THE EFFECT OF FINANCIAL AND NON-FINANCIAL REWARDS ON PERFORMANCE OF LIBRARIANS IN ACADEMIC LIBRARIES IN IMO STATE, NIGERIA

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Abstract
Reward is an important aspect of employees motivation in any organization. The implementation of rewards both financial and non-financial has effect on the workers performance. The importance of reward cannot be over emphasized as it motivates workers into putting in their best in their workforce. The study adopted a survey research design 3 research questions were answered relevant to 3 objectives of the study. Data were collected using questionnaire. The population of the study consisted of 35 librarians from Alvan Ikoku Federal College of Education library and federal polytechnic library Nekede. All the librarians were involved as sample because the population was not large. Data were analyzed using frequency count and mean rate of 2.5 as positive and below as negative. The hypotheses were also tested using chi-square statistical technique at 0.05 level of significance. The findings revealed that, librarians, in both libraries agreed that financial and non-financial rewards influences their job performance. And also they have preference in choice of rewards. The researcher having seen that, these rewards effect their performance, recommend that, rewards should be offered to librarians in consideration of fairness to ensure employee motivation for performance.

Introduction
Libraries are established with specific goals and objectives to acquire, store, organize and disseminate information services for the satisfaction of the information needs of the society. Libraries achieved this goal by the coordinated efforts of the librarians. Mullins (2005) contends that having the workforce with the right talents and skills is not enough for realization of maximum results, but individual effort; motivation and employee retention are keys to maximizing organizational productivity and performance. Therefore to retain such a workforce in any organization their effort should be rewarded accordingly.

Reward according to Krietner and Kinicki (2007) is the compensation for doing well given to a worker in the form of financial and non-financial incentives. Libraries as an organization provide rewards to their staff in order to motivate them, and also to enhance their loyalty to the
organization. Librarians meet their personal needs from the rewards given to them in appreciation for the services rendered. Financial and non-financial rewards are among a host of alternative incentives provided by organizational entities to stimulate positive emotional disposition of employees towards their jobs. The aim is to motivate the individual or the entire workforce to perform well. Employees in organizations have preferences for the kind of reward offered to them as either direct cash payment or praise and commendation in recognition of individual contribution to the organization. To support this assertion Luthans (2008) submits that, organizational rewards take a number of different forms including money (salary, bonuses, and incentive pay), recognition and benefits. His idea stresses on financial and non-financial rewards offered to employees for meeting goals set in the organization, beside basic remunerations. Rewards are ever present in every organization sometimes it constitutes a problem to the organization because of the method employed in disbursing them to the workers. Employees always concentrates on the fairness of their work outcomes (rewards) in relative to their (inputs) performances, most at times compares it with their colleague in other or similar organization. This at times encourages or discourages them on their performance.

Performance in the other hand means what an employee does or does not do. Employee performance according to Mathias and Jackson (2004) includes the element of output, timelines of output, presence at work and cooperativeness. From the above assertion, performance means what an employee does, the extent to which he/she executes the job in association with set targets, and outputs realized in a given period of any organization. Generally speaking human efforts are required to achieve the goals of any organization, libraries included. The overall performance of these libraries is directly dependent on the amount of efforts positively applied by librarians individually or collectively towards attaining the desired objectives.

**Objectives of the study**

The following objectives were formulated for this study

1. To determine the effect of financial reward on the performance of the librarians under study.
2. To find out the effect of non-financial reward on the performance of the librarians.
3. To identify the librarians preference on reward for performance.

**Statement of the problem**

Financial and non-financial rewards are provided in organizational setting with a view to motivate and encourage individual workers on their performance.

This presupposes that for the workers (librarians) to execute their responsibilities according to specified standard, their effort need to be exerted with the right frame of mind towards their jobs. This would be made possible through the appropriate mix of rewards available in the organization. Since reward is the bedrock for adequate performance in workers, could it be said that academic libraries in Imo State give these reward incentives to their workers? If so does it really affect the job output of workers. This is exactly what the researcher intends to unveil in this study.

