

## Thesis Submission Form

All thesis submissions must be accompanied by a thesis submission form. The current guidelines for submission are available through the library at the following URL: <http://libguides.ncirl.ie/thesisguide>. The guidelines specific to the School of Business guidelines are listed here: <https://libguides.ncirl.ie/business>.

### Submission of Thesis to Norma Smurfit Library, National College of Ireland

Student name: Emmanuel Kwuluje Student number: x20104278

School: National College of Ireland Course: Human Resource Management

Degree to be awarded:

Master of Arts in Human Resource Management

Title of Thesis:

The relationship between reward categories and employee performance in the aviation industry- a case of Arik Air ltd.

One hard bound copy of your thesis will be lodged in the Norma Smurfit Library and will be available for consultation. The electronic copy will be accessible in TRAP (<http://trap.ncirl.ie/>), the National College of Ireland's Institutional Repository. In accordance with normal academic library practice all theses lodged in the National College of Ireland Institutional Repository (TRAP) are made available on open access.

I agree to a hard bound copy of my thesis being available for consultation in the library. I also agree to an electronic copy of my thesis being made publicly available on the National College of Ireland's Institutional Repository TRAP.

Signature of Candidate: 

---

### For completion by the School:

The aforementioned thesis was received by \_\_\_\_\_

Date: \_\_\_\_\_

This signed form must be appended to all hard bound and electronic copies of your thesis submitted to your school



**The Relationship between Reward Categories and Employee Performance in the  
Aviation Industry; A case of Arik Air Ltd.**

**Emmanuel Kwuluje**

**Master of Arts in Human Resource Management**

**National College of Ireland**

**Submitted to the National College of Ireland, August 2021**

## **Abstract**

Human nature values reward. Consequently, in organisational contexts rewards have become a potent managerial tool for stimulating employee's motivation, performance, retention, commitment, and other positive work-related outcomes. The present study explored the relationships between reward categories and employee's performance in a company in the Nigerian aviation industry, namely Arik Air Limited. The study used an online self-report survey consisting of four questionnaires to collect data about rewards and employee performance from 117 Arik Air employees. The research sought to determine what reward categories were currently available to Arik Air employees and whether these were significantly related to their performance. The hypotheses raised in the study were tested by observing mean responses to the questionnaires and conducting correlational analysis using the Statistical Package for Social Science (SPSS) software, version 27. Results indicated that while there were weak positive relationships between extrinsic, and intrinsic categories of rewards and performance, the relationships were not statistically significant. Contrary to expectations, mixed rewards were found to covary negatively with performance. However, this relationship was not significant and was very weak and close to zero. The findings from the study suggest the need for Arik Air to rethink its reward systems, and more comprehensively identify organisational drivers of employee performance as an important component of crafting an effective and impactful reward system. In addition, contextual variables such as negative motivators may assume additional dimensions of importance in enhancing the reward-performance link in developing economies that are enduring difficult economic conditions.

## Submission of Thesis and Dissertation

### National College of Ireland Research Students Declaration Form (Thesis/Author Declaration Form)

**Name:** Emmanuel Kwuluje

**Student Number:** x20104278

**Degree for which thesis is submitted:** Master of Arts in Human Resource Management

**Title of Thesis:** The relationship between reward categories and employee performance in the aviation industry- a case of Arik Air Ltd.

**Date:** 18 August 2021

#### Material submitted for award

- A. I declare that this work submitted has been composed by myself.
- B. I declare that all verbatim extracts contained in the thesis have been distinguished by quotation marks and the sources of information specifically acknowledged.
- C. I agree to my thesis being deposited in the NCI Library online open access repository NORMA.
- D. **Either** \*I declare that no material contained in the thesis has been used in any other submission for an academic award.  
**Or** \*I declare that the following material contained in the thesis formed part of a submission for the award of

---

(State the award and the awarding body and list the material below)

Signature of research student:



Date: 18 August 2021

## **Acknowledgements**

First and foremost, I would like to express my sincere appreciation to my amiable supervisor, Dr. Lynn Farrell, who played the role of a mentor to see that I am well guided at all times to come out with the best in me.

I would also like to thank the entire academic staff in the school of Business, especially the lecturers who taught me at different times.

Furthermore, I acknowledge the input of my dear colleagues and will not fail to say thank you to you all, they all represent a family outside of home.

I deeply appreciate the management of National college of Ireland especially, the president, the Dean of schools particularly my Dean, Dr. Colette Darcy for the role they played to see to the accomplishment of this project.

I also give my sincere appreciation to my parents who worked hard with rich love to see that all their children were happy and catered for at all times.

Finally, I would like to acknowledge God Almighty for the ability to commence and complete this exercise in sound health of body and mind.

## Table of Contents

Abstract .....	i
Submission of Thesis and Dissertation.....	ii
Acknowledgements.....	iii
<b>CHAPTER ONE .....</b>	<b>1</b>
<b>1.0 Introduction .....</b>	<b>1</b>
<b>1.1 Background of the Study .....</b>	<b>1</b>
<b>1.2 Statement of the Problem .....</b>	<b>4</b>
<b>1.3 Justification of the Study .....</b>	<b>5</b>
<b>1.4 Aims and Objectives of the Study.....</b>	<b>5</b>
<b>1.5 Research Questions .....</b>	<b>6</b>
<b>1.6 Research hypotheses .....</b>	<b>6</b>
<b>1.7 Importance of the Study .....</b>	<b>7</b>
<b>1.8 Overview of Chapters .....</b>	<b>8</b>
<b>CHAPTER 2: LITERATURE REVIEW.....</b>	<b>9</b>
<b>2.0 Introduction .....</b>	<b>9</b>
<b>2.1 Conceptual Review.....</b>	<b>9</b>
<b>2.1.1 Employee Reward Systems .....</b>	<b>9</b>
<b>2.1.1.2 Intrinsic Rewards.....</b>	<b>10</b>
<b>2.1.1.2 Extrinsic Rewards.....</b>	<b>11</b>
<b>2.1.1.3 Mixed Rewards.....</b>	<b>13</b>
<b>2.1.2 Employee Performance.....</b>	<b>13</b>
<b>2.2 Theoretical Review.....</b>	<b>16</b>
<b>2.2.1 Herzberg’s Two-Factor Theory .....</b>	<b>16</b>
<b>2.3 Empirical Review .....</b>	<b>17</b>
<b>2.3.1 Extrinsic rewards and Employee’s Performance.....</b>	<b>18</b>
<b>2.3.2 Intrinsic rewards and employee’s performance.....</b>	<b>19</b>
<b>2.3.3 Mixed rewards and employee performance.....</b>	<b>21</b>
<b>2.4 Literature Gap.....</b>	<b>23</b>
<b>CHAPTER THREE: RESEARCH METHODOLOGY .....</b>	<b>25</b>
<b>3.0 Introduction .....</b>	<b>25</b>
<b>3.1 Research Philosophy .....</b>	<b>25</b>
<b>3.2 Justification for Positivism .....</b>	<b>26</b>
<b>3.3 Research Approach .....</b>	<b>27</b>

3.3.1	Comparison of Inductive Approach and Deductive Approach in Research	28
3.4	Research Design.....	28
3.4.1	Comparison of Survey Design and Interview Research Design .....	29
3.5	Research Method.....	30
3.5.1	Comparison of Quantitative and Qualitative Research .....	31
3.6	Method of Data Collection.....	32
3.6.1	Primary Data Collection.....	32
3.6.2	Questionnaire Structure and Format.....	33
3.7	Sampling Technique.....	33
3.8	Sample Size .....	34
3.9	Ethical Considerations.....	35
3.10	Procedure .....	35
3.11	Measurement of Variables.....	36
3.12	Reliability .....	37
3.13	Data Analysis .....	38
3.14	Summary .....	38
<b>CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS.....</b>		<b>39</b>
4.1	Introduction .....	39
4.2	Demographic Analysis .....	39
4.3	Data Preparation.....	40
4.4	Test of Normality.....	40
4.5	Descriptive Analysis .....	41
Table 1. Mean scores of extrinsic reward, intrinsic reward, mixed reward, and employee performance at Arik Air Ltd.....		41
4.6	Inferential Data Analysis.....	42
4.6.1	What is the relationship between extrinsic, intrinsic, mixed rewards, and employee performance in Arik Air Ltd.?	43
Table 2. Correlation between extrinsic, intrinsic, mixed reward and employee performance in Arik Air Ltd.....		45
4.7	Discussion of Findings.....	46
<b>CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS.....</b>		<b>51</b>
5.0	Introduction .....	51
5.1	Summary .....	51

<b>5.2</b>	<b>Limitations of Study</b> .....	<b>52</b>
<b>5.3</b>	<b>Conclusion</b> .....	<b>53</b>
<b>5.4</b>	<b>Recommendations</b> .....	<b>54</b>
<b>5.5</b>	<b>Financial Implications</b> .....	<b>56</b>
<b>5.6</b>	<b>Personal Learning Statement</b> .....	<b>57</b>
<b>5.6.1</b>	<b>Improvement of primary research skills</b> .....	<b>57</b>
<b>5.6.2</b>	<b>Improvement of secondary research skills</b> .....	<b>58</b>
<b>5.6.3</b>	<b>Improvement in organisation skills</b> .....	<b>58</b>
<b>5.6.4</b>	<b>Conclusion</b> .....	<b>58</b>
	<b>References</b> .....	<b>60</b>
	<b>APPENDIX A</b> .....	<b>70</b>
	<b>INFORMATION AND CONSENT SHEET</b> .....	<b>70</b>
	<b>APPENDIX B</b> .....	<b>72</b>
	<b>QUESTIONNAIRE ON EMPLOYEE REWARDS AT ARIK AIR</b> .....	<b>72</b>
	<b>APPENDIX C</b> .....	<b>74</b>
	<b>FURTHER INFORMATION</b> .....	<b>74</b>

## **CHAPTER ONE**

### **1.0 Introduction**

This chapter provides an introduction to the research by clarifying the dimensions of employee rewards and the potential effect of such rewards on the performance of employees. To this end, the chapter includes sections which provide insight into the background of the study, statement of the research problem, objectives, research hypotheses and the value of the research findings to relevant identified stakeholders. This chapter will conclude by providing an outline of the structure of the remaining dissertation chapters. These remaining chapters shall draw on the framework, argument and foundation laid in this introductory chapter.

### **1.1 Background of the Study**

Within organizational contexts, reward is considered a buzzword for human resource managers who seek to stimulate employee motivation, performance, retention, commitment, and other positive work-related outcomes. The provision of rewards for employees, therefore, is a key practice commonly used in the corporate environment to facilitate the achievement of defined organizational goals (Sukanta, Yuesti and Kepramareni, 2018). Studies such as that of Mansaray-Pearce, Bangura and Kanu (2019) have found that the provision of employee rewards play a critical role in enhancing positive work behaviour and outcomes. This provides a strong motivation for the growing interest in the effectiveness and impact of these rewards within the business and academic circuits (Yousaf, Latif, Aslam and Saddiqui, 2014).

Advocates of employee rewards have always associated the provision of rewards with the reality of human nature (Shaheen and Farooqui, 2014). Human nature values rewards in the form of appreciation, gifts, recognition, funds, and other forms of incentives for participating in an activity (Abubakar, Esther and Angonimi, 2020). Connecting this to one of the fundamental axioms of human resource management, it is clear that people perform well when

they are motivated and rewards provide an effective means of motivating employees to achieve performance objectives (Abubakar et al., 2020). However, it is understood that rewards need to be carefully and strategically provided to achieve the goals of the organization (Mansaray-Pearce et al., 2019). Without a carefully defined rewards system that recognizes and rewards outstanding performance, there is a tendency for the organization's resources to be squandered since the provision of rewards can be costly when not appropriately managed (Minnich, Rau and Schluter, 2020; Armstrong and Brown, 2006). Employee rewards deemed appropriate and effective will likely differ from organisation to organisation (Mansaray-Pearce et al., 2019). Therefore, it is important to examine the effectiveness of the rewards provided by particular companies or industries to determine if they are having the desired impact on employee performance.

Employee rewards can be extrinsic, intrinsic or a mix of both extrinsic and intrinsic, but the goal as noted by Kefay, Kero and Kumera (2020) is to boost employee morale and motivation to enhance employee performance. An extrinsic reward is a tangible (often financial) reward given to an employee by an employer (e.g., a salary) whereas intrinsic rewards are non-financial rewards provided for an employee often based on their performance e.g., recognition (Kefay et al., 2020). Mixed rewards refer to the combination of extrinsic and intrinsic rewards provided for employees often on account of their outstanding performance (Abubakar et al., 2020). There is an ongoing academic debate regarding the contributions of different reward systems (extrinsic, intrinsic, and mixed rewards) to performance outcomes (e.g., Abubakar et al., 2020; Minnich et al., 2020; Idowu, Soyibo and Adeoye, 2019; Kuranchie-Mensah and Amponsah-Tawiah, 2016). Hence, the need to arrive at an empirical conclusion on this debate with respect to the influence of different reward categories on employee performance at Arik Air Ltd. which will be discussed in the next chapter.

Employee performance is a concept that has dominated human resource discourse for decades. In fact, it appears as though the main reason for the existence of human resource management is to foster positive or effective employee performance (Armstrong and Brown, 2006). In improving performance, a number of factors are critical to achieving positive outcomes including the work design (i.e., how the job is carried out), work environment (i.e., how comfortable it is for staff to work), skills, and competence of employees, among others (Armstrong and Brown, 2006). However, one of the critical factors that has been suggested to influence employee performance is an employee's level of motivation which determines whether they will deliver on their job responsibilities as expected or not (Armstrong and Brown, 2006; Hosain, 2014). It has additionally been argued by researchers such as Yousaf et al. (2014) that motivation cannot be achieved without a good rewards system that meets the yearning and aspirations of the employees. Given that there are different types of reward, the dominant question remains; what is the impact of these rewards on employee performance?

To address this pertinent question, the current research seeks to explore whether there is a relationship between employee performance and intrinsic, extrinsic, and mixed rewards at Arik Air Ltd. To this end, the researcher intends to leverage constructs from identified literature (i.e., reward categories and employee performance) to collect relevant data from the staff of Arik Air Ltd. via self-report measures for correlational analysis. The outcome will thus be useful in making a case for which rewards category (if any) has the strongest relationship with employee performance in Arik Air Ltd. and potentially the Nigerian aviation industry by extension.

