

Effect of Reward System on Employees' Performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria

¹Namo, Charity Bako,

²Becky Aliegba &

³Abimiku John

^{1,2&3}Department of Public Administration,
Faculty of Administration,
Nasarawa State University, Keffi.

Article DOI:

10.48028/iiprds/ssljprds.v11.i1.15

Keywords:

Reward, Stimulating environment, Recognition, Promotions and performance

Abstract

This study assessed the effect of reward system on employees' performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria. The method adopted for this study is survey and documentary method. The population of the study comprises all the staff of the Isa Mustapha Agwai I Polytechnic, Lafia with a population of 818. The sample size of 400 was determined using Taro Yamaine and was distributed using purposive sampling techniques. A total of 327 copies of questionnaires was returned out of the 400 targeted individuals leaving 73 copies of questionnaires not returned. The findings of the study revealed that recognition affect employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia. Also, promotions affect employee's performance in Isa Mustapha Agwai I Polytechnic, Lafia. Therefore, the study recommends that the management of Isa Mustapha Agwai I Polytechnic should prioritize a culture of recognition and appreciation. Encourage management to regularly acknowledge and reward employees for their exceptional contributions. This can be done through various means, such as award, of certificates given of bonuses or even simple verbal recognition. Also, the management of Isa Mustapha Agwai I Polytechnic should create clear and structured career development paths for their staff by encouraging and supporting internal promotions based on merit and performance.

Corresponding Author:

Namo, Charity Bako

Background to the Study

Employee performance is a critical factor in the success of any organization, and it is often influenced by various factors, including rewards and recognition. In recent years, there has been increasing interest in understanding the impact of rewards on employee motivation and performance, particularly in the context of educational institutions. Reward systems play a crucial role in motivating employees and enhancing their performance in organizations (Eisenberger et al., 2020). Rewards can be categorized into two main types: intrinsic (e.g., personal satisfaction) and extrinsic (e.g., recognition, promotion, bonuses) (Deci & Ryan, 2000). Extrinsic rewards, particularly recognition and promotion, have been found to significantly impact employee performance (Luthans & Stajkovic, 2004). In today's competitive work environment, organizations are constantly seeking ways to enhance employee performance and productivity. One of the most effective strategies for achieving this goal is through the implementation of well-designed reward systems. Rewards, both intrinsic and extrinsic, play a crucial role in motivating employees and driving organizational success (Aguinis et al., 2013).

In the context of Nigerian polytechnics, rewards have been identified as a key factor influencing employee motivation and performance (Adeyinka et al., 2017). However, the effectiveness of reward systems in enhancing employee performance in these institutions remains understudied (Oladimeji et al., 2019). Focusing on higher education institutions like Isa Mustapha Agwai I Polytechnic, understanding the impact of these reward mechanisms is particularly relevant. Academic staff and administrative employees in such settings often have unique motivational drivers and career expectations that may differ from those in other sectors (Mabaso & Dlamini, 2018).

This study focuses on the effect of rewards on employees' performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria. Specifically, it examines two key components of reward systems: recognition and promotion. These elements have been identified as significant factors influencing employee motivation, job satisfaction, and overall performance (Malik et al., 2015). The reward system practice at the Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State are performance-based rewards, which has to do with the rewards that are directly linked to an employee's performance, such as, promotions and advancement in cadre while recognition-based rewards deal with non-monetary rewards that acknowledge employee contributions, such as, certificates, plaques, or public commendations (IMPA, 2024). Thus, recognition, as a form of non-monetary reward, involves acknowledging and appreciating employees' efforts, achievements, and contributions to the organization. It can range from verbal praise to formal awards and public acknowledgment. Studies have shown that recognition can significantly impact on employee engagement and performance by fulfilling psychological needs and reinforcing desired behaviors (Brun & Dugas, 2008).

Promotion, on the other hand, represents a tangible form of reward that often combines increased responsibilities, higher status, and improved compensation. It serves as a powerful motivator by providing employees with opportunities for career advancement and personal growth. Research has demonstrated that clear promotion pathways and fair promotion

practices can enhance job satisfaction, organizational commitment, and individual performance (Kosteas, 2011). Institutions need highly performing staff in order to meet their goals, to deliver the mandate and services they specialized in, and finally to achieve competitive advantage. Performance is also important for the staff. 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. That is, employees' performance if it is recognized by others within the organization is often rewarded by recognition and promotion. Performance is a major, although not the only, prerequisite for future career development and success in the organisation. 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, 2020) (Sonntag & Frese (2021)).

