

STAFF COMPENSATION AND ORGANIZATIONAL PERFORMANCE IN
NIGERIA: A FOCUS ON ABIA STATE UNIVERSITY (2014 - 2024)

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UMEH, CHIJOKE SUNDAY (Ph.D)
DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT,
SCHOOL OF BUSINESS,
FEDERAL POLYTECHNIC ISUOCHI,
ABIA STATE OF NIGERIA.
Email: umehsunday579@yahoo.com

ABSTRACT

This study examined Staff compensation and the organizational performance in Nigeria (2014-2024), using Abia State University as a focal point. It set out to probe the ability of the human resource officers to occasion quality staff compensation strategy through effective wages/ salaries, incentive packages as well as good working conditions/benefits to enhance the performance of the institution. Survey research design was adopted for the study. A total sample size of three hundred and seventeen (317) personnel was randomly selected out of one thousand, five hundred and nineteen (1,519) personnel in Abia State University. A questionnaire titled Staff Compensation Survey Questionnaire (SCSQ), structured in a likert format was administered for data collection and was complemented with interviews and secondary data. The data collected was analyzed using frequency counts, percentages and mean. The study was anchored on Expectancy Theory. The hypotheses were tested using Pearson Product Moment Correlation Coefficient Statistics. It was found that the employees' wages/salaries, incentive packages and working conditions/benefits administrative techniques were not enough therefore, had little positive effects on the performance of the institution. It was recommended that the Personnel Unit should occasion effective wages/salaries, incentive packages as well as good working conditions/benefits capable of improving the performance of the institution.

Keywords: Staff Compensation, Wages/Salaries, Incentive Packages, Personnel Officer, Benefits and Institution.

Introduction

The quality of compensation given to the employees has significant effects on their operational efficiency and behavioral integrity. To retain competitive and productive employees, they need to be adequately compensated. Any organization that wants to achieve high level of growth, employees' commitment and organizational high performance has to properly remunerate its staff. In this era of changing business environment, organizations find it necessary to change with time in order to survive. Organizations exist with their aims and objectives to ensure survival. These activities are carried out by the personnel who work out strategies for those lofty objectives to become realities. In this case therefore, it becomes pertinent for organizations to compensate its human resources in order to enhance organizational performance. The compensation strategy is the reward strategy, which is approved by the Board of the University, and it is always the top executive management function since it has a huge impact on the costs of running the institution. Ros (2011) sees compensation as what employees receive in exchange for their contribution to the organization. Employees usually offer their services for three types of rewards which are based on pay, pay incentives and benefits.

Compensation has a great influence on the recruitment of employees, motivation, productivity and employees' turnover (Wekesa & Nyaroo, 2013). Compensation administration is one of the most complex and dynamic issues in the field of human resource administration. For an organization to achieve its stated objectives, there is need to effectively manage the human resource aspect of the organization, taken into cognizance one of the core aspects of the human resource management known as compensation management (Muhammed, 2014). The ability of an organization to achieve its stated objectives to a large extent depends on the effective implementation of compensation packages to motivate the employees beyond their expectation. Compensation administration plays a crucial and functional role because it is the heart beat of human resource administration. It is also vital to both employees and employer. This is because employees basically depend on wages and salaries, which must be equivalent to the work done (Chukwuma, 2018).

Performance as a function of compensation strategy uses the employee's contribution to the organization as a destination for human resource administration, either physically or non-physically, which have a degree of willingness and a certain level of ability. It is a function of motivation and the ability to complete a task or a job, depending on the degree of willingness and a certain level of ability (Njoroge & Kwasira, 2016). Most Nigeria tertiary institutions fail to realize the importance of effective and efficient compensation administrative techniques. The general objective of the compensation strategy is to promote the performance of Abia State University through employees' high commitment to duty. Therefore, the institutional high performance and stability cannot be achieved if the staff are not adequately compensated to boost their performance. Based on the foregoing, this study focuses on the impacts of staff compensation on the performance of Abia State University.

