



## **Effect Of Reward On Organizational Performance In Nigeria Breweries Company South-East, Nigeria**

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### **ABSTRACT**

The study examines effect of reward on organizational performance in Nigeria breweries company South-East. The study aims to investigate the effect of salary increase, cash bonus and promotion on organizational performance. Relevant literatures were reviewed. This study is anchored on equity theory. The study adopted survey research design. The population of the study was 1752, and Borg and Gall (1973) was used to determine a sample size of 337. Instruments used for the study was structured questionnaire. Face content validity was used to validate the instruments. Test-retest and Cronbach's Alpha was used to compute the reliability of the instrument. Data for the study were subjected to simple percentages, descriptive statistics. The study also employed Multiple Regression Analysis (MRA) at 0.05 level of significance in testing hypotheses. Findings showed that; Salary increase has a significant positive effect on organizational performance. Cash bonus has a significant positive effect on organizational performance. Promotion has a significant positive effect on organizational performance. The study concludes that reward has a significant positive effect on organizational performance in the sampled Nigeria breweries in South-East. The study recommended that a balance should be created by Nigeria breweries authorities in adopting which motivational measures to use since this study indicate that both extrinsic and intrinsic reward are capable of influencing one aspect of employee behavior or the other. Managers should employ the two in order to get the best performance from the employees. Nigeria breweries should carry out a survey to determine what appeals most to the employee in order to know the right reward for their employees. This will help to bring out the best in them. Nigeria breweries should ensure constant review of their reward policy in order to ensure that they are in line with the current realities so as to motivate their employee to be committed to improved performance.

**Keywords:** Reward, Salary Increase, Cash Bonus, Promotion and Organizational Performance

### **INTRODUCTION**

Human resource provides a foundation for a business to attain sustainable competitive advantage (Waruni, 2014). Since organizations are working in a dynamic and competitive business environment, they need to build up plan to obtain and keep capable workers. Nowadays, human asset is well thought-out to be the most significant asset of any business and in order to get the efficient and effective outcome from human resource, worker motivation through rewards and fringe benefits are essential (Zaman, 2011). In any business, reward plays a significant function in building and supporting the dedication among workers that ensures a high standard of performance (Wang 2004). Most businesses have attained a considerable enhancement by completely complying with the organizational policy of well-balanced reward and recognition programs for worker. Reward refers to the entire groups of financial remuneration, tangible services and benefits that a worker gets as component of employment relations with the business enterprise. Lawler (2003) described that there are two features that make a decision on how much a reward is attractive, the amount of reward which is offered and the attempt of a worker for a particular reward. Workers are definitely closer to their enterprise and execute superior job, while they get improved reward and recognition in their enterprises. Rewards increase the level of effectiveness and

performance of the workers on their jobs and in the outcome thereof enhance the achievement of the enterprises.

Heng (2012) uphold that if business enterprises fails to reward workers, it will openly affect workers performance and a well-organized reward system can be a high-quality motivator but an ineffective reward system can demotivate the workers in terms of low output, internal disagreement, non-attendance, high turnover, lack of dedication and faithfulness, lateness and complaint. Therefore, businesses need to build tactical reward system for workers in order to keep capable workers which result to sustainable competitive advantage.

Rewards and organizational performance cannot be separated (Suzanne & Luthans, 2006 and Fehr & John, 2004). This is because rewards offer the much needed strength that drive performance in the business enterprises. Organizations with ineffective motivation system are likely to perform gloomily (Razwan and Ali, 2010). Secondly it is because performance is utmost to defining any organization's viability and significance (Armstrong, Brown and Reilly, 2011 & Yamoah, 2013). As a result, it is incumbent on all stakeholders in the administration of any enterprise to build up tactic to enhance performance through the provision of these inducements. Research done by Heng, (2012) found out that employee's performance is reliant on the way they are taken care of in the enterprise despite high salary

In modern era like other sectors, higher educational are expected to produce leadership qualities among the students and uphold the social justice. In attaining the mission and goals of the institutions, many factors should be taken into contemplation particularly job satisfaction, as they play very important task in students and national developments (Johnes and Taylor, 1990). Nowadays the responsibility of higher institutions became wider than ever, as higher institutions task changed from conventional role of imparting education towards the contribution in the economic development through knowledge sharing and talent improvement (Göransson and Brundenius, 2010). Doherty (2013) recent argument seems to be a rational explanation of this evolution. He stressed the need of an environment and reward systems in the higher institutions that not only holds Nigeria breweries workers but give power to them to attain the goal of producing brilliant labor force. Based on the foregoing, this study examined the effect of reward on organizational performance in South- east, Nigeria.