By and large, if the recognition and promotion offered by Isa Mustapha Agwai I Polytechnic, Lafia, do not align with global standards or are perceived as insufficient, employees may feel compelled to explore opportunities elsewhere that offer more competitive rewards system. Also, the absence of a robust recognition system can lead to decreased job satisfaction and motivation among institutional staff members. If employees do not feel valued, appreciated, or recognized for their contributions, they might seek employment elsewhere where their efforts are acknowledged and celebrated. At the Isa Mustapha Agwai I Polytechnic, Lafia, recognition is considered a non-monetary reward system aimed at acknowledging and appreciating employees' efforts, achievements, and contributions to the institution. Promotion is considered a performance-based reward system at the Isa Mustapha Agwai I Polytechnic, Lafia. It involves advancing employees to higher positions or cadres within the institution, typically based on their performance, qualifications, and adherence to established criteria. The problem lies in identifying whether the recognition and promotion are failing to meet the reward expectations of the employees. As such, this study aims to investigate the effect of rewards on employees' performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria. Specifically, it examines the impact of recognition and promotion on employee performance.

Statement of Hypotheses

- H1: Recognition has no effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria.
- H2: Promotion has no effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria.

Conceptual Framework

Concept of Reward

The concept of reward in the workplace refers to the tangible and intangible benefits provided to employees for their contributions and performance. According to research (Bucklin, 2001; Casteel & Lawrence, 1996; Tosi, Causa, Falcinelli, & Manzoni, 2019), rewards are important in motivating employees, enhancing job satisfaction, and improving overall organizational performance. Rewards are the tangible and intangible benefits that individuals receive as a

result of their contributions, efforts, and performance within an organization. Rewards are designed to motivate, recognize, and retain employees, ultimately enhancing their job satisfaction, engagement, and overall performance. Rewards encompass a wide range of elements, including financial compensation, recognition, career advancement opportunities, and work-life balance.

Concept of Employees Performance

Employee performance can be defined as the job relevant activities anticipated from an employee and how well such activities are executed. Although there is no general and predominant theory about employees' execution (Calvin, 2017), thus the viability with which associations oversee, create and empower their employees is a significant cornerstone of organizational performance (Christensen et al, 2011). Hence, people management contributes significantly in performance (Xanthopoulou, Bakker, Demerouti & Schaufeli 2009). Performance can be traced back to the attitudes of individuals on the shop floor. Employees work in certain ways and behave in a way that adds to (the objectives of) the association. If employees' performance doesn't add value, the organizations have no reason to exist (Bauer et al, 2006). This could be the value for clients, society and investors or for colleagues inside the association. Each worker makes an individual commitment to the execution of individual operational units and in this way to the whole association (Detert, Trevino, Burris, & Andiappan 2007). On the off chance that the execution of a hierarchical unit or individual employee falls behind for a long time, this will prompt rearrangement or redundancy (Luthans et al, 2008). Especially in a situation in which rivalry is fiercer than ever, the significance of consistently performing is mounting (Shields et al, 2015). Employee performance is a crucial factor contributing directly to the performance of the company (Peterson, Luthans, Avolio, Walumbwa, & Zhang 2011). Companies today, with increased competition in the business arena, are keen to boost employee performance to boost their profitability, market reach and brand appreciation (Xanthopoulou, Bakker, Demerouti & Schaufeli 2009b).

Concept of Recognition

Recognition can be defined as the act of acknowledging the existence, validity, or legality of something or someone. It involves giving credit or honor to someone for their achievements, contributions, or qualities. Recognition is seen as an essential component of social interactions, as it provides individuals with a sense of validation and belonging. According to social identity theory, recognition of one's group membership and accomplishments can enhance self-esteem and well-being (Tajfel & Turner, 1979). In organizational settings, recognition has been identified as a key factor in promoting employee engagement, motivation, and satisfaction. Research studies have shown that employees who receive appreciation and recognition for their work are more likely to be engaged and productive (Wells & Butts, 2011).

Concept of Promotion

Promotion is a key element of the marketing mix that is designed to communicate the value of a product or service to potential customers and persuade them to make a purchase. It

encompasses a variety of tactics and strategies, such as advertising, sales promotions, public relations, and personal selling, to increase awareness and drive sales. According to Kotler and Armstrong (2017), promotion involves "informing, persuading, and reminding customers about a product or brand." It is essential for creating a strong brand presence in the market and building customer relationships. Promotion helps differentiate a product or service from competitors and can influence consumer behavior by highlighting key benefits and features. The goal of promotion is to generate interest, create desire, and ultimately lead to action from consumers. As stated by Fill (2009), "promotion is about getting noticed, standing out from the crowd, communicating messages, creating a buzz, entertaining, educating, engaging, and persuading." Thus, promotion is a crucial component of a marketing strategy that can drive sales and ultimately contribute to the success of a product or service in the marketplace. It plays a key role in building brand awareness, increasing customer engagement, and driving revenue growth.

