support of top management of NDIC to encourage hard working staff which will improve employee performances. Although salary is positive but statistically insignificant, the study recommends that staff salary should be reviewed occupationally to reflect current market realities and adjustment should be made to improve salary scale whenever the market realities doesn't favour the salary of the staff. A well improved salary will enable employees to be more committed to work and hence improve staff performance. Also, recognition has a positive and statistically significant impact on employee commitment to work. Hence, the study recommends NDIC management should recognize their hard working staff using techniques like "staff of the month" gifts and prizes. Some extra financial incentives can be used to recognize hard working staff in NDIC. Hence, these will encourage staff to be more committed to their work and hence improves employee performance.

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