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Incentives Usage as a Motivational Tool

Case: The Nigerian Banking Sector

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Thesis Abstract

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The essence of this thesis is to ascertain the usage of incentives as a motivational tool using the Nigerian banking sector as a case study. Questionnaires were sent to employees in this sector and their responses were critically analysed and related to the theories.

The research methodology was primarily quantitative, but also qualitative features were adopted in the thesis. Of related motivational theories, the Process and the Content Theories were adopted. Incentives usage as a motivational tool goes a long way in determining the outcome of a particular project.

The study brought out the fact about how the usage of incentives as a motivational tool can enhance the productivity of an organization. The questionnaire also allows the respondents to give their opinions outside the box (options), thereby stating the positive impact and absence of incentives as a motivational tool at various banks in Nigeria. The responses were analysed with the use of charts.

In conclusion, the researcher of this study recommends that incentives should be encouraged in the Nigerian banking sector and employees should be promoted in due time, so as to improve productivity and to increase profitability.

Keywords: Incentives, Motivation, Bank

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1 INTRODUCTION

The researcher describes the word 'incentives' as a reward system, financial or non-financial which are offered to employees in order to motivate them to work according to the organization's set goals and to surpass expectation positively. It also helps to drive performance and increase productivity.

Incentives have played a massive role to every organization that adopted its usage. It serves as a motivational tool for the employees towards achieving swift and excellent results.

Employees are highly driven when the means of compensation (incentives) is in place. It boosts the morale of the employee to become more efficient, effective, result-oriented and passionate to deliver expectation and perhaps beyond expectations in every given task.

In Nigeria today, employees want to be motivated by the organizations they work for while the organizations on the other hand need motivated people to work for them. Some banks, in their deliberate efforts to influence the performance of their employees however initiate a system of incentives such as special awards and certifications for best employee of the month, quarter etc., unsung heroes (celebrating departmental employee of the year with awards, certifications, trips etc.). It was observed from the researcher's previous work experiences however that incentives go a long way to enhance the positive work flow in organizations, as well as encouraging team spirit, and job satisfaction amongst employees.

1.1 Background of the study

Nigeria has about 21 licensed commercial banks which are running effectively with results in terms of fund transactions (debit, credit, transfer and more); and branches across the country to ensure their services reach the entire people of the country. The operations are done with competent hands who attend to all the day- to-day activities of the bank.

Of all these activities and operations in the Nigerian banking sector, the employees ensure that all their daily activities are carried out with passion in order to achieve the organizational commitments and objectives. Incentive systems are therefore put in place by all banks for all categories and levels of employees for motivation purpose, so that ultimately employee performances are enhanced, maintained and sustained.

According to the research conducted on this work, it was gathered that the usage of incentives in Nigerian Banks would encourage the employees to put in more effort in every given task thereby running extra mile towards achieving breath-taking results in all operations.

1.2 The Statement of Problem

Individual employee performance in any organization ultimately determines the strength of the organization. The people that work in the organization are therefore a key asset to the overall performance of the organization. Not much can be achieved if the employees do not have high morale, and a feeling of job satisfaction which goes a long way in determining the level of the individual performances. The role of incentives in the motivation efforts of the employers (the organizations' management), becomes a rather important consideration. This study concentrates on how Nigerian banks have used incentives as a motivational tool, however to ascertain its impact on employees who gets and those who does not.

1.3 Scope of the Study

This thesis focuses on the use of incentives in the Nigerian banking sector (as a case study). The scope of the thesis covers some financial institutions that use incentives as a motivational tool to enhance employees' performance and morale on the job, those that give incentives but their employees however consider them as not adequate and therefore not sufficiently motivating, if motivating at all, and finally, some other institutions that do not even give incentives at all. The thesis

intends to identify ways (if any), in which the performance of the employees in the institutions that give incentives were impacted on all job functions, as well as identifying how their absence has affected those who worked in the institutions that do not give their employees the same advantage. The aim of this work is to provide substantial information about employees needs and wants on incentives which will help to support the growth and outstanding service delivery of the banking sector in general.

2 INCENTIVES

2.1 Background of Incentives method

Today, we are faced with an exceptionally dynamic and unstable working environment which is marked by continued instability in the economy. Managers face a difficult challenge of motivating and retaining employees in an environment of increased uncertainties (Kreisman 2002, 5).

Incentive is an act or promise for greater action (Management study guide 2013). It is also known as a stimulus to greater action. Incentives are something that are given in addition to wages. It is an added remuneration or benefit to employees in recognition of achievement or better work. Incentives provide a spur or zeal in the employees for better performance.

Irrespective of organizations' visions and missions, the key factor employers must consider is employees' performance in every given task; thereby ensuring that the activities assigned match up with the result achieved towards the attainment of the organization's standard.

Employees are said to be the life of every organization, therefore if the means of motivating them is not put in place to boost their job performance as expected by the employer, it will have negative effects on productivity. An effective incentive system must therefore be considered and put in place by organizations, to ensure that employees work with passion to surpass the management's and customers' expectations. Excellent services rendered by the employees in the process will also help in building a good image for the organization they represent.

When considering the usage of incentives, there are so many questions to be asked by the employees: Do they merit to be given incentives? What would they do for the Bank before considering the usage of an incentive system? Would they go an extra mile for the company towards achieving a good result? Will the employees be ready to do exceedingly well, by performing every assigned task? Will they meet or even surpass the management's expectations? The answers to these questions enable employers to make incentive decisions.

2.2 Purpose for incentives

- To increase productivity.
- To drive or arouse a stimulus to work.
- To enhance commitment in work performance.
- To psychologically satisfy a person, this leads to job satisfaction.
- To shape the behavior or outlook of subordinates towards work.
- To inculcate zeal and enthusiasm towards work.
- To get the maximum of their capabilities, so that they are exploited and utilized maximally (Management study guide 2013).

Listed above explains the reason why incentives should be considered at workplace and how its usage can affect the performance of employees on any given task. An incentive is seen as a means of encouragement from an employer to the employee.

2.3 Individual incentives

According to Bhatia (2010, 88) individual incentives are based on time, whereby employees are paid according to the work done at a particular period of time, which is measured per hour, per day, per week, per month or other fixed period. Bhatia further suggests merits and demerits of individual incentives for a better understanding.

Merits

- This system is designed in a way that there is no time limit for the execution of the job, therefore employees do not need to rush their tasks and it improves the quality of work.
- The same wages are paid to all employees; therefore, it reduces jealousy among them.
- It requires less administrative attention.

Demerits

- The system does not agree that competent workers will receive more pay. It will, however, reduce the motivation and morale of employees.
- It gives difficulty in terms of making payment because charges for a particular job do not remain constant.
- It is difficult for an individual worker to determine his efficiency in case of promotion, as there is no record of an individual worker's output.

2.3.1 Based on Time Incentives

Bhatia (2010, 82–86) carefully explains how incentives can be measured based on time and production, therefore using different plans to illustrate the usage.

Halsey Plan

It was designed by F.A Halesy and Rand Deill Co., Canada (Bhatia 2010,82).

The features of the Halsey plan are stated below:

- There is a fixed time for each job or operation.
- Time wage is guaranteed to every worker.
- Time rate is guaranteed and workers receive wages irrespective of whether they complete the work in the time allotted or not.

Merits

- The system is simple and easy to understand.
- Competent and efficient employees get incentives.
- Incentive in this regard is based on time saved.

Demerits

- In this regard, it is difficult to maintain record of time saved by each worker.
- The system lacks job timing.
- Competent employees do not get sufficient incentives because it involves the sharing of the benefit with employers.

Rowan Plan

This plan is also based on time. It differs from Halsey plan only in regard to the bonus. The plan states that an employee is paid for time spent on the job and the employee is also entitled to bonus for the completion of the job in less than the standard time. Efficiency is measured as:

$$\text{Bonus} = \frac{\text{Time saved} \times \text{Time taken} \times \text{Hourly rate}}{\text{Standard time or time allowed}}$$

Standard time or time allowed

$$\text{Total earnings} = \text{Time taken} \times \text{Hourly rate} + \text{Bonus}$$

Merits

- It gives more bonus than the Halsey plan.
- The employer and the employee enjoy the plan.

Demerits

- In this aspect, labor cost is higher.
- It involves a complex method of calculation for ordinary workers.

Emerson Plan

Under this system, efficiency is determined by the ratio between the standard time fixed for a performance and the time taken by a worker. The efficiency of workers is well acknowledged in this system.

Merits

This method is simple and well understood by employees.

- It is a good source of motivation (bonus is related to efficiency)
- It increases the employee's efficiency level.

Demerits

- Difficult to maintain separate records for workers in different categories.

Bedeaux Plan

It was invented by Charles.E. Bedeaux in 1911(Bhatia, 84). Every operation or job in this plan is expressed in terms of standard minutes, which are called Bedeaux points. If a job is calculated at 60Bs or (1b hour), the worker is allowed one hour for its completion and receives a bonus of 75 percent for the number of Bs i.e. time saved. Bonuses are paid when actual performance exceeds objectives or standard.

Merits

- Applicable to any job
- Simple and easily understood

Demerit

- This method may affect job quality because of the speed to save time.
- It is complicated in terms of calculation.

2.3.2 Based on Production Incentives

Employees are paid according to the amount of work done, irrespective of the time taken to achieve the result. It does not state that the employee should complete a job at any time. The employee is paid according to his output. It is of great advantage for efficient and skilled workers to increase their earnings.

Merits

- It pays the employee according to their efficiency level
- The production rate is improved along with the output and wages.

Demerits

- Over-zealousness among workers to increase production; may result in loss of efficiency and health.

Taylor's plan is devised by F.W Taylor, father of scientific management; this scheme states that an efficient employer is rewarded and one who is inefficient is penalized. The system is designed in a way that if an employee completes their task within the given time, he gets higher pay and if not, he gets lower pay”.

Merits

- It motivates efficient employees to do more.
- It ejects inefficient workers from the organization.
- Identifies clearly the efficient and inefficient employees.

Demerit

- Feel of jealousy among slow workers
- Causes severe punishment to inefficient employees.

Merrick plan

The system is similar to Taylor's plan, except for the three rates stated below

- I. High for production exceeding 100% standard.
- ii. Medium for production between 83 and 100% standard.
- iii. Low of production less than 83% standard.

It is an improvement over Taylor's plan. It is mostly introduced in an organization where management aims at 100% efficiency.

Merits

- It is an improvement over Taylor's plan.
- It is liberal for efficient workers.

Demerits

- Feeling of job insecurity develops among low performers.
- Wide gap between the wages of efficient and inefficient workers, which increases jealousy or conflict.

2.4 Group incentives

According to Bhatia (2010, 87), this system is centered on team performance which determines the amount of incentive pay. The overall earnings of the group are considered in accordance with the incentive method, and the earnings will finally be distributed among the group members based on individual competency level. Bhatia considered the following as the merit and the demerit for the group incentives system.

Merits

- This system encourages teamwork among the group members.
- It gives room for innovation and creativity.
- Strengthening employee's loyalty to the company
- It boosts better co-operation among employee's and the spirit to achieve the organization's objectives.

Demerits

- Some members of the group who do not participate in the shared task yet get equal distribution of the rewards.
- Teamwork and co-operation will not be achieved if there is rivalry among the members of the group.
- Lack of control and communication reduces productivity.

2.4.1 Profit sharing

Profit sharing is paid by employer based on the company's profits, in addition to the established pay. It could be paid quarterly or annually. It is seen by senior management as either a way to increase organizational performance, through improving employee motivation, promoting greater cooperation among employees and helping employees understand the business. Advocates of profit sharing contends that it can increase performance, results in greater employment stability and be a "win-win" for employees and employers. (Bratton & Gold 1999, 262)

2.4.2 Cost savings (Scanlon plan)

The best well known plan was developed by Joseph Scanlon in 1937, (Vasava 2012, 64) explain below

- **Philosophy of cooperation**

No “us” and “them” attitudes that inhibit employees from developing a sense of ownership in the company.

- **Identity**

Employees understand the business’s mission and how it operates in terms of customers, prices and costs.

- **Competence**

The plan depends on a high level of competence from employees at all levels.