**Research questions**

1. What are the effects of non-financial reward on the performance of the librarians under study?
2. Does non-monetary reward affects the performance of the librarians?
3. Which of the rewards do the librarians prefer to enhance their job performance?
Hypothesis

Ho1: There is no significant difference between financial rewards and its effect on the performance of the librarians.

Ho2: There is no significant difference between non-monetary rewards and its effect on the performance of the librarians.

Ho3: There is no significant difference between the librarians choice of rewards in relation to their job performance.

Conceptual Issues

Rewards are provided in organizational settings to stimulate employee behaviour for performance, and arouse positive feelings towards their jobs and the organization. Workers meet their personal needs from the rewards given to them in appreciation for the services rendered, and meeting of performance targets set in the organization. Reward according to (Lewis et al. 2003) is the consideration that flows from the performance of the contract of employment relationship. The notion of Lewis and his friends suggest that rewards are allocated to employees for the performance, and in fulfillment of the conditions of employment contract. To Krietner and Kinicki (2007) rewards is the compensation for doing work well given to a worker in the form of financial and non-financial incentives. While (Torintoggn et al. 1991) see reward as a special payment for a special act. Invariably rewards are special payment allocated to organizational staff for the performance of a given task or realization of set targets. Rewards are ever present and always controversial feature of organizational life. Some employees see their jobs as the source of a paycheck and nothing else, while others derive pleasure from their jobs and association with coworkers Krietner and Kinicki (2007). In confirmation to this Luthan (2008) posits that organizational rewards take a number of different forms including money (salary, bonuses and incentives pay) recognition and benefits. The notion of Luthans encapsulates financial and non-financial rewards offered to employees for meeting targets set in organization apart from basic remunerations.

In the same vein Armstrong and Murlis (1994) assert that monetary rewards are financial rewards or direct cash payments which consist of all intrinsic motivators such as achievement, responsibility opportunity for growth and extrinsic motivators such as recognition, job enrichment praise and status. The motivation of the workforce is stimulated and sustained by the varying rewards provided in the organizational setting. The concept of rewards and incentives are used interchangeably among scholars. These concepts are quite interrelated, overlapping and complementary in the context of employee motivation. According to Smith (2000) incentives are payment schemes which represent an attempt to influence the behaviour and work performance of employees through the provision of cash or cash equivalent reward. Additional incentives are provided to employees with the intention to exert influence or induce the work behaviour of the workforce. He further stressed that incentives are give to employees as reward beside the basic remuneration. It is obvious that reward is a special payment offered to organizational workers who have done excellent jobs. Some scholars have tried to draw a line of distinction between the concepts of reward, incentives, and recognition. According to Silverman (2004) the central tenet of the distinction is that, rewards are promised from the onset whereas recognition is afforded in a post hoc manner. To Armstrong and Murlis (1994) the essential distinction is that, incentives are forward looking, while rewards are retrospective and that, the difference is necessary when defining the objectives of pay for performance from the view points of the scholars the concept are used interchangeably.
Job Performance

Job performance commonly refers to whether a person performs his or her job well. Performance infact is an extremely important criterion that relates to organizational outcomes. Campbell (1990) cited in Ezinne (2007) described job performance as an individual level variable. That is performance is something a single person does. This differentiates it from more encompassing construct such as organizational performance or national performance which are higher level variables. To Vroom (1974) the performance of a worker on the job is perceived as being influenced by two distinct variables. First the ability or skill of the individual to perform the job. Second, there is the motivation to see his/her ability in the actual performance on the job. To him performance indicates. The product of the two variables, ability and motivation, to support this view McGregor (1999) equally emphasized that, the performance of a person at work, in a business unit, or in an organization is influenced by certain attributes of the individual among which are his knowledge, motivation skills including the nature of his jobs, reward system and leadership that is in place.

