

**REMUNERATION ON EMPLOYEE MOTIVATION AND PERFORMANCE: A  
SURVEY OF GLOBAL COMMUNICATION LIMITED, LAGOS NIGERIA.**

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**Abstract**

*The study investigated the contribution of remuneration to employee motivation and performance in global communication limited, Lagos Nigeria. The descriptive research design was adopted. The questionnaire format was employed for data collection, which was made into several sections and 120 copies were distributed for data collection. Regression analysis was used to test the formulated hypothesis through the use of Statistical Packages for Social Sciences (SPSS). The findings revealed that remuneration significantly contributes to employee motivation and employee performance at a 0.05 level of significance. The study concluded that there is a significant influence of remuneration on employee motivation and performance in global communication limited, Lagos Nigeria. The study recommended that Global communication limited should show greater interest in the remunerations and welfare of their workers to make them more valuable and see themselves as contributors to the success of the organization through effective use of non-monetary rewards.*

**Keywords:** Remuneration, Employee performance, Employee Motivation, GLO.

## **INTRODUCTION**

Organizations need highly performing individuals to meet their goals, deliver the products and services they specialized in, and finally to achieve competitive advantage. Performance is also important for the individual. Accomplishing tasks and performing at a high level can be a source of satisfaction, with feelings of mastery and pride. Low performance and not achieving the goals might be experienced as dissatisfying or even as a personal failure. Moreover, performance if it is recognized by others within the organization is often rewarded by financial and other benefits. Performance is a major although not the only prerequisite for future career development and success in the labor market. Although there might be exceptions; high performers get promoted more easily within an organization and generally have better career opportunities than low performers (VanScotter, Motowidlo, & Cross, 2000)

According to Sonnentag & Frese (2001), the term remuneration has been derived from the word 'remuneratio'. Remuneration means compensation or pay, but it has a broader meaning than pay because it can include not just salary or bonuses but commissions and other payments of benefit paid under the terms of an employment contract as well. The term remuneration is associated with motivation; this is because remuneration can enhance worker's performance or drives them to perform better in the organization. Adeniyi (2013) posits that the fundamental tasks in human resources management are compensation management. It is a complex task that occurs periodically, demand accuracy, and must not be delayed. Compensation management requires integrating employees' processes and information with business processes and strategies to achieve optimal organizational goals and objectives (Adeniyi 2013). This can be attributed to the fact that compensation management is an essential tool to "integrate individual efforts with strategic business objectives by encouraging employees to do the right things with ever-improving efficiency (Adeniyi, 2013). In other words, compensation management is a powerful means of focusing attention within an organization. They send clear messages to all employees of the organization informing them about expected attitudes and behaviors (Schell and Solomon, 2007).

Thus, the term motivation is derived from the word 'motive'; it implies something within a person which prompts him into action. Motives are an expression of a person's needs or want and hence they are personal or internal. Motives are needed to start and maintain activity and determine the behavior of an individual. Motives provide direction to human behavior as they are directed towards certain conscious and subconscious goals. Therefore motivation is the complex of forces inspiring a person at work to willingly use his capacities for the accomplishment of certain objectives. It is something that impacts a person into action and continues him in action with enthusiasm. Motivation is a psychosocial concept. It is concerned with intrinsic forces operating within an individual which impel him to act or not to act in a particular way. However, remuneration which is one of the factors that motivate workers to perform better at work can be broken into two categories; direct and indirect remuneration.

The remuneration scheme contains not only salary but also the direct and indirect rewards and benefits the employee is provided with in return for their contribution to the organization. Some of the benefits of employee's performance include health insurance, disability income protection, retirement benefits, daycare, tuition reimbursement, sick

leave, vacation (paid and non-paid), funding of education as well as flexible and alternative work arrangements. Remuneration is usually narrowed to cash and as a result, employers only have an excavated vision when it comes to the issues of remuneration for their employees. Other aspects of remuneration which makes up the total remuneration scheme for the employee are not given much attention. Employees themselves fail to recognize the fact that their remuneration is a package and not only related to cash. The consequence of the above understanding of remuneration is that it is poorly managed and most of the time performance is affected adversely. Therefore the problem the researcher intends to investigate the influence of the remuneration scheme on employee motivation and performance. To understand what contributes to the remuneration scheme and how it can be better managed and increase employee motivation and performance.

The paper is separated into five segments. The first segment dealt with the introduction. The second segment was on the review of related literature. Methodology, result, and discussion of findings were treated in the third and fourth segments. While the fifth segment is on conclusion and recommendation.