Statement of the Problem

There is a widely held belief that the building up and efficiency of an organization whether private or public to a large extent depends on how effectively staff compensation strategy is utilized. For an organization to attain its desired objectives, it must compensate the personnel based on result oriented. Umeh (2013) observes that the current problems of many organizations are attributed to inadequate compensation of personnel, which by extension negatively affect their commitment to duty. The compensation strategy is the reward strategy, which is approved by the Abia State University Board, and it is always the top executive management function since it has a huge impact on the costs of running the institution. Compensation consists of two main components; financial and non-financial compensation. The former involves monetary incentives, which an employee achieve due to his excellent performance at work while, the later comprises of career development, job redesign, training and participation, working environment and recognition (Baeten, 2010; Spaans, 2010; Prasetya & Kati, 2011).

Regrettably, in the Abia State University, several problems had been confronted by the staff, which can affect the overall productivity of the University. Most of the problems are specifically related to the matter of pay increment or payment of salaries. Studies carried out by Chukwuma (2018) and Onyema (2019) affirmed that most employees feel the injustice in the pay system with the state university's pay structure, as the employees who belong to other universities are earning bigger pay or are paid regularly than them, which eventually create dissatisfaction among the employees. Most times according to Ubah (2021), the personnel of the university are ill-compensated, the consequence of this, is non- commitment to duty by the personnel and at the detriment of the university at large. Similar observation was made on this, in 2013, 2016, 2018, 2019 and 2021 in the Universities across the country (Abia State University inclusive). For example, within these periods, the personnel of some universities were not paid as at when due for many months and evidence revealed that they performed below average. It is for this observed seemingly reoccurring low performance in the State University that motivated the researcher to embark on this study to determine the causes of the observed low practice of the employees.

Objectives of the Study

The general objective of the study is to examine the impacts of Staff compensation technique on the productivity of Abia State University. The specific objectives are:

1. To find out the extent to which wage and salary affects the employee's productivity in Abia State University.
2. To determine the extent to which incentive package affects the employee's productivity in Abia State University.
3. To ascertain the extent to which benefit affects the employee's productivity in Abia State University.

Research Questions

Based on the objectives of the study, the following research questions were posed for the study:

1. To what extent has wage and salary affected the employee's productivity in Abia State University?
2. To what extent has incentive package affected the employee's productivity in Abia State University?
3. How has benefit affected the employee's productivity in Abia State University?

Research Hypotheses

On the basis of the above research objectives and questions, the following hypotheses were postulated:

H1: Wages and salary does not affect the employee's productivity in Abia State University.

H2: Incentive package does not affect the employee's productivity in Abia State University.

H3: Benefit does not affect the employee's productivity in Abia State University.

Literature Review

The most important obligation an employer owes his employees is their wages and salaries, although, there are some non-financial rewards like recognition, praise and self –esteem which workers equally value. Compensation is an important aspect of human resource administration in an organization. Compensation according to Nwizu (2018) is money received in the performance of work plus many kinds of benefits and services that organization provides for their employees. He points out that it cuts across “all types of economic compensation a person gets as a result of performing a particular job either as salary or wage, he therefore, notes the examples as; overtime, allowances, bonus, incentives, etc. Ahazodo (2008) on his part outlines the objectives of compensation as to: (a) attract, retain sufficient and suitable employees that will help the organization achieve its aims (b) motivate workers or employees to high performance (c) reward employees for their effort and commitment to the organization (d) enable the organization to pay employees according to requirement of the job. For examples, highly skilled jobs are paid more compensation than low skilled jobs (e) satisfy employees and to ensure good employer/ employee relationship which discourage strike, lock-out and eventually leads to high morale building and (f) reduce the likelihood of friction and grievances over performance not rewarded or compensated.

Obikeze and Obi (2004) see compensation as the rewards that individuals receive from organizations in exchange for their labour. They argue that people who work in an organization are engaged in an exchange relationship and that they exchange their labour for financial rewards. According to them, there are basically three types of compensation, which include: wages, salaries and incentives. Expanding the subject matter, Onyema (2019) posits that wages are the compensation paid on hourly basis and that it is usually paid to labourers or

part-time workers. He contends that these people are paid based on the number of hours worked and not actually on the amount of work done. Salary is labour-cost relationship. It is on this premise that, Akachukwu (2016) sees it as compensation paid based on an annual rate of payment, usually monthly, irrespective of the number of hours worked. This is contrary to the submission of Chukwuma (2018), who looks at wages as the compensation paid on hourly basis. In the view Akachukwu (2016), incentives are special compensation packages which are contingent on performance, and it attracts some special rewards. He therefore points out that, incentives include bonuses, commissions, special allowances, overtime allowances, etc.

