

MOTIVATION AND PERFORMANCE OF EMPLOYEES OF PRIVATE SECONDARY SCHOOLS IN OBAFEMI-OWODE LOCAL GOVERNMENT AREA, OGUN STATE

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ABSTRACT

The workforce is the lifeline of an organization. The level of employee motivation determines how well the organisation meets its goals. This study was conducted to determine the association between motivation and performance of employees of private secondary schools in Obafemi Owode Local Government Area of Ogun State, Nigeria. The study decomposed employee motivation into financial incentives and non-financial incentives. Two research hypotheses were formulated and tested in the study, using the Spearman's rank order correlation statistic. The results show that employee performance in the studied population is informed by both financial incentives and non-financial incentives. The study thus concludes that motivation through financial incentives and non-financial incentives determines improved performance of employees and that employee performance depends on motivation in terms of financial incentives and non-financial incentives. Hence, the study recommends that operators of private secondary schools in Obafemi Owode Local Government Area of Ogun State that seek improved employee performance should adopt financial incentives and non-financial incentives to motivate employees.

Keywords: Employee performance, financial incentives, non-financial incentives, motivation

INTRODUCTION

Any nation may function successfully if its essential foundation is education (Adams & Smith, 2020). The quality of education provided is key to socio-political and economic viability of a country. Because motivation is the key to productivity and progress, persons who work in the education sector need to be sufficiently motivated (Benson & Johnson, 2019). To retain employees and boost their productivity, motivation is crucial (Chen & Chen, 2021). In order to motivate staff and attract talents, organisations use motivational tools. Giving incentives and awards for successful performance is one way to inspire employees (Daniels & Mitchell, 2020).

Firms that aspire to perform higher must motivate its workers (Edwards & Sun, 2021). Every manager face the challenge of inspiring team members to work hard. Garcia and Fernandez (2019) states that employees' work quality will reduce, their commitment will wane, and that the organization will suffer poor performance if employees are not adequately motivated.

Employee motivation significantly impact organisational goal attainment (Higgins & Johnson, 2020). This is because people are organization's lifeblood (Jackson & Perry, 2021). Every business, regardless of size, standing, net worth, or field of endeavour, needs driven employees who give their all to the success of the company (Kelly & Smith, 2020). In contrast, unmotivated workers are more likely to perform tasks poorly, be pessimistic, and even leave, if they have the opportunity to accept a better offer elsewhere (Latham & Pinder, 2019). Motivated employees work happily, are diligent and commit to their firms. This results in peak performance from individuals and increased organisational performance (Lee & O'Neil, 2021).

However, many organisations do not have sufficient financial resources to encourage or reward their staff as a result of the nation's poor economic performance (Maslow, 2019). The lack of funding in an organisation does not automatically indicate that workers should not be encouraged or rewarded (Neal & Rainey, 2020). The management of organisations might utilise non-financial alternative types of incentive to inspire its workers.

Money and other financial incentives have been marketed as effective instruments for motivating employees, according to Osterloh and Frey (2021). Organisational management has not completely embraced non-monetary types of motivation as powerful tools of motivation. Pfeffer and Sutton (2019) states that effective communication between staff and management foster a sense of appreciation among staff and creates a sense of belonging and value inside the organisation. Such communication deepens employees' dedication and lift their spirits, and inform increased performance (Ryan & Deci, 2020).

According to Salanova and Schaufeli (2021), a company is only as successful as its employees. This means that if workers are motivated, their morale will be strong and their productivity and efficiency levels will be enhanced, raising the organization's overall productivity. Managers seek strategies to ensure that their staff maintain high level of productivity and raise organization's overall productivity.

In order to retain employees and boost their productivity, it is crucial for businesses to consistently increase motivational variables like monetary and non-monetary rewards. The objective of this study is to investigate effects of motivation on employees' productivity in private secondary schools in Obafemi Owode Local Government Area of Ogun State. The study specifically attempts to ascertain:

- 1) The correlation between financial incentives and performance of employees of private secondary schools in Obafemi Owode Local Government Area of Ogun State.
- 2) The correlation between non-financial incentives and performance of employees of private secondary schools in Obafemi Owode Local Government Ogun State.

LITERATURE REVIEW

Concept of Motivation

According to Stajkovic and Luthans (2019), motivation is an innate state that leads people to act strategically to accomplish specific goals. Although motivation cannot be judged arbitrarily, it can be found through outward expressions, as it explains how employees behave in an organisation (Tang & Ibrahim, 2020). As a result, it implies intentional behaviour to meet particular unmet needs and the desire for actualization. This confirms the notion that motivation is understood to be everything that prompts workers to provide when their needs are addressed.