- **Sharing benefits formula**

Employees share in 75% of the savings (reduction in pay roll expenses divided by total sales).

2.4.3 Cafeteria-style benefits

The program allows employees to choose benefits that match their individual needs. There is no salary reduction in this scheme, contributions are allowed under this plan and through participation employees get to understand the benefits obtainable. For example, a young employee might decide to choose dental and medical insurance while senior employees might select pension contributions. (Bratton & Gold 1999, 263)

2.5 Types of incentives

2.5.1 Monetary Incentives

Management study guide (2013) defines monetary and non –monetary incentives with examples, however differentiating between positive and negative incentives.

These types of incentives are designed to satisfy the employees by rewarding in terms of pay (money). Money has been recognized as a source of satisfying people in so many ways like psychological, social and security needs. More so, in many organizations today, various wage plans and bonus schemes are introduced to motivate and stimulate the people to work.

2.5.2 Non-Monetary incentives

Non-monetary incentives- Aside from the usage of the monetary incentives, there are certain non-financial incentives which can satisfy the ego and self-actualization needs of employees. Incentives which cannot be measured in terms of monetary aspect fall under the category of “Non- monetary incentives”. Managers implore the use of non-financial incentives to satisfy the psychological needs of their employees.

Examples of non- financial incentives are discussed below:

- Security of service- When an employee job is secured, maximum effort will be attached to support and achieve the organisations aim. Job security is a strong incentive which provides great motivation to employees.
- Praise or recognition- Praise or recognition is a type of non- financial incentive which satisfies the ego needs of the employees. Praise at times is more effective than any other incentive. The employees will respond more to praise and try to give the best which will help to stand out among other employees.

- Suggestion scheme- Organization should create an avenue to taking suggestions and welcoming suggestion from the employees because it makes them have a sense of belonging, spirit of participation, to feel motivated and important. This can be done by publishing various articles written by employees to support the working environment in company's magazine. This will enhance the growth, image and initiating new methods of operations in the organisation.
- Job enrichment- How could an employee's job be enriched? An employee's job could be enriched if given an important designation, thereby increasing the nature and content of work. Through this way effective workers would prove their worth on every challenging task. This also helps in the ultimate motivation of the efficient employees.
- Promotion opportunities- Promotion is an effective tool which increases the spirit to work and go extra miles for the organisation. When an employee gets promoted to a higher level, such employee gets passionate and more committed to the organization.

The combination or usage of financial and non- financial incentives aids good working spirit motivates and support employee's performance.

2.5.3 Positive Incentives

Positive incentives are those incentives which deliver a positive assurance for fulfilling the needs and wants. These types of incentives generally have a positive attitude which is use to satisfy the psychological requirements of employees. It is positive by nature. For example promotion, praise, recognition, perks and allowances, etc.

2.5.4 Negative Incentives

Negative incentives are those incentives which are design to correct the mistakes or defaults of employees. The purpose is to rectify mistakes in order to get

effective results. Negative incentive is resorted to when positive incentive does not work and a psychological set back has to be given to employees. It is negative by nature. For example demotion, transfer, fines, penalties.

2.5.5 Limitations of Incentive plan

Performance pay cannot replace good management. Workers may also lead to unethical and illegal behavior for task completion. The scheme increases the feel of jealousy and conflict among the employees, if pay for performance is strictly followed. (Bhatia 2010, 91)

2.5.6 Measures for Effective incentives plan

Incentives plan should be simple, clear and easy to operate. Worker should understand the linkage of pay for performance. It should be design to reward employees in the direct proportion to increase productivity or quality. Standard of performance and criteria for measurement should be fair, clear and aligned with firm's strategy and objectives. Mutual trust and understanding should exist between employer and employee. (Bhatia 2010, 91)

3 MOTIVATION

Organizations are concerned with the exact method to use towards achieving high standard level of performance through their employees. How would they achieve this aim? The aim can be achieved by developing motivational processes (incentives and rewards) and a work environment that will help to ensure that employee deliver results to meet the organizations expectation. Motivational practices are most likely to function effectively if they are based on proper understanding of what it involves.

3.1 The Process of Motivation

What is motivation?

According to Armstrong a motive is a reason for doing something. Motivation is concerned with the factors that influence people to behave in certain ways. The following are three components of motivation. (Armstrong 2006, 252)

- Direction – what someone is trying to do
- Effort – how hard a person is trying
- Persistence – how long a person keeps on trying

Motivation is a source of encouragement in the work place; it is a supportive tool which enhances performance. With the presence of this scheme, employees work with passion and also show more commitment on every task which helps to achieve organization's performance. Employer's goal can be well achieved if the source of motivation is considered because it supports the growth of the organization by the employees' performance. The table below presents job performance model of motivation.

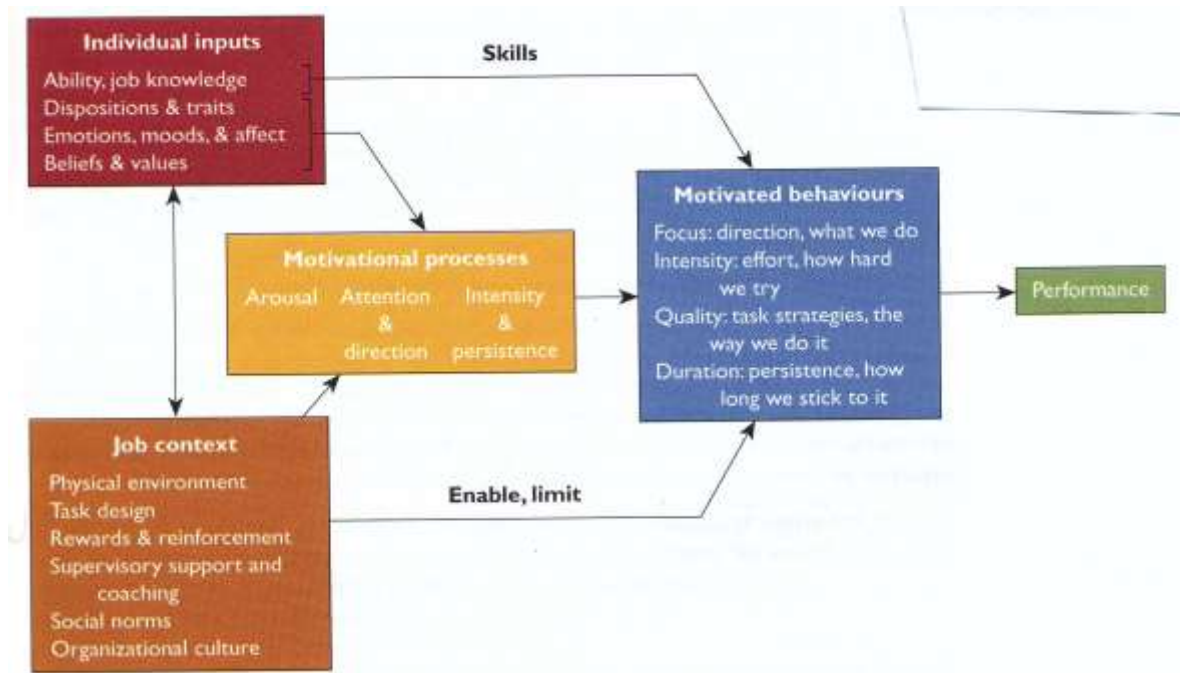


FIGURE 1. Job performance model of motivation (Kreitner, Knicki & Buelens 2002, 177)

3.2 Motivation Theories

Motivation theories are considered in two groups; Content and process theories. **Content theories** of motivation focus on identifying the specific factors that motivate people. The four content of motivation are Maslow's hierarchy of needs, Alderfer's ERG theory, McClellan's achievement need theory and Herzberg's two-factor theory. **Process theories** focus on the cognitive processes in which people engage to influence the direction, intensity and persistence of their behavior. The four important process theories of motivation are expectancy theory, equity theory, goal-setting theory and reinforcement theory. (Hitt, Miller & Colella 2006, 199,207)

3.2.1 Equity Theory

The application of the equity principle to the workplace was initiated by Psychologist J Stacy Adams. Adam's equity theory is an awareness of key components of individual-organization exchange relationship, which is essential in the formation of employee's perceptions of equity and inequity.

Equity theory is generally defined as a motivational model which describes how people struggle for fairness and justice in social exchanges or give and take relationships. The theory is based on cognitive dissonance theory which is developed by Psychologist Leon Festinger in the 1950's.

Adams suggested "inputs and outcomes" as the two components involved in the employee-employer exchange. Inputs expected by an employee include education, experience, skills and effort. The outcome part of exchange (employer) provides pay, fringe, benefits and recognition. Outcome varies depending on the organization and position. (Kreitner, Kinicki & Buelens 2002, 204)

The table shows the factors to be considered when making equity comparisons (inputs and outcomes).

TABLE 1. Factors considered when making equity comparisons (Kreitner, Kinicki & Buelens 2002, 206)

Inputs	Outcomes
Time	Pay/bonuses
Education/training	Fringe benefits
Experience	Challenging assignments
Skills	Job security
Creativity	Career advancement/promotions
Seniority	Status symbols
Loyalty to organization	Pleasant/safe working environment
Age	Opportunity for personal growth/development
Personality traits	Supportive supervision
Effort expended	Recognition
Personal appearance	Participation in important decisions

3.2.2 Expectancy Theory of motivation

Kreitner, Kinicki & Buelens (2002, 211-215) described expectancy theory and explained the three key concepts highlighted below, also considering Porter and Lawler's extension.

Expectancy theory affirms that people are motivated to act in a way that produces cherished outcomes. This theory could be used in any situation to predict a choice between two or more options, example to stay or quit a job. The theory explores two expectancy theories of motivation which are; Vroom's expectancy theory and Porter and Lawler's expectancy theory. The following section explains Vroom's expectancy theory:

“Expectancy represents an individual's belief that effort leads to an actual level of performance. The theory is an effort-performance expectation”

The listed factors influence employee's expectancy perceptions:

- Self esteem
- Self-efficacy
- Previous success at the task
- Support from a supervisor and subordinates.
- Sufficient information towards the task achievement.
- Good materials and equipment to work with.

“Instrumentality specifies that the achievement of a particular outcome depends on task performance. It is a performance-outcome perception. This concept is practiced in the performance related pay (PRP) system in which an employee's pay is a determinant of the quantity and quality of work done”.

“Valence refers to the positive or negative value people which are placed on outcomes. An outcome in Vroom's expectancy model refers to different values which are related to performance such as pay, promotions or recognition. Outcome valence is based on individual's needs and can be measured ranging from the negative to a positive value”.

Vroom's work was extended by Lyman Porter and Edward Lawler III; they developed an expectancy model of motivation which aimed at:

- Identifying the origin of people's valence and expectancy.
- Effort linkage with performance and job satisfaction.

The model is presented below

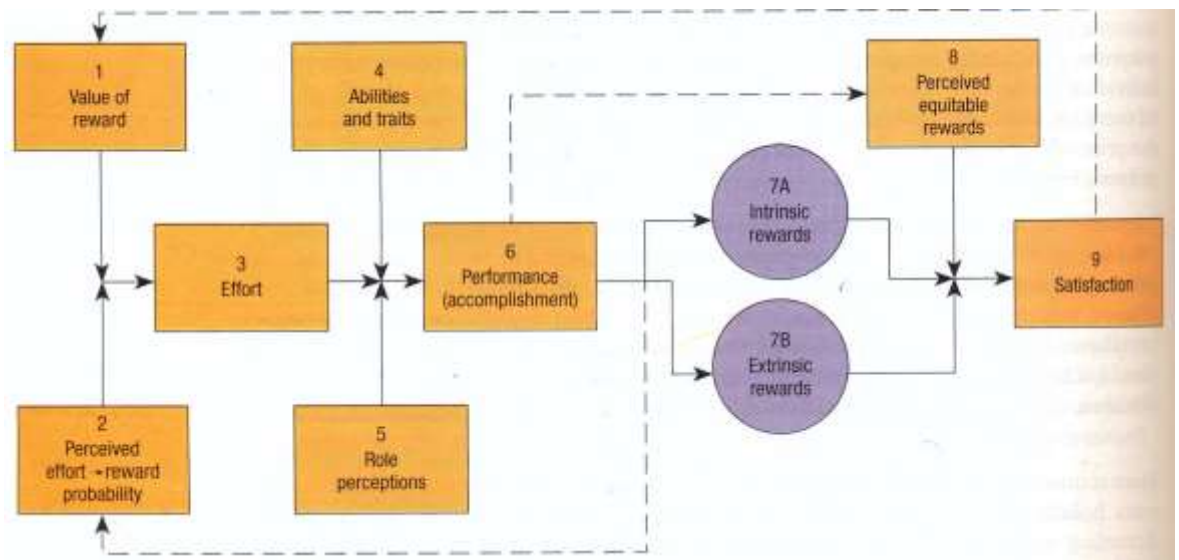


FIGURE 2. Porter and Lawler's Expectancy Model (Kreitner, Kinicki & Buelens 2002, 214)

Predictors of effort

Effort is a function of the perceived value of a reward; therefore employees should put in more effort when they believe that value rewards will be added for task completion.