Job performance of workers are determined by numerous factors. Some researchers have carried out studies on job performance of workers on different job situations. However, a good number of these researchers on job performance according to Hackman and Odman (2001) and Sutermaster (2000) clearly stated that, certain variables such as skill, knowledge, motivations, attitudes, autonomy, recognition, challenges responsibility, supervision, environmental factors have impact on worker’s job performances. In academic libraries workers performance means all intervening variables affecting user efficiency, in addition to the competence of the librarians. Though a librarian’s view of performance may not be the same as that of the user of the services provided. Similarly, the perspective of the parent institution of the library on staff performance may differ from those of the library users and library staff.

Encyclopedia of teaching and learning (1987) classified performance into two namely: (a) In-role performance and (b) extra-role performance. In-role performance according to Organs and Bateman (1991) consists of those functions or contribution that are required by the job description or qualities contractually for compensation for the organizational formal reward system”. To him in-role performance is usually what we have in mind when we refer to a person’s productivity. For librarians in academic libraries in-role performance includes shelving and shelving reading, cataloguing and calcification, answering referene questions indexing and abstracting. Extra-role performance consists of functions or contributions that are required by the system and for which there is no contractual guarantee or increased reward. It involves a type of performance a worker would not be automatically reward for doing it. The performance of librarians in academic libraries is a function of so many factors. Ukeje, Okorie and Nwagbara (1992) listed factors that influence performance to include the following:

i. The individual motivation
ii. The individual ability
iii. The individual’s process of perception
iv. The individual’s personality, and finally a wide variety of organizational systems, and resources. To Newstron (2007) performance is an antecedent to high job satisfaction. He believes that, better performance typically leads to higher economic, sociological and psychological reward.
Theoretical Framework

The theoretical foundation of this study is based on Adam’s Equity theory of motivation. His theory helps us have a clearer understanding of the multifaceted nature of employee work behaviour, rewards and performance. Actually a well-constructed and integrated approach to design of monetary and non-monetary reward strategies to enhance employee performance and attain job satisfaction is hidden by this theoretical proposition. Equity theory of motivation concentrates on peoples perceptions of the fairness of their work outcomes relative to or in proportion to their work inputs. It centers on how people perceive the relationship between the outcomes (rewards) they receive from the jobs and contributions to the organization. The theory implies that employees inputs such as education, experience efforts, ability and others must be commensurate with the outcomes from the job and organization as pay benefits and rewards not just in absolute, but in relative terms of referents. Therefore the feelings of employees in association with the rewards offered to them and their input in any organization is fundamental.

Financial and non-financial rewards should be offered to employees in consideration of fairness and reward preferences to ensure employee motivation for performance and job satisfaction. The relationship between rewards, (monetary and non-monetary reward) job satisfaction and performance have generated much debate and controversies among organizational behaviour scholars and researchers. The debates centred on two dominant beliefs as to whether job satisfaction causes performance or performance causes job satisfaction. To support this view Padsakoff and Williams (1986) investigate the relationship between employee job satisfaction and performance and observed that satisfied workers may not necessarily be the highest producers. Rather they found out that, the general satisfaction-job performance relationship was somewhat stronger in studies in which rewards were linked to performance than where there was no performance pay contingency. They also found out that, there were many mediating factors to that, the most important of all seemed to be reward. The essence of these findings are to support the notion that, employee job satisfaction is a critical work attitude that managers in any organization or institution should consider in an attempt to increase workers performance.

Methodology

The study was conducted using survey design in which questionnaire was used as instrument for data collection. The population of the study comprised all the librarians in Alvan Ikoku Federal College of Education and Federal Polytechnic Nekede all in Owerri Imo State.

The total population was 35, 10 from Federal Polytechnic Nekede and 25 from Alvan Ikoku Federal College of education. Those that have degree in librarianship. The entire population was used for the study because they were sizeable. Descriptive statistics of frequency counts percentages and mean rating were used for data analysis in this study.

The responses and values are reported as follows;

Options,   S.A  =  4,
           A    =  3,
           SD   =  2,
           D    =  1

The grand mean for the options is  = 4 + 3 + 2 + 1 = 10
             4  4  = 2.5

The mean rating of 2.5 and above was seen as positive response, while the mean score response of 2.4 and below as being negative.
Data Analysis And Interpretation

A total of 35 copies of the questionnaire were distributed for data collection, and all were dully completed and returned representing 100% return rate.