### **Statement of the Problem**

At present, the low performance, lack of devotion and dedication of employees have been a subject of worry and dispute among government officials, private enterprises and the general public. Designing and put into practice an efficient reward system has become a enormous problem for most enterprises in Nigeria. An investigation carried by Cascio (2006) in some West African nations including Nigeria found that most enterprises in developing countries do not structure and put into practice their reward packages in a suitable way; hence workers find it hard to actually believe they are benefiting from their place of work. Poorly structured reward system that does not really motivate workers to put in their best at work is a main subject in corporate Nigeria today. Organizations that do not plan their reward system based on the personality of their employees are likely to be wasting assets, as workers are not motivated to work hard if certain benefit packages offered by the organization do not speak to their needs. An average Nigerian worker places more value to the rewards he or she will gain from work, therefore they are much worried about what they are paid. Also, the current economic recession has affected so many businesses in Nigeria harmfully. Several businesses were forced to reduce workers rewards to alleviate financial difficulty caused by economic recession as was observed in so many states. This has brought chaotic management-labour crisis leading to incessant campaign for improved condition of service. A campaign for enhance minimum wage by Nigeria Labour Congress and protest within the Nigeria breweries surroundings for discharge of agreement entered into with the unions. This development has affected the degree of performance in organization. Most workers feel that the benefit they get for the services rendered is not proportionate with the level of their effort. Ineffective rewards policy creates dissatisfaction in workers which increases absenteeism and workers turnover rate. Shafiq and Naseem (2011) also state that poorly planned reward system and poor compensation in organization mitigate the worker motivation and leads to awful performance. Poorly rewarded workers are likely to pursue their own goals including private

business during official hours, completely neglecting the goals of the organizations. Manda and Odhiambo (2001) explains that to make ends meet, employees are forced to engage in other income generating activities, often using organization's offices as their base. This affects performance in organization negatively. The International Labour Organization (ILO, 2003) lamented that the situation of employees in the higher institutions in the Sub-Saharan region is so bad that it had reached "an intolerable low point". The employees in higher institutions had gone through harrowing experiences in the hands of the political office holders in the current political dispensation ranging from none payment of their salaries, poor remuneration and ineffective reward system. It is in the light of these that the study examined the effect of reward on organizational performance using Nigeria breweries in South- East as the focus of the study.

### **Objectives of the Study**

The broad objective of this study is to examine the effect of reward and fringe benefits on organizational performance. Specifically, the study intends to:

1. Determine the extent to which salary increase affect organizational performance.
2. Investigate the extent to which cash bonus affect organizational performance.
3. Examine the degree to which promotion affect organizational performance.

### **Research Questions**

The following research questions will guide this study:

1. To what extent does salary increase affect organizational performance?
2. To what extent does cash bonus affect organizational performance?
3. To what degree does promotion affect organizational performance?

### **Research Hypotheses**

The following postulations stated in null form guided this study.

Ho<sub>1</sub>: Salary increase has no significant effect on organizational performance.

Ho<sub>2</sub>: Cash bonus has no significant effect on organizational performance.

Ho<sub>3</sub>: Promotion has no significant effect on organizational performance.

### **Significance of the Study**

The findings from this study will be beneficial to employee, policy formulators, management, government and academics.

**Employees:** The findings of this study will help employees to understand the different rewards available in their organization and how best to utilize them for personal development and improved performance.

**Policy Formulators:** The findings of this study will help policy makers to formulate policies on how to effectively formulate reward policies in order to ensure improved performance. It will also help them to determine how poor reward system militates against improved performance in the organization.