Predictors of performance

Performance is determined by effort. Employees with higher abilities achieve higher performance on any task or role.

Predictors of satisfaction

Intrinsic rewards are self- granted which consists of intangibles such as sense of achievement. Extrinsic rewards are tangible result such as pay and recognition. Job satisfaction is determined by the perception of the employees on the equity of rewards obtained.

3.2.3 McClelland's Need Theory

David McClelland studied the relationship between needs and behavior since the late 1940s. Kreitner, Kinicki & Buelens (2002, 183-184) discussed the following needs.

The Need for Achievement: The theory proposes that need for achievement is a determinant factor for an employee's level of motivation and performance. It is also the ability to accomplish something difficult.

Need for achievement is the ability to overcome challenges, surpass expectation and stand out successful among others. High achievers aim at more feedback on their success and falls.

The Need for Affiliation: It explains that people prefer to spend time in social activities, joining groups and relationships. Individuals in this need category are not the most effective managers or leaders because they have hard time making difficult decisions without worrying about being disliked.

The Need for Power: It reveals the aspiration to inspire, tutor and support others to succeed. Need for power has its positive and negative side. The negative is regarded as 'if I win, you lose' mentality, while the positive aspect aims at accomplishing group goals and helping employees obtain the feeling of competence.

3.2.4 Two –Factor Theory

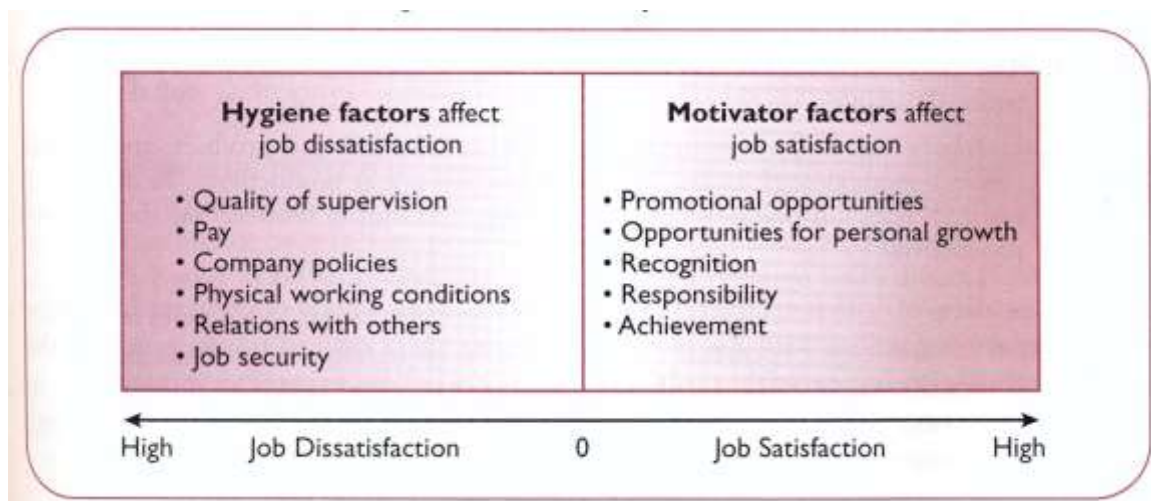
According to Hitt, Miller & Colella (2006, 204-205) this theory is based on the work of Frederick Herzberg, it focuses on rewards or outcomes of performance. The theory was sometimes called the dual –factor theory. Dual –factor states two types of rewards or outcomes which are related to job satisfaction and dissatisfaction. Herzberg's motivation reveals that job satisfaction and dissatisfaction are independent states and are affected by different factors. Related factors to job satisfaction have been called **satisfiers** or **motivators**. It leads to extreme level of satisfaction when motivation is increased. They are listed below:

- Recognition
- Achievement
- Responsibility
- Promotion

A related feature to dissatisfaction is called **Hygiene**. Dissatisfaction will come in these factors are not considered. The hygiene factors are

- Salary
- Job security
- Status
- Working conditions.

TABLE 2. Herzberg's two factor theory (Robbins 2005, 51)



3.2.5 Hierarchy of Needs Theory

The most famous needs theory is the one proposed by a psychologist called Abraham Maslow. He gave five needs which people in general strive to fulfill; physiological needs, safety needs, belongingness needs, esteem needs and self-actualization needs.



FIGURE 3. Maslow's Hierachy of Needs Model
(Management Study Guide 2008-2013)

Organizations can help workers to achieve their goals in so many ways while the employee's also put in their best to attain standard in order to accomplish or surpass organization objectives. The table below shows people's needs and how they can be met or satisfied in an organization.

TABLE 3. Maslow's Hierarchy of Needs(George & Jones 1996,168)

	Need Level	Description	Examples of How Needs Are Met or Satisfied in an Organization
Highest-Level Needs ↑ Lowest-Level Needs (most basic or compelling)	Self-actualization needs	The needs to realize one's full potential as a human being	By using one's skills and abilities to the fullest and striving to achieve all that one can on a job
	Esteem needs	The needs to feel good about oneself and one's capabilities, to be respected by others, and to receive recognition and appreciation	By receiving promotions at work and being recognized for accomplishments on the job
	Belongingness needs	Needs for social interaction, friendship, affection, and love	By having good relations with coworkers and supervisors, being a member of a cohesive work group, and participating in social functions such as company picnics and holiday parties
	Safety needs	Needs for security, stability, and a safe environment	By receiving job security, adequate medical benefits, and safe working conditions
	Physiological needs	Basic needs for things such as food, water, and shelter that must be met in order for an individual to survive	By receiving a minimum level of pay that enables a worker to buy food and clothing and have adequate housing

3.2.6 Goal -Setting Theory

The theory is developed by Latham and Locke (1979), which state that motivation and performance are higher when individuals set specific goals, when goals are difficult but accepted, and when there is a feedback on performance. Participation is an important factor in goal setting, it serve as a means of getting acceptance to the setting of higher goals. Feedback is very essential in maintaining motivation towards the achievement of higher goals. He stressed the essence for acceptance and commitment to goals. Goals inform individuals to achieve particular levels of performance, in order for them to direct and evaluate their actions; while performance feedback allows the individual to track how well he or she has been doing in relation to the goal, so that, if necessary, adjustments in effort, direction or possibly task strategies can be made`. Goal theory is in line with the 1960s concept of management by objectives. (Armstrong, 2006, 261)

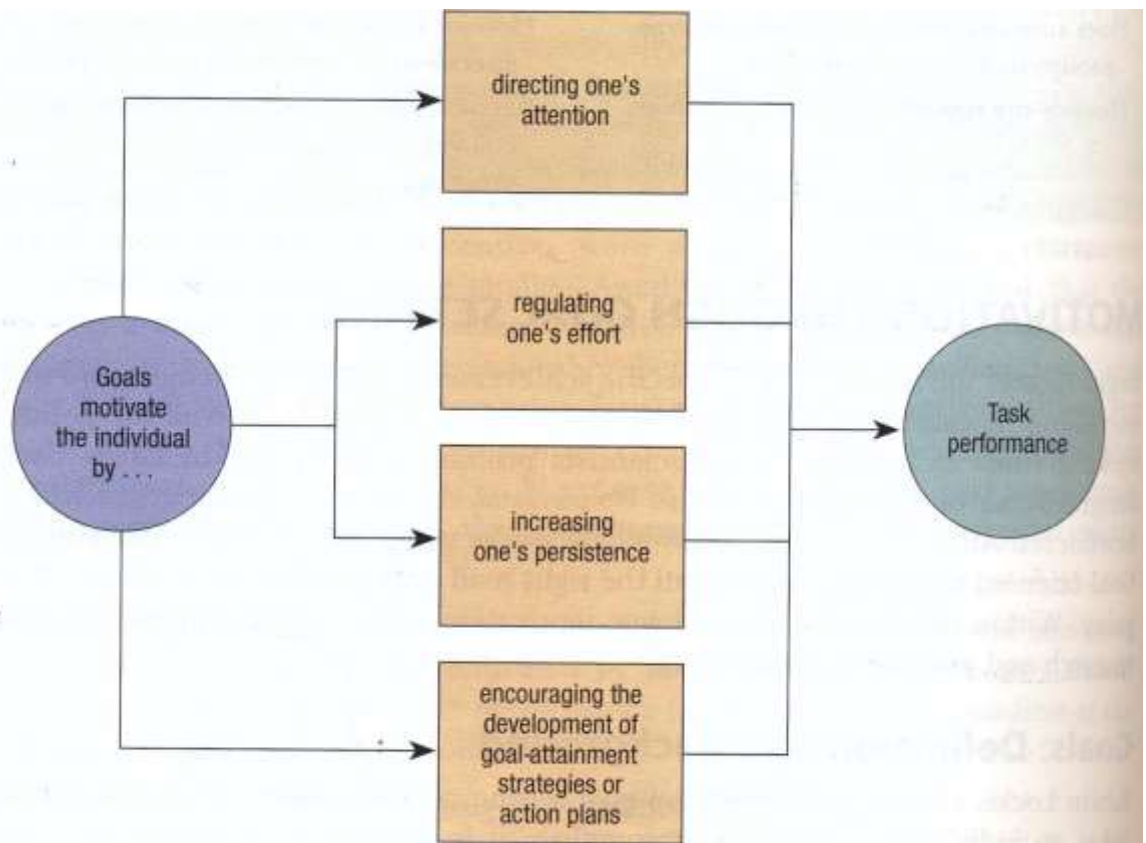


FIGURE 4. Locke's Model of Goal setting (Kreitner, Kinicki & Buelens 2002, 218)

Kreitner, Kinicki & Buelens (2002, 219-220) explains the following goal- setting practical insights.

Goal difficulty:

It is the effort expected to achieve a goal. It is also said in this theory that difficult goals leads to higher performance. As showed in the chart below, positive relationship between goal difficulty breaks down when goals are impossible. Performance however rises when employees are given difficult goes as opposed to easy or moderate goals.

The chart below clearly explains the relationship between goals and performance.