Research question one:
What are the effects of monetary reward on the performance of the librarians under study?

Table 1 below shows the responses of the librarians on the effect of monetary reward on their job performance

<table>
<thead>
<tr>
<th>S/n</th>
<th>Items</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Mean</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Monetary rewards boots the moral of the librarians.</td>
<td>3(12)</td>
<td>27(81)</td>
<td>0(0)</td>
<td>5(5)</td>
<td>3.5</td>
<td>Positive</td>
</tr>
<tr>
<td>ii.</td>
<td>Monetary reward promotes librarians performance</td>
<td>11(44)</td>
<td>18(54)</td>
<td>3(6)</td>
<td>2(2)</td>
<td>3.3</td>
<td>Positive</td>
</tr>
<tr>
<td>iii.</td>
<td>Monetary reward reduces laxity and truancy</td>
<td>9(36)</td>
<td>14(42)</td>
<td>4(8)</td>
<td>8(8)</td>
<td>3.7</td>
<td>Positive</td>
</tr>
<tr>
<td>Iv</td>
<td>Monetary reward reduces employee’s turnover</td>
<td>13(52)</td>
<td>16(48)</td>
<td>2(4)</td>
<td>4(4)</td>
<td>3.2</td>
<td>Positive</td>
</tr>
<tr>
<td>v.</td>
<td>Monetary reward increases librarians efficiency and productivity.</td>
<td>9(36)</td>
<td>19(57)</td>
<td>2(4)</td>
<td>5(5)</td>
<td>3.4</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Table 1 shows the respondents responses in respect to research question 1. Item iii recorded the highest mean score of 3.7 item i has 3.5 responses, item v recorded a mean score of 3.4, while items ii and iv has 3.3 and 3.2 respectively.

All the items in table 1 were accepted because they had a mean score response above the grand mean of 2.5. This shows positive response to the question and implies that financial reward has positive effect on the performance of the librarians.

This supports the idea of Newstron (2007) where he said that, money is important to employees for a number of reasons; for the goods and services it will purchase as a part of its economic value and also as a social medium of exchange, and finally as the determinate factor for job performance.

Research question 2
Does non-monetary reward affects the performance of the librarians.

Table 2 responses on the effect of non-financial reward

<table>
<thead>
<tr>
<th>S/n</th>
<th>Items</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Mean</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Non-financial reward enhances employee performance.</td>
<td>6(24)</td>
<td>21(63)</td>
<td>3(6)</td>
<td>5(5)</td>
<td>3.5</td>
<td>Positive</td>
</tr>
<tr>
<td>ii.</td>
<td>Non-financial reward encourage organizational harmony.</td>
<td>10(40)</td>
<td>18(54)</td>
<td>3(6)</td>
<td>4(4)</td>
<td>3.3</td>
<td>Positive</td>
</tr>
<tr>
<td>iii.</td>
<td>Non-financial reward does not have positive influence on the performance of the librarians.</td>
<td>7(28)</td>
<td>9(27)</td>
<td>8(16)</td>
<td>11(11)</td>
<td>4.2</td>
<td>Positive</td>
</tr>
<tr>
<td>Iv</td>
<td>Non-financial reward results in employee commitment to the organization.</td>
<td>11(44)</td>
<td>15(45)</td>
<td>5(10)</td>
<td>4(4)</td>
<td>3.3</td>
<td>Positive</td>
</tr>
</tbody>
</table>

The analysis on the table shows that non-monetary incentives are very important in the performance of the librarians understudy as well as financial rewards. The responses of the respondents on the items on table 2 shows that majority of them agreed that non financial reward
encourages them to perform well on their job, for the mean score of all the items given was above the grand mean of 2.5

This is in agreement to the view of Luthans (1992) where he said, ‘social rewards such as recognition, attention and praise tend to be very reinforcing for most people’.

Research question 3
Which of the rewards do the librarians prefer to enhance their job performance?