**Management:** The findings of this study will help the management to review the existing rewards system in their organization in order to effectively motivate their employees which will inevitably reduce staff turnover, increase worker's morale and increase performance which will lead to growth and eventually development of the organization.

**Government:** The critical issues of reward system are of national concern as government is the major employer of labour especially within the Nigeria breweries system. The findings of this study will help government to understand how to effectively use reward to enhance performance. This will help in the retention of workers and reduce the high level of industrial conflict in the country. It will also help in resolving management-labour disagreements.

**Academics:** This study has the potentials of contributing immensely to the existing body of literature on the subject matter. Theoretically, this study will provide theoretical and empirical foundation for further research in the areas related to this study. Specifically, the findings of this study will be of immense help to students and lecturers in the field of business administration and other related fields as it will provide theoretical and empirical foundation for learning and further research work in related area.

### **Scope of the Study**

This study covered the effect of reward on organizational performance. The effect of reward components like salary increase, cash bonus, recognition, promotion and career development will be examined in relation to organizational performance. Geographical location of the study is South-East. In this study, Nigeria breweries in South-East, Nigeria were selected as the focus of the study. The unit of the study comprises only the staff of the sampled Nigeria breweries in South-East, Nigeria.

### **Review of Related Literature**

#### **Conceptual Review**

##### **Reward**

Rewards refer to all form of financial returns and tangible services and benefits an employee receives as part of an employment relationship. "Reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility" (Colin, cited in Waruni, 2014). Reward is the compensation which an employee receives from an organization for exchanging for the service offered by the employee or as the return for work done (Lin, 2007). It also refers to the collection of brain structures that try to control and regulate behaviour by inducing pleasure (Ajila and Abiola, 2004). Human resource can be rewarded and optimally utilized through rewarding it using different techniques of significant importance.

Reward system according to Armstrong (2001) consists of an organization's integrated policies, processes and practices for rewarding its employees in accordance with their contribution, skill and competence and their markets worth. The reward system is developed within the framework of the organization's reward philosophy, strategies and policies and contains arrangements in the form of processes, practices, structures and procedures which will provide and maintain appropriate types and levels of pay, benefits and other forms of reward. Reward system according to Obisi (2003) is a prize given to employees as an inducement towards their performance. Robert (2005) defines reward system as the process of developing and implementing strategies, policies and systems which help the organization to achieve its objectives by obtaining and keeping the people it needs and increasing their motivation and commitment.

##### **Organizational Performance**

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard *et al.* (2009), organizational performance encompasses three specific areas of firm outcomes: financial performance (profits, return on assets, return on investment, etc.); product market performance (sales, market share, etc.); and shareholder return (total shareholder return, economic value added, etc). Organizational performance is the ultimate dependent variable of interest for researchers concerned with just about any area of management (Devinney *et al.*, 2010). This broad construct is essential in allowing researchers and managers to evaluate firms over time and compare them to rivals. In short, organizational performance is the most important criterion in evaluating organizations, their actions, and environments.

There are several methods that have been put forward for measuring organisational performance at employee and organisational level. One group of performance measures which is traditional are financial and accounting based and these were based on the assumption that organisation performance is only measured in quantifiable units. These financial measures include income or sales from operations, rate of return on investment and residual income (Warren *et al.*, 2008). Without disregarding the merits of the financial and accounting measures in assessing performance, the fact that they were cost based and backward looking provided little motivation (Manzoni & Islam, 2009). There are now new enhanced metrics to measure performance being adopted by financial specialists and these include measures such as activity based costing and economic value added (Beheshti & Beheshti, 2010). Another recent concept to measure performance is that balance scorecard.

##### **Theoretical Framework**

This research work is anchored on equity theory. This theory was first advocated by Adam (Ogundele, 2006). The concept of equity stipulates that justice and fairness should dominate, for example in reward system (Obisi, 2005). Fajana (2002) defines inequity as an injustice perceived by a person when he

compares the ratio of his rewards to his inputs efforts with the ratio of another comparable person's outcomes to his inputs and finds that they are not equal. According to equity theory, the motivation of individuals in organization is influenced by the extent to which they feel that they are being treated in a fair and equitable manner (Obisi, 2003). When people feel that they are being treated in an inequitable and unfair fashion, the theory argues that they will be motivated to engage in activities aimed at restoring feelings of equitable treatment (Onabanjo, 2004).

