MONETARY INCENTIVES AND WORKERS' PERFORMANCE: A STUDY OF CROWN FLOUR MILLS, CHIKUN LOCAL GOVERNMENT KADUNA STATE

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ABSTRACT

Monetary incentives is a powerful determinant of employee's performance, which in turn, lead to higher level of firm performance. This paper examined monetary incentives and relationship with workers' performance in Crown Flour Mills in Kaduna State. The study adopted a survey research design. The population of the study was 678, and a sample size of 251 was arrived using Taro Yamane formulae. The instrument for data collection was a close-ended structured questionnaire. Pearson product moment correlation was used to test the hypothesis. The result showed that there is a significant relationship between monetary incentives and workers performance. The study therefore recommend among others, that management should identify the main monetary incentive motivate employees. This should also be based on individual differences and needs.

Keywords: Incentive policy, monetary incentives, workers' performance, salary and wages, special benefits

INTRODUCTION

Organizations are created to pursue predefined visions and stated objectives. The attainment of set objectives however rests on effective and efficient performance of roles and tasks. Thus, organizations institute reward systems to spur workers to perform optimally. The management of reward systems is a critical concern to firms, since astute management of this all-important function determine employee productivity and performance differential for organization. Okochi and Ateke (2021) affirms that "human elements" constitute strategic resource that determine efficient effectiveness that drive organizational success.

Payne and Webber (2006, as cited in Ateke & Nwulu, 2018) suggest that investment in employees is essential to organizational improvement and resilience. Employees constitute the most potent tool a firm can utilize to deliver customer satisfaction and navigate the unstable and highly disruptive business environment. Achieving improved organizational performance and resilience is possible, if the firm has the right set of talents, and develops and rewards them adequately, for their job performance (Ateke & Nwulu, 2018).

Reward management is concerned with the strategies, policies and processes required to ensure that the value of people and the contribution they make to achieving organizational goals is recognized and rewarded. It is about the design, implementation and maintenance of reward systems that aim to satisfy the needs of both the organization and its stakeholders and to operate fairly, equitable and consistently. Reward management is not just about pay and employee benefits. It is equally concerned with non-financial rewards such as recognition, learning and development opportunities and increased job responsibility.

Organizational performance is a complex phenomenon that is mostly driven by ability and motivation of employees. A major problem facing employers in public and private sectors is how to motivate employees in order to improve performance. Economics is largely based on the assumption that monetary incentives improve performance (Igbaekemem, 2014). Employees have motives and inner desires that are expressed in the form of actions and efforts towards job roles. Employee motivation is the level of energy, commitment, and creativity that workers apply to their job (Ebrurajolo, 2004). The most important thing for an organization is the devotion and loyalty of its employees; and this is elicited if employees are better rewarded. Rewards overcome dissatisfaction and increase employee performance (Mehta, 2014).

Incentivizing employees to spur them to optimum performance is an ongoing challenge; and is associated with several thorns. Much as monetary incentives is perceived to drive workers' performance, determining the correct combination of monetary and non-monetary incentives is a perennial headache for managers in various business organizations. This is because poor incentive packages negatively affect employees' commitment and productivity, as employees will be unwilling to put in their best performance if they feel that their contributions are not well recognized and rewarded. Also, management may lack the necessary skills required to formulate "a good monetary incentive policy."

The success and survival of organizations are determined by how workers are remunerated and rewarded (Lawler, 2003). Reward systems and motivating incentives determine level of employees' commitment and attitude to work. Kreitner and Kinicki (2007) states that incentives are financial and non-financial rewards given to workers for good job performance. However, for any organization to achieve its objective in any competitive society, employers of labour must have a thorough understanding of what drives employees to perform efficiently, and reward them accordingly.

There has always been a need for organizations to develop reward systems that motivate staff. This need is however, becoming more pronounced in recent times, due to varied social, economic and demographic changes in today's work environment. This study, therefore, attempts to examine the effect of monetary incentives on workers' performance in Crown Flour Mills Limited, a manufacturing company in Chikun Local Government Area of Kaduna State. The specific objective of the study is to examine the effect of monetary incentives (salary/ wages, special benefits, bonuses and commission) on worker's performance.

REVIEW OF RELATED LITERATURE

Theoretical Framework

This study is anchored on Herzberg's two-factor theory and Vroom expectancy theory. Although there are many competing theories of motivation, these theories explain behaviour of individuals in specific situation better. Reviewing these theories of motivation facilitates our understanding of how monetary motivates employees to perform in organizational setting.