Table 3: responses on the reward preference

<table>
<thead>
<tr>
<th>S/n</th>
<th>Items</th>
<th>SA</th>
<th>A</th>
<th>SD</th>
<th>D</th>
<th>Mean</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>I prefer non-financial reward of recognition, praise, awards or double promotion to monetary rewards.</td>
<td>5(20)</td>
<td>7(21)</td>
<td>8(16)</td>
<td>15(15)</td>
<td>4.8</td>
<td>Positive</td>
</tr>
<tr>
<td>ii.</td>
<td>I prefer financial cash, bonuses, salary increment or allowances to non-financial reward.</td>
<td>13(52)</td>
<td>19(57)</td>
<td>0(0)</td>
<td>3(3)</td>
<td>3.1</td>
<td>Positive</td>
</tr>
</tbody>
</table>

Table 3 above reflects the opinions of the respondents on their reward preference. The data revealed that individuals prefer one reward on the other to motivate him/her to perform well on the job. For the item in the table recorded a grand mean score of 4.8 and 3.1 respectively showing a positive responds.

This confirms the idea of Krietner and Kinicki (2007) where they posit that employees in organizations have preferences for the kind of reward offered to them as either direct cash payment or praise and commendation in recognition of individual contribution to the organization.

Testing of the Hypothesis

The testing of hypothesis was done using the chi-square ($X^2$) formula

$$X^2 = \sum (0-E)^2/E$$

$\Sigma$ = formation

$O$ = observed frequency

$E$ = expected frequency

Degree of freedom = (n-1)

Level of significance = 0.05

Ho$_1$: There is no significant difference between financial rewards and its effect on the performance of the librarians. Having calculated the contingency table, the $X^2$ calculated = 3479.5 and the $X^2$ tabulated = 5.226 while using degree of freedom, = 12 and level of significance, $\square = 0.05$ (5%).

Decision rule

Since $X^2$ calculated is greater than $X^2$ tabulated. The null hypothesis, Ho is rejected and the alternative hypothesis accepted, showing that monetary rewards has significant effect on the job performance of the librarians under study.

Ho$_2$: There is no significant difference between non-monetary rewards and its effect on the performance of the librarians. Having calculated the contingency table, the $X^2$ calculated value = 1399.6

$X^2$ tabulated value = 3.325

Degree of freedom = 9

Level of significance, $\square = 0.05$ (5%) 

Decision rule

From the $X^2$ analysis, the $X^2$ calculated value of 1399.6 is greater than the $X^2$ tabulated value of 3.325 at $p > 0.05$ level of significance and degree of freedom. Therefore the null hypothesis is
rejected and the alternative hypothesis accepted, and then conclude that, there is significant relationship between non-monetary rewards and its effect on the performance of the librarians. 

H03: There is no significant difference between the librarians choice of rewards in relation to their job performance.

Having calculated the contingency table, the $X^2$ calculated is $= 120.7$. The $X^2$ tabulated is 0.352. The degree of freedom being 3 and level of significance $= 0.05$ (5%) 

Decision rule
Since $X^2$ calculated is greater than $X^2$ tabulated, the null hypothesis is rejected and the alternative accepted.

It then means that, there is significant difference between the librarians choice of rewards in relation to their job performance. It is therefore obvious that financial and non-financial rewards are among the motivational variables that enhances employees performance in a work place.

Conclusion and Recommendation
The functioning of any organization depends upon how people work or behave in the organization. The needs of the individual and the attitude of management towards the needs of the employees is one of the most important issue in an organization. The concern of every manager of any organization should solely based on how to induce the workers, each having distinctive needs and a unique personality, to work together towards the organization’s objectives. Financial and non-financial rewards as one of the motivational variables that enhances workers, performance should not be underemphasized by the management, for it has the potential to encourage the workers to perform well on their assign duties.

Recommendations
Based on the findings the following recommendation are proffered.

1. Because of individual differences library management should not adopt one particular method or standard across the board in distributing rewards to individuals for outstanding performances.
2. There should be a periodic review of financial rewards to reflect the economic realities overtime and ensue that such rewards remain valuable to employees.
3. Financial and non-financial rewards should be offered to employees in consideration of fairness to ensure employee motivation for performance.

References