This theory also asserts that employees input take the form of work volume and quality, performance, knowledge, compensation, praise and advancement in opportunities (Faems, Sels, DeWinne, & Maes, 2005). The employee compares his or her input/outcome ratio with the perceived ratio of others in a social context and if the employee believes there is a sense of inequality, the theory posits that the employee adjusts his or her efforts to bring things into harmony. The employees normally adjust their behaviors to attain equilibrium through withdrawal, reduced input, cognitively adjust his or her perception or by addressing the situation with the employer.

The theory also presupposes that when a person perceives that his or her own ratio of outcomes to inputs is approximately equal to the corresponding ratio of the comparison of others, a state of equity is said to exist. In such a situation the person will feel satisfied with the rewards that he or she is receiving, will feel that he or she is being fairly treated, and would be predicted to be motivated to continue doing the kinds of thing he or she had been doing at work up to that point (Ogundele, 2006). To achieve best results, organizations must analyze each job, know the requirements, and pay the same wage for work of the same inputs. Where differential wages must be paid, the basis must be very clear (Cole, 2002).

This theory was adopted on the basis of its emphasis on rewards and performance which are the key variables under this study. The Equity theory postulates that employees seek to achieve a balance between inputs or efforts and outcomes or rewards received or anticipated, Boxall & Purcell (2008). This implies that in a school system where employee benefits, compensation, recognition or incentives are equitably distributed and consistently provided, the workforce tend to put more efforts in terms of teaching or playing a key role in the teaching process so that the school's mean grade can be improved.

### **Empirical Review**

Rewards have attracted much attention in management research. For instance, Udo-Anyanwu and Amadi (2018) examined reward systems and job satisfaction of librarians in academic libraries in Imo State, Nigeria. It was carried out to determine the relationship between reward systems (extrinsic and intrinsic) and job satisfaction among library staff in tertiary institutions in Imo State. Correlational research design was adopted while the rating scale was used for data collection. The population of the study was made up of the one hundred and one (101) librarians working in the academic libraries studied. To answer the research questions, mean was used to answer the first research question, for research questions two and three, Pearson Product Moment Correlation (PPMC) was used. The hypotheses were tested using t-test of significance of correlation. The result of the study showed that majority of the library staff indicated that they were highly satisfied with their job. There is a positive relationship between level of extrinsic reward and extent of job satisfaction among library staff and there is a significant relationship between intrinsic reward system and extent of job satisfaction among library staff. Implications: Based on the results of the study, the researchers recommended that; every effort should be made to sustain the satisfaction level of librarians, and that stakeholders should ensure that no form of reward is provided at the expense of the other since their combination yields a significant relationship.

Ahmed and Sadia (2017) explored the relationship between rewards system and employee performance of private banks in Pakistan. In addition, it also identifies the impact of rewards system on employee performance. The challenges for banking firms in current scenario are to retaining its employees. This study will help the bank managers to an implementation of rewards system. A sample of 92 respondents in three districts (Lodhran, Vehari, Khanewal) of south Punjab, Pakistan was taken from HBL, ABL, MCB, UBL and BOP banks. A structure Likert Scale format questionnaire has been used for data collection. Questionnaires consist of two parts; the first part of questionnaires comprises demographic respondent data while second part comprises three variables questions. In order to analyze the data,

regression analysis has been used. The result of this study reveals that there is the presence of a relationship between intrinsic and extrinsic rewards on employee performance and has a significant effect of intrinsic and extrinsic rewards difference on employee performance of the banking sector in Pakistan.