Herzberg two factor theory of motivation is one of the widely discussed need-based theories of motivation. Herzberg's two-factor theory is the aftermath of landmark study of 203 accountants and engineers interviewed to determine factors responsible for job satisfaction and dissatisfaction. According to Werner and Desimone (2006), Herzberg claimed that people have two basic sets of needs, one focusing on survival and another focusing on personal growth.

Herzberg contends that factors in the workplace that satisfy survival needs or hygiene factors, cannot provide job satisfaction but only prevent dissatisfaction. These hygiene factors are pay and security, working conditions, interpersonal relationship, company policy and supervisor. The personal growth factors considered as motivators are achievement, recognition, the work itself, responsibility, advancement and growth. Herzberg argued that motivator factors create feelings of job satisfaction but their absence will not necessarily lead to job dissatisfaction.

Herzberg's two-factor model implies that management must not only provide hygiene factors to avoid dissatisfaction but must also provide motivators (intrinsic factors) for the job itself to have motivating potential. Their motivation-hygiene theory constitutes a good framework for the validity of the argument that non-monetary incentives can be as effective as monetary incentives in the motivation of personnel.

Expectancy theory on the other hand was first proposed by Victor Vroom who asserts that motivation is a conscious choice process (Werner & Desimone, 2006). According to this theory, people choose to put their effort into activities that they believe they can perform and that will produce desired outcomes. Expectancy theory argues that decisions about which activities to engage in are based on the combination of three sets of beliefs: expectancy, instrumentality, and valence. Expectancy is concerned with perceived relationship between the amount of effort required in and the resulting outcome.

Instrumentality refers to the extent to which the outcomes, if noticed, result in a particular consequence. Valence means the extent to which individuals value a particular consequence. The implications of their theory is that if employees believe that no matter how hard they work, they will never reach the necessary level of performance, then their motivation will probably be low in respect of expectancy. As regards instrumentality, employees will be motivated only if their behaviors results in specific consequences. If they work extra hour, they expect to be incentivized while for valence, if employees are rewarded, the incentives must be something they value.

Concept of Monetary Incentives

Monetary incentives are financial benefits used by employers to motivate employees towards meeting their targets. It is a reward given to employees as a result of good performance. It could be job-based pay or person-based pay. Job-based pay provides pay related to the value of the job done by an employee, while person-based pay provides rewards that recognizes individuals' contributions, competences or skills. There is rising need for organizations to develop incentive systems that motivate staff to work effectively and efficiently. Effective incentive systems funnel employees' efforts towards the achievement of organizational goals (Mujtaba et al., 2010).

It is believed that prospects of incentive payment "triggers" desired behaviours in employees. Whereas there have been a number of interventions to ensure enhanced organizational performance, such as improved reward management systems, improved communication systems, capacity building programmes, among others, these have had meticulous success in other settings like in manufacturing (Ong & Teh, 2012; Niki et al., 2012). Incentives should be aligned with behaviours that help achieve organizational goals. Incentives may be individual or group-based. Further, monetary rewards in and of themselves are often valued as a symbol of one's social status and acknowledgment of one's personal accomplishment (Trank et al., 2002). In sum, monetary rewards improve employees' motivation and performance because they satisfy a wide range of low- and high-level needs (Long & Shields, 2010).

When creating reward programmes to motivate employees, decision makers need to understand that incentive neither guarantees quality output nor loyalty but just a bonus that encourages workers to meet their goals without compromising on quality. Guerrero et al. (2007) identified piece Rates, pay raise, bonuses, profit sharing, contests, pay and allowances, co-partnership/stock option, retirement benefits and fringe benefits as common examples of monetary incentives.

Piece rates are mostly used in manufacturing firms where employees are given a certain amount of money on each produced piece. Piece rates motivate employees to work harder and quickly to produce more pieces as each has a monetary incentive attached to it. However, when issuing piece rates, production supervisors must ensure that quality is not compromised. Pay raise is mostly offered to employees who have worked in a company for a considerably longer period of time. Some companies also give pay raises to employees who have reached a certain level of production or those who have completed required training programmes. Some offer annual salary increment to loyal workers.