Conditions for Effective Compensation Policies

Every good compensation policy is aimed at attracting, retaining and motivating high-quality employees in an organization. It is also aimed at rewarding organizational members for high productivity, by making them benefit from the growth of the organization, as well as making sure that compensation methods are such that the organization can shoulder comfortably. According to Patton (1977:132), conditions for effective compensation policy has seven criteria, namely:

- i. **Adequate payment:** Union and managerial pay level should be met.
- ii. **Equitable payment:** Everyone should be paid fairly, in line with their efforts, abilities and training.
- iii. **Balanced pay:** Benefits and other rewards should provide a reasonable total reward package.
- iv. **Cost- effective pay:** Pay should not be excessive, considering what the organization can afford to pay.
- v. **Secure payment:** Pay should be enough to help the employees feel secure and aid them in satisfying basic needs.
- vi. **Incentive providing payment:** Pay should motivate effective productive work.
- vii. **Acceptable for the employee:** Employees should understand the pay system and feel it is reasonable for the organization and themselves.

Wages and Salaries

Every organization has its distinct wage system. Choosing a successful wage system depends on considerations of wage-levels, wage structure and the individual pay determination. According to Obikeze and Obi (2004), there are basically two wage systems via:

- a. **Wage level decision:** This is the decision to examine an organizations wage, relative to other organizations in the industry. After obtaining the average wage for the industry, the organization now decides whether to pay the same, above or below the rate. The wage level decision has its main objective, the need to keep the organization competitive in the labour market. If it decides to pay below the average rate, it may lose its high quality workers to other competitors in the industry. On the other hand, if it decides to pay above the average, it increases its chances of attracting the best brains in the organization.

- b. Wage structure decision:** This is the process of assessing the value of each job in the organization relative to other jobs. It is a hierarchy of job grades. In every organization people occupy different positions in a structure. These positions do not attract the same wage. What a wage structure does is to rank jobs, starting from the highest paid to the lowest paid. Wage structures that are maintaining high quality standards may not be one of the workers main considerations. The system does not favour or support workers whose output cannot be measured in units. This can lead to disaffection and antagonism between work groups.

For Nwizu (2018), there are six types of wage and salary, which include; statutory minimum wage, minimum wage, basic minimum wage, fair wage, living wage and need based wage.

Incentive Packages

Incentive is a reward given for the accomplishment of pre-determined goals. It is directly related to performance and it has a positive influence on the employees' objectives and organizational success. It is a compensation awarded for results rather than for time worked (Osibanji, *et al* 2014). In other words, it is a reward given to employee whenever a desired goal is achieved. It therefore serves to motivate employees towards greater performance. In organization's wide incentive scheme or package, all employees receive a bonus on the basis of productivity achieved by the organization. The scheme operates on a number of factors like labour cost reductions, total cost per unit; output per man- hour and increase in total profit. Whatever criterion to be used, it must be jointly by both the employees and employer (Enoke & Onobun, 2015).

Oguntola (2017) observes that bonuses are paid at specified interval; weekly, monthly or annually, pointing out that the scheme promotes teamwork because it is based on group effort. For him, it has also been shown to have a direct positive impact on productivity in organizations that have adopted it. The two popular methods of organization - wide incentive scheme or package are Scalon Plan and the Rucker Plan. In the former, the employees share the savings made from a reduction in unit labour cost due to increased output while, in the later the scheme is based on the relationship between labour cost and value added. By value added we mean the different between the value of the output (finished product) and the input (raw materials and other components used in production) (Burumchi & Umeh, 2008).

Benefits

Benefits are indirect financial rewards that an organization offers its workers. They are not included in the direct financial compensation given to the workers. It can therefore be seen as the part of the 'extra' that an organization gives to its workers to motivate them. Many organizations do not give their employees the opportunity of selecting the type of benefit they like (Okafor, 2010). The organization just gives what it thinks will be beneficial to its workers which it can afford. Some others permit their workers to make a choice of the one they like, though there is usually a cost limit. According to Aladeji and Adedeji (2015), benefits can be classified into three, namely;

- (i) **Security benefits:** These are benefits that are related to the security needs of the workers and they are of two kinds via: Long-term and Short-term security benefits. Long-term benefits takes care of the worker future needs such as pension schemes, life assurance and mortgage assistance while, short-term security benefits include healthcare scheme and bridging loans for house purchase.
- (ii) **Work related benefits:** They are benefits which impacts on day-to-day activities of the workers, and by extension the organization. This is because anything that affects the workers seriously, somehow affects the organization. These include meal subsidies, car loans, sick leaves, etc.
- (iii) **Status-related benefits:** These are benefits given to senior employees that, goes to enhance their status. It is seen as a reward for those who have struggled to get to the top. It includes luxurious cars, entertainment allowances, etc.