Arik Air Ltd. is one of Nigeria's leading airlines that provides domestic and international flight operations with coverage across West Africa (Arik Air, 2018). It has a total staff strength of approximately 1,600 employees (African Aerospace Online, 2020). The complex scale of the company's operations requires that the staff are always efficient, effective, and productive. Arik

Arik Air Ltd.'s competitiveness, profitability, and excellence, therefore, depends on its employees performing to this high standard as expected (see Siwale et al., 2020).

## **1.2 Statement of the Problem**

There have been calls for organizations to deploy strategies to enhance the efficiency of their rewards system (Kuranchie-Mensah and Amponsah-Tawiah, 2016). This would require a great deal of information regarding employee reward preferences, the performance of the rewards system, and the buy-in of management (Kuranchie-Mensah and Amponsah-Tawiah, 2016; Kefay et al., 2020). As such, the starting point to improving the reward system is to examine the impact of the current reward system on the performance of employees (Kuranchie-Mensah and Amponsah-Tawiah, 2016; Mansaray-Pearce et al., 2019).

Employers need to consider the potentials of intrinsic and extrinsic rewards in the context of their own organizations (Minnich et al., 2020). In this regard, Arik Air is interested in providing more effective and diverse rewards for employees due to recent issues regarding its receivership and the COVID-19 pandemic (Ibekwe, 2020). To facilitate this, Arik Air must develop an understanding of which reward categories employees perceive to be available to them and how this relates to their performance. While it is crucial to note that some form of employee reward has been provided for employees in the past, it was reported by Daily Trust (2016) that the quality of service provided by Arik Air employees is poor. If performance and employee rewards are related this could suggest that there is an ineffective rewards scheme in the organisation. In order to make a case for improving the rewards system of Arik Air Ltd, it is imperative to ascertain how the current reward system is perceived by Arik Air employees and determine the relationship between these perceived intrinsic and extrinsic rewards and employee performance.

### **1.3 Justification of the Study**

Addressing the question of whether different categories of rewards (i.e., intrinsic, extrinsic, mixed) differentially influence employee performance will help human resource managers, particularly within the aviation industry, to effectively perform their function of improving employee motivation and performance (Minnich et al., 2020). This is premised on the fact that without a highly motivated human resource or capital, it will be difficult for the organization to achieve its objectives. The consequences of an inefficient or dysfunctional rewards system, therefore, could be quite devastating to the organization (Yousaf et al., 2014; Ndalechi, 2019). Where issues regarding the rewards system are not addressed, there is a likelihood that interventions such as training for performance improvement may yield negative or zero outcomes (Armstrong and Brown, 2006). Hence, the best way to build and maintain the asset base of the organization would be to develop an efficient and supportive rewards system that drives positive performance outcomes. Thus, there is a clear rationale for this research's focus on examining the impact of rewards on employee performance at Arik Air Ltd. (see Kuranchie-Mensah and Amponsah-Tawiah, 2016).

### **1.4 Aims and Objectives of the Study**

The aims of this research are to investigate the categories of employee rewards perceived to be on offer at Arik Air Ltd. currently and the relationship between these employee reward categories and employee performance among Arik Air Ltd. employees. The reward categories derived from the literature include intrinsic (e.g., recognition of good work), extrinsic (e.g., good pay) and mixed rewards (e.g., good pay and recognition). In furtherance of these broad research aims, the specific objectives of the research are to:

1. Determine to what extent Arik Air employees believe that extrinsic, intrinsic, and mixed rewards are currently available to them.

2. Analyse the relationship between intrinsic rewards and employee performance in Arik Air Ltd.
3. Examine the relationship between extrinsic rewards and employee performance in Arik Air Ltd.
4. Investigate the relationship between mixed rewards and employee performance in Arik Air Ltd.

### **1.5 Research Questions**

The current study will address the following research questions:

1. What is the relationship between intrinsic rewards and employee performance in Arik Air Ltd?
2. What is the relationship between extrinsic rewards and employee performance in Arik Air Ltd?
3. What is the relationship between mixed rewards and employee performance in Arik Air Ltd?

### **1.6 Research hypotheses**

The under-listed hypotheses will serve as a guide for exploring the relationships between the reward categories and employee performance:

H1: There is a significant positive relationship between the provision of intrinsic rewards and strong employee performance in Arik Air Ltd.

H2: There is a significant positive relationship between the provision of extrinsic rewards and strong employee performance in Arik Air Ltd.

H3: There is a significant positive relationship between the provision of mixed rewards and strong employee performance in Arik Air Ltd.

Given the debate within the literature it is unclear whether one category of reward will have a stronger positive relationship with employee performance than the others, therefore, we do not make strong hypotheses in this regard but will examine the respective correlational strengths between each rewards category and employee performance.

### **1.7 Importance of the Study**

This research will provide information regarding which reward categories Arik Air employees perceive to be available to them and how this relates to their performance. A greater understanding of the rewards available and this relationship between employee performance and intrinsic, extrinsic, and mixed rewards will contribute to improving the rewards system at Arik Air Ltd. This will further contribute towards the goal of enhancing the performance of employees in consonance with the expectation of the organization.

Apart from Arik Air Ltd, the findings of the study will also be beneficial to the following stakeholders: Findings from this research will help to contribute to the development and expansion of current academic knowledge regarding the nexus between rewards and employee performance, particularly in the aviation industry. This will also provide a basis for recommendations that will help to tailor future efforts to improve reward practices within Arik Air Ltd. The outcome of this research will also be useful to other companies within the aviation industry who may leverage these research findings to structure their own rewards system to effectively drive employee performance if a strong relationship between employee rewards and performance is demonstrated. In addition, the outcomes of this research will provide some insight to trade unions in the aviation industry. Trade unions may find this research useful when advocating for better extrinsic and intrinsic employee rewards as empirical research on the provision of employee rewards and how they relate to performance may help them to better negotiate with the management of companies in the industry.

## **1.8 Overview of Chapters**

This dissertation is segmented into five chapters with subsections addressing critical aspects of the research. The current chapter, chapter one, provided an overview of the research and set the foundation for the remaining chapters of this dissertation. The second chapter presents a review of relevant literature on the theme of rewards and employee performance. Relevant conceptual, theoretical, and empirical literature will be drawn on to understand the scope of existing research on the subject matter. This is followed by chapter three where the methodological framework of the research is presented, including ethical considerations related to the study. This methodological chapter discusses the population and sample of the study, identifying and justifying the research method and design. It concludes by describing the research materials, procedure, and analytic plan. The data collected in line with the protocol advanced in chapter three is presented, analysed, and discussed with respect to its implications in the fourth chapter of the research. The last chapter will therefore focus on advancing the summary, conclusions, and recommendations of the research. Suggestions for future research will also be advanced to address other issues that may be identified in the course of the research.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.0 Introduction**

A thorough review of existing literature on employee rewards is presented in this chapter to understand the nature of rewards that are provided to employees and what relationship previous research suggests exists between such rewards and employee performance. The nature of literature presented is conceptual, theoretical, and empirical, enabling the researcher to garner enough insight to advance the argument of the current research. First, we will define the key concepts relevant to this research, namely employee reward categories and employee performance. Afterward, further insight regarding existing theories and the potential link between reward and performance will be explored before assessing the gaps in literature.

### **2.1 Conceptual Review**

#### **2.1.1 Employee Reward Systems**

Rewards are prevalent in today's work environment. This does not however mean that rewards are a new practice. Rewards have long been offered to employees in exchange for the completion of specific employment duties towards achieving performance goals (Bergstrom, and Martinez, 2016). Rewards are broadly defined as a form of incentive or compensation that employers provide for employees in recognition of their performance in the organization (Munir et al., 2016). For the purposes of the current research, reward will be defined in three categories to include intrinsic, extrinsic, and mixed rewards (intrinsic and extrinsic); these three categories of reward were selected to holistically assess the reward system in Arik Air Ltd., given that these are the main categorisations of employee rewards as observed from literature.

### 2.1.1.2 Intrinsic Rewards

These forms of rewards are non-financial and typically involve psychological gains or stimulants derived from the effective performance of the job (Munir et al., 2016). Such rewards are dependent on the nature of work that the employee performs and may include recognition of performance, employee independence and opportunities for professional development (Niguse and Getachew, 2019). People tend to derive a sense of intrinsic reward from being allowed to carry out an important task, being allowed to make use of their talent in the workplace and utilize their preferred work style in executing or performing their job to standard (Bergstrom and Martinez, 2016). Previous research suggests that intrinsic rewards may consist of several aspects depending on the exact form of the reward. It is unclear what form of intrinsic reward is provided for staff of Arik Air Ltd., however, the three key components suggested by the literature for this reward category are empowerment of the employee, recognition of the employee's good performance and praise of the employee (Siwale et al., 2020). Considering this and how intrinsic rewards are conceptualised in the questionnaire from Salah (2016) adopted by this study, the following forms of intrinsic reward are noted and examined within this research.

- **Employer Recognition of employee contribution:** Employee recognition stands out as a form of intrinsic recognition where the achievements of the employee are recognised by the employer (Siwale et al., 2020). Niguse and Getachew (2019) observed that this is a common form of reward provided for employees and Munir et al. (2016) claimed that this is crucial to enhance motivation towards work.
- **Effort Acknowledgement:** Besides achievement as earlier noted, effort acknowledgement indicates that the employer identifies and values the sacrifice made by employees (Niguse and Getachew, 2019). For instance, this could take the form of recognising their effort to work overtime and delivering their job diligently.

- **Freedom and Independence of employees:** With employee freedom, it means staff are at liberty to work the way they want and are at liberty to express their views on any subject matter as it relates to work (Munir et al., 2016). This has a tendency to give staff a sense of belonging and it could have a positive multiplier effect on overall staff performance and productivity in the organisation (Siwale et al., 2020).
- **Authority and Responsibility:** Where staff are given the authority and responsibility to make certain decisions as it relates to the conduct of the business, it provides a strong motivation for employees to give their best and go the extra mile towards achieving the goals of the organisation (Siwale et al., 2020; Niguse and Getachew, 2019). Consequently, it stimulates the feeling of responsibility among employees, and this is believed to drive performance outcomes (Munir et al., 2016).
- **Creation of Opportunities for Employees and Training:** Where employees have opportunities for growth and career advancement, there is a tendency for them to feel that they are in the right working environment, hence, providing opportunities stand out as an inspiring intrinsic reward for employees (Niguse and Getachew, 2019).

#### **2.1.1.2 Extrinsic Rewards**

Extrinsic rewards are rewards provided for employees relating to the provision of workplace security, improvement of work conditions, payment of salaries, provision of fringe benefits and the institution of a high-performance work environment (Siwale et al., 2020). This may take the form of a bonus for high performance, an increase in salary and paid leave or holidays among other things (Munir et al., 2016). The exact forms of extrinsic reward provided for staff of Arik Air Ltd. are not yet clear, however, the following have been advanced in the literature as part of the available options that organizations typically provide and also these were targeted by the study's adopted questionnaire.

- **Good pay for employees:** Money stands out as a motivational reward for most employees hence, Niguse and Getachew (2019) contend that employers continue to structure their reward system around providing more payment opportunities for employees. Good pay enhances employees' commitment and innovativeness (Khan et al., 2017). And this, as noted by Bergstrom and Martinez (2016), could take the form of payment of salaries and wages, payment of bonus for high performance, merit payment etc.
- **Good employment contract:** A good employment contract should align with the labour law and protect the rights of the employees as well as the organisation. It should also not be seen as exploitative but rather flexible to accommodate the peculiar working needs of employees (Siwale et al., 2019). Where this occurs, there is a tendency for the organisation to create a rewarding work environment for employees (Siwale et al., 2019).
- **Provision of Staff Medicals:** Staff medicals focuses on issues around providing for the health and wellness needs of employees. This may form part of the incentives available to employees as noted by Munir et al. (2019) and covers the payment or refund of medical expenses incurred by employees working for the organisation either in the course of duty or outside work.
- **Employee Promotion:** Promotion is also considered as an extrinsic reward that involves the advancement of employees from one job position or level to another. Niguse and Getachew (2019) argued that every employee looks forward to promotion because it creates an avenue for them to further achieve their improvement and growth objectives.

### **2.1.1.3 Mixed Rewards**

The mixed rewards option may be considered a more robust rewards system as it includes the provision of extrinsic and intrinsic rewards for staff (Adoko, 2015). The underlying determinant or motivation for a mixed reward system is that a single rewards system is not efficient to meet the motivational needs of the employees, hence, a combination of extrinsic and intrinsic rewards is advocated to have an optimal impact on the performance of employees (Munir et al., 2016). For instance, mixed rewards will include incentives such as recognition (intrinsic) and good pay (extrinsic) or authority and responsibility (intrinsic) and promotion (extrinsic) and other similar configurations of rewards. This may positively contribute to achieving quality outcomes in the workplace when it is efficiently managed to meet the motivational and reward needs of the employees and when it considers the peculiarities of the environment such as the nature of the organization, the size of the organization, its culture and other internal or environmental variables (Adoko, 2015).

### **2.1.2 Employee Performance**

Employee performance is described as the assessed quality of employee contribution which determines the accuracy, effectiveness, efficiency, cost, and productivity of employees in the workplace (Shaikh, Tunio, and Shah, 2017). It provides a measure as well as an indication to check that employee performance matches the performance, growth, and competitive needs of the organization. It is expected that employee performance is efficient in meeting the goals of the organization and contributes to the development of the organization (Kinyita, 2015). Since all employees have an assigned job role and specification with a set of deliverables, employee performance refers to how these functions are being carried out by the employees. In other words, it is the extent to which the skills and the experience of the employee combine to arrive at a given output by the organization (Shaikh et al., 2017). There is also a collaborative

perspective to performance; in this regard, performance is the extent to which the employee collaborates with every member of the team towards achieving the goals of the organization (Kinyita, 2015). Employee performance is a complex theme because there are diverse factors that affect and interfere with employee performance in an organization (Shiquian, 2018). These factors include direct (i.e., the availability of work tools) and indirect factors (i.e., the organizational culture) which are usually targeted through the design of the organization. Mostly, performance is determined by the attitude and behaviour of employees as Shiquian (2018) notes that such behavioural factors determine whether employees perform well or poorly in the workplace. From existing literature, performance has been defined in terms of excellence in the work done by the employee. As such, Yahaya et al. (2011) claimed that employee performance is not only the measure of the success that has been achieved by the employees but the excellence in the output that the employee can create. Khan et al. (2017) rather defined employee performance as the alignment between employee and work-related factors that determine the extent to which employees can achieve meaningful outcomes in the workplace.