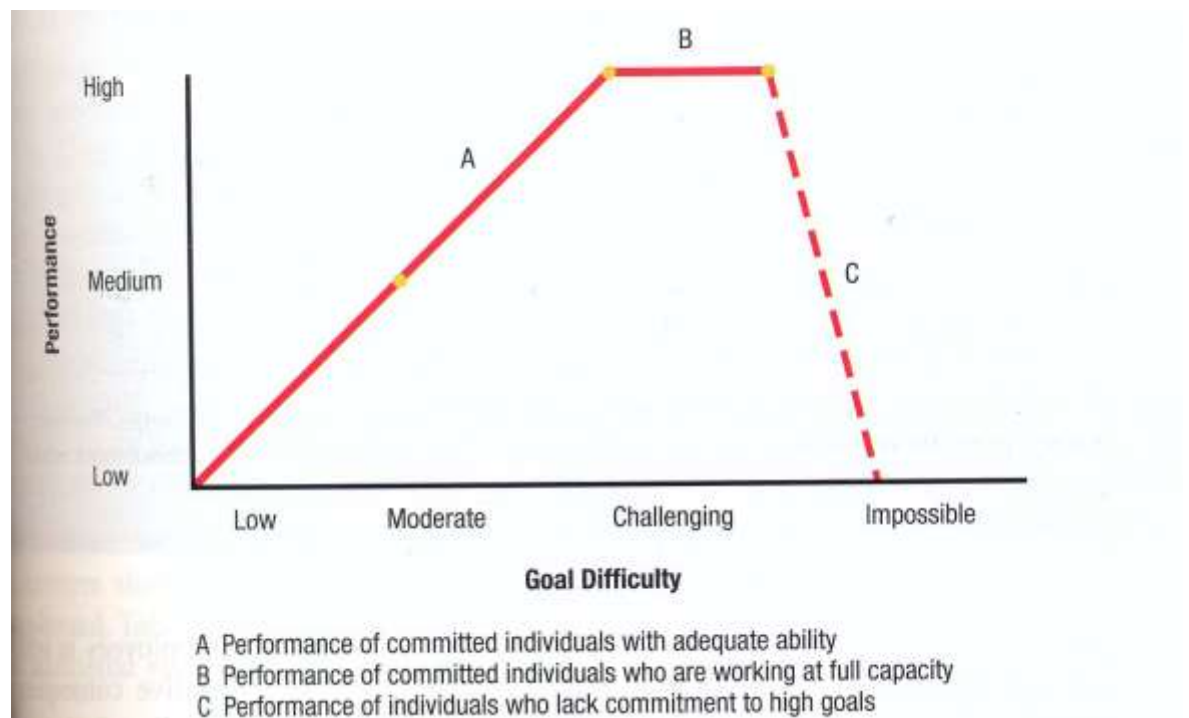


FIGURE 5. . Relationship between goal difficulty and performance (Kreitner, Kinicki & Buelens 2002, 221)

Goal Specificity

This states that if goals are defined, it arrives being simple thereby achieving higher performance because it is specific (detailed) rather than complex tasks.

There are two explanations to this goal. Firstly, Employees are not likely to put in additional effort on difficult goals unless they are supported. Secondly, complex task take longer period for employees to complete. Therefore managers need to support, encourage co-operation and efficient work flow in these circumstances.

Goal commitment

This is the extent to which an employee is personally committed to achieve a goal. Difficult goals in this aspect would be seen to be simple before the employer because of the passion put into it, therefore it leads to higher performance because commitment is involved.

Participation in Setting Goals

According to Hitt, Miller & Colella (2006, 213) recent research has concluded that higher performance occurs when associates set more difficult goals for themselves than do their managers! Thus, participation in goal setting affects performance by leading to greater goal commitment but also producing more difficult goals.

Feedback

Feedback is a very important factor in our lives. Feedback is an eye opener which enables us to see or know where we are making progress or loss. It awakens the mind to adjust for better if results are not achieved as expected. Feedback provides detailed information to be on track and strategies for goal accomplishment.

3.2.7 Theory X and Y

The theory was invented by Douglas McGregor, he introduced two differences of human on the negative (Theory X) and positive (Theory Y) aspect. McGregor concluded that Manager's view on human nature are based on certain grouping of assumptions and that managers tend to mold their behavior towards

employee according to these assumptions. Theory X is categorized as a negative view about human in which managers uphold that 'employees' do not like work, therefore they have to be directed or instructed to perform it. (Robbins & Judge, 2010, 88)

Theory Y is considered 'positive, manager's in this regard assume that workers should see work as natural as rest or play, therefore an average person can learn to accept, seek and take responsibility. McGregor believes that Theory Y assumption was more valid than Theory X. Therefore he proposed the concept as participative decision making, responsible and challenging jobs with good relations as approaches that would maximize an employee's job motivation. (Robbins & Judge, 2010, 88)

3.2.8 ERG Theory

The theory falls among the earliest approaches of work motivation, it is however developed by Clayton Alderfer. The theory is similar to Maslow's hierarchy of needs theory because it states need categories: existence needs (E), relatedness needs (R), and growth needs (G). (NetMBA 2002-2010).

- Existence :Physiological and safety needs
- Relatedness: Social and external needs
- Growth: Self-actualization and internal esteem needs.

Differences from Maslow's Hierarchy of Needs

ERG theory differs from Maslow's theory in the following ways

- The ERG theory allows for different levels of needs to be pursued simultaneously, unlike Maslow's hierarchy of needs.
- ERG theory allows the order of needs to be different for different people.
- The ERG theory acknowledges that if a higher level need remains unfulfilled, the person may regress to lower level needs that appear easier to satisfy. This is termed as the frustration-regression

principle.(NetMBA 2002-2010).Figure 9 compare the following theories

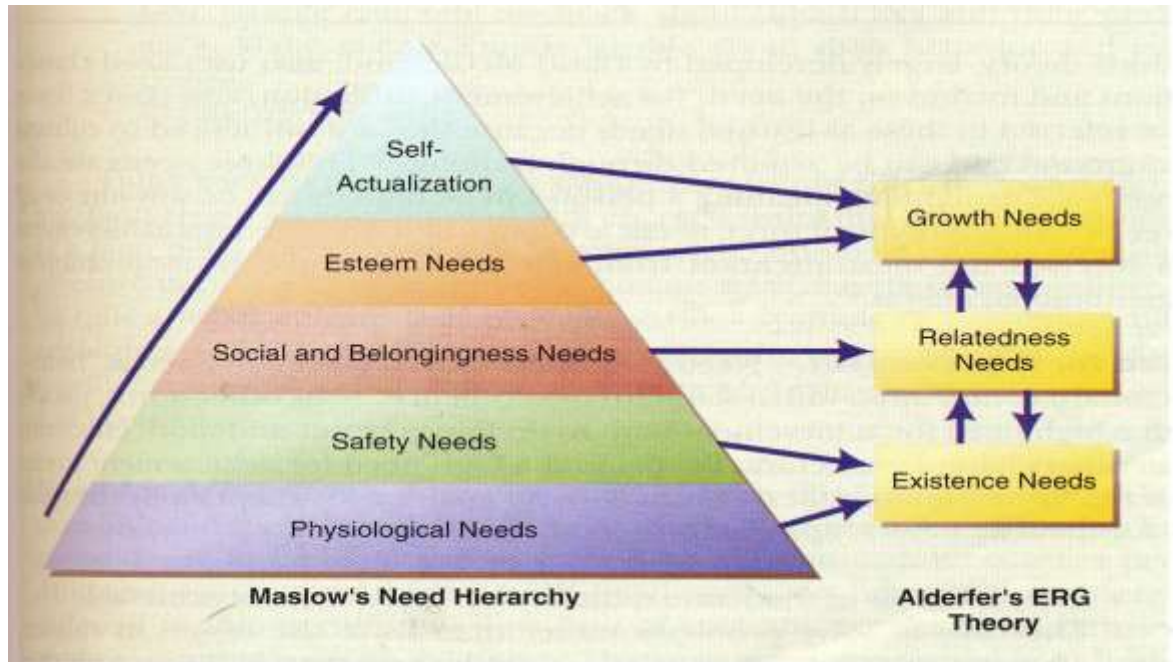


FIGURE 6. . Maslow's Need Hierarchy and Alderfer's ERG Theory compared (Hitt, Miller & Colella, 2006, 201)

4 NIGERIAN BANKING SECTOR

This chapter focuses on Nigerian Banking sector, list of banks, currency, recapitalization, the usage of incentives and how employee's motivation can be improved at work.

4.1 What is a Bank?

A bank is a financial institution and a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly or through capital markets. A bank connects customers that have capital deficits to customers with capital surpluses. (Uddin, M.2012)

The following are the various characteristics and features of a Bank:

- I. Dealing in money
- II. Acceptance of deposits
- III. Gives advances
- IV. Makes payments and withdrawals
- V. All other banking businesses.

4.2 Brief History About Nigerian Banking sector

The Nigerian banking sector comprises of Deposit money banks and Discount houses while the other financial institutions include Micro-finance Banks (MFBs), Finance Companies (FCs), Bureau-de-change (BDCs), Primary Mortgage Institutions (PMIs) and Development Finance Institutions (DFI's). All the financial institutions are regulated by the Central Bank of Nigeria. (Central bank of Nigeria 2006-2011).

The Central Bank of Nigeria is charged with the responsibility of administering the Banks and Other Financial Institutions (mortgage, bureau de change, micro finance banks etc.).It ensures high standard of banking practice, as well as promoting efficient payment system. (Central bank of Nigeria 2006-2011)

The currency spent in Nigeria is Naira . The Nigerian banks are also involved in international fund transfer like Money Gram, Western Union etc.

The objects of the CBN are as follows:

- Ensure monetary and price stability;
- Issue legal tender currency in Nigeria;
- Maintain external reserves to safeguard the international value of the legal tender currency;
- Promote a sound financial system in Nigeria; and
- Act as Banker and provide economic and financial advice to the Federal Government.(Central bank of Nigeria 2006-2011)

4.3 Banks Reform in Nigeria

Sanusi (2012, 5) stressed that the current reforms which began in 2004 with the consolidation programme were necessitated by the need to strengthen the banks. The policy thrust at inception, was to grow the banks and position them to play pivotal roles in driving development across the sectors of the economy. As a result, banks were consolidated through mergers and acquisitions, raising the capital base from N2 billion to a minimum of N25 billion, which reduced the number of banks from 89 to 25 in 2005, and later to 24.

Nigeria banks experience another reform (recapitalization) in 2009, during the present regime of the CBN Governor Sanusi Lamido Sanusi. This transformation restructured and reduces the number of banks via merger and change of ownership from 24 to 21.

4.4 Impact of the Reform

The current banking reforms have brought about a new mindset to the industry as banks are putting in place best practices in the areas of corporate governance and

risk management. Transparency and public disclosure of transactions have remarkably improved. Nigerian Banks are now key players in the global financial market with many of them falling within the Top 20 banks in Africa and among Top 1000 banks in the world. Number of banks have returned to the profit-making path and improved their balance sheets, as the recent results of their financial statements have shown. A new code of corporate governance has been issued; the CEO of banks shall serve a maximum tenure of 10 years. (Sanusi 2012)

In Nigeria today we have 21 existing banks, they are listed below

- I. Access Bank, Nigeria Plc. (Acquired Intercontinental Bank Plc.)
- II. Citibank Nigeria Limited
- III. Diamond Bank Plc.
- IV. Ecobank Plc. (Acquired Oceanic Bank Plc.)
- V. Enterprise Bank (Former Spring Bank)
- VI. Fidelity Bank Plc.
- VII. First Bank of Nigeria Plc.
- VIII. First City Monument Bank Plc. (Acquired FinBank Plc.)
- IX. First Inland Bank Plc.
- X. Guaranty Trust Bank Plc.
- XI. Key Stone Bank (Former Bank PHB Plc.)
- XII. Main Street Bank (Former Afri Bank)
- XIII. Skye Bank Plc.
- XIV. Stanbic-IBTC Bank Plc.
- XV. Standard Chartered Bank Plc.

- XVI. Sterling Bank Plc. (Acquired Equitorial Trust Bank)
- XVII. Union Bank of Nigeria Plc.
- XVIII. United Bank for Africa Plc.
- XIX. Unity Bank Plc.
- XX. Wema Bank Plc.
- XXI. Zenith Bank Plc.

4.5 Use of Incentives in Nigerian Banks

According to Salisu (2012, 2-3) financially packaged incentives and other monetary rewards are frequently used by Nigerian banks as motivations for better performance. Stating further, he said the performance of Nigerian banks could be linked to the kind of employees' monetary motivation systems implemented in the banks.

Salisu (2012,2) however stated that incentives are intimately related to motivation and are inducements placed along the course of ongoing relatives that keeps the activities directed towards one goal rather than another. He posited further that "as the success of banks" performance hinged on the kind of employees they possessed, employee motivations produce a well-motivated workforce for higher performance of the banks.

