
Impact of Non-Financial Rewards on Employee Motivation in Tertiary Institutions in Bayelsa State

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Abstract

Tertiary Institutions in the public sector are suffering from a series of industrial actions in the last few decades. Perhaps this is a result of some untold stories relating to lack of motivation due to the government and management of institutions not responding to some very important Human Resource practices such as motivating employees through non-financial rewards. The study explored the impact of non-financial rewards on employee motivation in tertiary institutions. The independent variable, non-financial rewards and its dimensions (promotion, recognition, job security, decision-making, and career opportunities) the dependent variable, employee motivation and its measures (intrinsic and extrinsic motivation) were looked at. The purpose of the study was to find out the impact of non-financial rewards on employee motivation in tertiary institutions in Bayelsa state. Findings in the study show that non-financial rewards have a significant impact on employee motivation. However, government and management do not have the willpower to motivate their employees. This has resulted in continuous agitations in the educational sub-sector. The study recommended that the government and management of tertiary institutions should take non-financial rewards seriously to motivate employees because it is more honoured and appreciated in addition to pay rewards.

Keywords: Rewards, Recognition, Promotion, Employee Motivation, Tertiary Institution.

Introduction

Tertiary institutions are educational organizations that need employees as part of the human resource required to provide services. These services are critical for the success and growth of the educational system. The purpose of education is service-oriented in the public sector and is non-profit motive. However, there is a need for tertiary institution employees to provide the needed services to bring about the wage production of quality products for tertiary institutions. The employees serve as the human resource and are critical to the survival, performance, growth, and sustenance of tertiary education to achieve the institution's goal. Therefore, the role of human resources cannot be overemphasized.

But the major concern is that these institutions cannot survive, perform and achieve growth without satisfying, motivating, and encouraging the workforce. In most cases, this may have been part of the causes of several challenges that have brought about the conflict in the tertiary institutions resulting in strikes.

As organizations grow, there are changes in technology and other aspects that affect operations. In tertiary institutions, various changes have occurred in every aspect due to globalization. So, the nature of the employee and their expectations from the way they do their work is also changing. Employees may leave public institutions for private institutions and vice versa because they are not motivated enough. However, some employees may not be willing to leave public institutions for private institutions because they enjoy some benefits either financial or non-financial. On the other hand, while some employees of the institution prefer financial rewards others are interested in non-financial rewards as great motivators.

Employee or staff motivation has become a serious issue of concern in organizations and tertiary institutions in Bayelsa state are not exempted. Yousaf, Latif, Aslam and Saddiqui (2014) posited that motivation is a goal-oriented behavior so when employee desires or expectations are aligned with the organizational goals, they are motivated to give their best.

Several studies by Yousaf et al (2019); Uzair and Mehmood (2021) and Swathi (2022) have found that monetary or non-monetary rewards for employees have contributed to employees' motivation. Since a motivated workforce can drive success and performance in an organization, do non-financial rewards have any impact on the motivation of employees in the public sector? This inquisitive position has further required the researcher to examine the impact of non-financial rewards on employee motivation in public tertiary institutions in Bayelsa state.

Literature Review

Non-Financial Rewards

Non-financial or non-monetary rewards can be called intrinsic rewards. Luthans (2000) as cited in Uzair and Mehmood (2021) posited that non-financial rewards are a kind of reward given to an employee in addition to their salary which motivates the employee to achieve a task. Boateng-and Akafo (2015) also said that non-financial rewards influence behaviours among employees which are viewed as beneficial to encourage performance and as such motivates. The influence on the behaviours of employees by employers is to encourage organizational effectiveness and efficiency.

In addition, in a study conducted by Kumar, Hossain and Nasrin (2019) it was revealed that non-financial rewards have a significant impact on employee motivation. Uzair and

Mehmood (2021) identified components of non-financial rewards as recognition, promotion, career opportunity, decision-making, and responsibility. Also, Kumar, Hossain and Nasrin (2015) listed some non-financial rewards factors as ability utilization, career advancement, creativity, and independence in work, recognition for performance, security of service, effective communication channels, and working environment. Ndung'u and Kwasira (2016) mentioned employee involvement, job security, supervisor support, promotion, and career development as non-financial reward factors.

Though most of the studies were done in banks, manufacturing companies, and other sectors outside Nigeria. In this study, the researchers chose to discuss the dimensions of the independent variable, non-financial rewards (recognition, promotion, decision-making, career opportunity, and job security) in public tertiary institutions in Bayelsa State.

Recognition

Aruna (2018) defined recognition as the assessment of a worker's input, in terms of the work process that influences motivation. Swathi (2022) averred that recognition involves evaluating and acknowledging the outcome of employees' jobs and continuously influencing employee motivation in achieving personal and organizational goals. Lawler (2003) as cited in Akafo and Boateng (2015) revealed that recognition rewards play an important role in motivating employees in improving their performance. Yousaf et al (2014) indicated that employees expect recognition which motivates them by aligning their expectations with organizational goals. Boateng and Akafo (2015) reward recognition is the prime factor that impacts employee motivation.