With respect to this research, a range of indicators identified by literature were adopted and formed the basis for the conceptualisation of employee performance utilised by the current research. These indicators of employee performance included the following:

- **High morale:** Morale can be seen as the generality of an employee's mood, satisfaction, and overall perspective throughout their period in an organization (Makhdoom, Atta and Malik, 2019). Employee morale improves workplace safety, minimises absenteeism and stress, and also reduces the amount of paid vacation days taken (Makhdoom et al, 2019; Aftab and Javeed, 2012).
- **Positive Attitude towards work:** Positive attitudes towards work can drive performance improvement as it encourages individuals to attempt new things, be

courageous while brainstorming new ideas, and look forward to going to work with their colleagues, for example (Makhdoom et al., 2019).

- **Performance Improvement:** This entails assessing the current output of a certain business process or procedure, and subsequently revising or adjusting that process or procedure in order to enhance the output, improve the effectiveness and efficiency of the process or procedure (Jundt et al., 2015; Griffin, Neal, and Parker, 2007). Where performance is improving, then overall productivity in the organisation can also be said to improve (Daryoush, 2013; Nicholls, 2017; Cades et al., 2010).
- **High productivity:** The amount of goods and services produced by a set of workers within a specified period of time is referred to as staff or employee productivity; it is one of many forms of productivity that economists track, and it is every company's objective to see productivity rise over time (Calarco, 2016; Griffin, Parker, and Mason, 2010; Rusu, Avasilcai and Hutu, 2016; Kalia and Bhadwai, 2019).
- **Job Innovation:** Innovation contributes to the overall performance of employees; hence, it stands out as a critical determinant of performance (Aftab and Javeed, 2012). In the context of the work environment, employees with innovative skills will be able to exploit new ideas and approaches towards achieving strategic organisational goals despite the limitations of their work environment (Aftab and Javeed, 2012).
- **High Standard of Work:** The quality or standard of work produced by an individual, team, or organization is a critical determinant of staff performance (Calarco, 2016). This might include task delivery quality, quality of work interactions, and the nature of deliverables. When it comes to controlling the performance of programs, projects, vendors, and employees, work quality is a typical consideration (Kalia and Bhadwai, 2019).

## **2.2 Theoretical Review**

A number of theories relating to employee performance such as the Herzberg's Two-Factor theory, Victor Vroom's Expectancy theory, Edwin Locke's Goal-setting theory, were reviewed by the researcher. However, this section of the chapter will focus on discussing the Herzberg's Two-Factor theory which is most relevant to the current research and may be useful in interpreting the study results. This theory is discussed in the following subsection.

### **2.2.1 Herzberg's Two-Factor Theory**

Reward in the framework of the Herzberg theory is based on two dynamics, the motivational factors that determine an employee's level of motivation and the hygienic factors that influence staff performance (Eshun, 2011). Following the Herzberg theory, employees require motivators such as higher responsibilities, personal growth opportunities, recognition, among other factors to be motivated for effective performance. This motivational factor could be seen to be relevant to the intrinsic rewards of interest to the current research. Besides these factors, there are hygienic factors that also need to align with the motivators, and these include having the right work policy, an effective salary structure, health and safety environment, relevant work tools and other factors that determine the extent to which the employees find the motivators to be effective (Bexheti and Bexheti, 2016). These motivational factors align to a large extent with the extrinsic reward variables of interest to the researcher in this study. This similarity between the motivators and hygiene factors of this theory and the current study's reward categories, as well as the need for a thorough understanding of the factors which may be responsible for employee performance present justifications as to why the Herzberg theory was of interest for this research and may be useful for interpreting the current study's results.

From existing literature, it is noted that the relationship between motivators and hygiene factors is crucial to achieving effective motivation and high performance in the organization (Malik and Naeem, 2013). While the Herzberg model is usually seen as a useful framework for determining incentives and motivational programs in the workplace, there are certain drawbacks noted in criticism of the theory (Malik and Naeem, 2013). First is the fact that employees have different motivational needs and with the diversity of the workplace, no single motivator can be tagged as effective to motivate every member of the organization. Also, motivation is a very robust theme that covers different aspects; hence it is important to note what the actual motivational effect of the Herzberg theory is (Malik and Naeem, 2013). In addition, the Herzberg theory does not specify an ideal combination of motivators and hygiene factors that is required to achieve performance objectives in the workplace.

### **2.3 Empirical Review**

Having reviewed the perspective of relevant theories on the subject matter, this section of the chapter will focus on examining relevant literature regarding the link between the different types of reward and employee performance. It is important to begin by stating that there has been no previous research which focused on rewards and employee performance in the aviation industry and the Nigerian aviation industry in particular. To this end, the focus here will be to discuss key studies that have been conducted in a variety of other industries across different regions including the Middle East, the United Kingdom and, most importantly, Africa. It is pertinent to note that these are considered key studies as they target similar examples of reward categories in the current study and also used relatively similar representative sample.

### **2.3.1 Extrinsic rewards and Employee's Performance**

In a study that was focused on the banking sector of the United Arab Emirates (UAE), Irshad (2016) sought to examine the effect of extrinsic rewards on employee performance. Primary data was collected from random employees in the banking sector to assess the extent to which salary, working conditions and bonuses paid to staff influenced their performance. The data which was analysed using inferential statistics showed that only salary and working conditions influenced the performance of employees and not the payment of performance bonuses.

Uwineza and Maturim (2015) explored the effect of extrinsic rewards on employee performance in the context of the Rwandan public sector using a descriptive research design and mixed data collection approach. Data were collected from 550 employees through a multistage sampling technique. Upon analysis using the ANOVA technique, it was found that extrinsic rewards have a positive significant relationship with employee performance as more extrinsic rewards was related to higher employee performance.

Ali, Edwin and Tirimba (2015) analysed the effect of extrinsic rewards on employee satisfaction as a variable that defines employee performance in the Somtel company in Somaliland, Africa. The extrinsic rewards indicated in the study included salaries, commission, bonuses, and work condition. The findings showed that salaries and the other extrinsic benefits contributed to improving employee job satisfaction and, by extension, performance.

Tizhe (2020) studied the effect of intrinsic and extrinsic rewards separately on employee performance in the context of the Nigerian banking sector. The researcher collected data from 54 employees drawn from Access bank and this was subject to a simple regression and Pearson product-moment correlation coefficient analysis. The findings of the research showed that

extrinsic rewards had a positive impact on employee productivity and job satisfaction which implied that better extrinsic rewards was related to better employee performance.

The previous studies as reviewed above indicates that extrinsic rewards can have a positive influence on employee performance, as the presence of these rewards relate to improved employee performance. This study will explore the strength and nature of the relationship between similarly defined extrinsic rewards and employee performance within the Nigerian aviation industry.

### **2.3.2 Intrinsic rewards and employee's performance**

Danish et al. (2015) investigated the impact of intrinsic rewards on task performance of employees as a way of examining the motivational effect of intrinsic motivation. A total of 290 questionnaires were collected from a range of banks in Pakistan and analysed using correlation and regression analysis to assess the relationship. From the analysis, it was observed that intrinsic rewards had a positive influence on employee task performance in the banking sector.

Emelianova (2019) investigated the impact of rewards system on employee performance in the manufacturing sector in Finland; A critical aspect of the research was to examine the impact of intrinsic rewards as part of the total rewards mix on employee performance. It was found that intrinsic rewards category contributes to the achievement of employee performance goals. The study collected data from both qualitative and quantitative sources. Quantitative data was collected via a specially designed online questionnaire with 91 responses, as well as a series of individual interviews with 8 participants for managerial level employees.

Olori and Edem (2017) investigated intrinsic rewards strategies and their relationship with employee performance with regards to the Nigerian microfinance industry, a total of 132 data sets was collected from sampled banks and subject to the Spearman rank-order correlation coefficient. The variables of the study include recognition, quality of work and job advancement while effective customer service was used as a predicate of employee performance. It was found from the study that a positively significant relationship existed between employee performance and intrinsic reward strategies in the Nigerian microfinance subsectors.

Lumumba and Florah (2013) sought to explore the impact and relationship between intrinsic rewards and organizational performance at the public sector level. Using a quantitative research design, the researcher sought to collect data from 350 employees which was subject to linear regression and Pearson product-moment correlation coefficient analysis. Using trust, and recognition as a predicate of intrinsic rewards, it was found that intrinsic rewards had a significantly positive relationship with employee performance in the organization.

This previous research as reviewed above suggests that intrinsic rewards can have a positive influence on employee performance, as the presence of these rewards is related to better performance and also higher levels of these rewards may relate to higher performance. The current research will explore the strength and nature of the relationship between similarly defined intrinsic rewards and employee performance within the Nigerian aviation industry. As previously noted, it appears that no such published empirical work has yet been conducted to explore the importance of these intrinsic rewards on performance.

### **2.3.3 Mixed rewards and employee performance.**

The effect of mixed rewards (a mix of intrinsic and extrinsic rewards) on employee performance has been examined across a number of industries and domains across the Middle East, Africa and the United Kingdom, and other parts of the world.

Salah (2016) investigated the influence of mixed rewards on employee performance in the mining sector in southern Jordan. From a survey of 250 employees, a range of data was generated and analysed using descriptive and inferential statistics. The study found that a significant relationship between employee performance and mixed rewards existed, as better mixed rewards related to better performance.

Ibrar and Khan (2015) also sought to investigate the impact of rewards on the performance of employees in the context of the education sector in the United Arab Emirates. A total of 100 questionnaires were administered and collected. The data was processed using descriptive analysis, correlation, and regression tests to show whether mixed rewards (a combination of intrinsic and extrinsic reward) influenced employee performance. It was discovered from the research that mixed rewards influenced employee performance positively.

Smith, Joubert and Karodia (2015) investigated the impact of mixed rewards on employee performance in the healthcare sector in South Africa. A total of 40 questionnaires were administered and analysed using exploratory analysis to ascertain whether employees valued mixed rewards and whether the rewards contributed to employee performance. From their analysis, it was found that employees were satisfied with their current mixed rewards, and this positively contributed to employee performance. Furthermore, the comparative analysis showed that intrinsic rewards were more motivational compared to the extrinsic rewards.

In addition, Al-Smadi (2020) focused on exploring whether intrinsic and extrinsic rewards (mixed rewards) had a positive impact on employee performance in Jordan. The survey was carried out with a focus on selected private sector organisations and 322 responses were collected. The data which was analysed using a range of inferential statistics showed that while a positive relationship exists between mixed rewards and employee performance, the result was not significant for extrinsic rewards leading to the conclusion that mixed rewards may not have an optimal impact on performance unless there is an effective combination of the intrinsic and extrinsic rewards components.

Munir et al. (2016) extended research on the impact of mixed rewards on employee performance to the courier services organization context in the city of Faisalabad, Pakistan. Data was collected from different courier companies and analysed using a mix of descriptive statistics. The findings showed that intrinsic rewards played a crucial role in improving employee performance while there was no significant effect of extrinsic or mixed rewards.

This section explored previous research that examined the nexus between extrinsic, intrinsic, and mixed rewards and employee performance to various degrees across a variety of different industries. No previous research, however, has focused on the aviation industry nor the Nigerian aviation industry. The research gaps from the previous literature will be highlighted in the next section of this chapter. These identified gaps form the basis for the methodological approach of the current research which will be advanced in the next chapter.

## **2.4 Literature Gap**

As indicated from the study, there are diverse perspectives relating to the nexus between different categories of rewards and employee performance. It seems that some previous research has not clearly delineated between extrinsic and intrinsic rewards or has used different definitions which creates issues for researchers interested in the unique relationships of these reward categories and performance as it makes comparisons across studies difficult. So, this present study may make a further contribution by using a theoretically and conceptually clear definition of intrinsic and extrinsic rewards.

Furthermore, Previous research focused on intrinsic and extrinsic rewards separately and mixed rewards provide evidence that each of these categories may play an important role in enhancing employee performance. However, very little is known about the influence of different reward categories on employee performance in the aviation industry, particularly within Nigeria. It is, therefore, important to examine the influence of rewards on employee performance in the context of Arik Air Ltd.

This research is additionally important considering that Arik Air Ltd. is under a receivership and no previous research attempt has been made to assess the performance implications of the rewards currently being provided for its staff. This research will first determine which categories of employee reward that Arik Air Ltd. employees perceive to be available to them currently before exploring the relationship between these employee reward categories and employee performance. These results may provide a basis for determining an effective reward system to drive employee performance within Arik Air Ltd. with implications for the aviation industry more broadly.

This gap in the literature with regards the relationship between employee performance and intrinsic, extrinsic, and mixed rewards in the Nigerian aviation industry will be addressed by

collecting self-report data from Arik Air Ltd. employees. The primary data to be collected via self-report questionnaires will help identify new findings and insight that will contribute to answering the questions about, what influence intrinsic, extrinsic, and mixed rewards have on employee performance. These findings will be considered in relation to previous research on the subject matter to examine whether the current research's findings support these previous findings or not within the novel context of the aviation industry.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.0 Introduction**

This chapter presents and clarifies the methodological framework of the research. Prior to the development of the methodology chapter, relevant secondary data was collected from journals and other credible academic databases to understand the notion of reward systems and employee performance. This insight provided a basis for the orientation of the researcher towards writing an effective methodology aligned with the objectives of the research as clarified in chapter one of this research.

In furtherance of the objectives, the data to be collected using the survey design is crucial to address the question of the relationship between intrinsic, extrinsic, and mixed rewards and employee performance. The context of the research is Arik Air Ltd., a major national airline in Nigeria. All measures utilised will be appropriately justified below to enhance the study's validity and reliability.

### **3.1 Research Philosophy**

Philosophy in research describes the researcher's perception, understanding and approach to investigating the real world (Saunders, Lewis, and Thornhill, 2016). Hence, it is important that the researcher clarifies the philosophical position that has been adopted to prevent misinterpretation, ensure consistency of approach, and enhance overall quality of the research findings (Saunders et al., 2016). Ensuring high quality research outcomes will positively impact on the value of the research for Arik Air Ltd. and other key players in the aviation industry.

After critically analysing the different philosophical frameworks as described by Saunders et al. (2016) the positivist theory was chosen as it is a research philosophy that follows the scientific method to clarify and resolve a research problem. This philosophical approach supports the collection of data from a sample size derived by statistical methods: the data can

be subsequently analysed to identify trends and provide empirical insight into the topic of interest (Bell, Bryman, and Harley, 2018) such as, in this instance, the relationship between intrinsic, extrinsic, mixed reward systems and employee performance.

### **3.2 Justification for Positivism**

As there are four main philosophical approaches to research including positivism, interpretivism, pragmatism, and realism, the researcher opted for positivism and discounted the rest because positivism has found great relevance in the business and management environment due to its application of the principles of natural science i.e., adopting a scientific approach to matters relating to social phenomena (Saunders et al., 2016). It is quite effective in showing cause and effect relationships among a set of quantitative variables.