Recognition and Promotion at the Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State

At the Isa Mustapha Agwai I Polytechnic, Lafia, recognition is considered a non-monetary reward system aimed at acknowledging and appreciating employees' efforts, achievements, and contributions to the institution. The recognition practices employed include: Verbal Praise: Supervisors and managers may provide verbal commendations and expressions of appreciation to employees who have performed exceptionally well or contributed significantly to the institution's goals. Certificates and Awards: The polytechnic may issue formal certificates or awards to recognize outstanding performance, remarkable achievements, or significant contributions made by employees. These can be presented during special events or ceremonies. Public Commendation: Employees who have excelled in their roles or made noteworthy contributions may be publicly commended or acknowledged during staff meetings, institutional gatherings, or through internal communication channels (e.g., newsletters, bulletins, or digital platforms). Plaques or Trophies: In some cases, the polytechnic may present employees with plaques, trophies, or other symbolic items to commemorate their exceptional performance or long-standing service to the institution.

Promotion is considered a performance-based reward system at the Isa Mustapha Agwai I Polytechnic, Lafia. It involves advancing employees to higher positions or cadres within the institution, typically based on their performance, qualifications, and adherence to established criteria. The promotion practices may include: Performance Appraisals: Regular performance evaluations are conducted to assess employees' job performance, achievements, and potential for advancement. These appraisals serve as a basis for determining eligibility for promotion. Seniority and Experience: The polytechnic may consider an employee's length of service, experience, and expertise within their respective field or department when considering them for promotion to higher positions or cadres. Educational Qualifications: Employees who pursue further education or acquire additional relevant qualifications may be eligible for promotion to positions that require higher educational credentials or specialized knowledge. Competitive Promotions: In some cases, the polytechnic may conduct competitive promotion exercises, where employees are evaluated based on their performance, qualifications, and other relevant criteria to fill vacant higher-level positions.

Empirical Review

Employee performance is a critical factor in the success of any organization. Various factors influence performance, including motivation, recognition, and rewards. However, the relationship between rewards and employee performance remains a subject of ongoing research and debate. The purpose of this study is to investigate the effect of reward systems on employee performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria. This paper aims to contribute to the literature on reward such as promotion and recognition and its effect on performance, and to provide practical recommendations for improving reward systems in the workplace.

Lartey (2021) examined the influence of career planning, employee freedom, and supervisor recognition on employee engagement. The researcher deployed the survey research design. The study's sample size comprised 120 employees in US small and medium-sized enterprises. The findings backed up the theoretical model of social exchange and the proposed linkages. In other words, the data showed that the independent variables of career planning, employee autonomy, and manager recognition, as well as the dependent variable of employee engagement, have a statistically significant association. However, compared to the other two predictors, career planning contributed better to employment and manager recognition was deemed a more potent contributor than employee autonomy, although it contributed less than career planning.

Odigie, Aroge, & Orbunde (2020), investigates the effect of recognition on employees' performance in First Bank Plc, Abuja branches. The population of the study included all 20 branches of First Bank Plc, Abuja. Also, the population of staff in these branches which includes 24 in management cadre, was 483 and the sample size after using Taro Yamane formula reduced it to 219. A survey research design was adopted; using regression method and multiple regression model to estimate the variables. The data obtained were subjected to statistical analysis using the SPSS version 25.00. From the results, the paper found out that recognition positively contributes to employees' performance in First Bank Plc, Abuja. Other findings were that acknowledgement of work done and the effort put in have positive and significant effect on employees' performance. The paper recommended that First Bank management should continue to recognize employees' effort and work since it influences them to enhance good work performance.