Omokorede, (2017) studied reward system and employee performance of selected manufacturing companies in Lagos State, Nigeria. This study adopted survey research design. The target population comprised of 3105 staffs of technical/production department in the three manufacturing companies in Lagos state Nigeria Taro Yamane's formula was used to determine the sample size of 459 respondents. A structured questionnaire was used to generate data .The questionnaire was adapted with Cronbachs Alpha test for the constructs of the variables ranging from 0.887-0.908, respectively. Data were analyzed using descriptive statistics (Frequencies, percentages, inferential statistics (regression).The findings revealed that there was a significant positive relationship between sense of accomplishment and employee task performance. Recognition & appreciation has a significant positive effect on employee contextual performance. Salary & wages has no significant positive effect on employee's counterproductive behaviour. Fringe benefits have a significant positive effect on employee's adaptive performance. It was concluded that Combined Reward system variables had positive effect on employee performance .It was recommended that organizations should ensure that they provide the needed motivation, compensation or remunerate that will spur employees to act towards improving their task performance. They should check employees to ensure that they have the required resources to accomplish a task in record time. The firms should try as much as possible to improve the work environment so that employees can act or perform in context. They have to be monitored in order not to act out of context in the organization.

Ndung'u, and Kwasira (2016) determined the role played or ought to be played by various reward systems in enhancing the motivation of employees working with commercial banks in Kenya. The study particularly examined the role performance-based and social reward systems on employee motivation. A descriptive survey research design was adopted. The study targeted all 662 employees working with commercial banks in Nakuru town. The sample constituted 95 respondents who were obtained through stratified random sampling method. A structured questionnaire was used to collect data. Data processing and analysis were facilitated by the use of Statistical Package for Social Sciences. Both descriptive statistics and inferential statistics were used in the analysis. The results of the study were presented in tables. The study established that there existed a positive and statistically significant relationship between performance-based reward system, career reward system and employee motivation. It is inferred that the surveyed commercial banks had performance based reward system in place and regularly evaluated performance of employees. The study thus concluded that the career rewards were crucially important in enhancing employee motivation. It was recommended that commercial banks ought to uphold and enhance their performance based rewards. The study recommends that career-based reward system should be embraced.

Ihedinmah and Nnadozie, (2015) determined whether a relationship exists between rewards system and employee performance. More specifically, the study intends to address the relationship between intrinsic and extrinsic rewards on employee performance. A questionnaire designed in the likert-scale format was administered to employees of commercial banks in Awka Metropolis. Presentation and analysis of questionnaire was done using descriptive statistics, regression technique and two-way ANOVA. The empirical results indicated the presence of a relationship between rewards and employee performance and that there is a significant difference on the effects of intrinsic and extrinsic rewards on employee performance.

Onyang, (2014) examined the effect of employee's rewards policy in any organization controls the behavior and pattern of work hence a major driving force towards organizational development. This is because employee rewards dictates the level of motivation essential for the attainment of individual and organizational goals. This study explored these two important variables in an organization. Employee rewards policy in this research was the independent variable with sub variable such as benefits, compensation, incentives and promotion. Organization performance was the dependent variable being measured by indicators such as quality, efficiency, productivity and effectiveness. This study adopted

Equity Theory on the basis of its emphasis on rewards and performance which were the key variables. The research adopted descriptive survey research design and was located in Public Primary Schools in Rachuonyo North Sub County. The key respondents included Head teachers, Deputy Head teachers, Senior Masters, Teachers and Education Officers with a total sample size of 403 participants. The study used structured questionnaire. Test-retest technique was used to achieve Reliability with Cronbach alpha value of 0.776 being attained. A total of 349 questionnaires were returned for analysis of data. This was 87% return rate on the Questionnaires. The study found out that there is a positive correlation between employee benefits and organization performance. Employees compensation accounts for 5.5% of the organization performance. Employee Incentives is positively correlated with organization performance by 38.7% while promotion accounts for 34.6% ( $r=.346$ ). The study further found out that Employee compensation significantly and positively ( $p=0.004$ ) affect organization performance. Employee Promotion significantly ( $p=0.000$ ) affect organization performance. The overall R Square value was 0.256 and Adjusted R is 0.247 demonstrating that employee rewards combined accounts for 26% of the organization performance. The study recommended that Teachers Service Commission should ensure that employee rewards are clearly spelt in the remuneration policy and are effectively implemented so as to enable performing employees do extremely well.