Positivist researchers remain largely independent of the variable being investigated and usually tend to adopt a value free approach to determining the approach of the study, data collection methods and research process, among others (Saunders et al., 2016).

Interpretivism on the other hand advocates for an interdependent relationship between the researcher and the subject of inquiry. Thus, there is a tendency for the researchers' view, perception, and opinion to influence the thoughts of the participants (Saunders et al., 2016). Where the interpretivist researcher focuses on adopting an inductive approach to arrive at new information, positivist researchers prefer a deductive approach which walks through the collected data to address the research question (Bell et al., 2018).

Positivism is usually advocated as effective for studying facts and issues because it provides an effective framework for analysing the logical inclination of human reasoning in an objective manner to clarify and draw meaning from the findings of the research (Saunders et al., 2016).

Hence, the positivist process which has been followed in this research necessitates the specification of research hypotheses which will be tested to arrive at key findings that will be generalized for the total population.

One limitation of positivism is in understanding individual views, perception, and experience (Saunders et al., 2016). This is one aspect where interpretivism has its core strength because it helps to understand the values, opinion, and perspective of the different actors in a social context. However, this strength did not motivate the researcher to align with the interpretivist school because the nature of the research objective is not structured with a view to understand the individual views of employees regarding the rewards system but to cumulatively assess the relationship between the rewards provided and employee performance.

In relation to the comparison between realism and positivism, though they both share a similar approach to data collection and analysis, realism avoids applying natural science principles to concerns of social phenomena (Saunders et al., 2016).

To this end, the positivist ideology was preferred as an effective means of addressing the objectives of the research.

### **3.3 Research Approach**

In tandem with the positivist underpinning of the research, the research approach will follow the deductive framework as earlier mentioned. It is advocated that a deductive approach should be employed where the researcher intends to use verifiable instruments to address identified research questions (Cooper and Schindler, 2011). Thus, the choice of the deductive approach will enable the researcher to examine the relationship between intrinsic, extrinsic, mixed rewards and employee performance in the organization.

In addition, given that there have been extensive testing in other industries that have examined the relationship and/or effect of rewards on employee performance, the study has therefore

made hypotheses based on this and will test to further validate these claims that employee performance outcomes can be significantly influenced or enhanced by the nature of the rewards system provided within the aviation industry.

### **3.3.1 Comparison of Inductive Approach and Deductive Approach in Research**

Using the deductive or inductive approach in research may positively influence the quality of the research, depending on the choice of an appropriate method (Bell et al., 2018). A deductive approach can serve a dual purpose - either validating existing theories or invalidating the components of the theory based on recent information (Zikmund, 2003). As such, there is a need for statistical processing of the data by checking the confidence level of the data, ensuring effective sample size determination, randomization of data and other related tests. These considerations will be duly addressed in the course of this chapter to further strengthen the resolve of the researcher to adopt a positivist deductive approach.

An inductive approach was not used in this research because a lot of things are left to chance. In other words, the researcher studies events, situations, and contexts to arrive at conclusions regarding the research objectives and the population under study (Zikmund, 2003). The inductive approach has several limitations in contrast to deductive approaches because the researcher does not use a premise or working hypothesis as a guide (Branka and Grant, 2010). This could result in poor quality research, limited findings, and lack of confidence (validity and reliability) of the research outcomes and therefore not considered appropriate for this study (Branka and Grant, 2010).

## **3.4 Research Design**

The research strategy is a strategic plan for addressing a set of research questions and covers the process of data collection, data interpretation, data analysis and discussion of the findings of the data (Cooper and Schindler, 2011). Hence, a suitable design is effective for conducting

reliable and dependable research. Therefore, the researcher made use of the survey research design which is an effective approach to draw suitable data from a large population for in-depth and thorough analysis. Also, existing literature which was reviewed in the previous chapter show that this approach has been previously and widely adopted in the current research area.

In consonance with the survey research design, the researcher shall pay attention to effective sample selection using the non-probabilistic sampling method. More so, special recourse would be made to the design of an effective instrument or measure to help collect appropriate data for this research.

### **3.4.1 Comparison of Survey Design and Interview Research Design**

As much as the survey and interview designs contribute to generating data to address the research question, there are some quality, reliability and effectiveness issues which define the choice of both research designs. While surveys enable the researcher to collect data from relatively large samples efficiently, the interview design is generally not suitable for a large sample (Branka and Grant, 2010). Comparatively, surveys have a high level of statistical validity and findings are considered to be relatively reliable unlike interview data that may be subject to claims of researcher bias (Zikmund, 2003). Furthermore, data generated from a survey can be effectively sorted and analysed to arrive at useful insights through a range of statistical techniques. Such is not possible in the case of an interview where a broad range of assumptions are made, and the researcher interprets the findings based on his/her perception of the response provided (Zikmund, 2003).

Both the interview and survey design can help to generate data to understand the realities facing organizations and contribute to either validation, modification, refutation, and development of a new theory (Branka and Grant, 2010). However, survey design results in data that can be easily quantitatively analysed. Hence, beyond finding out the trend, survey design can also help

to substantiate the trend (Johnston, 2010). Interview design on the other hand helps to extract information through dialogue (question and answer) between the interviewer and the interviewee. The challenge with this approach is that whether a semi-structured, unstructured, or structured method is used or not, there are a lot of pitfalls e.g., failure to understand the gestures and expressions of interviewees which affects the validity and reliability of the research (Johnston, 2010).

In light of above, the survey method will be best suited for this current research as it would enable the researcher to collect a broad range of responses from participants and support diverse analysis in order to effectively address the questions of the research.

### **3.5 Research Method**

The quantitative method shall be adopted for this research which is aimed at assessing the relationship between different reward categories and employee performance. The quantitative method aligns well with the positivist philosophy and deductive approach and will enable the researcher to provide holistic insight into the research question (Branka and Grant, 2010). Quantitative data are numerical in nature and subject to diverse statistical analysis which could result in effectively clarifying the relationship between intrinsic, extrinsic, mixed rewards and employee performance. The quantitative method enables the researcher to examine the relationship existing among a set of variables which can be measured and analysed with lesser bias when compared with other methods while providing relevant explanation based on the data generated from the research (Branka and Grant, 2010).

The aim of quantitative research as clarified by Mike (2017) is to gain in-depth knowledge and develop understanding on the functioning of the real world. When applied in the context of social and business management, it helps to effectively observe existing phenomena among individuals (Bell et al., 2018). It is also an effective approach to learning about a group of

people which is described as the population of a study. The fact that quantitative data leverages scientific methods suggests that the data used for the research are measurable and observable (Terrell, 2012). The outcome of quantitative research tries to clearly explain what is important or what is not important or true for the population under investigation. This type of research is also essential for answering research questions relating to the frequency and magnitude of the impact of one variable on another (Terrell, 2012).

### **3.5.1 Comparison of Quantitative and Qualitative Research**

The quantitative research method leverages surveys and other appropriate instruments to collect numerical data regarding a phenomenon of interest (Bell et al., 2018). Such data form the basis for establishing the empirical and at times causal relationship between the variables under investigation. In contrast, the qualitative method focuses on generating social awareness about the real world where the researcher seeks to draw meaning from the data that is being collected (Terrell, 2012). Unlike the survey approach, methods such as grounded theory, ethnography and other means are used to generate data regarding the subject matter of inquiry. Although the quantitative method enables the researcher to collect data from a larger population, a qualitative approach typically entails collecting data from a smaller population size in order to gain a deeper analysis from a relatively smaller sample size (Saunders et al., 2016).

In addition, there is a difference between the qualitative and quantitative research depending on their approach to theoretical clarification. Quantitative research is usually based on a set of research questions or theory which is examined in the context of real-world or lab-based situations to determine whether the theory is still valid or requires modification (Bell et al., 2018). Throughout this process, the data is collected to quantify the problem under investigation, and this is quantitatively analysed to solve a research issue (Branka and Grant,

2010). The qualitative research mostly starts with a thought or perception or suspicion about the real world. This forms the basis for the collection of relevant data which will be qualitatively analysed to arrive at new findings that may give birth to theories surrounding the subject matter of investigation (Branka and Grant, 2010).

The foregoing comparative analysis formed the basis for the researcher's decision to adopt a quantitative approach and methodology for quantifying and analysing the data under investigation. As such, a set of hypotheses were defined at the preliminary phase of the research work alongside appropriate research questions which will be addressed and validated in the course of the current research. Through the data to be collected from the administration of the survey, the researcher will be able to address the objectives of the study which includes investigating the categories of employee rewards on offer at Arik Air Ltd. currently and the relationship between these reward categories and employee performance among Arik Air Ltd. employees.

### **3.6 Method of Data Collection**

The study's method of data collection was essentially primary data collection. Further details regarding the chosen method of data collection have been clarified in the foregoing subsection.

#### **3.6.1 Primary Data Collection**

Primary data collection is geared towards unearthing new data and insight regarding a phenomenon from a context that has not been reported before (Terrell, 2012). Through primary data collection techniques, the researcher is expected to identify the sample of the study and deploy appropriate instruments i.e., a questionnaire to collect information from the different respondents of the study. In the case of this research, the primary data will be collected from the staff of Arik Air Ltd. using self-report questionnaires to assess the relationship between the reward categories and employee performance.

### **3.6.2 Questionnaire Structure and Format**

For a major part of this chapter, reference was made to the research questionnaire as a critical instrument for this research. Questionnaires may be open-ended or closed, depending on the objectives of the research but they are generally described as an instrument for collecting holistic and suitable data relating to the subject of the research (Quinlan, 2011). The questionnaires on reward categories were adopted from a research paper by Salah (2016) while the questionnaire on employee performance was adopted from a research paper by Anitha and Kumar (2016).

The study particularly adopted these existing and established questionnaires as they have been published and previously validated, also, based on similar identifiable constructs of relevance to this current study.

The questionnaire leverages the five-point Likert scale response options which includes Strongly Disagree, Disagree, Unsure, Agree and Strongly Agree with scales ranging from 1 to 5 points, respectively. Rather than conventional print questionnaires, the researcher adopted the online survey option in view of the coronavirus pandemic and to minimize infection resulting from handling of the paper questionnaire.

### **3.7 Sampling Technique**

The convenience sampling method was explored to distribute the survey link to the respondents in the organisation as any employee who successfully completed the survey made up the sample for the study. The convenience sampling method is a particular kind of non-probability sampling in which participants are not chosen at random to partake in a study, rather this method seeks to collect data from members of the population who are readily available to take part in the study (Saunders et al., 2016). There is usually no inclusion criteria that is established for the selection of participants in convenience sampling as participation is open to all

individuals. Convenience sampling has the following advantages: it is inexpensive, efficient, and simple to execute (Saunders et al., 2016).

### 3.8 Sample Size

From research literature, the sample size is defined as a part of an entire population carefully chosen for analysis (Quinlan, 2011). Given that the population, entailing all employees currently working for Arik Air is 800, the sample size was derived using the Yamane formula. According to Yamane (cited in Glenn, 1992) the formula helps to identify objective and statistically relevant sample size for research.

$$n = \frac{N}{1 + Ne^2}$$

*Where* n = the sample size

N = the size of population

e = the error of 5 percentage points

Where the population (N) is 800, the sample size (n) derived is 267 respondents.

The researcher initially aimed for 267 participants, but after five weeks of the commencement of recruitment, only 117 participants had completed the survey and due to time constraints, the researcher was required to stop recruiting at that point.

However, this sample size is above the 84 participants that G\*Power (Faul et al., 2009) suggests is needed in order to detect a medium Pearson's correlation coefficient of  $r = .30$  with 80% power ( $\alpha = .05$ , two-tailed). More specifically, a Pearson's correlation coefficient with 117 participants would be sensitive to effects of  $r = .26$  with 80% power ( $\alpha = .05$ , two-tailed).

This means the current study would not be able to reliably detect correlations smaller than  $r = .26$ .

### **3.9 Ethical Considerations**

The research complied with relevant ethical guidelines for research in line with National College of Ireland's research ethical protocols and the General Data Protection Regulation (GDPR). Steps were taken to ensure informed consent by adding an Information sheet prior to the commencement of the actual questionnaire which detailed the nature of the study and information on voluntary participation. Participants were particularly informed about the freedom to withdraw during the study by closing the browser window and not submitting responses. Still, consent was obtained by telling participants that by submitting their responses they were consenting to having their data analysed albeit, anonymously.

Also, no personal identifying information including gender was collected in order to protect anonymity in a relatively smaller sample size. Additionally, effort was taken to ensure secure storage of the data collected during the research by storing them on a password protected system to prevent unauthorized access and the data was analysed anonymously at group level. Finally, and more broadly, all authors whose work informed this research are appropriately referenced as good practice in research.

### **3.10 Procedure**

The researcher, prior to carrying out the research sought and obtained formal consent from Arik Air Ltd. that they would distribute the survey link to all their employees, and further ensured that the ethics of privacy, confidentiality and informed consent were considered throughout the administration of the research instrument as detailed above.

Specifically, the Information sheet laid out the nature of the study, participants were informed that by completing the survey and submitting their responses they consented to take part and have their data analysed anonymously, they could withdraw during the study by closing out of the survey and not submitting responses.

Following the plan to adopt an online survey approach, the survey link was circulated to Arik Air employees through the human resource manager of Arik Air Ltd. Upon dispatch, participants had five weeks to peruse and voluntarily complete the survey at their own convenience. Once the recruitment period for the survey elapsed, the link was deactivated to prevent further responses before proceeding with the analysis of the data.

### **3.11 Measurement of Variables**

The instrument consisted of four self-report questionnaires targeting intrinsic, extrinsic, mixed rewards and employee performance, respectively. In Particular, the questionnaire on intrinsic rewards consisted of five questions, similarly the extrinsic rewards questionnaire consisted of five questions, also, the questionnaire on mixed rewards comprised of five questions while the questionnaire on employee performance included six questions. The questionnaires on reward categories were adopted from a research paper by Salah (2016) while the questionnaire on employee performance was adopted from a research paper by Anitha and Kumar (2016).

The scores were summed for each questionnaire for each participant in order to give an overall score for each of the reward categories and employee performance.

Each questionnaire's response options ranged from 1 = strongly disagree to 5 = strongly agree, with 3 representing neutrality/uncertainty. Therefore, a mean score of 3 suggested participants were unsure, a mean score above 3 showed they agreed and a mean score below 3 meant they disagreed.