Intrinsic and extrinsic motivation can be used to categorise employee motivation (Vroom, 2021). According to Wang and Chen (2020), intrinsic motivation is a drive that meets a person's needs or gives hope that set objectives will be achieved. By creating job design policies, management can inspire employees internally (Xu & Loi, 2019). Career advancement, accountability, autonomy, acknowledgment, and possibilities for advancement are determinants of intrinsic motivation (Yang & Rynes, 2021). Extrinsic motivation describes advantages that management achieve through efforts to motivate personnel (Zhang & Parker, 2020). Most of extrinsic motivation is monetary, and has immediate impact on employees (Amabile, 2019).

Financial Incentives

Pay, bonuses, fringe perks, transportation, medical, health, and life insurance, as well as benefits like paid time off and dining options, are of financial inducements (Beer & Brockner, 2021). Pay is a strategy that offers more money to employees who perform better (Chen & Kirkman, 2020). Pay enables employers distinguish between high- and low-performing workers and reward the latter (Eccles & Wigfield, 2021), because no organisation want to lose top performers (DeCharms, 2019).

Majority of firms give financial incentives to workers because it is a simple way to appreciate and reward desired behaviours and performance levels (Guay & Tremblay, 2020). Financial incentives also boost employee morale

and encourage goal achievement. When workers are content, an organisation is better equipped to succeed (Kappel, 2018). The goal of encouraging motivation through bonuses is closely related to the goal of promoting employees' satisfaction. A significant determinant of motivation is pay and wages (Vroom, 2021). The wage an employee receives from have significant impact on their productivity. The value that a company places on an employee as a worker is what they are paid rather than just the money they receive (Wang & Chen, 2020).

Non-Financial Incentives

This is compensation delivered in non-monetary terms (Ryan & Deci, 2020). All forms of reward given to employees in appreciation of desired performance or to encourage performance are considered non-monetary incentives (Pfeffer & Sutton, 2019). Non-financial incentives can be recognition, praise, awards, training, and promotions. (Neal & Rainey, 2020; Kelly & Smith, 2020). Employees also receive non-monetary rewarded in the form of being offered option of where to accept a posting or by receiving better office or more responsibilities (Jackson & Perry, 2021). Since little to no income tax or national insurance contributions are paid in contrast to a pay rise, non-financial incentives can be particularly cost-effective for businesses (Higgins & Johnson, 2020).

Concept of Performance

The results of assigned tasks completed by an employee are referred to as performance, or more specifically job performance (Daniels & Mitchell, 2020). According to Adams and Smith (2020), performance refers to how successfully a worker performs their duties. This can be determined objectively or qualitatively. Performance can also be gauged by how an employee acts in accordance with company's standards and values (Zhang & Parker, 2020). Employees with higher contextual performance are more dedicated and content with their work than those with lower contextual performance (Tang & Ibrahim, 2020). This shows that dedication and job satisfaction are key to orchestrating contextual performance. When workers are devoted and content, performance will increase.

Review of Empirical Studies

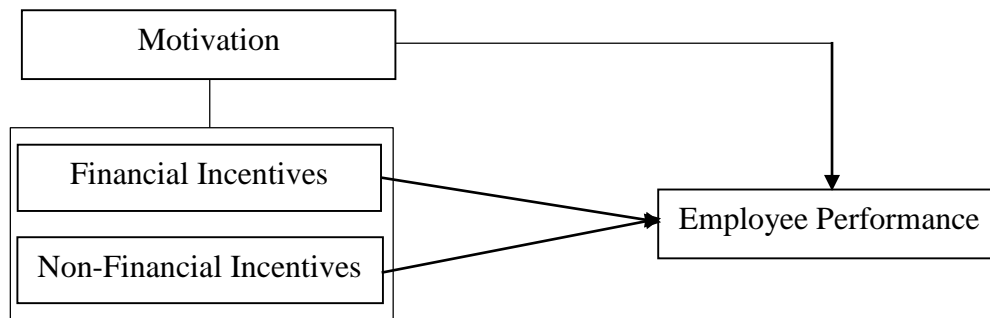
Fatah and Suhandini (2019) examined impact of incentives and rewards on employee productivity and found that providing employees with incentives impact their productivity. Similarly, Salah (2016) examined effects of various reward types (extrinsic, intrinsic, social, and rewards mix) on employee productivity in a Jordanian mining company. The results showed that there is a statistically significant association between incentives and employee productivity.