Concept of Employees Performance in Organization

Performance appraisal is a formal assessment of staff in order to determine his performance level. It is an acceptable personnel function that enables some mechanisms to be adopted in order to assess workers from time to time, to ascertain how well they are doing in their jobs or groups. To Okoye (2004), performance appraisal is an easy way of determining the individual worker's performance level and that of the organization at large. The contrary is the view of Olewa (2006), who sees performance appraisal as; usually prone to some errors, and these errors according to him, may occur due to the voter's bias, poor reliability or poor validity. In his opinion, often, the personnel official who rates may be accused of being either too lenient or too harsh. This could have inspired Mbieli (2009) to observe the two main control mechanisms in personnel administration namely: (a) Performance appraisal (i.e. periodical assessment of the work and potentials of person) and (b) Administration of discipline. He points out that the only true measure of employee's effectiveness on the job is job performance.

Vitus (2019) on his part argues that one of the greatest economic wastes that the administration of public sectors has, is the ineffective and inadequate appraisal systems of executive performance. He maintains that the public organizations have difficulties in accurately measuring the performance of their employees, thereby resulting in unsatisfactory performance in key positions. Employees' high performance, organizational productivity and development are the outcome of effective human resource administration and development in any organized organization like the university (Romanus, 2020). When staff as employees put in their best in doing their jobs, it will result to high organizational productivity. In this case, Rocas and Anderson (2006) opine that good productivity benefits both employees and management of organization, even the society at large. They advocate that productivity is dependent on employees' motivation. Writing on the same subject matter, Quanga and Moshner (2016) posit that, staff should not be treated with contempt in order to achieve high level of productivity in an organization.

Empirical Studies

In recent time, many studies have been executed on Staff compensation and the organizational performance in Nigeria. For example, Chukwudi (2018) examined the effects of compensation on the performance of organization, using First Bank of Nigeria Plc as the focal point. Based on the above, the researcher formulated four research objectives, questions and hypotheses to guide the study. Survey research design was employed and questionnaire was used as the instrument of data collection. The entire staff of First Bank Nigeria Plc which sums up to 90 made up the population from where 73 staff were sampled. The data collected were subjected to face validity and test retest reliability method. The data collected were presented in tables and analyzed using simple percentage and hypotheses were tested using chi-square. Also, some empirical studies were consulted and analyzed. The findings revealed that there is significant impact of effective compensation on organizational productivity. Also there is significant impact of working condition on organizational stability and there is no significant effect of good remuneration on organizational profitability. Based on the findings, it was recommended that organizations –especially First Bank of Nigeria Plc – should always use effective compensation strategy the employees. This will enable the staff to know, understand and adhere to organization’s principles, cultures and goals in performing their functions.

Oladejo and Oluwaseun (2014) examined the effect of compensation plan on workers performance in Nigerian food and beverage manufacturing companies, using a sample of 125 questionnaires distributed to the staff of the selected food and beverage manufacturing companies in Lagos state. Analysis from frequency table, percentage and Chi- square test showed that compensation plan has positive impact on employees’ performance.

Hameed, Muhammad, Hafiz, Ghazanfar and Muhammad (2017) focus on the impact of compensation on employee performance of bank in Pakistan. A questionnaire was designed to collect the data on the factors related to compensation like salary, rewards, indirect compensation and employee performance. Findings from correlation and regression analysis showed that compensation has positive impact on employee performance.

Nnorom, Akpa, Egwuonu, Akintaro, Shonubi and Herbertson (2016) examined the effect of compensation administration on employee productivity. The data gathered from the structured questionnaire on 50 respondents in Dangote Nigeria Headquarters in Lagos Nigeria, revealed that effective compensation administration has significant positive effect on productivity.