### 3.12 Reliability

When a measure or instrument is reapplied to the same set of participants again, reliability is said to be achieved if the results obtained are consistent and persistent (Oluwatayo, 2012). The Cronbach Alpha reliability co-efficient was used to determine the current questionnaires' internal consistency as a measure of reliability.

According to Hinton et al. (2004) it was suggested that a Cronbach's alpha exceeding 0.90 indicates excellent internal consistency, alphas between 0.70 and 0.90 indicate high internal consistency, and alphas from 0.50 to 0.70 indicate moderate internal consistency, whereas a coefficient below 0.50 is considered poor. Table 1 below shows that the Cronbach's alpha coefficient for the current study's questionnaires on extrinsic, intrinsic, mixed rewards and employee performance are all above 0.70, with mixed reward and employee performance showing excellent internal consistency as they are both above 0.90. Therefore, the items in each of these questionnaires are likely measuring the same underlying concept in each of their respective questionnaires and can be considered reliable.

**Table 1. Reliability Results**

S/N	Constructs	No of Items	Cronbach's Alpha
1	Extrinsic Rewards	5	0.73
2	Intrinsic Rewards	5	0.88
3	Mixed Rewards	5	0.90
4	Employee Performance	6	0.92

### **3.13 Data Analysis**

The data generated from this research will be quantitative, therefore, a quantitative approach to data analysis will be utilized in the research. The descriptive statistics would be used to describe the sample and determine the mean responses to each of the questionnaires, this will help to understand what kind of rewards are perceived as available or not in the organisation, while, correlational analysis will be conducted to attempt to provide answers to the study's research questions which sought to determine the relationship between extrinsic, intrinsic, mixed rewards and employee performance and as the data were approximately normally distributed, Pearson's correlation will be used. The researcher plans to use software such as the Statistical Package for Social Sciences (SPSS) version 27 and Microsoft excel to conduct these analyses and draw in-depth insight regarding the relationships that exists between intrinsic, extrinsic, mixed rewards and employee performance.

### **3.14 Summary**

This chapter clarified the methodology of the research, providing a pathway to the data presentation and analysis that will follow in the next chapter. In summary, this research adopts a positivist, deductive approach using an online survey to collect quantitative data to determine the relationship between the reward categories on offer and employee performance at Arik Air Ltd.

## **CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS**

### **4.1 Introduction**

The data presented in this chapter reflects the outcome of the online survey carried out to determine the relationship between reward categories and employee performance in Arik Air Ltd. From a target sample size of 267, only 117 respondents completed the online survey due to time constraints. These responses form the basis for the data presented and analyzed in this chapter of the research work. The outcome of the analysis and interpretation of results are presented and discussed in the next sections.

### **4.2 Demographic Analysis**

The data regarding employee age indicated that 88.9% of the respondents were above the age of 30 while 11.1% were below the age of 30 years. Also, the findings show that the majority of the staff in this sample (65.8%) had worked for more than 7 years at Arik Air Ltd, whereas 28.2% had worked for 4 – 6 years. The remaining 6% had worked in the organisation for between 1 – 3 years. As can be seen in Figure 1 below, the majority of the respondents were operational staff, while 29.1% were office/support staff and the remainder were management staff of Arik Air Ltd.

**Figure 1. Staff Categorization at Arik Air Ltd.**



These findings confirm that every segment of Arik Air Ltd staff was represented to an extent in the survey. Also, the data further confirmed that most of the employees were permanent employees as denoted by 98.3% of the total respondents whereas only a small percentage were temporary/contract staff (1.7%).

#### **4.3 Data Preparation**

In preparing the data, a mean score was calculated per participant for each of the four questionnaires. To achieve this, the items for each questionnaire were summed and averaged separately resulting in four new mean-scored variables – one for intrinsic rewards, one for extrinsic rewards, one for mixed rewards and one for employee performance; following this, the analysis was carried out.

#### **4.4 Test of Normality**

The mean scores for each of the reward categories and employee performance were analysed using the SPSS descriptive analytic component to assess the normality of the data by observing their respective values of skewness and kurtosis. The data were found to be approximately normally distributed as the values of skewness and kurtosis for the intrinsic, extrinsic, mixed

rewards and employee performance variables were within the range of +/-1 which is considered excellent (George and Mallery, 2001).

#### 4.5 Descriptive Analysis

In this section, the researcher sought to answer the first research question which was to determine to what extent Arik Air employees believe that extrinsic, intrinsic, and mixed rewards are currently available to them. This was achieved by observing the overall mean scores for intrinsic, extrinsic, mixed rewards and interpreting them in relation to the meaning of the questionnaire response options. Additionally, the mean score for employee performance was examined to determine the level of performance self-reported by employees. Each questionnaire's response options ranged from 1 = strongly disagree to 5 = strongly agree, with 3 representing neutrality/uncertainty. Therefore, a mean score of 3 suggested participants were unsure, a mean score above 3 showed they agreed and a mean score below 3 meant they disagreed.

**Table 1. Mean scores of extrinsic reward, intrinsic reward, mixed reward, and employee performance at Arik Air Ltd.**

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Extrinsic Reward	117	1.00	5.00	2.89	0.79
Intrinsic Reward	117	1.00	5.00	2.89	0.95
Mixed Reward	117	1.00	5.00	2.57	1.02
Employee Performance	117	2.33	5.00	4.22	0.76
Valid N (listwise)	117				

The data in table 1 above shows that the overall mean score for extrinsic rewards variable was 2.89. This indicates that employees of Arik Air Ltd. generally disagreed that extrinsic rewards are currently available to them in the organization suggesting a low level of extrinsic rewards being offered. Similarly, the mean score for the intrinsic rewards variable was below 3 ( $M = 2.89$ ), indicating that employees of Arik Air Ltd. generally disagreed that intrinsic rewards are currently available to them in the organization, reporting a low level of intrinsic rewards. Furthermore, the data in table 1 shows that the overall mean score for mixed rewards was 2.57. This also indicates that employees of Arik Air Ltd. generally disagreed that mixed rewards are currently available to them in the organization, hence employees felt they were not receiving many mixed rewards. In summary, no reward category appeared to be highly available to Arik Air employees according to the employees themselves as the mean scores were consistently below 3 in the respective categories, indicating disagreement that these rewards are on offer in the organization.

Interestingly, the results also show that employee performance had a mean score of 4.22. This indicates that employees generally believed that their performance in the organization was of a high level or standard. Therefore, despite a low level of rewards, employees self-reported a high level of performance.

#### **4.6 Inferential Data Analysis**

In this section, we will explore the remaining research questions which sought to determine the relationship between extrinsic, intrinsic, mixed rewards and employee performance. Correlational analysis will be conducted to facilitate this. Since the data were approximately normally distributed, Pearson's correlation will be used.

The outcome of a correlational analysis is said to be statistically significant when the  $p$ -value is less than 0.05 (McLeod, 2019). It provides significant evidence against the null hypothesis, with a probability of less than 5% that our results would occur if the null hypothesis of no relationship between the variables were actually true. As a result, the null hypothesis will be rejected if the  $p$  value in the current analysis is  $< .05$ , and the alternative hypothesis accepted (McLeod, 2019).

A correlational analysis can yield three outcomes: a positive correlation, a negative correlation, or no correlation at all (McLeod, 2018). A positive correlation occurs when two variables are moving along the same direction. As a result, when one variable increases, the other declines (McLeod, 2018). A negative correlation occurs where an increase in one variable causes the other to drop; hence they are moving in opposite directions. When two variables have no correlation, it is called a zero correlation (McLeod, 2018).

Furthermore, the Pearson correlation coefficient has a fixed range of -1.0 to +1.0. Consequently, the correlation coefficient can be described as a measure of effect size. It expresses the degree to which two variables are related. To interpret this effect size, Cohen's (1988) conventions is used. A correlation value of .10 will signify a weak relationship; a correlation coefficient of .30 is seen to represent a moderate relationship; while a correlation coefficient of .50 or above is thought to represent a strong or significant relationship.

#### **4.6.1 What is the relationship between extrinsic, intrinsic, mixed rewards, and employee performance in Arik Air Ltd.?**

As can be seen from each of the significance values in table 2 below, there were no statistically significant relationships between each of the reward categories (extrinsic, intrinsic, mixed rewards) and employee performance, though the positive relationship between extrinsic rewards and employee performance was closest,  $r = .166$ ,  $p = .073$ ,  $N = 117$ . In addition, the

strength of the relationships between the reward categories and employee performance were low overall. There were small correlation coefficients ( $r$ 's  $< .2$ ) between extrinsic and intrinsic rewards and employee performance, while there was a relatively lower, close to zero correlation for mixed rewards and employee performance.

**Table 2. Correlation between extrinsic, intrinsic, mixed reward and employee performance in Arik Air Ltd.**

Item	Extrinsic Reward	Intrinsic Reward	Mixed Reward	Employee Performance
Extrinsic Reward				
Pearson Correlation	1	.741**	.724**	.166
Sig. (2-tailed)		.000	.000	.073
N	117	117	117	117
Intrinsic Reward				
Pearson Correlation	.741**	1	.689**	.117
Sig. (2-tailed)	.000		.000	.208
N	117	117	117	117
Mixed Reward				
Pearson Correlation	.724**	.689**	1	-.068
Sig. (2-tailed)	.000	.000		.468
N	117	117	117	117
Employee Performance				
Pearson Correlation	.166	.117	-.068	1
Sig. (2-tailed)	.073	.208	.468	
N	117	117	117	117

\*\* Correlation significant at 0.01 level (2 tailed).

The positive Pearson correlation coefficient between extrinsic and intrinsic rewards and employee performance indicated that the variables were moving in the same direction (i.e., either increasing or decreasing together). For example, employee performance may have improved with higher or more extrinsic and intrinsic rewards, but the relationship was not significant, so we are unable to interpret this further nor state that extrinsic and intrinsic rewards

significantly influence performance. A negative Pearson correlation coefficient indicates the variables are moving in opposite directions (i.e., as one variable increases the other decreases). This was the case for mixed rewards, but the researcher is unable to interpret this relationship as it was so close to zero.

#### **4.7 Discussion of Findings**

The data analysis provided very useful insight into the relationship between reward categories and employee performance at Arik Air Ltd. The questionnaires used to target these variables were reliable according to their Cronbach's alpha values (all  $\alpha$ 's > .7) and the study was sufficiently powered to detect small to medium effect sizes using two-tailed correlations. Therefore, we can interpret the results with reasonable confidence.

The demographic make-up of the sample, which is crucial to understanding the nature of the study participants, indicate a rich data set. The sample had a reasonable number of experienced Arik Air Ltd. staff according to the length of service which assured valuable inputs from employees familiar with both the working environment and the reward structure. In addition, the skewness of the sample in favour of operational staff (66.7%) might not be accepted as weakness of the data set considering the fact that the managerial cadre are expected to be fewer in organisations as they represent the structural peak in the organisational hierarchy. A managerial response of 4.3% of the sample may be considered low, however, this is comparatively on par with extant studies involving Nigerian executives (Osugwu, 2002; Abiodun, 2009). Besides, by delivering the questionnaire online, respondents could answer in their own time and possibly be less influenced by management expectations in their responses.

Generally, rewards provided by Arik Air Ltd. were relatively low for all the reward categories (Extrinsic:  $M=2.89$ ; Intrinsic:  $M =2.89$ , Mixed:  $M =2.57$ ). This outcome might possibly be related to the financial difficulty and receivership being experienced by the company (African

Aerospace Online, 2020; Daily Trust, 2016). The low emphasis of the company on extrinsic rewards in particular is a likely outcome of the financial state of the Airline. However, juxtaposed against the high employee performance reported in the firm ( $M = 4.22$ ) the question then is: why did poorly rewarded employees show a high level of performance? The structure of the industry is fairly oligopolistic in Nigeria with few companies operating, weak labour unions and loose regulatory frameworks that may provide leeway for exploitation of employees (Osuagwu, 2002; Abiodun, 2009). It is not uncommon for autocratic management to take advantage of the prevailing difficult economic conditions and high unemployment rates to demand and secure improved performance on the strength of negative motivation such as threat of sanctions, among others (Osuagwu, 2002; Abiodun, 2009).

The relationship between the reward categories and employee's performance at Arik Air Ltd. that indicated low levels of rewards and no significant relationships between them can be explained using Herzberg's two factor theory as previously reviewed in chapter 2.

Among other things, this theory resulted in two conclusions. First, is the existence of a collection of extrinsic conditions referred to as hygiene factors (Eshun, 2011). Some of which include effective salary structure, good working conditions, provision of relevant work tools. Second, is a set of intrinsic conditions referred to as motivators (Eshun, 2011). Some of which include recognition, feelings of achievement, and increased responsibility. The hygiene factors do not necessarily motivate but their absence may impede motivators from working (Bexheti and Bexheti, 2016).

As the result of this study showed low levels of rewards and no significant relationships between reward categories and performance, there is therefore a strong evidence suggesting that reward was not driving employee performance, rather some other factors not captured in the study seem to have been responsible for performance in Arik Air Ltd.

Consequently, reward may not have driven performance, but the withdrawal of rewards or poor reward system may impede the other factors responsible for performance from operating effectively. In this case, rewards play the role of hygiene factors while the other factors not included in the study are motivators of performance.

Furthermore, the results appeared inconsistent with earlier studies that showed that most organisations implement a wide range of extrinsic rewards for staff (Munir et al., 2016, Siwale, et al 2020), with some also offering a number of intrinsic rewards (Danish et al., 2015). The pattern and direction of the relationship between extrinsic rewards and employee performance in the study was expected to be positive and significant in line with earlier studies (Mukurim, 2015, Ali et al., 2015, Irshad, 2016). While the relationship was positive, it was not statistically significant. The relationship between intrinsic rewards and performance was positive, but low and not statistically significant. The direction of this relationship was consistent with expectations and earlier studies which found intrinsic reward have a positive influence on performance (Lumumba et al., 2013, Danish et al., 2015, Olori et al., 2017) but unexpectedly the relationship was not significant in the current study. Intrinsic rewards may not indicate appreciable influence on performance in the current study; however, the withdrawal may have demonstrable negative consequences on performance (Al-Smadi, 2020). Re-directing intrinsic rewards for performance outcomes should be an intuitively challenging task which will require some creativity on the part of management.