Also, Chepkemoi (2018) reports that incentives affect workers' productivity. This suggests that firms' drive for improved productivity can be achieved by incentivizing employees. In order to enhance customer service, foster new values of teamwork and cooperation, and reduce employee turnover, which in turn improves organisational image, it was advised that the organizations incentivize their employees. In addition, Nwamanya (2016) assesses how financial and non-financial motivation affects teachers' productivity in private secondary schools in Uganda. The findings demonstrate positive significant effect of financial and non-financial incentives on teachers' performance. However, financial incentive accounts for 69.2% of teacher's performance whereas non-motivation accounts for 61.6%. Together, these two factors account for 50.7% of performance of teachers.

Studies mostly claim that employee performance is significantly influenced financial and non-financial incentive. Though most of these studies are foreign to the Nigerian environment. Also, most studies were conducted in manufacturing and governmental organisations, except that of Nwamanya (2016) that focuses on educational institutions. Thus, this study seek to contribute to knowledge by questioning the impacts of motivation on employees' performance in private secondary schools in Obafemi Owode Local Government Area of Ogun State, Nigeria. Thus, the study formulated and tested the following null hypotheses:

Ho₁: There is no significant correlation between financial incentives and performance of employees of private secondary schools in Obafemi Owode Local Government Area of Ogun State.

Ho₂: There is no significant correlation between non-financial incentives and performance of employees of private secondary schools in Obafemi Owode Local Government Ogun State.



Theoretical Review

Maslow' Hierarchy of Needs: Maslow's Hierarchy of Needs theory sheds light on the relationship between motivation and employee performance. The theory contends that human motivation is governed by a hierarchy of needs that progresses from basic physiological necessities to more complex psychological and self-fulfilling needs (Maslow, 1943). The theory holds that people must first meet their lower-level needs, such as food, housing, and security, before moving on to their higher-level needs, such as those for social connection, esteem, and self-actualization. People feel driven and happy when these requirements are met, and this increases their performance (Zhang & Parker, 2020).

Hierarchy of needs theory has been applied in studies of employee productivity. The prevailing idea is that managers consider the needs of employees when designing motivational packages. Employees' physiological needs are addressed through compensation and respectable working circumstances that makes them feel safe and content (Xu & Loi, 2019). Social needs of employees can be satisfied by fostering a welcoming workplace culture that value interpersonal relationships and a sense of community. It is possible to satisfy employees' needs for self-actualization and respect by recognising their achievements, providing opportunities for advancement, and fostering autonomy.

By understanding and meeting the various needs of employees, organisations may create a motivated workforce; and a motivated workforce is most likely to perform superlatively. A friendly workplace, alluring pay, opportunities for professional advancement, and promoting employee input into decision-making are just a few of the strategies managers may deploy.

Two Factor Theory: The Two-Factor Theory (Herzberg, 1959) holds that both hygiene factors and motivators affect employee motivation and job satisfaction. Pay, working conditions, and job stability are examples of extrinsic hygiene variables that motivate workers (Herzberg, 1959). On the other hand, intrinsic motivators are those that are connected to the nature of the job and consist elements like rewards, accountability, achievement, and opportunities for progress. The theory suggests that increased employee performance is dependent on motivation. Hygiene factors make people feel happier, and increase their motivation and productivity (Eccles & Wigfield, 2021). Firms ought to concentrate on intrinsic and extrinsic factors to increase employee performance (Chen & Kirkman, 2020). To prevent discontent and potential detrimental effects on productivity, it is crucial to ensure that hygienic conditions are suitable and cater to employees' basic needs. In addition, by fostering a sense of accomplishment and pleasure through meaningful work, chances for professional and personal growth, and other driving elements, productivity can be increased.

METHODOLOGY

The methodology for this investigation was quantitative. In order to gather quantitative data for the study, a survey was undertaken to gather opinions from staff of private secondary schools in Obafemi Owode Local Government Area of Ogun State. The population of the study were staff (academic and non-academic) of private secondary schools in the study area. There are 701 private schools registered under National Association of Proprietors of Private Schools (NAPPS) in the study area for the 2022/2023 academic session.

Table 1: Population of the Study

	Units	Schools
1	Arepo	52
2	Ibafo	105
3	Mowe/Ofada	102
/4	Ogunmakin	113
5	Oba/ Adigbe	106
6	Orimerumu	58
7	Owode	100
8	Magboro	65
	Total	701

Source: Offices of the unit coordinators (2023)

The study employed a multistage sampling technique and determined a sample size of 125 staff. Table 2 presents the summary of the number of staff derived from each private secondary school.