Ayesha, Amna, Tahleel and Hina (2015) constructed a structured questionnaire with which they obtained data to study the effects of compensation and motivation on employee performance. Using a sample of banking sector of Faisalabad, the simple regression model revealed that incentive and motivation have significant effect on employee performance.

Ibojo and Asabi (2014) examined the impacts of compensation administration and personnel performance in Kano State civil service. Survey research design was employed and questionnaire was used as the instrument of data collection. Responses obtained from the

Likert-type questionnaire design for the study was analyzed using frequency table and Analysis of Variance (ANOVA). The result showed a significant relationship between good welfare services and employee performance; compensation management and improved performance; and compensation management and employee performance Kano State civil service.

Theoretical Framework

Expectancy theory is also known as ‘Expectancy theory of motivation’ propounded by Vroom (1964). This theory contends that an individual will behave or act in a certain way because he or she is motivated to select a specific behavior over others due to what he or she expects the result of that selected behavior will be. Therefore, the motivation of the behavioral selection is driven or determined by the derivability of the ‘end result’. Nevertheless, at the centre of the expectancy theory is the mental process of how an individual weighs the result. Vroom summarized his theory under the following: motivation = expectancy + instrumentality + valence. He notes that motivation is the degree people will be motivated by the situation they find themselves. It is also a function of expectancy which is person’s perception that effort will result in performance. While, instrumentality is the person’s perception that performance will be rewarded or punished. Valence is the perceived strength of the reward or punishment that will result from the performance. It can also be seen as the value the individual personally places on the rewards.

In applying the theory to the subject of the study, it is evident that Abia State University is an institution/organization where motivation is the degree people will be motivated by the situation they find themselves. It is also a function of expectancy which is employee’s perception that compensation (wage/salary, incentive packages and benefits) will improve performance, that is, “result”. Instrumentality being the employee’s perception that performance “result” will be rewarded or punished. For example, the employee’s assessment of how well the amount of reward correlates with the quality or amount of compensation in form of (wage/salary, incentive packages and benefits) received from the institution. Finally, valence is the value the staff of the institution personally places on the rewards “compensation”. If the compensation received by the personnel of Abia State University is of low standard, the motivation therein will be low, even if expectancy and instrumentality are perfect. Nevertheless, if the compensation received by the personnel is of high standard, the motivation will be high as well. Based on this, performance in the University is a function of compensation, (i.e. performance = compensation). With this, staff salaries, incentive packages and benefits should be seen as motivational to their performance in Abia State University.

Research Methodology

The study adopted a survey research design and also made use of secondary data. The population of this study consisted of the Academic and Non-Academic Staff in Abia State University, with the population size of one thousand five hundred and nineteen (1,519) personnel. The breakdown of the Staff shows that Academic Staff has population size of five

hundred and thirty five (535) personnel while, the Non-Academic Staff has population size of nine hundred and eighty one (981) personnel. Three hundred and seventeen (317) respondents were randomly selected out of one thousand, five hundred and nineteen (1,519) personnel in Abia State University. A questionnaire titled Staff Compensation Survey Questionnaire (SCSQ), structured in a likert format was administered for data collection and was complemented with interviews and secondary data. The data collected was analyzed using frequency counts, percentages and mean. The hypotheses were tested using Pearson Product Moment Correlation Coefficient Statistics. In order to ascertain the validity of the instrument for the study, the researcher ensured that the questionnaire covered the research questions of the study and was given to experts for scrutiny. This was pilot tested and a reliability coefficient of 0.80 was obtained. The decision rule for interpretation of the results of the data analysis was that of a mean score of 2.5 and above, which was regarded as agreed/accepted while, below 2.5 was disagreed/ rejected.

Result

Q1: Do you agree that the productivity of Abia State University can be enhanced through effective wage and salary administrative techniques?

Table 1: Response on Effective Wage/Salary Administrative Techniques and the Productivity of Abia State University.

Pattern of Response	F	%	X	Points %
Strongly Agreed	150	48.1	600	61.5
Agreed	87	27.9	261	26.7
Disagreed	40	12.8	80	8.2
Strongly disagreed	35	11.2	35	3.6
Total	312	100	976	100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{976}{312} = 3.13$$

The result in table 1 shows that the calculated mean score of the distribution is 3.13. Since the calculated mean score is above the cut-off point 2.50, we accept that the productivity of Abia State University could be enhanced through effective wage and salary administrative techniques. The implication is that, majority of the people/respondents believe that the productivity of Abia State University can be enhanced through effective wage and salary administrative techniques.