Human nature values reward (Abubakar et al., 2020). However, the direction and pattern of relationship between mixed rewards and performance in the current study is somewhat inconsistent with this notion and expectations. The direction of the relationship was not only not statistically significant, but it was negative and close to zero. This seems to affirm Al-Smadi's (2020) findings that mixed rewards may not have impact on performance unless there is an effective combination and as could be seen from the mean responses, the levels of rewards

on offer were poor according to employees. Consequently, the effectiveness of mixed rewards likely hinge on management's ability to determine the proportional combinations of intrinsic-extrinsic reward to achieve job performance goals. Furthermore, the very small negative relationship may have been the outcome of a neglect of mixed rewards in Arik Air Ltd. or poor application of them. This may give credence to the thread of opinion that mixed reward is rarely effectively practised by organisations even though it has been advocated as a holistic and highly effective reward system (Munir et al., 2016; Adoko, 2015).

Data on employee performance showed that performance was high ( $M=4.22$ ) notwithstanding variations in reward categories. The question therefore becomes: if reward categories were poorly available to Arik Air employees, how was employee performance reportedly high? The context of this study may hold some explanatory power for this unexpected finding of the lack of relationship between reward categories and performance. This study used a self-reported measure of performance. Therefore, a possible explanation could be that employees responded in a socially desirable manner (Holtgraves, 2004) i.e., were trying to make themselves appear to be high performing employees especially as their jobs may be quite uncertain currently due to the receivership, so they likely did not want to make themselves look bad even when responses were anonymously gathered. Earlier reported opinion on Arik Air's performance was not as favourable (Daily Trust, 2016) which would suggest employee performance is not as high as reported by the current participants, however, this situation may have improved over the year. Furthermore, developing economies in Africa are in difficult economic conditions occasioned by the COVID-19 pandemic and weak economic structure (OECD, 2020). Holding a job in the prevailing economic climate in itself is a possible motivator, as it conveys a sense of security, worth and status in society. We may expect that employees might voluntarily exert additional efforts beyond the typical call of duty to prevent the company from failing which would result in their own unemployment. This might explain their high performance despite

low rewards since Arik Air is experiencing financial difficulty and receivership. However, as noted we cannot discount the possible influence of a self-report measure of employee's performance as opposed to objective measures. Therefore, probable explanations for the high performance might be found in these additional contextual variables.

## **CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS**

### **5.0 Introduction**

This chapter summarises the overall research work by clarifying the findings of the research and also advancing the conclusions that have been reached and some strategic recommendations based on the outcome of the research that would help to improve the reward system of Arik Air and maintain a high level of employee performance. The outline of the chapter includes the summary of results, conclusion, recommendations, financial implications, reflection on limitations and personal learning.

### **5.1 Summary**

The core objective of the research was to examine the relationship between extrinsic, intrinsic, and mixed rewards and employee performance at Arik Air Ltd. In furtherance of these objectives, an extensive review of literature was conducted, and a clear methodology developed to guide the collection of suitable data to be able to address the research questions. To this end, an online survey was administered to the target population - employees of Arik Air Ltd., of which a total of 117 responses were received over a five-week period and formed the basis for the analysis.

According to the results of the current study, rewards offered by the organization were relatively low for all the reward categories, while performance was reportedly high. Correlational analysis found weak positive relationships between extrinsic and intrinsic rewards and performance, though the relationships were not statistically significant. Contrary to expectations, there existed a negative relationship between mixed reward and employee performance, but it was very weak and close to zero. These findings contradicted previous

literature which found significant relationships and may represent the impact of additional contextual factors such as Arik Air's receivership.

In light of this, the organisation needs to re-evaluate its reward system to identify actual organisational drivers of employee performance as a crucial element of fashioning effective rewards for employees.

## **5.2 Limitations of Study**

As much as the objectives of the research were reasonably addressed, there are certain limitations that have been noted with regards to the conduct of the research. First, the data collected represented less than 50% of the total staff of Arik Air Ltd. and the low response rate from the survey may affect the generalisation of the findings in relation to the staff of the organisation. In addition, the results may not be generally applicable to the state of rewards and their impact on employee performance in the aviation industry more broadly because the data collected is from a single organisation, hence, the claims cannot be said to be generally related to all airlines operating in the aviation industry. Further research is necessary in this regard.

Furthermore, the use of questionnaires derived from rewards identified in the literature as main instrument of data collection excluded other reward system that may have existed in the organisation. It cannot be generally asserted that the reward does not influence employee performance as there may be other bespoke intrinsic, extrinsic, and mixed rewards categories in the organisation which may not have been captured in this research. For example, negative motivators, organisational climate, managerial philosophies were not captured in the instruments. These may have potentially influenced performance of effectiveness of existing reward categories.

Another identifiable limitation was the use of a self-report measure of performance, (in line with previous research) as this can be prone to bias (Anitha and Kumar, 2016). Hence, the use

of a more objective measure of performance may have been better and less susceptible to forms of bias that can affect self-report measures (Anitha and Kumar, 2016). Nonetheless, the choice of a self-report measure of performance was preferred in order to maintain respondent anonymity as this would have been difficult to achieve using an objective measure.

### **5.3 Conclusion**

As has been noted previously, the research was aimed at examining the relationship between reward categories and employee performance at Arik Air Ltd. and determining the extent to which Arik Air employees believed intrinsic, extrinsic, and mixed rewards were available to them within their current work environment. Following the outcome of the correlational analysis, the study concludes that neither extrinsic, intrinsic nor mixed reward have significant positive relationship with employees' performance at Arik Air Ltd.

An important implication of this study is the evident need to incorporate negative motivators such as the fear of losing one's job (Kelsey, 2010), as a possible variable alongside positive rewards or motivators. Most previous studies on rewards seem to have neglected to consider how negative motivators may interact with rewards to influence performance. This may be particularly important to consider in contexts such as the current study's where rewards are low, and the company is in financial and organisational difficulty.

Also, a wide spectrum of reward systems may have been provided for staff of Arik Air Ltd. but given that the mean level of rewards reported by respondents was low (i.e., employees disagreed that they were in receipt of any of the reward categories), there is an indication that most of the employees may not have been properly informed about the nature of rewards accessible to them. Alternatively, the rewards in place may not have been appropriately offered to staff. Interestingly, the analysis suggested that the performance of employees was reportedly high, and the reward system did not have any significant influence on the performance of the

staff. Hence, there is a need to better identify the drivers of staff performance which may in turn help craft more impactful rewards. It is also important to note again, however, that self-report measures may not accurately capture employee performance, therefore, the current rewards may have had an influence on more objective measures of performance. Future research, therefore, should consider objective measures of performance as well as self-report measures when identifying drivers of high performance and effective rewards.

Furthermore, there is a need for future research that will focus on other airlines in both non-Western and Western contexts to facilitate comparisons and better understanding the relationship between employee performance and reward system in the aviation industry.

Qualitative research may also be beneficial to explore the expectations and needs of employees with regards to employee rewards. Additionally, this approach would be useful for reviewing and understanding the process through which the existing reward system at Arik Air Ltd. was developed and implemented for staff and where there may have been issues. These further research suggestions will help to expand the scope of the current research on this subject matter.

By providing insight into the relationship between reward categories and employee performance at Arik Air Ltd., the findings of this study benefits those in academia, airlines and companies in the aviation industry and other organisations such as labour unions and regulatory bodies that are interested in the welfare of employees in the industry.

#### **5.4 Recommendations**

Drawing on the insight from the findings of the research on the relationship between reward categories and employee performance at Arik Air Ltd., the following recommendations are advanced for consideration.

1. The Management of Arik Air Ltd. need to explore new ways of improving, developing, and expanding the current reward system with specific reference to the mixed reward option as employees did not think they were adequately being rewarded. This may help to enhance the impact of the reward system on the performance objectives of the organisation.
2. There is a need for Arik Air Ltd. to institute a process of effective communication and engagement with employees because respondents generally felt they were not adequately rewarded in the organisation. As such, it is imperative for the organisation to begin to explore ways of engaging employees to determine whether the reward system is really poor or is being mismanaged or both.
3. The findings showed that the current performance of employees at Arik Air Ltd. is high. This needs to be sustained in the long-term through adequate engagement with staff and employee rewards (Uwineza and Maturim, 2015, Ali et al., 2015, Irshad, 2016). However, there is a need to review performance appraisal reports and other objective data to identify whether performance is as high as respondents self-reported and determine the factors responsible for high performance before exploring reward system strategies to positively stimulate such indicators.
4. The management of Arik Air Ltd. and indeed other airlines in the industry need to conduct an employee reward survey to determine the reward needs and expectation of employees in the organisation because it is apparent that conventional rewards provided for employees did not have a significant motivational effect and as such, there is a tendency to believe that the expectation of employees have not been met.
5. The human resource department needs to find ways of improving the payment system, employment contract, staff bonus and opportunities for promotion as this was found to be deficient in the extrinsic rewards provided for staff at Arik Air Ltd. according to the

low mean response to this category of rewards overall. Similarly, there is a need to provide intrinsic rewards more effectively by enhancing employee recognition, acknowledgement of employee effort and assigning responsibilities to empower staff.

6. It was observed that there was a particularly inadequate level of mixed rewards provided for Arik Air Ltd. staff and this suggests the need for proactive attention to improve that aspect of the reward system. It is recommended that the management of Arik Air Ltd. set up a committee which will include the human resource team and representatives of other departments to marshal an effective plan and system for mixed rewards within the organisation.

## **5.5 Financial Implications**

The financial implications of the study's recommendations are expected to be moderate given the financial condition of the company and prevailing economic conditions in the country. The company and managers will have to expend time to accommodate meetings to develop a plan and system for effective mixed rewards provision. Management must be willing to allot time and consciously direct efforts to magnify the role of intrinsic rewards in the system. They must also consider how best to improve the extrinsic rewards being offered given their financial constraints which present unique challenges.

It would be beneficial for the company's management to devote reasonable time and resources in trainings to improve communication and engagement with their employees. Rewards need to be linked with performance because authoritarian management may achieve short-term desirable outcomes, however, in the light of strong competitive pressures in the world of business the short-term outcomes might fade. Other rewards such as free air travel and family air travel privileges not captured in the study might influence performance. Resources need to be deployed to unearth and assess such rewards if they are not already in place. It is evident

that strengthening the company's reward system requires expenditure of financial and non-financial resources which Arik Air Ltd. must be willing to undertake notwithstanding the current difficult financial state of the company. Improving the reward system will require management carefully balancing and assessing resource distribution and changes in employee performance.

## **5.6 Personal Learning Statement.**

Drawing on my previous experience as a human resource management professional, I developed an interest in examining the impact of rewards on staff performance and this interest formed the basis for the choice of the research topic, among others. With the execution of the research objectives and completion of the research activity, a number of key learning outcomes were achieved, and this is further expressed below.

### **5.6.1 Improvement of primary research skills**

In the course of this research and by leveraging knowledge learnt in the course of the MA in human resource management programme, I was able to develop a clear methodology under the guidance of my supervisor to collect suitable primary data for the purpose of the research. What was outstanding in this regard was that I had to conduct an online survey which formed the basis for interpreting data from the sampled staff of Arik Air Ltd. As part of this process, I learnt to follow up with the human resource department, monitor response rates and also developed the ability to collate and analyse the range of quantitative data collected in order to reach a valuable conclusion about the findings of the research. Besides, in developing the methodology, some foresight had to be utilised to identify and deal with methodological and ethical issues which may arise during the collection of data. As such, I am better positioned to conduct similar successful primary research in the future.

### **5.6.2 Improvement of secondary research skills**

The research objective formed the basis for a deep-dive into an array of existing literature to identify gaps and determine the actual contribution or value of the current research. In this regard, I had to identify suitable variables which included the domain of reward systems, intrinsic rewards, extrinsic and mixed rewards as well as employee performance. The literature search which was conducted on a range of academic databases formed the basis for identifying previous conceptualisations of the subject matter and also synthesizing the various studies on the subject matter to be able to identify gaps in which to situate the research. While completing the literature review, I learnt to better apply Boolean strings to find relevant literature, and also scan through the title, abstract and methodology aspects of papers to pick out useful insights from the research. Some progress was made in the area of critical writing and presentation of literature review findings as demonstrated in the second chapter of the research work.

### **5.6.3 Improvement in organisation skills**

The successful execution of this research project cannot be totally disconnected from organisational skills which were further enhanced in the course of the research. What started in the form of a project Gantt chart gave room to constant reiteration, foresight planning and strategizing towards delivering on the different deliverables of the project. From the proposal through to the final chapter, I learnt to organise activities logically, coherently and based on available time and resources to execute the project prior to the final deadline.

### **5.6.4 Conclusion**

In conclusion, undertaking this project was quite challenging and tasking. However, great things are achieved by engaging in the seemingly daunting tasks one may encounter.

In retrospect, if I could change one thing, it would be my performance in the research proposal and the research methods module as a whole which I did not quite perform in expectation of my set target. However, it served as a learning curve and a fulfilling endeavour especially, having to identify and address research gaps on the subject of rewards. I have gained more knowledge and insight on rewards and employee performance especially in the context of Arik Air Ltd. which I hope to leverage in future as I progress with my career in Human resource management.

## References

- Abiodun A. J., (2009) Exploring the relationship between human personal values, strategy dimensions and Performance. *Annals of University of Bucharest, Economic and Administrative Series*, 3, p.237-248. [Online] Available from: [https://www.researchgate.net/profile/Joachim-Abiodun/publication/255978524\\_Exploring\\_the\\_Relationship\\_between\\_Human\\_Personal\\_Values\\_Strategy\\_Dimensions\\_and\\_Performance/links/5dfbce17a6fdcc28372eb91c/Exploring-the-Relationship-between-Human-Personal-Values-Strategy-Dimensions-and-Performance.pdf](https://www.researchgate.net/profile/Joachim-Abiodun/publication/255978524_Exploring_the_Relationship_between_Human_Personal_Values_Strategy_Dimensions_and_Performance/links/5dfbce17a6fdcc28372eb91c/Exploring-the-Relationship-between-Human-Personal-Values-Strategy-Dimensions-and-Performance.pdf) [Accessed: 15 July 2021]
- Adoko Obicci, P., (2015) Influence of Extrinsic and Intrinsic Rewards on Employee Engagement (Empirical Study in Public Sector of Uganda). *Management Studies and Economic Systems*, 2(1), pp.59-70. [Online] Available from: [www.msas.org/article\\_10104\\_582f13e14b551d0f0a0ab38349c8f774.pdf](http://www.msas.org/article_10104_582f13e14b551d0f0a0ab38349c8f774.pdf) [Accessed: 15 April 2021]
- African Aerospace Online (2020) Arik Air appeals to the government to halt strike threats by staff. [Online] Available from: <https://www.africanaerospace.aero/arik-air-appeals-to-government-to-halt-strike-threats-by-staff.html> [Accessed: 25 March 2021]
- Aftab, H., and Javeed, A., (2012). The Impact of job stress on the counterproductive work behaviour (CWB): A case study from the financial sector of Pakistan. *International Journal of Contemporary Research in Business*, 4(7), 590–604
- Ali, A.A., Edwin, O. and Tirimba, O.I., (2015) Analysis of Extrinsic Rewards and Employee Satisfaction: Case of Somtel Company in Somaliland. *International Journal of Business Management & Economic Research*, 6(6). [Online] Available from: [www.ijbmer.com/docs/volumes/vol6issue6/ijbmer2015060609.pdf](http://www.ijbmer.com/docs/volumes/vol6issue6/ijbmer2015060609.pdf) [Accessed: 15 April 2021]
- Al-Smadi, R.W., (2020) Impact of intrinsic and extrinsic rewards on employee performance and determining the role of HR practices. A case study of Jordan. [Online] Available from: <https://mejss.org/wp-content/uploads/2020/11/MEIJSS-38-45.pdf> [Accessed: 15 April 2021]
- Anitha, R. and Kumar, M.A., (2016) A Study on the Impact of Training on Employee Performance in Private Insurance Sector, Coimbatore District. *International Journal of Management Research and Reviews*, 6(8), p.1079. [Online] Available from: [http://ijmrr.com/admin/upload\\_data/journal\\_R%20Anitha%20%2010aug16mrr.pdf](http://ijmrr.com/admin/upload_data/journal_R%20Anitha%20%2010aug16mrr.pdf) [Accessed: 20th December 2020]

Armstrong, M. and Brown, D., (2006). *Strategic reward: making it happen*. Kogan Page Publishers.