According to Zingheim and Schuster (2000) as cited in Uzair and Mehmood (2021) recognition improves the employees' interaction, as well as increases productivity and fidelity to the organization which increases retention. Bari et al. (2018) in a study revealed that recognition impacts a positive attitude and performance of an employee in the workplace. Recognition is the return on an individual's effort, commitment to work, and results (Aruna, 2018). Baskar and Prakash (2014) in their study alluded that employee recognition is the conclusion of an employee's contribution, to the work process that exhibits dedication, and commitment through motivation. Sai (2022) also posited that the kind of respect commanded and the degree of acknowledgment gotten from the accomplishment of a particular goal play a vital role in the work process and inculcate healthy grounds of self-worth and self-esteem.

Promotion

Roszyk-Kowalska and Duda (2017) as cited in Castelino (2021) defines promotion as moving a person from one level to a higher level in the organization's hierarchy. The importance of this movement as a motivational tool increases the propensity to do more. Also, the willingness of employees and the opportunity to perform better encourage the employee to improve his/her competence (Castelino, 2021). Motivation specifies motives and researchers in their study revealed that employees are comfortable with promotion and achievements (Analouis 2000) in Swathi (2022). Yang (2011); Uzair and Mehmood (2021) investigated the motivation of Chinese workers in the workplace. The results show that all intrinsic rewards such as promotions can motivate employees. Munir, Lodhi and Khan (2016) also said that non-financial rewards fulfill an employee's intrinsic motivators. Again, employees are motivated more when they are given challenging tasks and get involved in the decision-making process or are promoted to a higher rank in the hierarchy.

Uzair and Mehmood (2021) further emphasized that for organizations to motivate employees in the workplace, they must give power in the form of promotions. Promotion means an increase in position, and the acceptance of greater power and responsibility other than previous powers and responsibilities (Manullang, 2010) as cited in Setyawati et al (2022). It sometimes comes with a higher level of hierarchy and recognition. Castelino (2021) concluded that promotion is an advancement of an employee position within the organization.

Career Opportunity

Pillay, Dawood and Karodia (2015) defined career development as a process through which an employee seeks to progress and upgrade their knowledge through experiences in the organization. According to Mangkunegara (2012) as cited in Setyawati et al (2022) career development and advancement is a personal improvement that is sought by an employee to achieve a personal career plan and goal within an organization. Yousaf et al, (2014) said that career development opportunity motivates employees by aligning their expectations with organizational goals.

Kumar et al (2015) in their study posited that promotion and growth in the organization opportunity are the most vital components of career development which brings about employee motivation. Manzoor, Wei and Asif (2021) in their study identified that career opportunities are vital tools for employee motivation and that it is a good work atmosphere that gives intrinsic compensation that most organizations provide to motivate their employees (Uzair and Mehmood, 2021). Conclusively, career advancement as a non-financial reward system is a source of motivation in the workplace (Pillay, 2015).

Decision-Making

Blaskova, Bizik and Jank (2015) described decision-making as a systematic process of requiring situations, conditions, restrictions, considering criteria, and non-compromising resolve toward positive and negative situations which enhances obstacles of every potential choice outcome with an acceptable solution while determining the 'best' methods of achieving the 'best' solution. Pohanková (2010) in his view asserted that motivated workers more easily accept planned changes when they are involved because they are more aware of improvement proposals. Asokk, Gudda, Bhati and Vanishree, (2021) averred that future-oriented organizations should not leave the crucial decisions which impact their employees in the management alone but trust them and involve them to take part in all aspects of decision-making.

On the other hand, Pohanková (2010) averred that involvement in decision-making and motivation are mutually influencing. It is a systematic process that affects the outer and inner motivation of the decision-maker. He further opined that intrinsic or extrinsic motivation also has an impact on the final words of the decision and vice versa. Therefore, employees who are allowed to be involved in decision-making are likely to be motivated. When deciding on some issues with the critical thinking process, the factors considered are extraordinarily vital, particularly in the situation of systematic motivating.

Job security

Aishwarya, (2021) defined job security as the state of having a job secured or the probability of an employee having his or her current job safe. According to Kumar (2019), job security is the probability of a worker keeping his/her work. The higher the probability of keeping a job, the higher job security is expected. Aishwarya (2021) said that the absence of job security

causes various other issues like low commitment and morale on the part of the employee towards work. In a study conducted by Probst and Brubaker (2001) cited in Senol (2011) it was revealed that the motivation of employees is lowered when they perceive job insecurity. This further changes their attitudes and disposition towards work by not obeying the rules and regulations which leads to an increase in job accidents. Senol (2011) conclusively alluded that job security is one of the most influential ways of motivating employees during an economic meltdown.

Employee Motivation

The concept of motivation in human resource management is very vital in organizations. Novita, Dewi and Muhammad (2022) described motivation as a tool used by superiors for employees to work together well and intelligently according to what is expected. Motivation is an urge that drives employees cause its activity to achieve the goals of the organization (Novitayanti, Doddy and Nasution, (2020). 2020). Motivation is a set of attitudes and values that encourage an employee to achieve specific goals of an individual's goals (Rukhyati, 2018) (Novita, et al, 2022). The concept of motivation is described as a force that makes an employee achieve organizational and personal goals in the workplace (Uzair and Mehmood, 2021).