### **Summary and Gap in Literature**

The above studies have dealt with reward in organizations and its relationship with factors such as employee motivation, employee performance, employee satisfaction and effect on quality of work done. Overall the studies show reward to have a positive effect. However, different rewards seem to have a different impact on employee attitude, satisfaction and performance. There are mixed findings when it comes to individual rewards and their effect on performance. In addition, most of these studies yielded conflicting results suggesting that there may be cultural differences and therefore, there is need for research how higher institution workers react to different reward systems and its effect on organizational performance.

### **RESEARCH METHODOLOGY**

The research design adopted for this study is survey research design. This type of research design allows for the studies of both large and small populations by selecting and studying sample chosen from the population to discover the relative incidence, distribution and interrelation of variables. In this study, the survey research design enables the researcher to determine the effect of reward on organizational performance through the use of questionnaire to generate data. The area of study was carried out Nigeria breweries plc south-East, Nigeria. The brewing companies cut across breweries firms that have factories and operate in the south east viz, Nigerian Breweries Plc, Onitsha, Owerri, Enugu and Aba. The population of the study was made up of 1752 Staff of Nigeria Breweries Company in the South-East, Nigerian Breweries plc, Onitsha, Nigerian Breweries plc, Owerri, Nigerian Breweries plc, Enugu and Nigerian Breweries plc, Aba. The sample size for the study was 337 determined using Borg and Gall (1973) formula. The study used structured questionnaire to collect data from the sampled staff of selected Nigeria breweries in South-East. Validity is the degree to which a measuring instrument measures what it is designed to measure. To test the validity of the instrument (questionnaire) face and content validity adopted. Test-retest technique was used to achieve Reliability.

### **Data Analysis Procedure**

The data generated were first analyze the data using correlation statistics was necessary for this study because the researcher wanted to establish the strength and direction of the relationship between different sets of data. The study also adopted multiple regression model. The multiple regression model examined the extent of relationship between the independent variables and organization performance which was the Dependent Variable.

### **Data Presentation And Analysis**

In this section, the data generated from the academic staff of the sampled Nigeria breweries were presented, analyzed and interpreted. A total of three hundred and sixty five copies of questionnaires were

distributed to the respondents, out of which three hundred and fifty seven copies were properly filled and found relevant to the study. Therefore, the analysis in this section will be based on the three hundred and fifty seven relevant copies. The first section covers the demographic features of the respondents. The second section analyzed the data relevant to research questions while the final section test the hypotheses earlier formulated.

**RESULTS**

**The Results of the Regression Analysis**

Multiple regression analysis was employed to determine the effect of the independent variables on the dependent variable. The essence is to ascertain the effect of reward on organizational performance. The results are presented in tables below

**Summary of Regression Result**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.174 <sup>a</sup>	.530	.617	3.197	2.745

a. Predictors: (Constant), Career Development , Salary, Recognition, Cash Bonus, Promotion

b. Dependent Variable: Organizational Performance

Source: SPSS Ver. 21

Table above indicates that R<sup>2</sup> which measures the strength of the effect of independent variable on the dependent variable have the value of 0.530. This implies that 53.0% of the variation in organizational performance is explained by variations in reward variables (salary increase, cash bonus, recognition, promotion and career development). This was supported by adjusted R<sup>2</sup> of 61.7%. The Durbin-Watson statistics was employed to check for autocorrelation in the model. Durbin-Watson statistics of 2.742 shows that the variables in the model are not auto-correlated and are therefore, reliable for predications.

**ANOVA Result**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	112.562	5	22.512	72.203	.004 <sup>a</sup>
	Residual	3587.511	351	10.221		
	Total	3700.073	356			

a. Predictors: (Constant), Career Development , Salary, Recognition, Cash Bonus, Promotion

b. Dependent Variable: Organizational Performance

Source: SPSS Ver. 21

Here, the three hypotheses formulated earlier in this study were tested using the t-statistics and probability from the coefficient result of the multiple regression analysis. The results are presented the table below.