Table 2: Employees of Private Secondary Schools in the study area

Units	Schools	No. of Questionnaire		
		Academic Staff	Non-Academic Staff	Total
Arepo	Harvard High School, Arepo	10	3	13
Ibafo	Golden Pen Private Schools, Ibafo	12	4	16
Mowe/ Ofada	County Crest College, Mowe	15	4	19
Ogunmakin	Judge & Duke High School, Ogunmakin	14	4	18
Oba/Adigbe	The Chosen College, Adigbe	15	3	18
Oremerimun	De – grands College, Oremerimun	11	3	14
Owode	Acadia Hilltop Secondary School, Owode	10	2	12
Magboro	Bestaymine College, Magboro	12	3	15
Total		99	26	125

Source: Principals' offices of schools

A structured questionnaire was used to collect data for the study. The questionnaire was designed in the 5-point Likert scale to elicit responses on motivation and performance. The instrument was checked for validity using face and content validity. To its level of internal consistency, the Cronbach alpha reliability test was used. The test revealed a Cronbach coefficient of 0.909, which is a satisfactory degree of co-efficiency. Permission was formally sought from the principals of the selected schools through a formal letter in order to distribute the questionnaire among the staff. To analyse the data, the Spearman's rank order correlation (ρ) was used.

RESULTS

Table 3: Demographic Characteristics of Respondents

Demographic Characteristics	Frequency (N=125)	Percentage
Gender		
Male	52	41.6
Female	73	58.4
Highest Qualification		
SSCE/Grade II	1	0.8
OND/NCE	38	30.4
HND/BSc	62	49.6
Master Degree	23	18.4
Any others (Specify)	1	0.8
Demographic Characteristics	Frequency (N=125)	Percentage
Age Bracket		
18 - 25	11	8.8
26 – 35	39	31.2
36 – 45	45	36
46 – 55	28	22.4
Above 55years	2	1.6
No. of years in Service		
Less than 2years	8	6.4
2 – 5 years	45	36
6 – 10 years	37	29.6
11 – 15 years	32	25.6
Over 15 years	3	2.4
Category of School		
Mixed School	125	100
Boys Only	0	0
Girls Only	0	0

Source: Fieldwork (2023)

Table 4: Correlation between Financial Incentives and Employee Performance

Correlations			Financial Incentives	Employee Performance
Spearman's rho	Financial Incentives	Correlation Coefficient	1.000	.704**
		Sign. (2-tailed)		.000
		N	125	125
	Employee Performance	Correlation Coefficient	.704**	1.000
		Sign. (2-tailed)	.000	
		N	125	125

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

Table 4 demonstrates a high positive correlation ($r=0.704$; $p<0.05$) between financial incentives and performance of employees of private secondary schools in Obafemi Owode LGA of Ogun State. There is a substantial correlation between financial incentives and employee performance, as indicated by the probability of this link being less than of 0.05 level of significance. The null hypothesis is therefore rejected.

Table 5: Correlation between Non-Financial Incentives and Employee Performance

			Non-Financial Incentives	Employee Performance
Spearman's rho	Non-Financial Incentives	Correlation Coefficient	1.000	.735**
		Sign. (2-tailed)		.000
		N	125	125
	Employee Performance	Correlation Coefficient	.735**	1.000
		Sign. (2-tailed)	.000	
		N	125	125

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

Table 5 demonstrates significant positive correlation ($r=.735$; $p<0.05$) between non-financial incentives and performance of staff of private secondary schools in Obafemi Owode LGA, Ogun State. The null hypothesis is therefore rejected. Hence, there is a significant correlation between non-financial incentives and performance of employees of private secondary schools in Obafemi Owode Local Government Area of Ogun State.

CONCLUSION AND RECOMMENDATIONS

Based on the results of the study, we conclude that employee motivation through financial and non-financial incentives drives employee performance. It is safe to say that employee motivation has significant positive association with performance of employees. The following recommendations have been made in light of the study's results and conclusion:

- 1) Salaries for employees should be competitive with their jobs, paid on time when due, increasing on a regular basis, and closely proportional to what is offered by other organisations to individuals with the same training and experience.
- 2) It is important to take into account bonus, medical care, lodging, and recognition for excellent performance issues.
- 3) Rewarding employees significantly boosts their output. However, because motivation is a personal matter, no reward system is ideal. Therefore, businesses should get to know their staff members well so they may use the appropriate motivational techniques.

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