According to Swathi (2022), motivation is the desire for growth needs that drives the mind and directs the employees to a desired level of behaviour or outcome. Smith, Joubert and Karodia (2015) averred that motivation is the driving force that makes an individual act, perform or do something without coercion. Employee motivation is defined as the wants and needs of an employee that propels that person to work harder without any compulsion to accomplish a goal (Noor, Nayaz, Solanki, Manoj and Sharma, 2020). Mohamed (2015) in Ndung'u and Kwasira (2016) advised that management should not ignore some important factors such as employee involvement, job security, supervisor support, promotion, and career development because they greatly contribute to employee motivation. Career rewards were fundamental in ensuring motivation among employees (Ndung'u and Kwasira, 2016). Therefore, employee motivation is the push an employee feels to be more creative, tactic, and efficient in achieving personal or organizational objectives.

Conversely, a dissatisfied employee is not motivated and the effect may be noticed through negative behaviours such as absenteeism and lateness which relates to non-performance in the organization. Vandika, Harsono and Setyadi (2020) in their study advised that to maintain employee motivation, organizations need to pay attention to such factors as promotion, incentives, recognition, etc that affect motivation. Kumar, Hossain and Nasrin (2015) averred that personal characteristics and the workplace environment affect employee motivation. This assertion was supported by Deckers (2010) as cited in Smith, et al (2015) that motivation is categorized into intrinsic and extrinsic characteristics.

Intrinsic motivation

A study by Ryan and Deci (2000); Story et al. (2008) defined intrinsic motivation as the performing of an activity for its innate satisfaction or pleasure. Again, Ryan and Deci (2000); London (2009) as cited in Sigah (2016) revealed that intrinsic motivation makes an employee gives a high degree to be motivated and perform an activity well. Intrinsic motivation is the feeling in the mind of the employee to do the extra work with pleasure.

Extrinsic motivation

Extrinsic motivation as defined by London (2009) as cited in, Sigah (2016) is doing an activity because it leads to a different outcome which may be an earned reward from performing a task rather than feeling innate. According to Cooper and Jayatilaka, (2006) cited in Sigah (2016) extrinsic motivators are focused on doing a job to earn a prize. Again, Reena and Bonjour (2010) described extrinsic motivation as a force that induces an employee to do a job-related activity when there is no interest and does not get pleasure from working or completing that task. In addition, they identified some characteristics of extrinsic motivation as a means that paves the way for employees to set goals, releases stress and is not sustainable.

Conclusion

Employee motivation is a major driver in every organization. The tertiary institution is not an exception. The study critically examined the impact of non-financial rewards on employee motivation in tertiary institutions in Bayelsa State. The study explored the independent variable which is non-financial rewards and their dimensions (promotion, recognition, job security, decision-making, and promotion), and dependent variables and measures (intrinsic and extrinsic motivation) as well as a few motivational theories relating to the workplace.

In addition, Pillay (2015) said that career advancement leads to an individual employee's values and motivations. Also, Smith, Joubert and Karodia (2015); Swathi (2022) revealed that recognition has a significant impact on employee motivation. Ndung'u (2016) posited that career development opportunities and rewards are very important in enhancing employee motivation. According to Uzair (2021), all non-monetary benefits are powerful forecasters of employee motivation. Blaskova et al (2015) averred that employees value rewards as a motivator, and would redouble their efforts to get rewards.

The study affirmed that employee motivation is a key factor for organizations such as tertiary institutions to have a strong workforce and achieve retention for optimal performance and productivity. This is evident in the incessant industrial action in public higher institutions. When staff is promoted, implementation lingers for a long time until it triggers industrial action before the implementation. Rather, the employees have resorted to "helping themselves."

The government and management of institutions believe more in their decision and impose them on the worker. This situation causes strain in the system which is sometimes resisted by the industrial unions. Job security has been observed at a low ebb. The experience is that a worker who has served for a decade may be fired by successive governments and administrations with the excuse that they were not properly hired. Career opportunities and advancement in higher institutions are encouraged in tertiary institutions.

Recommendation

Generally, non-financial reward impacts greatly on motivation Therefore, the study realized that non-financial rewards are essential factors for employee motivation. This finding supports earlier studies finding that non-financial rewards influence employee motivation. In line with the finding in this study, the researcher has put forward the following recommendations to the Government and Management of public tertiary institutions.

1. Proper attention should be given to the area of employee promotion and recognition as a reward system to motivate workers.
2. Efforts should be geared towards proper recruitment processes in order to achieve job security for greater performance and productivity.
3. Management should motivate their employees more so that they can attract tremendous growth and compete favourably with international tertiary institutions in the ranking objective.
4. More opportunities and enabling environments should be created to enable employees involved in the decision-making process.
5. Government and management of tertiary institutions should be sincere in their policies and communicate with employees for organizational goals.
6. Management and government should identify the needs of employees and be proactive to motivate them.

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