Babaita (2011,96),stated that the Nigerian banks actually take the motivation issues so seriously to the point that it was stated briefly in their Annual Reports and Accounts as what they statutorily do for all their employees. He added that "some of the Nigerian banks indicate that they provide comprehensive medical, dental, and optical cover for all employees and their nuclear dependents", why some state that "when an employee acting within the scope of his/her employment accidentally injures a third party, the bank within acceptable limits, defray such party's medical expenses". Stating further in his research on the motivation efforts of the banks, Isiaka mentioned that some of the banks demonstrate their

employee motivation efforts through prompt promotions, granting of staff loans for cars, houses, share purchase, land purchase loans, massive in-service training, recognition of dedicated and loyal staff through long-service awards, and continuously reviewing employees' remuneration package. To that extent, it is clear and conclusive that the banking industry in Nigeria takes the use of motivation and incentives deployment as a very strong weapon to enunciate extra performances from their employees.

Motivation for better performance depends on job satisfaction, achievement, recognition and professional growth. Although money has its role to play in improving employees' motivation at work, on the other hand offering monetary rewards is not always an option. There are other non-monetary factors, which could be appreciated by employees as a motivational tool. (Bessell, Dicks, Wysocki & Kepner)

Monster Thinking (2012) suggest the following ideas to motivate employees at work:

- Job security and Good working environment: Employees motivation will be higher when such employee knows that his job is secured with the required available at when needed.
- Teaching new skills: Encouraging Training sessions in applicable areas not necessary on their current job functions. The new skill motivates them to take additional responsibility.
- Goal Setting: Setting goal among employees with compensation or recognition can be productive. It inspires the employees to work towards the direction of achieving the set goal.
- Enabling employees' involvement in planning, decision making and operating procedure.
- Advanced training, and career development opportunities.

Employers must re-strategize to identify the needs of their employees, it must be noted that employees (Senior and Junior) need varies from another. Some group might appreciate **PRAISE** to boost their confidence and other group would be glad to be selected for Professional opportunities. (Bessell, Dicks, Wysocki & Kepner)

In attempt to provide a more positive climate for employees, (Bessell, Dicks, Wysocki & Kepner) suggested that employers should ask themselves the following questions.

1. Do you personally thank staff for a job well done?
2. Is feedback timely and specific?
3. Do you make time to meet and listen to staff on a regular basis?
4. Is your workplace open, trusting, and fun?
5. Do you encourage and reward initiative and new ideas?
6. Do you share information about your organization with staff on a regular basis?
7. Do you involve staff in decisions, especially those that will affect them?
8. Do you provide staff with a sense of ownership of their jobs and the unit as a whole?
9. Do you give associates the chance to succeed?
10. Do you reward staff based on their performance?

5 RESEARCH METHODOLOGY

This chapter focuses on the method used for the collection of data, presentation of data and the analysis of data. The criteria for adopting the method was mainly because of the “no time” complaint received from the respondents, structured questionnaire was therefore put in place in order to achieve the aim of this work which could be answered at their convenient time. The type of methodology used would be discussed in this chapter. Research methodology (2012–2013) distinguishes the difference between quantitative and qualitative research in the table below

TABLE 4. Comparison between quantitative and qualitative research.
(Research Methodology 2013)

Quantitative Research	Qualitative Research
Test hypothesis that the research begins with.	Capture and discover the meaning once the researcher becomes immersed in the data.
Concepts are in the form of distinct variables	Concepts are in the form of themes, motives, generalisations and taxonomies.
Measures are systematically created before data collection and are standardized.	Measures are created in an ad hoc manner and are often specific to the individual setting or researcher.
Data are in the form of numbers from precise measurement.	Data are in the form of words and images from documents, observations and transcripts.
Theory is largely causal and is deductive	Theory can be causal or non-causal and is often inductive

<p>Procedures are standard, and replication is assumed.</p> <p>Analysis proceeds by using statistics, tables, or charts and discussing how what they show relates to hypothesis.</p>	<p>Research procedures are particular, and replication is very rare.</p> <p>Analysis proceeds by extracting themes or generalizations from evidence and organizing data to present a coherent, consistent picture</p>
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5.1 Research Approach

Research comprises defining and redefining problems, formulating hypothesis or suggested solutions; collecting, organizing and evaluating data; making deductions and reaching conclusions; and at last carefully testing the conclusions to determine whether they fit the formulating hypothesis. (Research Methodology)

The research method used is primarily quantitative approach but also used qualitative features. It focuses on numbers than words and can be achieved with the use of questionnaires. Twenty (20) questions were carefully drafted about incentives as a motivational tool and how it contributed to employees' job positively or negatively in Nigeria Banks. The qualitative part is included for respondents to give their opinion outside the fixed option.

5.2 Implementation

The instrument used for this thesis was questionnaire. Google Documents was used to execute the survey and a link was generated to ease the stress of distributing paper works due to the size and location. The link was made easy to access with just a click. A copy of the questionnaire is added at the end of the

research work. The survey was in three parts; general information, questions 8–15 for employees that receive incentives and 16–20 to employees who do not.

The link was sent on the 17th of December 2012 to some present bank employees of the twenty-one existing banks in Nigeria and those that left the Nigerian bank recently to study abroad. Answers were received until 15th of January 2013. 90 bankers got the link and the overall responses collected were 80. The results (Nigeria and abroad) will be compared briefly in the conclusion part.

5.3 Scope and Limitation

The scope for this research is mainly for employees in the Nigeria Banking Sector. The limitation was the inability to send the questionnaires across all branches of the twenty two (22) banks in Nigeria because of the size. Another limitation was delay in answering the questionnaire. The researcher needed to call severally and send mails before getting the response. Lastly, the respondents refused to give names and banks which they represent because of their response which they felt could be used against them at work.

5.4 Validity and Reliability

Validity is the degree to which the evidence supports that interpretations of the data are correct, and the manner in which interpretations used are appropriate. Validity is one if the obtained results are truthful and believable. To determine the validity, the researcher generally poses a series of questions, and will often look for the answers in the research of others to know whether the measurements are accurate or not. (Ukessay 2003- 2013)

The research done for this thesis can be considered valid. The respondents played a meaningful role in answering the questions. The questionnaire was designed and answered based on position, age etc. The respondents were given enough time to send the response across and the results were sent without any ambiguity.

Reliability is the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. It is the consistency with which an individual's scores remain relatively the same and can be determined through the test-retest method at two different times. (Ukessay 2003-2013).

The reliability of this study was tested with the use of questionnaire. A link was generated for the questionnaire and sent to employees of different banks in Nigeria. The structured questions, result gathered from the respondents and motivation theories used in chapter three aids the reliability of the study.

6 RESULTS

In this chapter the research conducted are presented with charts and result for the quantitative parts. There are also responses for the qualitative parts.

6.1 Descriptive information of respondents

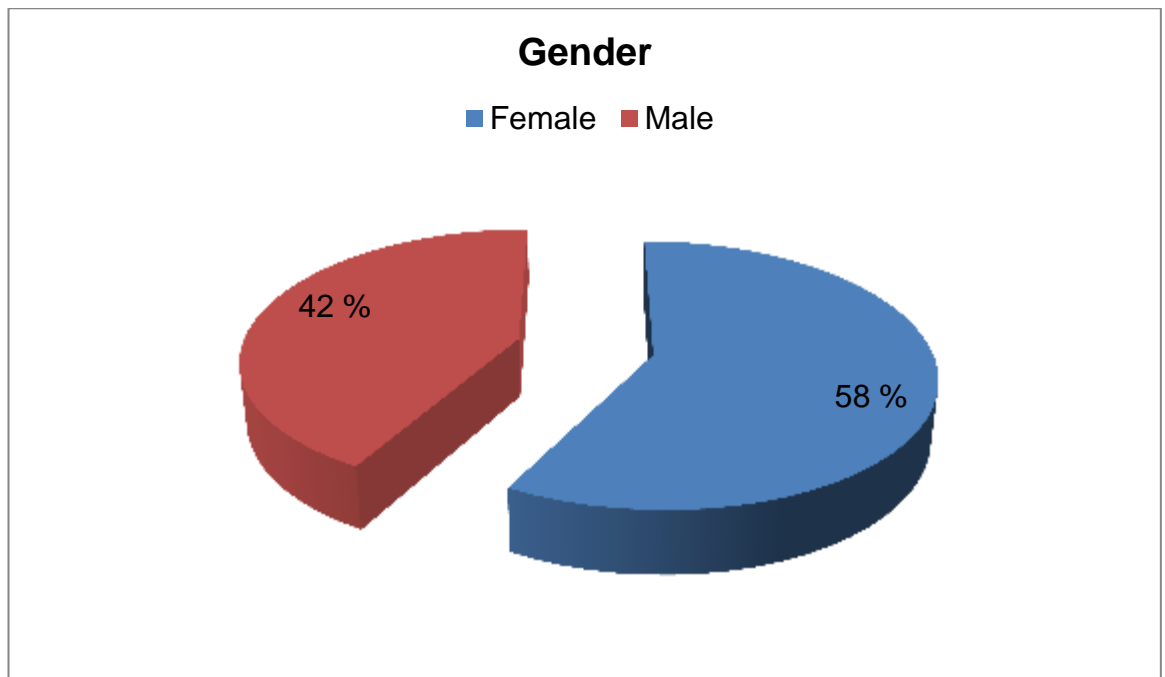


FIGURE 7. Gender

The diagram above shows that 42% of the respondents were male and 58% female.

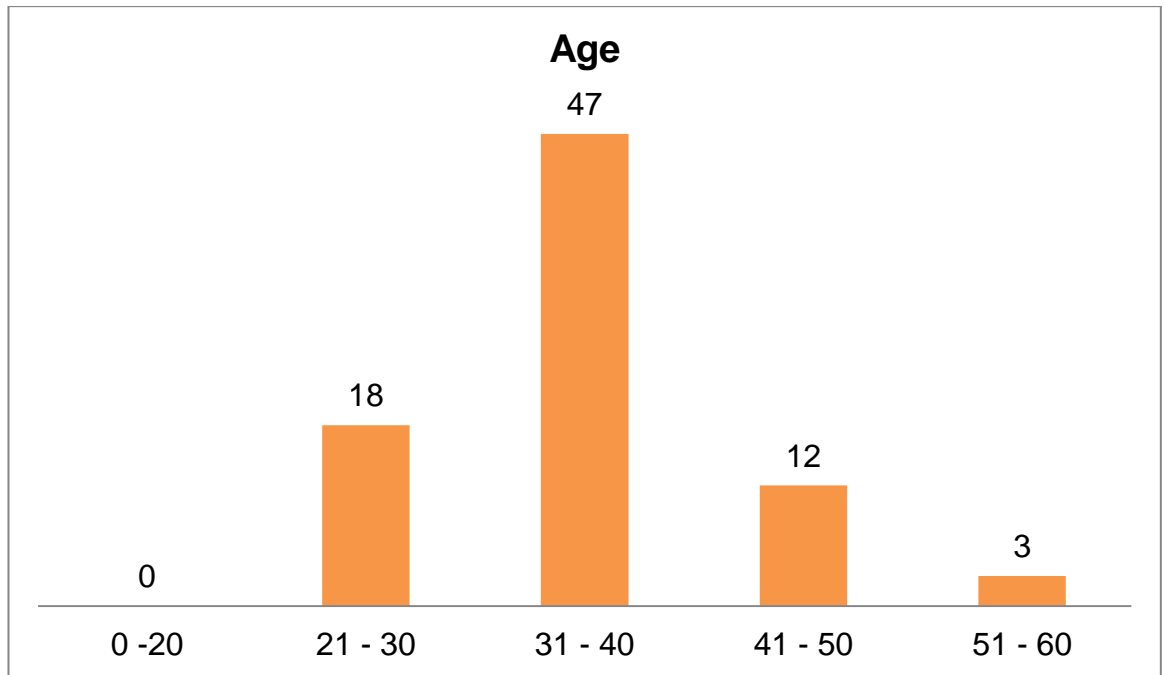


FIGURE 8. Age of Respondents

Majority of the respondents fall under the age of 31-40(%).18 respondents were younger than 31years old.12 respondents on the age category of 41-50 and 3 respondents are within 51-60. None of the respondents was younger than 20.

Current Residence

From the information gathered, majority of the respondents resides in the western and eastern region of Nigeria, few from the northern and southern region. Very few of the respondents reside presently in the United States of America, United Kingdom and Finland.