Bonuses are incentives given to employees who have met their quotas or teams that have completed their projects in time or have surpassed their production targets. Some companies give yearly bonuses to long-serving employees as a way of rewarding loyalty. Bonuses as incentives are given over and above the salary or wages of employees. Profit sharing is a monetary incentive, where a small profit portion is shared with employees based on their position, duration in the company and input in attaining overall goals. Profit sharing is preferred by most companies since it gives employees a sense of ownership. It refers to providing a share to employees in the profits of the organization.

Contests are mostly offered to sales and production personnel. An additional prize or bonus is given to the employee or to a team with the highest production level. Pay is the basic monetary incentive for every employee. However, besides basic salary, allowances may be given to employees for performing given task or undertaking certain actions. It consists of continuous increment in the pay every year and increases in allowances from time to time.

Co-partnership/stock option is an incentive scheme under which employees are offered shares at a price that is lower than the market price. This practice helps in creating a feeling of ownership among employees and motivates them to give their maximum contribution towards organizational growth. Retirement benefits are benefits, such as provident fund, pension and gratuity, act as an incentive to an employee when they are in service in the organization; while fringe benefits are such incentives as car allowance, housing, medical aid, education to the children etc. provided by companies over and above the salary, also motivate employees.

Concept of Workers' Performance

Employee performance has been defined from different standpoints. Shields (2016, as cited in Okochi & Ateke, 2020) view it as the degree to which employees execute their duties and responsibilities. Cardy and Leonard (2004) conceive employee performance as outcomes, results and accomplishments emanating from an employees' skills and efforts. Employee performance stem from to collective efforts and behaviours of employees that are essential to organizational goals (Lepak et al., 2007).

Aswathappa (2007) defined job performance as the overall expected value from employees' behaviours carried out over the course of a set period of time. This definition although fairly technical, suggests that performance is a product of behavior or plainly stated, what people do at work; and that employees' behaviour adds expected value to the organization, that is, an employee's behaviours may be distinguished as helping or hindering an organization, but the outcomes of employee behaviours are rarely measured so their value is merely expected (Ojeleye & Okoro, 2016).

Employee performance is anchored on ability and motivation (Okochi & Ateke, 2020). Cummings and Schwab (1973, as cited in Okochi & Ateke, 2020) assert that employee performance is a direct consequence of motivation and ability to perform. They maintained that employees cannot post successful performance where there is a deficit in motivation and ability. This imply that at least some level of motivation is required for employee to perform a task successfully irrespective of their ability. Again, Bergh and Theron (1999) posits that employees' cognitive abilities and learning perspective, as well as their values and attitudes affect their work performance. Thus, employees' Okoch and Ateke (2021) hold that, to achieve desired performance, employees must be incentivized to expend maximum effort or apply their abilities optimally.

Monetary Incentives and Workers Performance
No resource is more critical to an organization's success than its human resources (DeNisi & Griffin, 2008). People are the only strategic weapon a company has that cannot be copied by competitors (DeCenzo & Robbins, 2010). Employee benefits have a small role to play in engagement, and tend to be more effective on recruitment and retention. Benefits are what Hertzberg's two-factor theory referred to as "hygiene factor." The idea is that employees will be demotivated they are not given sufficient hygiene factors.

So not offering incentives to employees can affect a firm's ability to compete for talents, and lower its business performance. As with all business and human capital strategies, what and how firms offer benefits depends on their particular workforce's business drivers. For example, job training, educational assistance, meals provided for convenience of the employer, and employer-provided vehicles used for business are common working condition benefits for most small businesses.

Currently, especially in the developed world, employee benefit packages have become important part of total compensation or organizational expenses. Employee benefits average 40% of total compensation package (DeCenzo & Robbins, 2010). Benefits have grown in size, importance and variety (DeCenzo & Robbins, 2010; Edgar & Geare, 2005; Milkovich & Newman, 2008). Employee benefits are one of the greatest challenges in business today in attracting and retaining quality employees (U.S. Chamber of Commerce, 2008). This suggests that employees increasingly value benefits as part of overall compensation package (Mussie et al., 2013).

How to motivate employees in order to improve performance is a major problem facing most employers in both public and private sectors (Adams, 2013). It is widely believed that employees will not perform to the best of their ability unless they are motivated to do so. Various studies report various ways to motivate employees. However, because human beings are unique in terms of needs, culture, religion etc., what motivates them also varies. Some employees are motivated by financial and other incentives, while others may be motivated by non-financial incentives.