Q2: Do you agree that the personnel productivity in Abia State University will increase if they are well remunerated as at when due?

Table 2: Response on Increase Remuneration and Personnel Productivity in Abia State University

Pattern of Response	F	%	X	Points %
Strongly Agreed	109	40.0	436	48.3
Agreed	102	32.7	306	33.9
Disagreed	62	20.5	124	13.7
Strongly disagreed	37	11.9	37	4.1
Total	312	100	903	100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{903}{312} = 2.89$$

Table 2 above shows that, the calculated mean score of the distribution is 2.89. Since the calculated mean score is above the cut-off point 2.50, we accept that the personnel productivity in Abia State University would increase if they were well remunerated as at when due. This underscores the fact that majority of the respondents believe that the personnel productivity in Abia State University will increase if they are well remunerated as at when due.

Q3: Incentive packages are often made available to encourage hard work in Abia State University.

Table 3: Response on Incentive Packages and Hard Work in Abia State University.

Pattern of Response	F	%	X	Points %
Strongly Agreed	41	13.1	164	24.2
Agreed	73	23.4	219	32.3
Disagreed	97	31.1	194	28.6
Strongly disagreed	101	32.4	101	14.9
Total	312	100	678	100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{678}{312} = 2.17$$

The result in table 3 shows that the calculated mean score of the distribution is 2.17. Since the calculated mean score is below the cut-off point 2.50, we reject that incentive packages were often made available to encourage hard work in Abia State University and, accept that incentive packages were not often made available to encourage hard work in Abia State University. This implies that, majority of the people/respondents believe that incentive packages are not often made available to encourage hard work in the University.

Q4: Do you agree that providing staff accommodation as a non monetary incentive cannot enhance the personnel commitment to duty?

Table 4: Response on Staff Accommodation (Non Monetary Incentive) and Personnel Commitment to Duty.

Pattern of Response	F	%	X	Points %
Strongly Agreed	30	9.62	120	20.3
Agreed	47	15.66	141	28.9
Disagreed	95	30.45	190	32.1
Strongly disagreed	140	44.87	140	23.7
Total	312	100	591	100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{591}{312} = 1.89$$

The result in table 4 shows that the calculated mean score of the distribution is 1.89. Since the calculated mean score is below the cut-off point 2.50, we reject that providing staff accommodation as a non monetary incentive could not enhance the personnel commitment to duty and accept that providing staff accommodation as a non monetary incentive could enhance the personnel commitment to duty. The implication is that, majority of the people/respondents believe that providing staff accommodation as a non monetary incentive can enhance the personnel commitment to duty.

Q5: Do you agree that fringe benefits are not often given to the personnel of Abia State University to encourage hard work of personnel?

Table 5: Response on the fringe benefits and hard work of personnel

Pattern of Response	F	%	X	Points %
Strongly Agreed	111	35.6	444	49.1
Agreed	98	31.4	294	32.5
Disagreed	63	20.2	126	13.9
Strongly disagreed	40	12.8	40	4.4
Total	312	100	904	s100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{904}{312} = 2.90$$

The result in table 5 shows that the calculated mean score of the distribution is 2.90. Since the calculated mean score is above the cut-off point 2.50, we accept that fringe benefits are not often given to the personnel of Abia State University to encourage hard work. This implies that majority of the people/respondents believe that fringe benefits are not often given to the personnel of Abia State University to encourage hard work.

Q6: Do you agree that the quality of benefits given to the personnel of Abia State University have significant impacts on their operational efficiency and behavioral integrity.

Table 6: Response on “quality of benefits and Operational efficiency/Behavioral Integrity

Pattern of Response	F	%	X	Points %
Strongly Agreed	113	36.1	452	50.1
Agreed	96	30.8	288	31.9
Disagreed	61	19.6	122	13.5
Strongly disagreed	342	13.5	42	4.4
Total	312	100	902	100

Source: Field Survey Data

$$\text{Mean} = \frac{\sum x}{\sum f} = \frac{902}{312} = 2.89$$

The result in table 6 shows that the calculated mean score of the distribution is 2.89. Since the calculated mean score is above the cut-off point 2.50, we accept that the quality benefits given to the personnel of Abia State University had significant impacts on their operational efficiency and behavioral integrity. The implication is that, majority of the people/respondents believe that the quality of benefits given to the personnel of Abia State University have significant impacts on their operational efficiency and behavioral integrity.