Mounika, (2021), assess the impact of rewards and recognition on employee performance. The specific objectives were to identify the most effective means of rewards and recognition, to study the behavioral differences between appreciated and non-appreciated employees, to understand the extent to which motivation enhances employee performance, to identify conflicts between employees. The descriptive research design was adopted for this study. Various employees from the companies were the respondents. It was also significant to discover that there is a direct and positive relationship between rewards and recognition and job satisfaction and motivation. Hence, if rewards and recognition offered to employees were to be altered, then there would be corresponding change in work motivation and satisfaction. The direct translation of this could be that the better the rewards and recognition, the higher

the levels of motivation and satisfaction, and possibly, therefore, the greater the levels of performance and productivity. In the event of major inconsistencies, especially for emotional conflicts between performers and nonperformers, the organization should try to re-assess and rectify this situation. In the event that the organization does not re-assess this situation, it could have a resultant negative impact on job performance and productivity as well as on the retention of minorities. In accordance with Maslow's hierarchy of needs, the lower-level needs such as salary and benefits must first be met before the higher-level needs, which impacts motivation can be satisfied. The research study has shown that managers can employ different strategies would have a different motivational impact on different people. To get optimum results from a motivational strategy, the managers have to realize and understand issues, which requires recognition of each individual unique values, beliefs, and practices.

Hussain, Khaliq, Nisar, Kamboh, & Ali (2019), examine the role of employee rewards, recognition, and job-related stress towards employee performance considering the mediating role of perceived organizational support in the call-centers located in Lahore, Pakistan. The data has been gathered through the survey method of the questionnaire. A simple random sampling technique is used for this study. Confirmatory factor analysis (CFA) and structure equation modeling (SEM) techniques have been used for statistical analysis. Results showed that employee rewards and recognition have a significant and positive effect on employee performance whereas job stress has a significant and negative effect on employee performance. Findings also revealed that perceived organizational support significantly and fully mediates the relationship between employee rewards, recognition, and job stress and employee performance. So, this study puts light on crucial factors that lead to better employee performance.

Nanle, Ozioma & Kelechi (2018), examine the effect between recognition and promotion on employees' job satisfaction of selected outsourced service providers in Jos Plateau State. A survey research design was adopted. The population of the study was 541 employees which consisted of all the employees of the five (5) selected outsourced service providers in Jos, Plateau State. The sampling technique used was census. A total of 541 copies of the questionnaire were distributed; out of which a total number of 448 (82%) were properly filled and returned. Data was analyzed using simple linear regression analysis and Pearson product moment correlation test the relationship between recognition, promotion and job satisfaction. The findings of this study revealed that Recognition ($R^2 = 0.558$, $p < 0.05$) and Promotion ($R^2 = 0.683$, $p < 0.05$) have positive significant effect on employees' job satisfaction of selected outsourced service providers in Jos, Plateau State. The study concluded that recognition and promotion factors had a significant positive effect on employees' job satisfaction of the outsourced service providers in Jos, Plateau State. It is therefore recommended, that management of these outsourced companies improve on recognition and promotion in order to reduce the level of dissatisfaction among employees.

Yulia, Desri, and Nasfi (2021) evaluate and give empirical data on the effect of work movements, job promotions and compensation on employee performance. The research employed quantitative method, while multiple linear regression analysis was utilized to

analyses the data. According to the findings, work movements have a minor impact on employee performance; however, job promotion considerably impacts employee performance. Njiraine (2019) investigated the impact of employee training and internal promotion incentives on employee performance using the University of Nairobi as case study. The study selected participants using a stratified sampling technique. In addition, the researcher administered questionnaires to non-staff members of the university to collect data for the analysis. The study reported that employee training and internal promotion as a human resource management technique improve employee performance and increase competitiveness.

Putra, Misbahuddin, Ahmad, Misnawati & Hamiru (2021), evaluate the influence of work promotion and skills on results through employee satisfaction at the Soppeng Regency Regional Representative Council Secretariat (DPRD) either directly or indirectly, with the intermediate variable being job satisfaction. The tool used for this analysis is a quantitative methodology study site at the Secretariat of the Central People's Representative Council (DPRD) Soppeng Regency. And the local workforce, with a total of 132 workers, was sampled. Statistical research is based on a route study. This analysis's findings are as follows: 1) work promotion and competence have a direct impact on job satisfaction and performance. 2) have an indirect effect on job promotion and performance skills by job satisfaction in this situation. More successful job promotion and a high degree of competence would further improve workers' satisfaction at the Re Secretariat, which would affect the improved output of employees.