Recent studies show that a combination of financial and non-financial incentives can motivate employee to perform well on their job (Naseem & Khan, 2011). The purpose of financial incentives is to reward employees for excellent job performance (Egbunike, 2015). Since employees constitute the most valuable resource of any organization, they must be activated, developed, empowered, and above all, motivated to achieve individual and organizational goals.

Hameed et al. (2014) asserts that money remains the most significant motivational strategy; while Hendra and Rezki (2015) describes money as the most important factor in motivating workers to achieve greater productivity. Money possesses significant motivating power in as much as it symbolizes intangible goals like security, power, prestige, and a feeling of accomplishment and success. Christopher (2015) demonstrates the motivational power of money through the process of job choice; and explained that money has the power to attract, retain, and motivate individuals towards higher performance.

Anarado (2015) states that many managers use money to reward workers. This is done by rewarding employees for higher productivity. The desire to be promoted and earn enhanced pay may also motivate employees. Akerele (2011) notes that devising effective methods to motivate employees is one of the major factors in improving organizational performance. Organizations are more successful if their employees are constantly seeking new ways to improve their work, and getting workers to reach their full potential can be achieved by providing them with motivation. For this reason, the development of policies for remunerating employees appropriately so as to improve their motivation is considered imperative for organizational growth (Abdul et al., 2014; Baxelsson & Bokedal, 2009).

Previous studies on impact of incentives on workers' performance exists. Al-Nsour (2012) examined the relationship between incentives and employee performance in Jordanian universities and reported that there is an adequate level of incentives provided to employees. Financial incentives ranked took place while moral incentives ranked 2nd. Also, it was found that a relationship exists between financial and moral incentives and employees' performance. Similarly, Falola et al. (2014) examined incentives packages and employees' attitudes to work in selected government parastatals in Ogun State, Nigeria. The summary of the findings indicates that there is strong correlation between incentive packages and employees' attitudes to work.

Also, Ahmed and Ali, (2008) examined the impact of reward and recognition programs on employee motivation and satisfaction; and reported that a positive relationship between rewards and work satisfaction as well as motivation. Payment, promotion and work conditions were identified as factors affecting job satisfaction. Analysis also showed support for a positive relationship between reward and employee satisfaction. Relatedly, Abubakar (2013) monetary incentives and profitability of banks in Nigeria. The study evaluated the impact of monetary motivation on profitability, and found that monetary motivations have significant impact on profitability of Nigerian banks.

In the study Duberg and Mollen (2010) which focused on reward systems within the health and geriatric care sector found that salary is an important aspect in the reward system. However, other incentives like bonuses and shares were seen to generate an enjoyable work place and happy workers than motivate employees to be more efficient. Results showed that conditions for working with reward systems in the public sector are limited due to the lack of resources and complex large organization structures with old traditions.

Onu et al. (2014) studied motivation and job performance of non-academic staff of private universities in Nigeria with particular reference to Babcock University. Data for the study were collected through a well-structured questionnaire delivered to the employees of the university. The study employed regression and correlation analysis to test the hypotheses whether remuneration, recognition and incentives boost the job performance of employees. The study found a strong positive and statistically significant effect of incentive on job performance. In another study, Muogbo (2013) found a positive relationship between employee motivation and organizational performance. The study revealed that extrinsic motivation has significant influence on workers performance.

In view of the forgoing, and in keeping with the objectives of the current study, we hypothesize as follows:

Ho_1: Salary/wages have no significant relationship with workers' performance.
Ho_2: Special benefits have no significant relationship with workers' performance.
Ho_3: Bonuses have no significant relationship with workers' performance.
Ho_4: Commission has no significant relationship with workers' performance.

METHODOLOGY

This study focuses on examining the relationship between monetary incentives and workers' performance. The study adopted a survey research design. The population of the study comprised 678 staff of Crown Flour Mills in Chikun Local Government Kaduna State, Nigeria. Taro Yamane formula for sample size determination was used to determine derive a sample size of 251 staff. Random sampling technique was used to select respondents. Close-ended structured questionnaire was used to collect primary data from respondents. Of the 251 questionnaire administered, 225 were properly filled and returned by the respondents, 26 were not returned. The data gathered from the 225 returned questionnaire were used in the final analyses. The Pearson product moment correlation P(r) was used to test the hypotheses formulated for the study. The formula for the computation of P(r) is given as:

$$r = \frac{(n\sum XY) - (\sum X)\,(\sum Y)}{\sqrt{[n\sum X^2 - (\sum X)^2]\ \ [n\sum Y^2 - (\sum Y)^2]}}$$

TEST OF HYPOTHESES AND INTERPRETATION OF RESULTS

Test of hypothesis one:

Ho_1: Salary/wages have no significant relationship with workers' performance.