Discussion of Findings

Based on the results from tables 1 and 2 above, it could be seen that wage and salary affected the employee’s productivity in Abia State University, which is in line with the alternative hypothesis earlier postulated. Further assessment showed that the employees’ wage/salary administration was poor therefore, had negative effects on the productivity of the University. This established the fact that the personnel were not sufficiently remunerated which gave rise to below average performance in the institution. This result is in consonant with Nwosu (2014) who submitted that, poor wage and salary administrative technique result in inefficiency in productivity of an organization. Supporting the finding, a staff of Abia State University, while in an interview with him, stated that the employees of the University do not often receive salaries for ten to eleven months, thereby killing the moral of the personnel. Corroborating the result, in 2019 during the administration of Late Prof. E.U Ikonne, the then Vice- Chancellor of the University, while in inaugural lectures in institution, he remarked that, there was poor wage/salary administration in most tertiary institutions which according to him, might have given rise to inefficiency in the institutions (*Punch Newspaper, August 14, 2019*).

The responses from the respondents in tables 3 and 4 above revealed that incentive package affected the employee’s productivity in Abia State University, which is in tandem with the alternative hypothesis earlier postulated. Further assessment indicated that incentive packages were not regularly made available to the personnel which gave rise to the observed below average performance in the institution. This result is in conformity with the discovering of Mbieli (2009), who held that the proficiency, efficiency and effectiveness of personnel could only be achieved through motivation of the personnel in organization.

The responses from the respondents in tables 5 and 6 above revealed that benefit affected the employee's productivity in Abia State University, which is in agreement with the alternative hypothesis earlier postulated. Further assessment showed that insufficient benefit administrative techniques gave rise to low performance of the institution. This finding is in consonant with Okafor (2010) who submitted that fringe benefits are not readily made available in many Universities as a result demoralizes the personnel of the institution. Consequent to this, according to him, is incessant misbehavior of some personnel in the institution. Further result showed that low performance in the University was due to poor working condition. This finding has been supported by Gerhart and Rynes (2003), Oladeje and Oluwaseun (2014), Hameed *et al*, (2014), Ayesh *et al* (2015), Nnorom *et al* (2016) Ekere and Amah (2014), when they observed that it is possible to see personnel in the University who have served for five (5) years without receiving fringe benefits..

Conclusion

Poor Staff compensation administrative technique is one of the reasons for low productivity in most organizations. Good Staff compensation administrative technique emphasizes on the best or satisfactory methods/procedures of compensating personnel in organizations. Any organization that wants to achieve its objectives must continue to adopt compensation change strategy. Such compensation change enables the organization to effectively remunerate, give incentive packages and benefits to the personnel as at when due. This is why Umeh (2013) observed that any organization that refuses to embrace developmental trend will remain unproductive and therefore, may collapse or lose its validity/good will. This study however, laid no claim to complete exhaustion of the problems of Staff compensation as it affects the productivity of Abia State University, neither did it claim having offered a conclusive panacea for some found problems.

If for anything, it meant to elicit actions and encourage others to undertake similar research on other multifarious factors of Staff compensation that have to do with the performance of tertiary institutions in Nigeria (Abia State University inclusive). Therefore, Staff compensation and the performance of Abia State University was just microcosm of the whole problems of Staff compensation, when viewed from a system approach to management/administration inadequacy such as; wage/salary, incentive package and benefit administrative techniques, as well as other environmental factors like; favoritism, nepotism, tribalism, ethnicity/quota system , political consideration and a host of other factors that influence organizational performance, which the University is not an exception. Finally, if the human resource officers in the University will take into consideration some of the problems identified in this study, the issue of low performance will be solved to a large extent.

Recommendations

Based on the findings, the following recommendations are made that:

1. The management/personnel officers of the institution should occasion effective wage and salary administration, capable of motivating the personnel to improve the productivity of the institution.

2. The management/personnel officers should adopt a well thought out effective compensation strategies capable of regularly making available incentive packages to enhance employees' proficiency.
3. The management/personnel officers of the institution should make available favourable and effective benefits/working conditions capable of improving the productivity of the institution.

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