Nationality

The overall respondents are Nigerians by nationality.

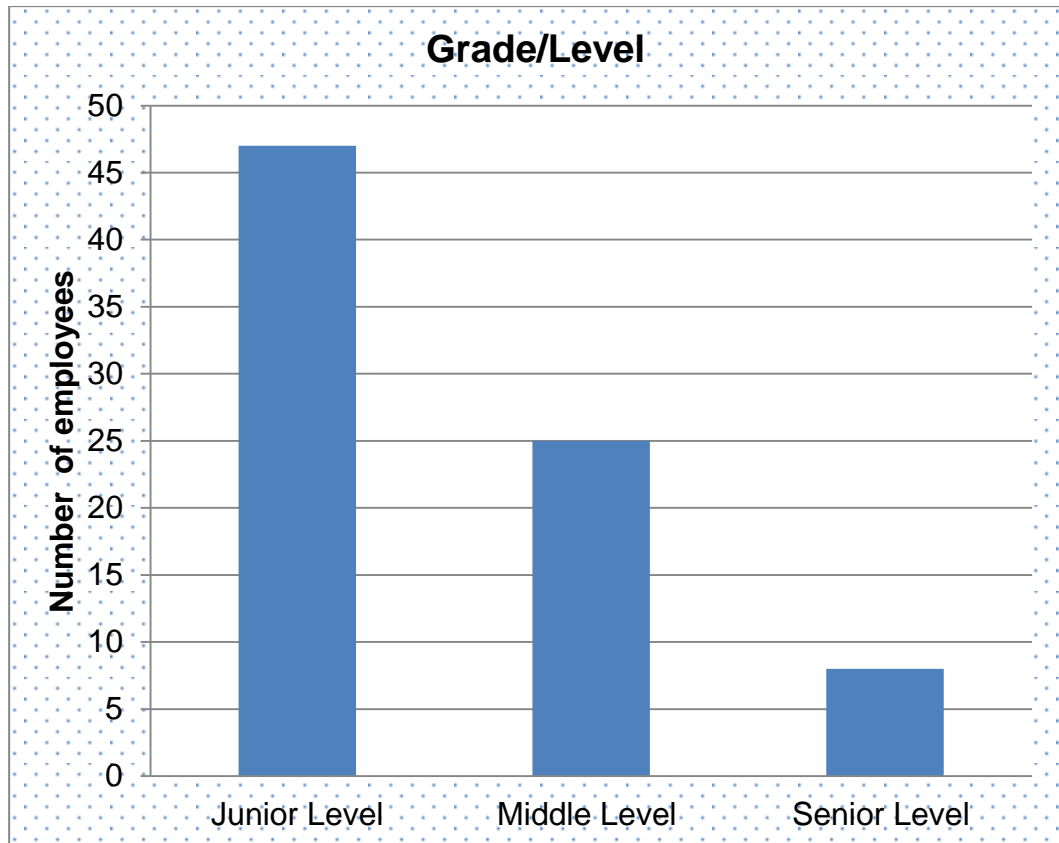


FIGURE 9. Grade/Level

Grade (level) as mentioned earlier, the overall number of respondents was 80. Figure 9 shows that 47 among the respondents was junior level workers, 25 respondents were middle level staff and 8 senior level management staff.

6.2 Research results

What do you think about incentives in workplaces?

Respondents were asked to give their opinion about incentives in Nigerian banks. According to findings, majority of the junior and middle staff consider incentives in the Nigerian banks as a motivator which boosts workers morale to give their best in their job functions. The senior staff revealed incentives as a reward for hard work which also increases productivity.

However, incentives were seen as a booster or motivator that induces employee to work more in order to attain a set goal. Also, it helps to drive people's performance on a given task or performance at work.

Many respondents stated that incentives help to keep the work going; therefore, organizations should use incentives to drive its workforce in order to achieve its set goal and objective. It encourages workers to do more in area of performance.

Most of the respondents suggested that organizations should attract and retain employees with monetary and non-monetary incentives. This is important because employee's satisfaction can motivate high performance. Performance appraisal should also be conducted without fair or biased mind.

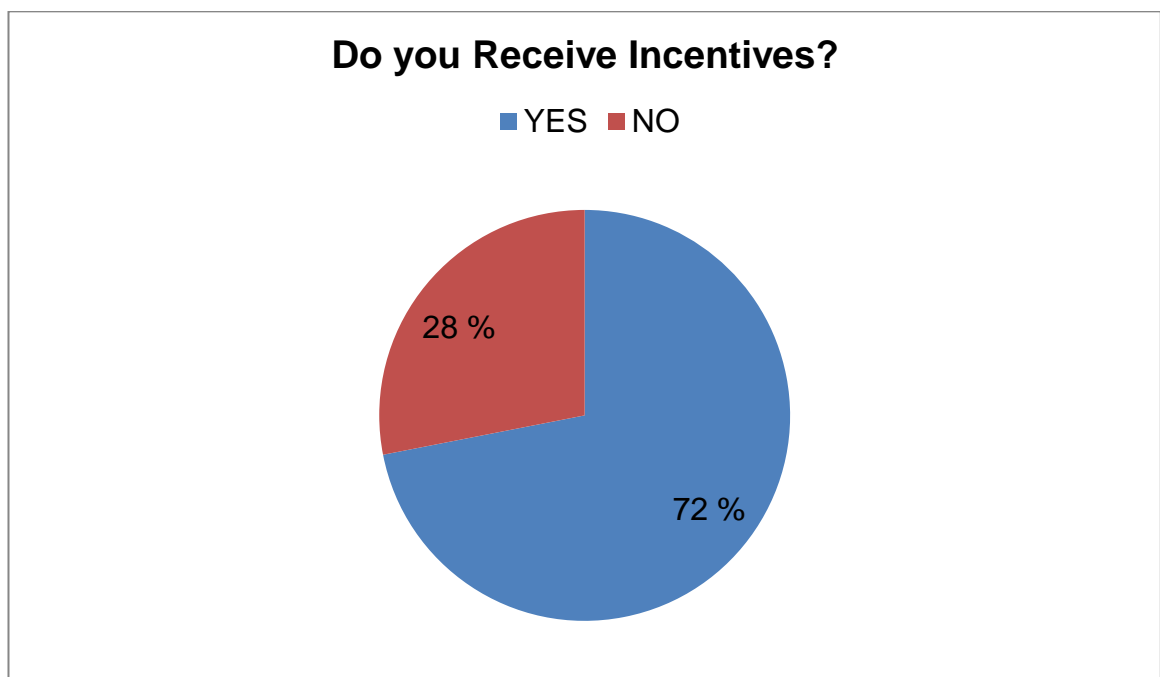


FIGURE 10. Do you receive incentives?

Research shows that 57.7 approximately 58 (72%) respondents receive incentives and 22(28%) does not receive.

Questions 8-15 are carefully structured to those that receive incentives.

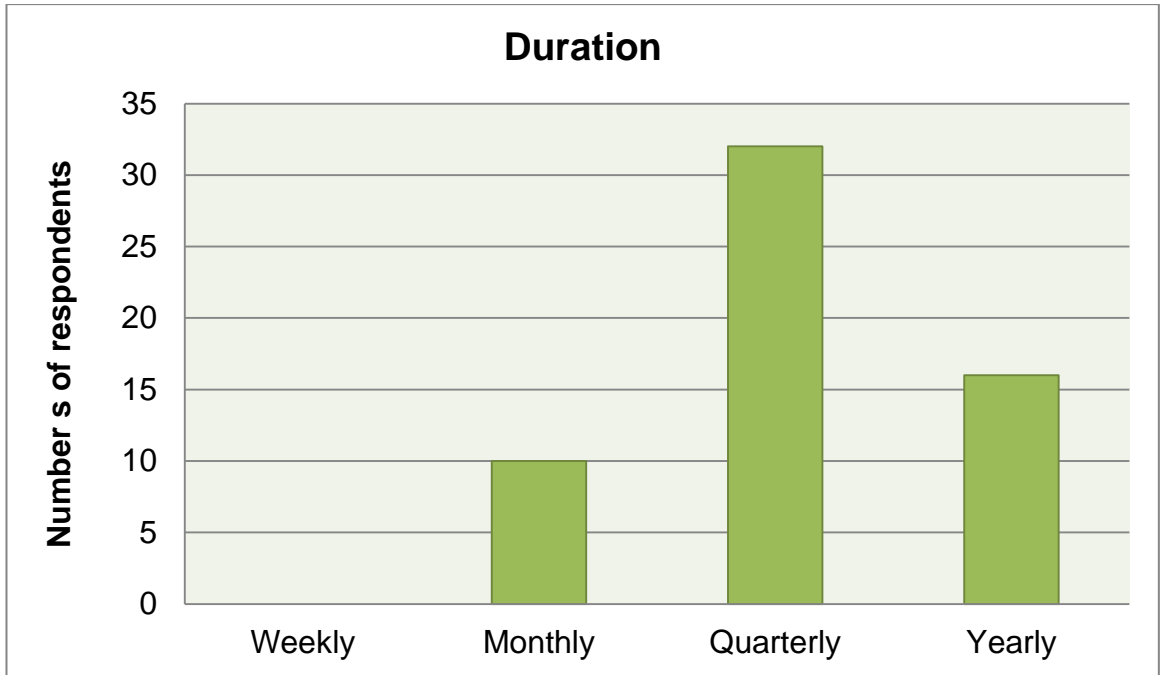


FIGURE 11. Duration of Incentives

Among the 58 respondents who receive incentives at work, 32 of the respondents gets on a quarterly basis, 16 respondents receive yearly while 10 respondents were given monthly. None of the respondents receive incentives weekly.

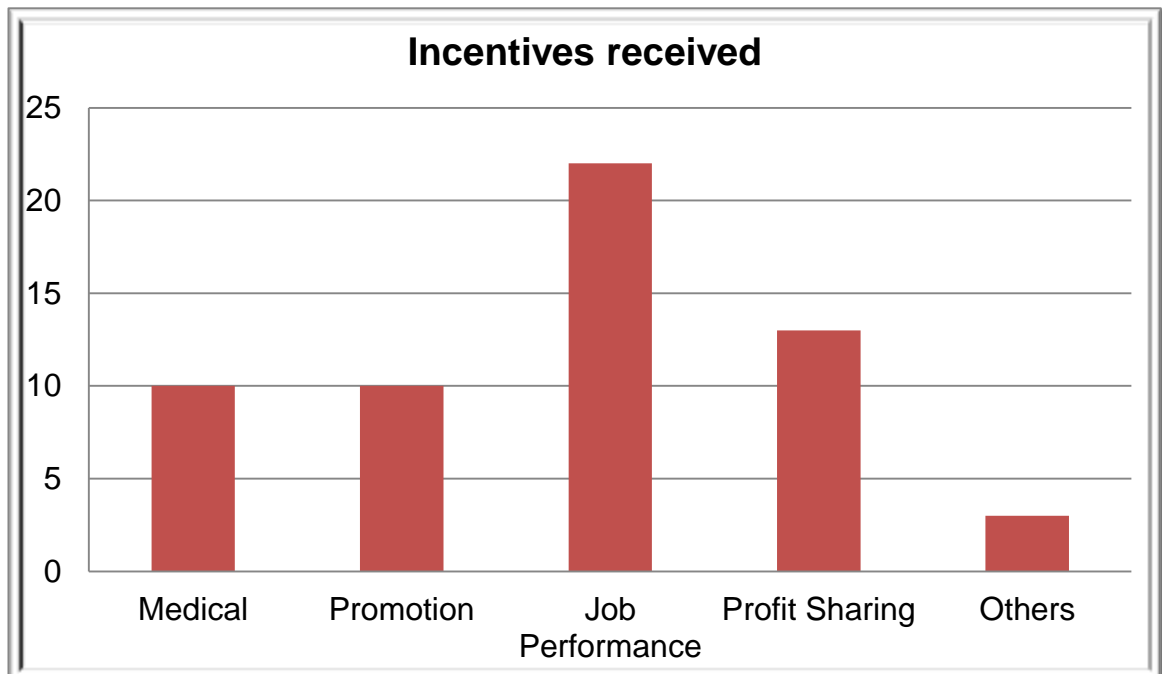


FIGURE 12. Incentives Received

To ascertain the incentives received, the chart above shows that majority gets incentives base on job performance (22respondents). Promotion which is seen to

be a strong motivational tool was received by 10 respondents. 13 respondents receive profit sharing, medical by 10 respondents and 3 respondents prefers other type of incentives.