**Coefficients of the Regression Result**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	22.159	1.757		12.612	.000
	Cash Bonus	1.040	.040	.054	2.003	.007
	Salary	.056	.042	.071	2.340	.001
	Promotion	1.108	.042	.140	3.580	.000

a. Dependent Variable: Organizational Performance

Source: SPSS Version 21.0

**Test of Hypothesis One**

Ho<sub>1</sub>: Salary increase has no significant positive effect on organizational performance.

Hi<sub>1</sub>: Salary increase has a significant positive effect on organizational performance.

Table 4.4.1 above indicates that salary increase recorded a t-statistics value of 2.340 with a probability value of 0.001 which is statistically significant at 5% level of significance. Therefore, the null hypothesis is rejected while the alternative hypothesis is accepted. This implies that salary increase has a significant positive effect on organizational performance.

**Test of Hypothesis Two**

Ho<sub>2</sub>: Cash bonus has no significant effect positive on organizational performance.

Hi<sub>2</sub>: Cash bonus has a significant effect positive on organizational performance.

Cash bonus recorded a t-statistics value of 2.003 with an alpha value of 0.007. Therefore, the null hypothesis is rejected while the alternative hypothesis is accepted. This implies that cash bonus has a significant positive effect on organizational performance.

**Test of Hypothesis Three**

Ho<sub>3</sub>: Promotion has no significant positive effect on organizational performance.

Hi<sub>3</sub>: Promotion has a significant positive effect on organizational performance.

Promotion recorded a t-statistics value of 3.580 with a probability value of 0.000 which is statistically significant at 5% level. Therefore, the null hypothesis is rejected while the alternative hypothesis is accepted. It is therefore concluded that promotion has a significant positive effect on organizational performance.

**DISCUSSION OF FINDINGS**

This work examined effect of reward on organizational performance with particular reference to Nigeria breweries in South-East. A total of four Nigeria breweries comprising of two federal government owned Nigeria breweries, two state owned Nigeria breweries and two private Nigeria breweries were sampled for the study. The unit of the study comprises of the staff in the sampled Nigeria breweries. Data generated questionnaire were analyzed using percentages and multiple regression analysis. The study found that salary increase has a significant positive effect on organizational performance. This agrees with the findings of Ojoromi (2012) that salary and wages improves the performances of the employee's in an organization.

The study also found that cash bonus has a significant positive effect on organizational performance. This tally with the findings of Wasiu and Adebajo (2014) that significant relationship exists between reward and employee performance. This also agrees with the findings of Hatice (2012) that intrinsic rewards have significant influence on employee results.

The results further showed that promotion has a significant positive effect on organizational performance. This agrees with the findings of Onyango (2014) that promotion significantly affect organization performance. This also tallies with the findings of Odoh (2011) that promotion has significant effect on productivity of Nigeria workers.

**Summary of Findings**

This work examined effect of reward on organizational performance with particular reference to Nigeria breweries South-East. Data generated questionnaire were analyzed using percentages and multiple regression analysis. The study found that:

1. Salary increase has a significant positive effect on organizational performance.
2. Cash bonus has a significant positive effect on organizational performance.
3. Promotion has a significant positive effect on organizational performance.

**CONCLUSION**

This work examined effect of reward on organizational performance with particular reference to Nigeria breweries South-East. Data generated questionnaire were analyzed using percentages and multiple regression analysis. The study found that salary increase has a significant positive effect on organizational performance. The study also found that cash bonus has a significant positive effect on organizational performance. The study further found that promotion has a significant positive effect on organizational

performance. Based on the foregoing, the study concludes that reward has a significant positive effect on organizational performance in the sampled Nigeria breweries in South-East.

### RECOMMENDATIONS

Based on the findings, the study recommends the following:

1. A balance should be created by Nigeria breweries authorities in adopting which motivational measures to use since this study indicate that both extrinsic and intrinsic reward are capable of influencing one aspect of employee behavior or the other. Managers should employ the two in order to get the best performance from the employees.
2. Nigeria breweries should carry out a survey to determine what appeals most to the employee in order to know the right reward for their employees. This will help to bring out the best in them.
3. Nigeria breweries should ensure constant review of their reward policy in order to ensure that they are in line with the current realities so as to motivate their employee to be committed to improved performance.

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