Table 1: Calculation of correlation between salary/wages and workers' performance

S/NO	Options	X Points	Y Responses	Xy	X^2	Y^2
1	Strongly Agree	5	108	540	25	11664
2	Agree	4	86	344	16	7396
3	Undecided	3	6	18	9	36
4	Disagree	2	13	26	4	169
5	Strongly Disagree	1	12	12	1	144
Total		15	225	940	55	19409

Source: Field survey 2022

$$r = \frac{(n\sum XY) - (\sum X)\,(\sum Y)}{\sqrt{[n\sum X^2 - (\sum X)^2]\ \ [n\sum Y^2 - (\sum Y)^2]}}$$

$$r = \frac{[\ 5(940) - (1\ 5)\ (225)\ ]}{\sqrt{[5(5\ 5) - (15)^2]\ \ [5\ (19409) - (225)^2)]}}$$

$$r = \frac{4700 - 3375}{\sqrt{[275 - 225] \;\; [97045 - 50625]}}$$

$$= \frac{1325}{2321000}$$

$$r = 0.86972$$

The correlation coefficient r= 0.87 as shown above is an indication that there is a very strong positive relationship between salary/wages and workers' performance. Nevertheless, there was a need to equally estimate for the significance of the coefficient and to ascertain whether the claim of the null hypothesis is valid after the test. T-test for test of significance was adopted as follows:

$$T_{cal} = \sqrt{\frac{n-2}{1-(r)^2}}$$

Substituting the value of the correlation coefficient r = 0.87 in the above formula. We obtained the result:

$$T_{cal} = \sqrt{\frac{5-2}{1-(0.86972)^2}}$$

$$T_{cal} = 3.50938$$
$$But\ t\ _{0.05,}3 = 2.35$$

The null hypothesis was rejected since Tcal= 3.51 >Ttab= 2.35, and the alternate, which suggest that salary/wages significant relationship with worker's performance is accepted.

Test of hypothesis two

Ho_2: Special benefits have no significant relationship with workers' performance.

Table 2: Calculation of correlation between special benefit and workers' performance

S/No	Options	X Points	Y Responses	Xy	X^2	Y^2
1	Strongly Agree	5	106	530	25	11236
2	Agree	4	78	312	16	6084
3	Undecided	3	9	27	9	81
4	Disagree	2	16	32	4	256
5	Strongly Disagree	1	16	16	1	256
Total		15	225	917	55	17913

Source: Field survey 2022

$$r = \frac{5(917) - (15)\,(225)}{\sqrt{[5(5\ 5) - (15)^2] \;\; [5\,(17913) - (225)^2)]}}$$

$$r = \frac{4585 - 3375}{\sqrt{[275 - 225] \;\; [89565 - 50625]}}$$

$$= \frac{1210}{1395.34942}$$

$$r = 0.86716$$

The correlation coefficient r= 0.87 as shown above is an indication that there is a very strong positive relationship between special benefits and workers' performance. Nevertheless, there was a need to equally estimate for the significance of the coefficient and to ascertain whether the claim of the null hypothesis would still remain valid after the test. T-test for test of significance was adopted as follows:

$$T_{cal} = \sqrt{\frac{n-2}{1-(r)^2}}$$

Substituting the value of the correlation coefficient r= 0.87 in the above formula. We obtained the result:

$$T_{cal} = \sqrt{\frac{5-2}{1-(0.86716)^2}}$$

$$T_{cal} = 3.47783$$

$$But\ t_{\,0.05,}3 = 2.35$$

Therefore the null hypothesis was rejected since Tcal= 3.48 >Ttab =2.35, and the alternate, which suggest that special benefits have significant relationship with workers' performance is accepted.

Test of hypothesis three

Ho_3: Bonuses have no significant relationship with workers' performance.