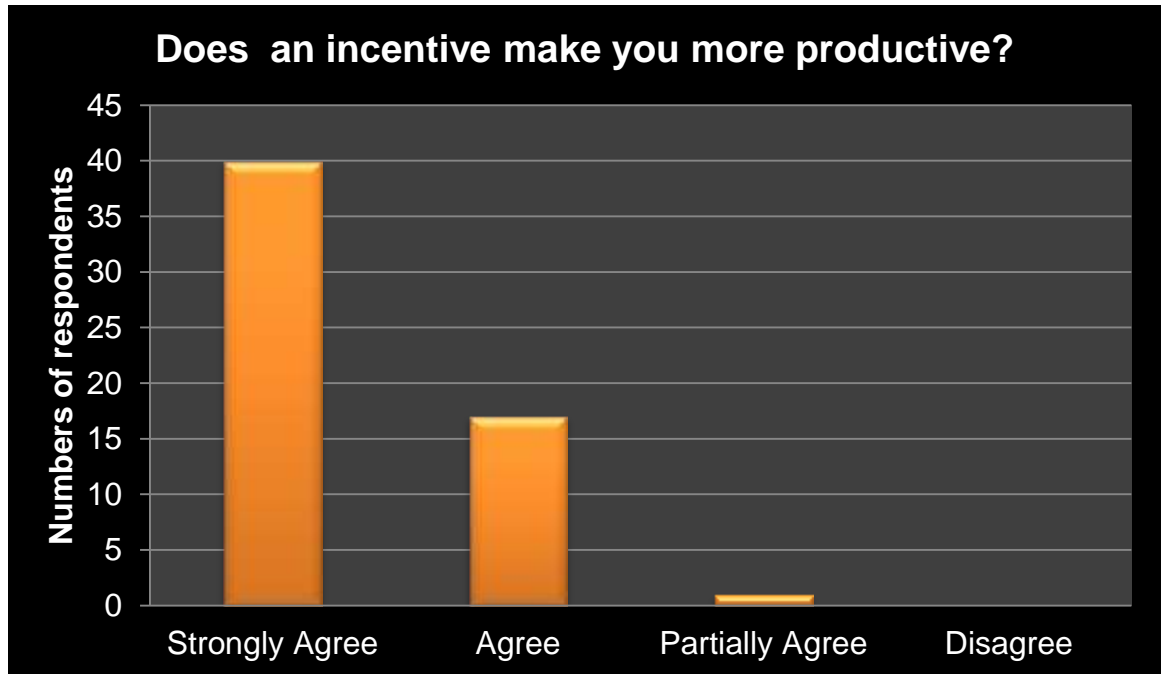


FIGURE 13. Does an incentive make you more productive?

The aim of this question is to determine if incentives make employees productive. Majority of the respondents (40) strongly agree that incentives make them productive. 17 respondents agree and just 1 respondent partially agree. None of the respondents disagree.

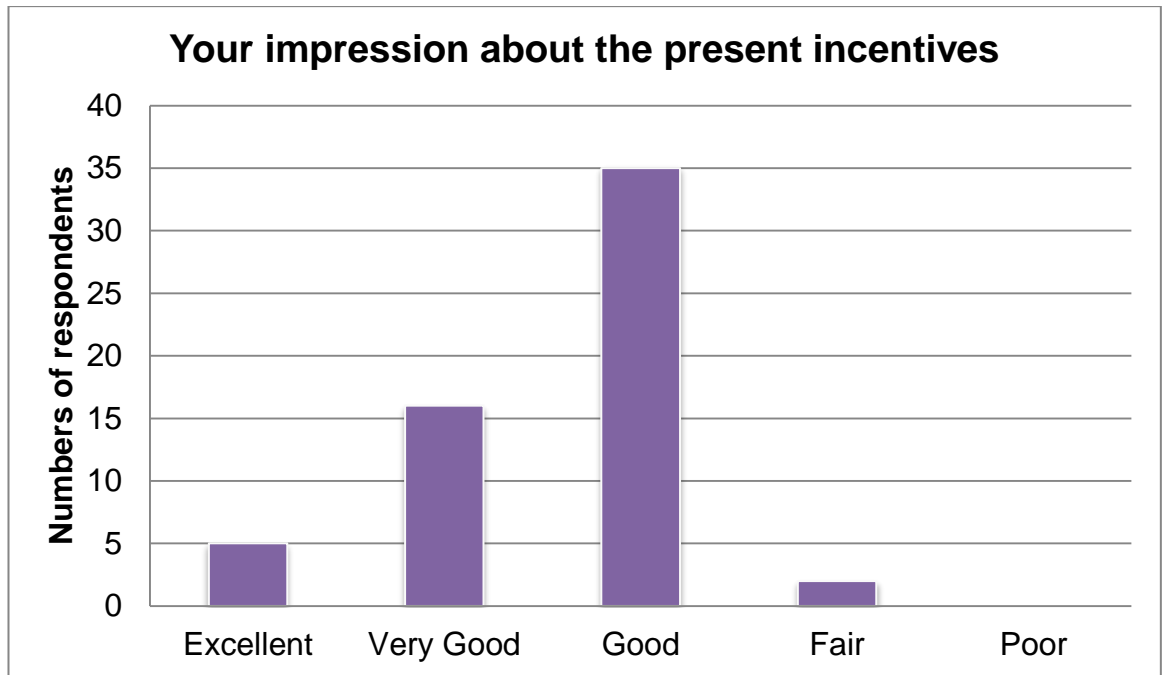


FIGURE 14. Impression about the present incentives.

Figure 14 shows employees' impression on the present incentives received. Of those who get incentives at their place of work, majority of the respondents (35) considered their present incentives to be good. 16 respondents confirm it as very good, 5 of the respondents thought it was excellent while 2 respondents see their present incentives to be fair. None of the respondents' impression about the present incentives received was poor.

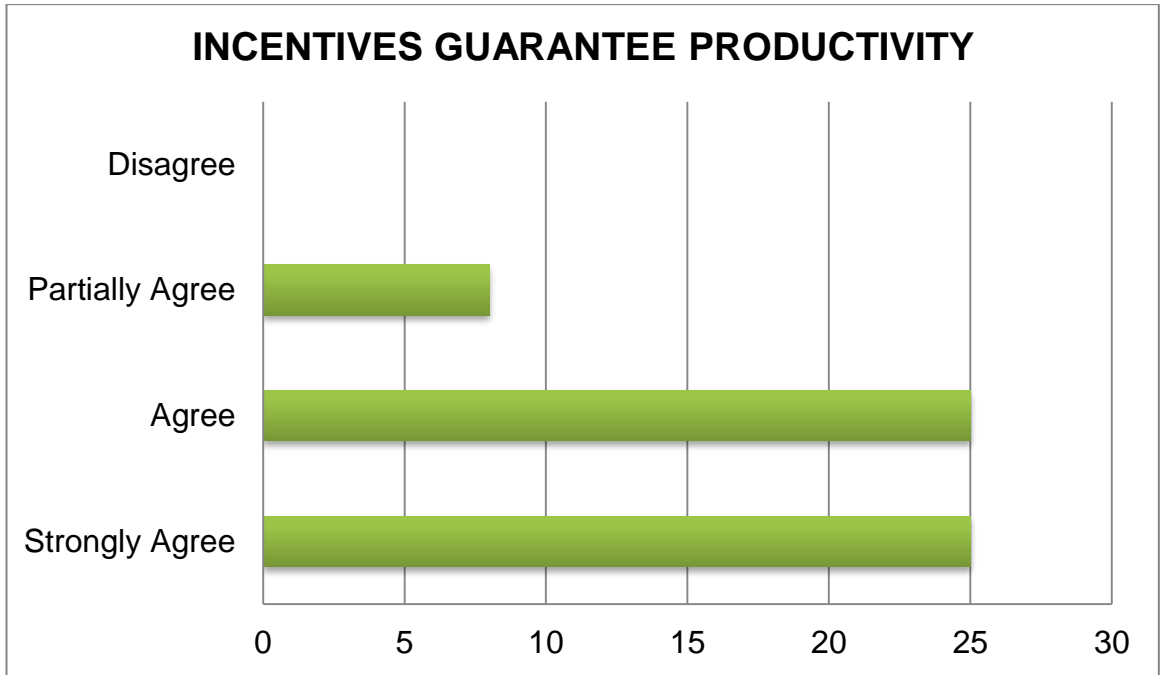


FIGURE 15. Incentives guarantee productivity.

This part of the research is very important, to establish a fact if the usage of incentives in work places guarantees productivity. According to Figure 15, of all the 58 respondents that receive incentives, 25 respondents strongly agree that the presence of incentives at work ensures productivity. However, 25 respondents agree while only 8 respondents partially agree. No one disagrees.

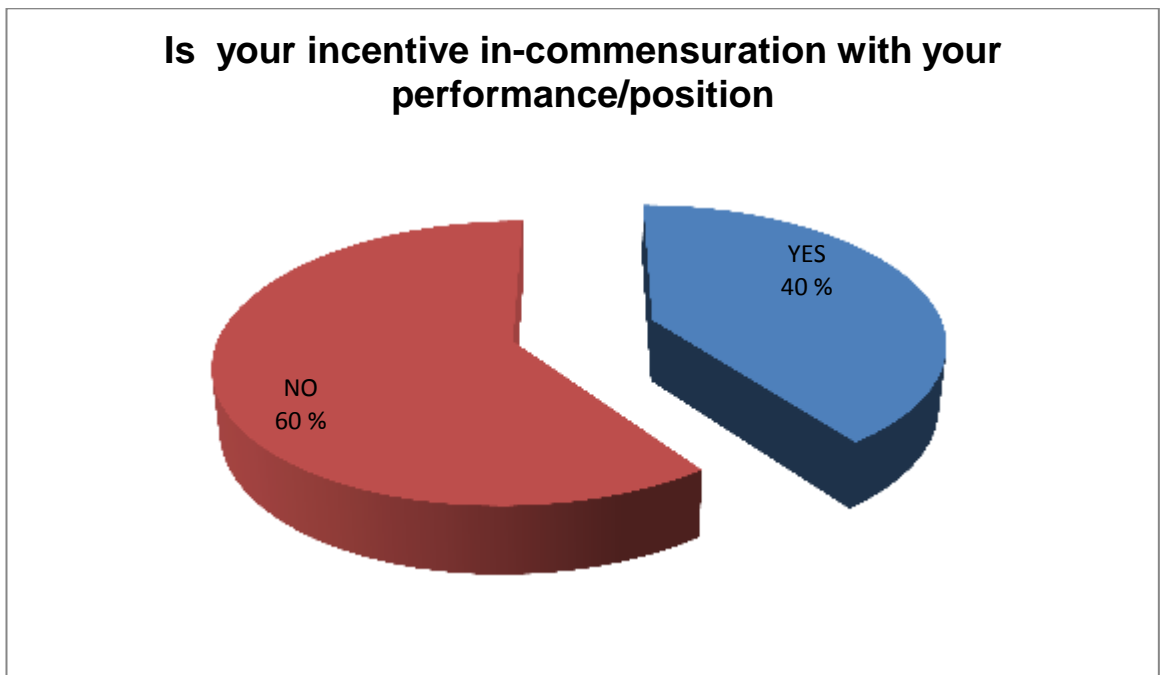


FIGURE 16. Incentives commensurate with performance/position

The aim of this part of the questions is to confirm if the incentive received commensurate with employee's performance/position. In total, 60% of the respondents disagree that the incentives received does not match with their performance/position, in a nutshell they work more than the incentives received.40% of the respondents agrees that it correlates.