Bergstrom, E. and Garcia Martinez, M., (2016) The Influence of Intrinsic and Extrinsic Motivation on Employee Engagement: A qualitative study of the perceptions of managers in public and private sector organizations [Online] Available from: <https://www.diva-portal.org/smash/get/diva2:944047/FULLTEXT01.pdf> [Accessed: 15 April 2021]

Bexheti, L. and Bexheti, A., (2016) The Impact of Herzberg's Two Factor Theory and Efficiency at Work. *European Journal of Multidisciplinary Studies*, 1(2), pp.378-385. [Online] Available from: [journals.euser.org/files/articles/ejms\\_jan\\_apr\\_16\\_nr2/Luljeta.pdf](http://journals.euser.org/files/articles/ejms_jan_apr_16_nr2/Luljeta.pdf) [Accessed: 15 April 2021]

Branka, K. and Grant, O., (2014) Beyond the qualitative–quantitative distinction: Some innovative methods for business and management research. *International Journal of Multiple Research Approaches*, 5(3): 290 - 300

Bell, E., Bryman, A. and Harley, B., (2018) *Business research methods*. Oxford university press.

Cades, D.M., McKnight, P.E., Kidd, D.G., King, E.B and Boehm-Davis, D.A., (2010) Factors Affecting Interrupted Task Performance: Effects of Adaptability, Impulsivity, and Intelligence. In *Proceedings of the Human Factors and Ergonomics Society Annual Meeting* (Vol. 54, No. 4, pp. 458-462). Sage CA: Los Angeles, CA: SAGE Publications. [Online] Available from: <https://journals.sagepub.com/doi/abs/10.1177/154193121005400439> [Accessed: 15 April 2021]

Calarco, H., (2016) *Measuring the Relationship between Adaptive Performance and Job Satisfaction* (Doctoral dissertation, Middle Tennessee State University). [Online] Available from: [https://jewlscholar.mtsu.edu/bitstream/handle/mtsu/5006/Calarco\\_mtsu\\_0170N\\_10615.pdf?sequence=1&isAllowed=y](https://jewlscholar.mtsu.edu/bitstream/handle/mtsu/5006/Calarco_mtsu_0170N_10615.pdf?sequence=1&isAllowed=y) [Accessed: 15 April 2021]

Cooper, D. and Schindler, P., (2011) *Business Research Methods*. 11th Edition, McGraw Hill, Boston.

Daily Trust (2016) Knocks for Arik Air as passengers berate poor services. [Online] Available from: <https://dailytrust.com/knocks-for-arik-air-as-passengers-berate-poor-services> [Accessed: 25 March 2021]

Danish, R.Q., Khalid Khan, M., Shahid, A.U., Raza, I. and Humayon, A.A., (2015) Effect of intrinsic rewards on task performance of employees: Mediating role of motivation. *International Journal of Organizational Leadership*, 4, pp.33-46. [Online] Available from: [https://ijol.cikd.ca/article\\_60415\\_a52a62379b734c4ab10d72ac6c1ad8cf.pdf](https://ijol.cikd.ca/article_60415_a52a62379b734c4ab10d72ac6c1ad8cf.pdf) [Accessed: 15 April 2021]

Daryoush, Y., Silong, A.D., Omar, Z. and Othman, J., (2013) Improving Job Performance: Workplace Learning is the First Step. *International Journal of Education and Literacy Studies*, 1(1), pp.100-107 [Online] Available from: <https://files.eric.ed.gov/fulltext/EJ1149910.pdf> [Accessed: 15 April 2021]

Emelianova, Y., (2019) Impact of Reward System on Employee Performance: A Case Study of Normet Ltd. [Online] Available from: <https://www.theseus.fi/bitstream/handle/10024/170113/Impact%20of%20Reward%20System%20on%20Employee%20Performance.pdf?isAllowed=y&sequence=2> [Accessed: 15 April 2021]

Eshun, F.K.D., (2011) Reward as a Motivation Tool for Employee Performance. [Online] Available from: [www.diva-portal.org/smash/get/diva2:832968/FULLTEXT01.pdf](http://www.diva-portal.org/smash/get/diva2:832968/FULLTEXT01.pdf) [Accessed: 15 April 2021]

Faul, F., Erdfelder, E., Buchner, A. and Lang, A.G., (2009) Statistical power analyses using G\*Power 3.1: Tests for correlation and regression analyses. *Behavior Research Methods*, 41(4), pp. 1149-1160.

George, D., and Mallery, P., (2001) SPSS for windows step by step: A simple guide and reference 10.0 update (3rd ed.). Boston: Allyn & Bacon.

Glenn, D., (1992) *Determining Sample Size*. [Online] Available from: [https://d1wqtxts1xzle7.cloudfront.net/58812033/sample\\_size\\_1.pdf?1554552120=&response-content-disposition=inline%3B+filename%3DDetermining\\_Sample\\_Size\\_1.pdf&Expires=1611140542&Signature=CB7BMyP0puiUx1VSqju6C1sMh30E-Lldxxlzq0SiB36iphaRTn8DkoCgoMHZhu7aflxZBleSbXdINGW1IwPaNwleRPdDzSesotVN](https://d1wqtxts1xzle7.cloudfront.net/58812033/sample_size_1.pdf?1554552120=&response-content-disposition=inline%3B+filename%3DDetermining_Sample_Size_1.pdf&Expires=1611140542&Signature=CB7BMyP0puiUx1VSqju6C1sMh30E-Lldxxlzq0SiB36iphaRTn8DkoCgoMHZhu7aflxZBleSbXdINGW1IwPaNwleRPdDzSesotVN)

[9Z3WEJ5vKCFSSGG2TUzr3McMn-efM1YC49bDZxYYwF70N7-DBLWC-mCIqMcfg7rR0fByXJJGUX2e4q51e9Lj5GzFOcNA3uoIjfRxxcRkk9fQ2SE8gYqi-IthHdFGBWpjNgCIMHilu36zSBnFt3Hx-A78a2YFXtS~DaLWgB5LES9jIWgqjgMhiX66n~vWFYT4K2zWKm2fuuX47YEOs4g5HnUiQvW~YUlavUfGAQM~xhkAt4wzUeA\\_\\_&Key-Pair-Id=APKAJLOHF5GGSLRBV4ZA](https://www.researchgate.net/publication/353123456)  
[Accessed: 20 December 2020]

Griffin, M. A., Neal, A., & Parker, S. K., (2007) A new model of work role performance: Positive behaviour in uncertain and interdependent contexts. *Academy of Management Journal*, 50(2): 327-347

Griffin, M. A., Parker, S. K., & Mason, C. M., (2010) Leader vision and the development of adaptive and proactive performance: A longitudinal study. *Journal of Applied Psychology*, 95(1), 174-182.

Hinton P, Brownlow C, McMurray I, Cozens B., (2004) *SPSS explained*. Routledge.

Holtgraves, T., (2004) 'Social Desirability and Self-Reports: Testing Models of Socially Desirable Responding', *Personality and Social Psychology Bulletin*, 30(2), pp. 161–172.

Hosain, S., (2014) The Influence of Financial and Non-Financial Rewards; and Employee Empowerment on Task Motivation and Firm Performance of Bangladeshi Front-Line Employees: A Critical Approach. *European Journal of Business and Management*, 6(7), pp.156-168. [Online] Available from: <https://www.iiste.org/Journals/index.php/EJBM/article/viewFile/11454/11795/> [Accessed: 25 March 2021]

Ibekwe, N., (2020) *COVID-19: Arik cuts salaries by 80%, places 90% of staff on leave without pay*. [Online] Available from: <https://www.premiumtimesng.com/business/business-news/389578-covid-19-arik-cuts-salaries-by-80-places-90-of-staff-on-leave-without-pay.html> [Accessed: 25 March 2021]

Ibrar, M. and Khan, O., (2015) The impact of reward on employee performance: (a case study of Malakand private school). *International letters of social and humanistic sciences*, 52, pp.95-103. [Online] Available from: [The\\_impact\\_of\\_reward\\_on.pdf;jsessionid=8DF244BB7329D7DAECB2E39D2723F937?sequence=1](https://www.researchgate.net/publication/273123456) [Accessed: 15 April 2021]

Idowu, H.A.O., Soyebó, K.O. and Adeoye, E.A., (2019) Incentives as correlates of employees' loyalty towards management in the organization. *African Journal of Business Management*, 13(12), pp.407-414 [Online] Available from: <https://academicjournals.org/journal/AJBM/article-full-text-pdf/658D60761309> [Accessed: 25 March 2021]

Irshad, A., (2016) Impact of Extrinsic Rewards on Employees' Performance. *Journal of Global Economics*, 4(3), pp.1-4. [Online] Available from: <https://www.hilarispublisher.com/open-access/impact-of-extrinsic-rewards-on-employees-performance-2375-4389-1000203.pdf> [Accessed: 15 April 2021]

Johnston, J., (2010) Qualitative Research Methods. *Radiologic technology*, 82(2), pp.188-189. [Online] Available from: [www.radiologictechnology.org/content/82/2/188.full](http://www.radiologictechnology.org/content/82/2/188.full) [Accessed: May 11, 2021]

Jundt, D. K., Shoss, M. K., & Huang, J. L., (2015) Individual adaptive performance in organizations: A review. *Journal of Organizational Behavior*, 36, S53-S71.

Kalia, N. and Bhardwaj, B., (2019) Contextual and Task Performance: Do Demographic and Organizational variables matter? *Rajagiri Management Journal*. [Online] Available from: <https://www.emerald.com/insight/content/doi/10.1108/RAMJ-09-2019-0017/full/html> [Accessed: 15 April 2021]

Kefay, K., Kero, C.A. and Kumera, L., (2020) Effect of Financial Incentive Scheme Practice on Employees' Motivation in The Case of Commercial Bank of Ethiopia. [Online] Available from: <http://oaji.net/articles/2020/2748-1588571821.pdf> [Accessed: 25 March 2021]

Kelsey, J., (2010) "The Negative Impact of Rewards and Ineffective Praise on Student Motivation," ESSAI: Vol. 8, Article 24. [Online] Available at: <http://dc.cod.edu/essai/vol8/iss1/24> [Accessed: 25 March 2021]

Khan, R., (2014) The Impacts of Goal Setting and Curiosity on the Employee Job Performance: A Perspective from NGO Sector of Pakistan. *Management Studies and Economic Systems*, 1(1), pp.33-40. [Online] Available from: [www.msae.org/article\\_5972\\_c656bd7c26672cf12353a87078d6218d.pdf](http://www.msae.org/article_5972_c656bd7c26672cf12353a87078d6218d.pdf) [Accessed: 15 April 2021]

Khan, A., Ahmed, S., Paul, S. and Kazmi, S.H.A., (2017) Factors Affecting Employee Motivation Towards Employee Performance: A Study on Banking Industry of Pakistan.

In *International conference on management science and engineering management* (pp. 615-625). Springer, Cham. [Online] Available from: [https://escholarship.org/content/qt9s65w1f5/qt9s65w1f5\\_noSplash\\_aca4f9a463dfbbe5bdc6988b607bc96f.pdf](https://escholarship.org/content/qt9s65w1f5/qt9s65w1f5_noSplash_aca4f9a463dfbbe5bdc6988b607bc96f.pdf) [Accessed: 15 April 2021]

Kinyita, P., (2015) Relationship between work stress and performance of employees: A case study of transit hotel in Nairobi City County. *Archives of Business Research*, 3(6).