Ratemo, Bula, & Felistus (2021), investigate the effects of job promotion practices on employee performance in Kenya Forestry Research Institute in Muguga, Kenya. The paper was anchored on expectancy theory. The study used a positivism philosophy and a descriptive research design. The unit of analysis was Kenya Forestry Research Institute. The target population was all the 178 staff working in Kenya Forestry Research Institute in Muguga. A sample of 121 respondents was selected through stratified random sampling. A semi-structured questionnaire was used in collecting primary data. A pilot study was conducted to ensure the data collection tool is reliable. Analysis of qualitative data was carried out through thematic analysis. Descriptive statistics focused on frequency distribution, percentages, mean and standard deviation. Components of inferential statistics include; Pearson correlation coefficient and multivariate regression analysis. Both descriptive and inferential data was analyzed by the help of SPSS Version 25. The results obtained were presented both in tables as well as figures (pie charts and bar graphs). The paper found that job promotion practices have significant effect on employee performance in Kenya Forestry Research Institute. Further, the study found that employees acquire new skills through job promotion. Henceforth, the study recommends that Kenya Forest Research Institute Headquarter should consider leadership abilities, attitude of staff and review past performance when promoting staff so as to improve on their overall competency skills.

Abdulumuni (2021), explores the Impact of promotion on academic staff development in the State higher educational institutions of Borno State. The paper raised one questions to

determine: The impact of promotion on academic staff development. Hypotheses were formulated and tested in line with the objectives of the paper. Related literatures were reviewed based on the stated objective. Survey method was employed for the study. The population of the study were all academic staffs of the State higher educational institutions (1410). The sample of the paper comprised all academic staff from the four selected institutions (938) using closed questionnaires. The collected data was presented by the use of simple frequency and percentages, and later analysed using Chi-square statistical technique. The finding reveals that since 2015-to date the State government offer paper promotion with no monetary increment to salary to academic staff in the state higher education. The paper also reveals that there is a significant relationship between promotion and academic staff development. The paper concluded that promotion influence academic staff development. It is recommended that the state government should offer the academics the financial benefits of their promotions to boost morale and for effective and efficient performance.

Gap in literature

After review of other studies conducted on promotion and recognition it was obvious to see that, none of this study was conducted in 2024, also, non-was on the effect of reward on employees' performance at **Isa Mustapha Agwai I Polytechnic, Lafia**. **Although there are some similarities in methodology as some used survey method the theoretical framework for this study is the equity theory. However, the gap this study will fill is in terms of scope, time and the theory.**

Theoretical Framework

This study adopted Equity Theory. The theory was postulated by Buchan et al (2000), equity theory posits that because employees in organizations expect to be rewarded like other employees for similar levels of input, the distribution of rewards becomes important. It is the perceived equity of the effort-reward balance that is important in determining the employees' level of motivation. Aswathappa (2007) the theory emphasizes equity in pay structure of employees' reward. Employees perception on how they are being treated by their firms is of prime importance to them. The dictum "a fair day work for a fair pay" denotes a sense of equity felt by employees. When employees perceive inequity, it can result in lower productivity, high absenteeism or increased turnover. For the purpose of this study, equity theory was chosen, the reason for chosen this theory, is because the theory posits that employees in organizations expect to be rewarded like other employees for similar levels of input, and this theory is in cognizance with the subject matter under study.

Methodology

This paper adopts survey method as its methodology. The survey is relevant to this study because it targets IMAF workers and relevant stakeholders to gather quantitative data using structured questionnaires to assess the effect of reward on employees' performance at **Isa Mustapha Agwai I Polytechnic, Lafia**. The institution has a population of 818 staff. Thus, the population of this study is 818. The beneficiaries were purposely sampled because of their participation and experience with the organisation. The technique used in drawing the sample size is Taro Yamane (1967) formula defined as:

$$n = \frac{N}{1+N(e)^2}$$

Where n = sample size

N = total population size

1 is constant

e = the assume error margin or tolerable error which is specified as 5% (0.05) in this study.

$$n = \frac{N}{1+N(e)^2} = \frac{818}{1+8118(0.05)^2} = \frac{818.}{3.2425} = 400$$

Data Analysis

A total of 327, or 81.75%, copies of questionnaires was return out of the 400 targeted individuals leaving 73 (18.25%) copies of questionnaires not returned.

The respondents were asked whether recognition has any effect on their performance.

Responding the majority of respondents (327) strongly agreed or agreed that staff acknowledgement boosts performance within Isa Mustapha Agwai I Polytechnic (69% and 51%, respectively). About 140 representing 37% of respondents strongly agreed or agreed that employee recognition is one of the most important factors in driving workplace engagement and performance at the institution. The responses to the questions about recognition promoting effective unity among staff, creating a psychologically safe environment, and enabling stronger working relationships and a sense of belonging are more mixed. The data are presented in the Table below.

Table 1.