Table 3: Calculation of correlation between bonuses and workers' performance

S/No	Options	X Points	Y Responses	Xy	X²	Y²
1	Strongly Agree	5	110.2	551	25	12144.04
2	Agree	4	79.4	318	16	6304.36
3	Undecided	3	6	18	9	36
4	Disagree	2	15	30	4	225
5	Strongly Disagree	1	14.4	14.4	1	207.36
Total		15	225	931.4	55	18916.76

Source: Field survey 2022

$$r = \frac{5(931.4) - (15)\ (225)}{\sqrt{[5(5\ 5) - (15)^2]\ \ [5\ (18916.76) - (225)^2)]}}$$

$$r = \frac{4657 - 3375}{\sqrt{[275 - 225]\ \ [94583.8 - 50625]}}$$

$$= \frac{1282}{2197940}$$

$$r = 0.86473$$

The correlation coefficient r = 0.86 as shown above is an indication that there is a very strong positive relationship between bonuses and workers' performance. Nevertheless, there was a need to equally estimate for the significance of the coefficient and to ascertain whether the claim of the null hypothesis would still remain valid after the test. T-test for test of significance was adopted as follows:

$$T_{cal} = \sqrt{\frac{n-2}{1-(r)^2}}$$

Substituting the value of the correlation coefficient r = 0.87 in the above formula. We obtained the result:

$$T_{cal} = \sqrt{\frac{5-2}{1-(0.86473)^2}}$$

$$T_{cal} = 3.44868$$

$$But\ t_{\ 0.05,}3 = 2.35$$

Therefore the null hypothesis was rejected since Tcal= 3.45 >Ttab=2.35, and the alternate, which suggest that bonuses significantly relate to workers' performance is accepted.

Hypothesis Four

Ho_4: Commission has no significant relationship with workers' performance.

Table 4: Calculation of correlation between commission and workers' performance

S/No	Options	X Points	Y Responses	Xy	X^2	Y^2
1	Strongly Agree	5	115	575	25	13225
2	Agree	4	74.2	297	16	5506
3	Undecided	3	9.2	28	9	85
4	Disagree	2	15	30	4	225
5	Strongly Disagree	1	12	12	1	144
Total		15	225	942	55	19185

Source: Field survey 2022

$$r = \frac{5(942) - (15)\ (225.4)}{\sqrt{[5(5\ 5) - (15)^2]\ \ [5\ (19185) - (225.4)^2)]}}$$

$$r = \frac{4710 - 3381}{\sqrt{[275 - 225]\ \ [95925 - 50805.16]}}$$

$$= \frac{1329}{1505}$$

$$r = 0.88482$$

The correlation coefficient r= 0.88 as shown above is an indication that there is a very strong positive relationship between commission and workers' performance. Nevertheless, there was a need to equally estimate for the significance of the coefficient and to ascertain whether the claim of the null hypothesis would still remain valid after the test. T-test for test of significance was adopted as follows:

$$T_{cal} = \sqrt{\frac{n-2}{1-(r)^2}}$$

Substituting the value of the correlation coefficient r = 0.89 in the above formula. We obtained the result:

$$T_{cal} = \sqrt{\frac{5-2}{1-(0.88482)^2}}$$

$$T_{cal} = 3.71741$$

$$But\ t_{\ 0.05,}\ 3 = 2.35$$

Therefore the null hypothesis was rejected since Tcal= 3.72 >Ttab=2.35, and the alternate, which suggest commission significantly relate to workers' performance is accepted.

CONCLUSION AND RECOMMENDATIONS

From the data analyzed, it was observed that monetary incentives play vital roles in increasing workers' performance. This is in line with the view of Jack Welch that "If you pick the right people and give them the opportunity to spread their wings, and put compensation and incentive as a carrier behind it, you almost do not have to manage them." The test of hypotheses showed that monetary incentives in terms of salary/wages, special benefits, bonuses, and commissions relates to workers' performance. Effective incentive scheme remains a panacea for cordial employer-employee relationship. Employees put in extra hours at work if they get fair and adequate reward for their efforts.

Employee benefits are crucial to attracting and retaining quality employees. Providing Special benefits improves workers performance. Bonus pay improves employee morale, motivation, and productivity. Monetary incentive is one of the most important strategies in the human resource management function as it influences the performance and growth of an organization. Hence, modern corporate organizations have deemed it imperative to incorporate effective monetary incentive schemes for workers as part of their corporate goals and objectives. This is believed to shape a workforce focused on, and capable of achieving set performance goals.

In view of the results of the empirical analyses, the study recommends that management of Crown Flour Mills should adopt an optimal blend of monetary incentives, comprising salary/wages, special benefits, bonuses, and commissions if they seek to improve the performance of their workers.

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