Kuranchie-Mensah, E.B., and Amponsah-Tawiah, K., (2016) *Employee motivation and work performance: A Comparative study of mining companies in Ghana. Journal of Industrial Engineering and Management (JIEM)*, 9(2), pp.255-309. [Online] Available from: [Accessed: 25 March 2021]

Lumumba, W., and Florah, O.M., (2013) Intrinsic Reward and Organization Performance at Vihiga County Government, Kenya. [Online] Available from: [https://profiles.uonbi.ac.ke/sites/default/files/florah\\_oluoche/files/wilberforce\\_and\\_mercy\\_published\\_510-5241.pdf](https://profiles.uonbi.ac.ke/sites/default/files/florah_oluoche/files/wilberforce_and_mercy_published_510-5241.pdf) [Accessed: 15 April 2021]

Makhdoom, I.F., Atta, M., and Malik, N.I., (2019) Counterproductive Work Behaviors as an Outcome of Job Burnout among High School Teachers. *Bulletin of Education and Research*, 41(2), pp.79-92 [Online] Available from: <https://files.eric.ed.gov/fulltext/EJ1229449.pdf> [Accessed: 15 April 2021]

Malik, M.E., and Naeem, B., (2013) Towards Understanding Controversy on Herzberg Theory of Motivation. *World Applied Sciences Journal*, 24(8), pp.1031-1036. [Online] Available from: [https://www.textroad.com/pdf/JBASR/J.%20Basic.%20Appl.%20Sci.%20Res.,%20\(11\)11936-11941,%202012.pdf](https://www.textroad.com/pdf/JBASR/J.%20Basic.%20Appl.%20Sci.%20Res.,%20(11)11936-11941,%202012.pdf) [Accessed: 15 April 2021]

Mansaray-Pearce, S., Bangura, A. and Kanu, J.M., (2019) The Impact of Financial Non-Financial Rewards on Employee Motivation: Case Study NRA Sierra Leone. [Online] Available from: <https://www.ijrbsm.org/papers/v6-i5/4.pdf> [Accessed: 25 March 2021]

McLeod, S. A., (2018) *Correlation definitions, examples & interpretation*. Simply Psychology. [Online] Available from: <https://www.simplypsychology.org/correlation.html> [Accessed: 14 July 2021]

McLeod, S. A., (2019) *What a p-value tells you about statistical significance*. Simply Psychology. [Online] Available from: <https://www.simplypsychology.org/p-value.html> [Accessed: 14 July 2021]

Mike, A., (2017) *The SAGE Encyclopaedia of Communication Research Methods*. [Online] Available from: <https://methods.sagepub.com/reference/the-sage-encyclopedia-of-communication-research-methods> [Accessed: May 11, 2021]

Minnich, A., Rau, H.A., and Schlüter, J., (2020) The effects of financial and non-financial incentives on the demand for a sustainable DRT system. *CEGE Number*. [Online] Available from: <https://www.econstor.eu/bitstream/10419/218963/1/1699974152.pdf> [Accessed: 25 March 2021]

Munir, R., Lodhi M.E., Sabir, H.M., and Khan, N., (2016) Impact of Rewards (Intrinsic and Extrinsic) on Employee Performance with Special Reference to Courier Companies of Faisalabad City. *European Journal of Business and Management*, 8(25), pp.88-97. [Online] Available from: <https://core.ac.uk/download/pdf/234627487.pdf> [Accessed: 15 April 2021]

Ndalechi, D.R., (2019) *The Influence of Non-financial Recognitions to Employee Performance: A Case of Worldwide Fund* (Doctoral dissertation, The Open University of Tanzania). [Online] Available from: [repository.out.ac.tz/2612/1/damas\\_raphael.pdf](https://repository.out.ac.tz/2612/1/damas_raphael.pdf) [Accessed: 25 March 2021]

Nicholls, H. (2017) Factors affecting task performance: differences in levels of understanding. [Online] Available from: [https://www.researchgate.net/publication/315693777\\_Factors\\_affecting\\_task\\_performance\\_differences\\_in\\_levels\\_of\\_understanding](https://www.researchgate.net/publication/315693777_Factors_affecting_task_performance_differences_in_levels_of_understanding) [Accessed: 15 April 2021]

Niguse, G.T. and Getachew, H., (2019) The Effect of Reward System on Employee Creativity *Journal of Higher Education Service Science and Management (JoHESSM)*, 2(1). [Online] Available from: <https://core.ac.uk/download/pdf/228832655.pdf> [Accessed: 15 April 2021]

OECD, (2020) COVID-19 in Africa: Regional socio-economic implications and policy priorities. [Online] Available from: [https://read.oecd-ilibrary.org/view/?ref=132\\_132745-u5pt1rdb5x&title=COVID-19-in-Africa-Regional-socio-economic-implications-and-policy-priorities&\\_ga=2.92518553.501367761.1627319683-712699255.1627319683](https://read.oecd-ilibrary.org/view/?ref=132_132745-u5pt1rdb5x&title=COVID-19-in-Africa-Regional-socio-economic-implications-and-policy-priorities&_ga=2.92518553.501367761.1627319683-712699255.1627319683) [Accessed: 01 July 2021]

- Olori, W.O., and Edem, A.L., (2017) Intrinsic Reward Strategies and Employee Performance in Nigeria's Microfinance Industry. *International Journal of Economics and Business Management*, 3(3), pp.46-52. [Online] Available from: <https://iirdpub.org/get/IJEBM/VOL.%203%20NO.%203%202017/INTRINSIC%20REWARD.pdf> [Accessed: 15 April 2021]
- Oluwatayo, J., (2012) 'Validity and reliability issues in educational research', *Journal of Educational and Social Research*, 2, pp. 391 – 400
- Osuagwu, L., (2002) Total Quality Management Strategies in a Developing Economy, *Business Process Management Journal* 8(2)
- Presslee, A., Vance, T.W. and Webb, R.A., (2013) The Effects of Reward Type on Employee Goal Setting, Goal Commitment and Performance. *The Accounting Review*, 88(5), pp.1805-1831. [Online] Available from: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1656517](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1656517) [Accessed: 15 April 2021]
- Quinlan, C., (2011) Business research methods', South-Western Cengage Learning. *Andover, Hampshire, UK*.
- Rusu, G., Avasilcai, S. and Hutu, C.A., (2016) Organizational Context Factors Influencing Employee Performance Appraisal: A Research Framework. *Procedia-Social and Behavioural Sciences*, 221, pp.57-65 [Online] Available from: <https://pdf.sciencedirectassets.com/277811/1-s2.0-S1877042816X00079/1-s2.0-S187704281630163X/main.pdf?> [Accessed: 15 April 2021]
- Salah, M.R.A., (2016) The influence of rewards on employees performance. *Journal of Economics, Management and Trade*, pp.1-25. [Online] Available from: <https://www.researchgate.net/publication/303529037> [Accessed: 20th December 2020]
- Saunders, M., Lewis, P. and Thornhill, A., (2016) *Research Methods for Business Students*. 7th Edition, Pearson, Harlow.
- Shaheen, A. and Farooqi, Y.A., (2014) Relationship among employee motivation, employee commitment, job involvement, employee engagement: A case study of University of Gujrat, Pakistan. *International journal of multidisciplinary sciences and engineering*, 5(9), pp.12-18.
- Shaikh, M.R., Tunio, R.A and Shah, I.A., (2017) Factors Affecting to Employee's Performance. A Study of Islamic Banks. *International Journal of Academic Research in*

*Accounting, Finance and Management Sciences*, 7(1), pp.312-321 [Online] Available from: [https://hrmars.com/papers\\_submitted/2722/Article\\_32\\_Factors\\_Affecting\\_to\\_Employees\\_Performance.pdf](https://hrmars.com/papers_submitted/2722/Article_32_Factors_Affecting_to_Employees_Performance.pdf) [Accessed: 15 April 2021]

Shiquian, L., (2018) Factors Affecting the Job Performance of Employees at Workplace in the Higher Education Sector of China. [Online] Available from: [www.ijsrp.org/research-paper-0118/ijsrp-p7330.pdf](http://www.ijsrp.org/research-paper-0118/ijsrp-p7330.pdf) [Accessed: 15 April 2021]

Siwale, J., Hapompwe, C., Kukano, C. and Silavwe, D.C., (2020) Impact of Reward System on Organisational Performance: A case study of Brentwood Suppliers Limited in Lusaka. [Online] Available from: [Zambia.www.ijsrp.org/research-paper-0720/ijsrp-p10335.pdf](http://Zambia.www.ijsrp.org/research-paper-0720/ijsrp-p10335.pdf) [Accessed: 15 April 2021]

Smith, E., Joubert, P. and Karodia, A., (2015) The Impact of Intrinsic and Extrinsic Rewards on Employee Motivation at a Medical Devices Company in South Africa. *Kuwait Chapter of the Arabian Journal of Business and Management Review*, 5(1), p.39. [Online] Available from: [https://www.arabianjbmr.com/pdfs/KD\\_VOL\\_5\\_1/3.pdf](https://www.arabianjbmr.com/pdfs/KD_VOL_5_1/3.pdf) [Accessed: 15 April 2021]

Sukanta, I. W., Yuesti, A. and Kepramareni, P., (2018) The Influence of Financial Incentives and Non-Financial Incentives to Job Performance: Motivation of Work as A Variable of Modernation in Employee Cooperation of Save Loans (Ksp) Mitra Sari Dana Denpasar Oleh. *International Journal of Contemporary Research and Review*, 9(07), pp.20886-20900. [Online] Available from: <https://ijcrr.info/index.php/ijcrr/article/view/552> [Accessed: 25 March 2021]

Terrell, S. R., (2012) Mixed-Methods Research Methodologies. *The Qualitative Report*, 17(1), 254-280

Tizhe, U.M., (2020) *Effect of intrinsic and extrinsic rewards on employee performance in access bank PLC Nigeria* (Doctoral dissertation, Dublin Business School). [Online] Available from: <https://esource.dbs.ie/handle/10788/4144> [Accessed: 15 April 2021]

Uwineza, J. and Maturim P., (2015) Effects of Extrinsic Rewards on Employees Performance in Public Institutions in Rwanda: A Case Study of Rwanda Revenue Authority. [Online] Available from: <https://www.ijsr.net/archive/v6i10/ART20177392.pdf> [Accessed: 15 April 2021]

Yahaya, A., Yahaya, N., Bon, A. T., Ismail, S., & Ing, T. C., (2011) Stress level and its influencing factors among employees in plastic manufacturing and the implication towards work performance. *Elixir Psychology*, 41, 5932-5941.

Yousaf, S., Latif, M., Aslam, S. and Saddiqui, A., (2014) Impact of Financial and non-Financial Rewards on Employee Motivation. *Middle-East journal of scientific research*, 21(10), pp.1776-1786. [Online] Available from: <https://www.semanticscholar.org/paper/Impact-of-Financial-and-non-Financial-Rewards-on-YousafLatif/bdd2b1de5e2f3756fe1aa539b9975796516a5d9e> [Accessed: 25 March 2021]

Zikmund, W.G., (2003) Business Research Methods (7th edn) Mason. *Ohio: Thomson South Western*

## **APPENDIX A**

### **INFORMATION AND CONSENT SHEET**

Dear Respondent,

I am inviting you to take part in important research on employee reward systems by completing the following brief survey. This survey is part of the requirement for the completion of my Master of Arts in Human Resource Management at the National College of Ireland.

The focus of the research is to examine how different rewards in the workplace may be related to employee performance using brief self-report questionnaires. This research will help inform the implementation of effective rewards in the aviation industry and so your input is highly valuable.

The information you provide will be treated with strict confidentiality. The survey does not require any personal, identifiable information (i.e., your name, Staff I.D, email address) or any information which can be traced to you and so your participation is anonymous. The data from this study will be held on a password-protected computer, to which only the lead researcher will have access. A report of the study will be produced to meet course requirements and may be submitted for publication, but the data will be analysed on an aggregate level, and no individual participants will be identifiable. Your data may be shared with other researchers if requested after publication. However, there is no identifying information in the data and your responses will be completely anonymous.

Participation in this research is voluntary. You can discontinue the study simply by closing your internet browser window. However, you will be unable to withdraw after completing the study, as the data analysis process may have begun and as all responses are anonymous, we will not be able to identify your data.

The survey will take approximately 10 minutes to complete. At the conclusion of this study, you will receive further information to inform you about the nature of this research. When you have read the further information page at the end of the survey, please click the 'Submit' button at the bottom of the page to submit your data for inclusion in this study.

Should you have any concerns or need clarification at any point, you may reach out to the lead researcher or the project supervisor through the following emails: [x20104278@student.ncirl.ie](mailto:x20104278@student.ncirl.ie) (Emmanuel, Lead Researcher); [Lynn.Farrell@ncirl.ie](mailto:Lynn.Farrell@ncirl.ie) (Project Supervisor).

By completing this survey, you are consenting to participate in this study. Please complete the survey only once. If you do not wish to participate you can close this internet browser window.

Thank you.

Emmanuel Kwuluje.

Lead Researcher.

## APPENDIX B

### QUESTIONNAIRE ON EMPLOYEE REWARDS AT ARIK AIR

#### 1.0 RESPONDENT DEMOGRAPHIC PROFILE

1. What is your age?     below 30 years         31 years and above
2. How long have you worked for the organization?  1 – 3 years         4 – 6 years  7 years and more
3. What is your staff categorization?  Operational staff         Office/Support staff  Management staff
4. What is the nature of your employment contract?  Full time         Contract

#### 2.0 REWARDS

Kindly indicate your agreement or disagreement with the following statements reflecting on your experience working in Arik Air. Options range from 1 Strongly Disagree, 2 Agree, 3 Unsure, 4 Disagree to 5 Strongly Agree.

S/N	Item	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
1	I receive good pay in my job					
2	I have a good employment contract					
3	I can or have received an employee bonus or award					
4	I am entitled to medicals					
5	There are opportunities for promotion with my employer					
6	I am recognized by my employer for my achievements					
7	My efforts in work are acknowledged					
8	I enjoy freedom and independence at work					
9	I am given authority and responsibilities to deliver on tasks/projects					

10	There are opportunities for training and skills development with my employer					
11	I enjoy good pay and recognition for my work					
12	I have job security and opportunity for career advancement					
13	I can receive training/skills development and support from my supervisor					
14	My employer provides a compensation and incentive policy and the opportunity for challenging assignments					
15	My employer will provide retirement benefit as well as recognition for my years of service					

### 3.0 EMPLOYEE PERFORMANCE

Kindly indicate your agreement or disagreement with the following statements reflecting on your experience working in Arik Air. Options range from 1 Strongly Disagree, 2 Agree, 3 Unsure, 4 Agree to 5 Strongly Agree.

S/N	Item	Strongly Disagree	Disagree	Unsure	Agree	Strongly Agree
1	I have a high morale to work at anytime					
2	I have a positive attitude towards work					
3	My performance keeps on improving					

4	My level of productivity is high					
5	I am more innovative on the job than when I first joined the organization					
6	I believe I perform my duties at work to a high standard					

## APPENDIX C

### FURTHER INFORMATION

This study was conducted to examine how different rewards in the workplace may be related to employee performance. Specifically, we are interested in the relationship between different categories of employee rewards and employee performance in the aviation industry in Nigeria.

Three categories of rewards were assessed, namely, intrinsic (e.g., recognition of good work), extrinsic (e.g., good pay) and mixed rewards including both intrinsic and extrinsic (e.g., good pay and recognition). Performance was assessed via a self-report questionnaire as were the reward categories. Arik Air was selected for this research due to its strategic position within the Nigerian aviation industry. This research aims to help inform the implementation of effective rewards in the aviation industry, particularly within Nigeria.

Please click the ‘Submit’ button at the end of this page to submit your data for inclusion in this study. Again, we wish to reassure you that the information you provided is anonymous and will be treated with strict confidentiality. If you do not want wish to participate you can close out of this internet browser window.

We would like to thank you for your participation. Should you require a follow up or have any further questions, you may reach out to the lead researcher at the following email address: x20104278@student.ncirl.ie (Emmanuel, Lead Researcher).

Thank you.

Emmanuel Kwuluje.

Lead Researcher.