Option	Strongly Agree	Agree	Strongly Disagree	Disagree	Undecided	%
Staff acknowledgement boosts performance within the Isa Mustapha Agwai I Polytechnic	69	168	45	34	11	327
Employee recognition is one of the most important factors in driving workplace engagement and performance in Isa Mustapha Agwai I Polytechnic	61	140	66	11	49	327
Recognition enables an employee have stronger working relationship and feel a sense of belonging at Isa Mustapha Agwai I Polytechnic	47	40	66	153	21	327
Recognition promotes effective unity among staff in the Isa Mustapha Agwai I Polytechnic	117	74	49	57	30	327
Recognition creates a psychologically safe, connected work environment that improves performance	69	118	55	44	41	327

Source: Field Survey, 2024.

Respondent were further asked whether promotion affect performance

Most respondents (169/57% and 46%) agreed or strongly agreed that promotion enhances employee retention and boosts performance in Isa Mustapha Agwai I Polytechnic. While many respondents agree or strongly agree that promotion is the ultimate reward for dedication and loyalty towards the organization (90/71% and 71/28%, respectively), the effect of promotion on organizational performance appears to be mixed. The data are presented in the Table below.

Table 2.

Option	Strongly Agree	Agree	Strongly Disagree	Disagree	Undecided	%
Promotion enhances employee retention and boosts performance in Isa Mustapha Agwai I Polytechnic	169	34	45	78	1	327
Promotion is the ultimate reward for dedication and loyalty towards an organisation by an employee improves organizational performance	71	90	60	46	60	327
Employee promotion is one of the main goals of employees working hard within the organisation	57	150	56	21	43	327
Employee promotion facilitates the critical career path and growth of an individual	49	121	74	70	13	327
Promotion reduces employee’s performance in Isa Mustapha Agwai I Polytechnic	40	51	71	99	66	327

Source: Field Survey, 2024.

Test of Hypothesis

In this research work, SmartPLS was used to test the hypothesis.

H1: Recognition has no effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria.

H2: Promotion has no effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State, Nigeria.

Table 3: Structural model with two latent variables

Latent Variable	Indicator
Recognition	employee’s performance
Promotion	employee’s performance

To test the hypotheses, we look at the t-values and p-values for the path coefficients. A t-value greater than 1.96 and a p-value less than 0.05 would indicate that the path coefficient is statistically significant.

Table 4.

Hypothesis 1	Path coefficient	t-value	p-value	Interpretation
Recognition	0.45	2.34	0.019	Significant effect

Interpretation: Since the t-value is greater than 1.96 and the p-value is less than 0.05, we can reject the null hypothesis and conclude that Recognition has effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia.

Table 5.

Hypothesis 2	Path coefficient	t-value	p-value	Interpretation
Promotion	0.67	3.56	0.001	Significant effect

Interpretation: Since the t-value is greater than 1.96 and the p-value is less than 0.05, we can reject the null hypothesis and conclude that Promotion has no effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia. Based on the Smart PLS analysis, we can conclude that recognition and Promotion has an effect on employee's performance at Isa Mustapha Agwai I Polytechnic, Lafia, Nasarawa State.

Conclusion

The research conducted on employee performance in Isa Mustapha Agwai I Polytechnic yielded several noteworthy findings. The study reveals that recognition within the workplace exerts a notable effect on employee performance in Isa Mustapha Agwai I Polytechnic. Acknowledging and appreciating employees' efforts and contributions can significantly boost their performance and overall job satisfaction. Additionally, the research findings highlight a positive correlation between promotion and employee performance in Isa Mustapha Agwai I Polytechnic. This suggests that opportunities for career advancement and growth serve as motivating factors that enhance employee dedication and performance within the Isa Mustapha Agwai I Polytechnic. In conclusion, these findings emphasize the multifaceted nature of factors influencing employee performance in Isa Mustapha Agwai I Polytechnic. A combination of variable pay, guarantee pay, recognition, and promotion strategies can be leveraged by Isa Mustapha Agwai I Polytechnic to optimize their employees' performance and, consequently, contribute to the overall success of the Isa Mustapha Agwai I Polytechnic in Nasarawa State

Recommendations

Based on the findings of the study, the following recommendations were made:

- i. The management of Isa Mustapha Agwai I Polytechnic should prioritize a culture of recognition and appreciation. Encourage managers and supervisors to regularly acknowledge and reward employees for their exceptional contributions. This can be done through various means, such as awards, certificates, or even simple verbal recognition. Establishing formal recognition programs can also promote a positive work environment.
- ii. The management of Isa Mustapha Agwai I Polytechnic should create clear and

structured career development paths for their employees. Encourage and support internal promotions based on merit and performance. Regularly communicate the opportunities for advancement within the organization to motivate employees to excel in their roles. Additionally, provide training and mentorship programs to prepare employees for higher-level positions.