### **Objectives of the Study**

The main objective of this study is to empirically examine the influence of the remuneration scheme on employee motivation and performance in global communication limited, Lagos Nigeria. The specific objective of the study is to examine the contribution of the remuneration scheme to employee motivation and performance.

### **Research Hypothesis**

The guiding research hypothesis for the study is

$H_0$ : Remuneration scheme has no significant contribution to employee motivation and performance.

### **METHODOLOGY**

The descriptive research design was used for the study to obtain data. The population for the study included all workers, male and female, working in Victoria Island in Lagos State. The simple random technique was used to select 150 workers for the study, however, only 120 respondents returned the questionnaires sent out. The respondents cut across the department in the organization such as; Administration, Marketing, Accountant and Auditors, and Human Resource Management department. Standardized research instrument (Remuneration scheme, employee motivation, and performance- RSEMP scale) on the remuneration scheme and employee motivation and performance were used to collect data for the study. The formulated hypothesis was analyzed using multiple regression through the use of Statistical Package for Social Science version 22 (SPSS v22). The hypothesis was examined at 0.05 alpha levels.

### **RESULT AND DISCUSSION**

#### **Test Hypothesis**

$H_0$ : Remuneration scheme has no significant contribution to employee motivation and performance in global communication limited, Lagos Nigeria.

**Table 1: Multiple Regression Showing the Contribution of remuneration scheme to employee motivation and performance.**

Model Summary					
Model 1	R = 0.986	R <sup>2</sup> = 0.975	Adj.R <sup>2</sup> = 0.972		
	Sum of square	Df	Mean square	F	Sig.
Regression	441.860	3	147.287	20.831	0.000 <sup>b</sup>
Residual	848.463	117	7.071		
Total	1290.323	120			
Variable	Unstandardized coefficient (β)	Std. error	Standardized coefficient (β)	T	Sig.
Constant	7.737	1.042		7.427	0.844
EM	.110	.058	.145	1.879	.000
EP	.617	.318	.310	1.938	.002

SPSS Computation, 2019

Table 1 shows that employee motivation and employee performance, were significantly joint contribution to remuneration scheme ( $F(3, 117) = 20.831; R^2 = 0.975$ ) at 1% level. The predictor variables jointly contribute 97.5% to the remuneration scheme, while the remaining 2.5% could be due to the effect of extraneous variables. Furthermore, employee motivation ( $\beta = 0.145; t = 1.879; P < .01$ ), and employee performance ( $\beta = 0.310; t = 1.938; P < .01$ ) were independently influenced by remuneration scheme at 1% level respectively. This implies that the null hypothesis was rejected, hence the remuneration scheme has a significant contribution to employee motivation and employee performance in global communication limited, Lagos Nigeria. This finding was supported by Wade and Tavis (2013). They emphasize that remuneration strategic advantage for employee performance and to regulate the business environment in organizations pointed out how motivating employee affect their emotion to have corporative advantages to performing well. The psychology of motivation indeed aims to figure out what moves an employee to strategically have the advantage to achieve high job performance. The remuneration scheme boosts the emotion of the employee so that they can have advantages to involves physiological processes, cognitive processes, and social and cultural processes that shape their expression to do well within their business environment. Balogun and Omotoye (2020) reported that the remuneration scheme has a significant impact on employee performance.

### CONCLUSIONS AND RECOMMENDATIONS

Consequent upon the findings from this study which shows that remuneration has a significant contribution to employee motivation and employee performance in global

communication limited, Lagos Nigeria. To motivate employees and foster high job productivity, it is possible to assert that remunerations incentives may promote the employees' willingness to exert more effort in their jobs, to go beyond expectations, to discuss positively the organization to friends, to start work early and stay late to finish it, to remain with the organization not quitting even in periods of difficulties, to internalize the organizations' problem as their own, and to contribute to the achievement of the organizational objectives when remunerations rewards are strategically combined effectively with remunerations incentives. This is because most employees in organizations like Global communication limited, Lagos Nigeria tend to attach importance to their impact to achieve higher job performance in the organization.

Then, based on the conclusion of the study, it is recommended that organizations like Global communication limited should show greater interest in the remunerations and welfare of their workers to make them more valuable and see themselves as contributors to the success of the organization through effective use of non-monetary rewards. Also, Global communication limited should enhance social activities (welfare) among the employee of the organization such as picnics, sports activities, celebrations, parties, etc. may help to enhance the motivation of employees by creating a positive work environment. Also, small gifts such as mugs, pen sets, plagues, etc. may be awarded to employees who make a difference to the organization.

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