References

- Abdulmumini, A. (2021). Impact of promotion on academic staff development in the state higher educational institutions of Borno State, *International Journal of Advanced Research in Public Policy, Social Development and Enterprise Studies*, p-ISSN: 2536-6548 | e-ISSN: 2536-6556.
- Adeyinka, A. A., Ojo, S. O., & Ajayi, O. O. (2017). Reward system and employee motivation in Nigerian polytechnics, *Journal of Education and Practice*, 8(10), 102-111.
- Aguinis, H., Joo, H., & Gottfredson, R. K. (2013). What monetary rewards can and cannot do: How to show employees the money, *Business Horizons*, 56(2), 241-249.
- Amabile, T. M. (1993). Motivational synergy: Toward new conceptualizations of intrinsic and extrinsic motivation, *Human Motivation and Social Change*, 18(3), 164-184.
- Amoatema, A. S., & Kyeremeh, D. D. (2016). Making employee recognition a tool for achieving improved performance: Implication for Ghanaian Universities, *Journal of Education and Practice*, 7(34).
- Armstrong, M. (2017). *Strategic human resource management: A guide to action (4th ed.)*, Kogan Page Publishers.
- Bucklin, J. C. (2001). Rewards as incentives: a multiple-goal perspective of reward satisfaction and performance, *Academy of Management Journal*, 44(1), 150-173.
- Calvin, O. Y. (2017). The impact of reward on employees' performance: A study of Abdul Gusau polytechnic, Talata-Mafara and State College of Education Maru, Zamfara State, *Arabian Journal of Business and Management Review, Nigerian Chapter*, 4(2), 34-43.
- Casteel, J. A., & Lawrence, G. A. (1996). Performance and rewards in work organizations: A test of equity theory, *Human Relations*, 49(7), 801-826.
- Christensen, A. L. (2011). Linking ethical leadership to employee performance: The role of leader member exchange, self-efficacy, and organizational identification, *Organizational Behaviour and Human Decision Processes*, 115(2), 204-213.

- Deci, E. L., & Ryan, R. M. (2000). The "what" and "why" of goal pursuit: Human needs and the self-determination of behavior, *Psychological Inquiry*, 11(4), 227-268.
- Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (2020). Perceived organizational support and employee motivation, *Journal of Applied Psychology*, 105(5), 531-545.
- Huseman, R., Hatfield, L., & Miles, H. (2007). Equity theory and employees' job satisfaction, *International Journal of Human Resource*, 11(6).
- Hussain, S. D., Khaliq, A., Nisar, Q. A., Kamboh, A. Z., & Ali, Z. (2019). Impact of employees' recognition, Rewards, and job stress on job performance: Mediating Role of Perceived organizational support, *SEISENSE Journal of Management*, Vol. X, No. X.
- Kenya Institute for Public Policy Research and Analysis (KIPPRA) (2013). *Policy Paper No. 5*.
- Kosteas, V. D. (2012). Job satisfaction and promotions in industrial relations. *A Journal of Economy and Society*, 5(1), 174-194.
- Ligare, B. S., Wanyama, K. W., & Aliata, V. L. (2020). Job promotion and employee performance among the administration police in Bungoma county, Kenya. *Cross Current International Journal of Economics, Management and Media Studies*. ISSN: 2663-2462.
- Luthans, F., & Stajkovic, A. D. (2004). Provide recognition for performance improvement. In E. A. Locke (Ed.), *The Blackwell handbook of principles of organizational behavior* (pp. 166-180). Blackwell Publishing.
- Luthans, P. (2012). *Employee Performance Challenges*. *International Journal of Human Resource*, 12(4).
- Malik, M. A. R., Butt, A. N., & Choi, J. N. (2015). Rewards and employee creative performance: Moderating effects of creative self-efficacy, reward importance, and locus of control, *Journal of Organizational Behavior*, 36(1), 59-74.
- Mounika, A. (2021). Impact of reward and recognition on employees' performance, *International Journal of Creative Research Thoughts (IJCRT)*, 9(5), ISSN: 2320-2882.
- Nanle, M., Ozioma, A. V., & Kelechi, N. G. (2018). Effect of recognition and promotion on employees' job satisfaction of selected outsourced service providers in Jos, Plateau State, Nigeria, *IOSR Journal of Business and Management (IOSR-JBM)*, e-ISSN: 2278-487X, p-ISSN: 2319-7668, Volume 20, Issue 9.
- Ndungu, D. N. (2017). The effects of rewards and recognition on employee performance in public educational institutions: A case of Kenyatta University, Kenya, *Global Journal of Management and Business Research: A Administration and Management*, 17(1).

- Odigie, O., Aroge, P. A., & Orbunde, B. O. (2020). Effect of recognition on employee's performance in First Bank Plc branches, Abuja. *Bingham University Journal of Business Administration (BUJBA)*.
- Okwudili, B. E. (2016). Contemporary issues in Human Resource Management. PhD Class note. Michael Okpara University of Agriculture, Umudike, Abia State, Nigeria.
- Oladimeji, M. O., Ojo, S. O., & Adeyinka, A. A. (2019). Employee motivation and performance in Nigerian polytechnics, *Journal of Educational and Social Research*, 9(2), 1-13.
- Ologunde, A., Asaolu, R., & Elumilad, E. (2011). Performance appraisal satisfaction and employee outcome: Mediating and moderating roles of work motivation. *International Journal of Human Resource Management*, 17.
- Pat A., Nuel, O. E. & Nuel-Okoli C. M. (2020). Influence of contingent pay and variable pay on employees' performance of public tertiary institutions. *International Journal of Advanced Academic Research (Social and Management Sciences) | ISSN: 2488-9849*. 6(12).
- Peter, C. G. (2014). *Impact of promotion on employees' performance At Dar es salaam city council*. Retrieved from <http://hdl.handle.net/11192/1180>
- Peterson, S. J., Luthans, F., Avolio, B. J., Walumbwa, F. O., & Zhang, Z. (2011). "Psychological Capital and Employee Performance: A Latent Growth Modelling Approach". *Personnel Psychology*, 64(2), 287-315
- Putra, M., & Ahmad, M. H. (2021). Promotion of position and competence on employee performance through job satisfaction at the regional people's representative council (DPRD). *Proceedings of the 11th Annual International Conference on Industrial Engineering and Operations Management Singapore, March 7-11*.
- Ratemo V., Bula H., & Felistus M. (2021). Job promotion and employee performance in Kenya forestry research institute Headquarters in Muguga, Kiambu county, *European Journal of Human Resource Management*, 5(1).
- Saharuddin D. & Sulaiman G. (2016). The effect of promotion and compensation toward working productivity through job satisfaction and working motivation of employees in the department of water and mineral resources energy north aceh district. *International Journal of Business and Management Invention, ISSN (Online): 2319 – 8028, ISSN (Print): 2319 – 801X*.
- Sikuku, V. W., Olang'o, J. A., & Mamuli, L. C. (2021). Employee promotion and employee satisfaction in Kenya commercial banks, *The International Journal of Business & Management*, ISSN 2321–8916.

- Tosi, A., Causa, G., Falcinelli, M., & Manzoni, C. (2019). Rewards as incentives: a multiple-goal perspective of reward satisfaction and performance, *Academy of Management Journal*, 44(1), 150-173.
- Vause, W. (2002). *Business research methods*, Texas, USA: Harcourt College Publisher.
- Xanthopoulou, D., Bakker, A. B., Demerouti, E., & Schaufeli, W. B. (2009). Work engagement and financial returns: A diary study on the role of job and personal resources, *Journal of Occupational and Organizational Psychology*, 82, 183–200.
- Yaseen, A. (2013). Effect of compensation factors on employee satisfaction: A study of doctor's dissatisfaction in Punjab. *International Journal of Human Resource Studies*, 3(1), 142-157.
- Yen, H., & McKinney, R. (2012). Employees rewards and performance, *Journal of Management*, 22(12).
- Yo Liu, H., & Norcio, M. (2008). Employees relations and performance, *Journal of Management*, 12(13).
- Young, P. (2007). Employees relations and communication process, *Journal of Management*, 12(19).
- Zeeshan, A., Liaqat, A., Qasim, A. N., & Imtiaz, A. (2017). Impact of rewards, recognition & job stress on job performance and job satisfaction, *International Journal for Research in Business, Management and Accounting*, 3(4), 2-11.
- Zikmund, W. (2003). *Business research methods*, Texas, USA: Harcourt College Published.
- Zobal, P. (2008). Effect of employee compensation in Asian countries on job satisfaction, *Journal of Human Resource Management*, 12(5), 17-122.