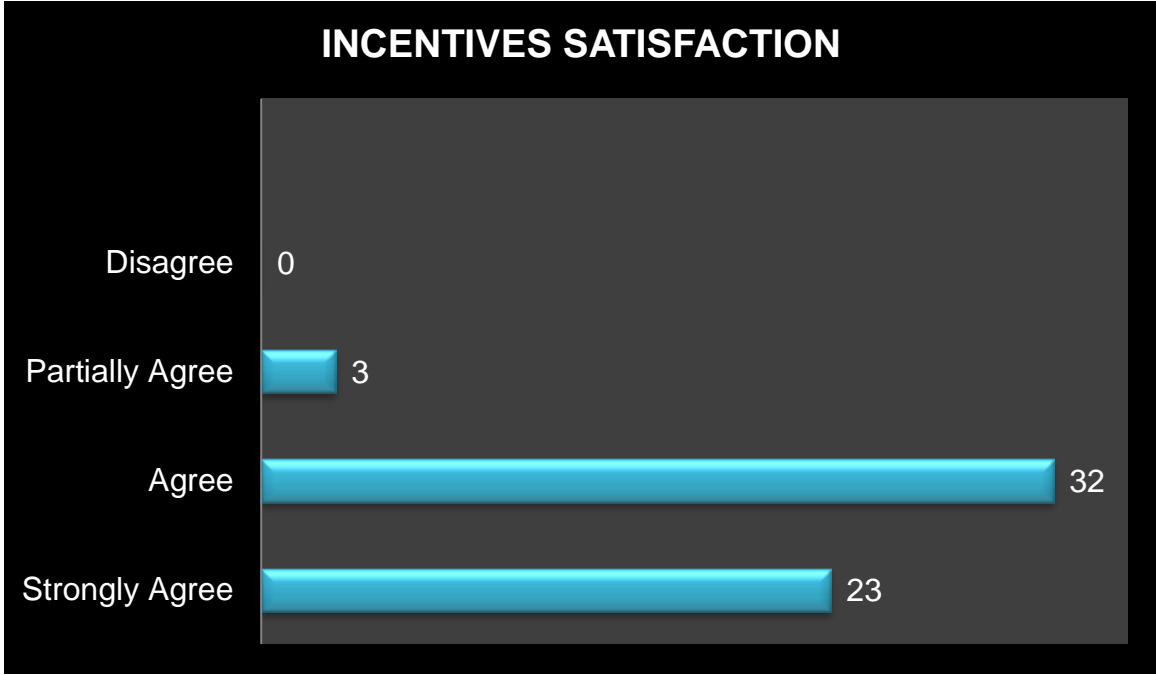


FIGURE 17. Incentives satisfaction

This area of the research is intended to check if respondents are satisfactorily motivated by the incentives received. 32 of the respondents agree to be satisfied with the present incentive received, 23 respondents strongly agree, while 3 of the respondents partially agree to be satisfactorily motivated by the present incentives received .No one disagree.

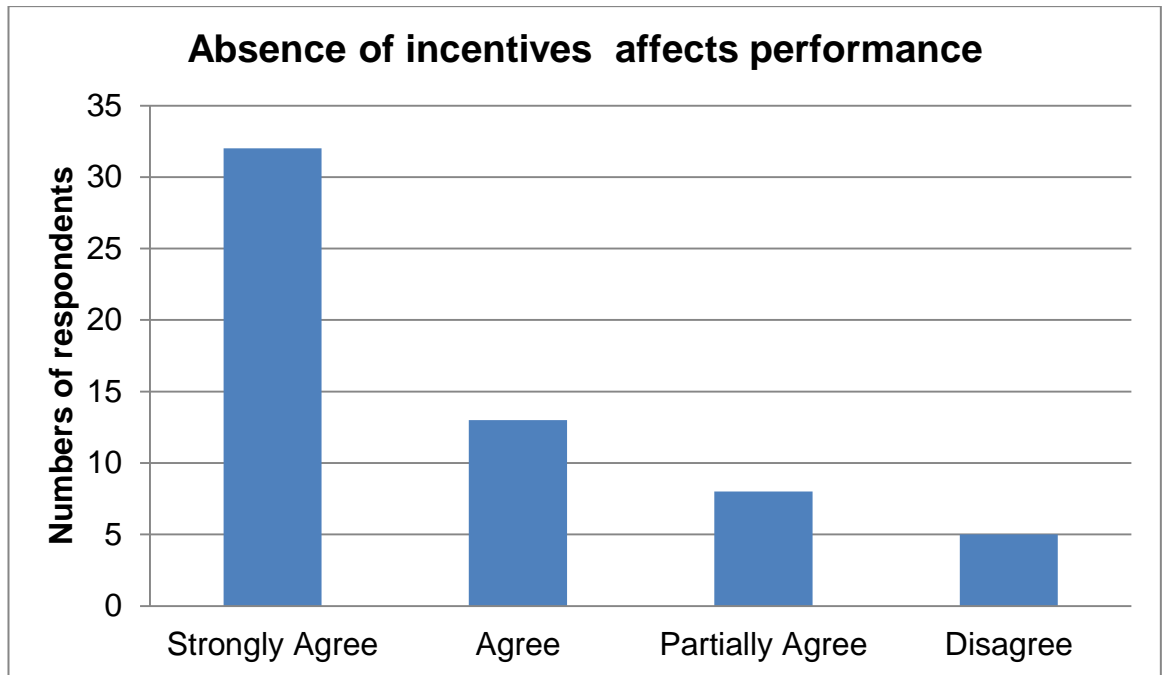


FIGURE 18. Absence of incentives affects performance

Figure 18 shows that majority of the respondents (32) strongly agree, 13 respondents agree that absence of incentives would affect performance, 8 among the respondents partially agree while 5 respondents disagree that it would not affect performance.

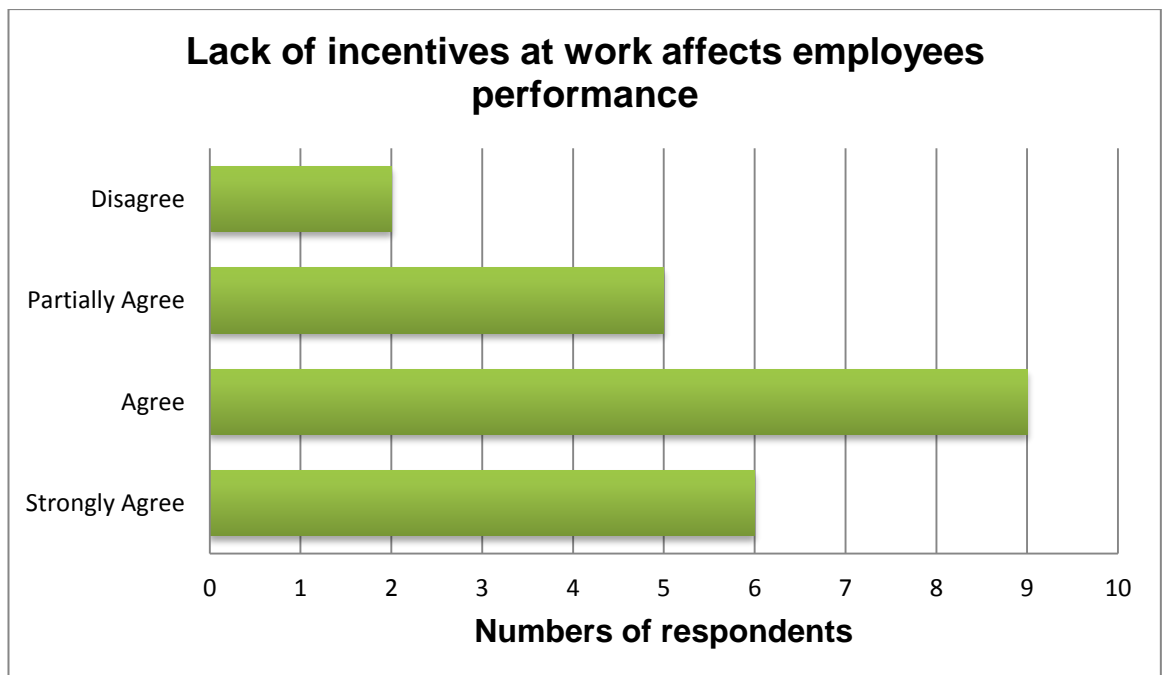


FIGURE 19. Lack of incentives affects performance

This part of the question was answered by 22 respondents who do not receive incentives. As shown in the figure above, 9 of the respondents agree that lack of incentives affects employees performance, 6 respondents strongly agree, the question was partially agreed by 5 respondents and 2 respondents disagree. To buttress the information gathered from the respondents, lack of incentives would not affect their job but its presence could boost their morale to do more than expected.

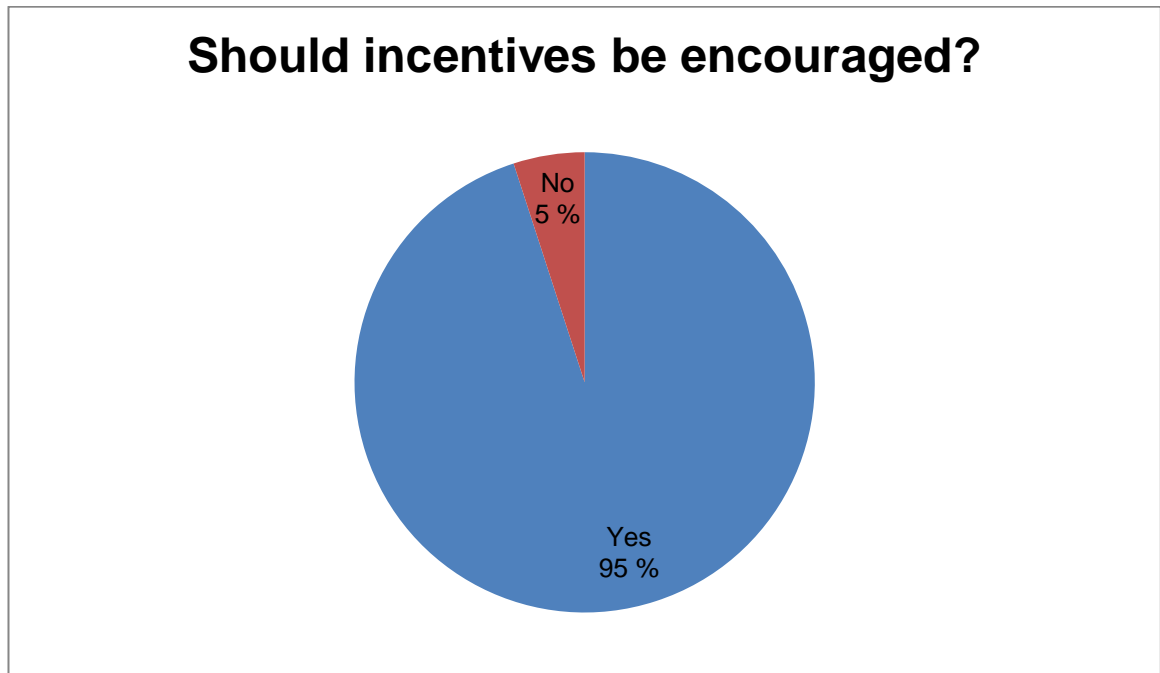


FIGURE 20. Should incentives be encouraged?

The purpose of this question is to ascertain if incentives should be encouraged. In total, 95% of the respondents support the opinion that incentives should be encouraged while 5% of the respondents disagree. The second part of this question allows the respondents to give short reason for their response above.

Why should organisations encourage incentives system?

This part was answered by respondents who have never received incentives at their workplaces. Information gathered states that the presence of incentives will support or motivate the employees to put in more efforts and go extra mile to achieve organisational goal. It would also encourage good working relationship between the employer and employee.

One of the respondents stated that “an employee is likely to put in more effort if he /she is aware that performance will be evaluated, measured and rewarded. Very few of the respondents feel that reward system influences pattern of attendance and absenteeism, if incentives are based on actual performance.

Most of the suggestions revealed that if employers must retain their best hands, then incentives should be put in place to give employees sense of belonging: Though it might be expensive, but could be considered periodically to reward exceptional or outstanding staff.

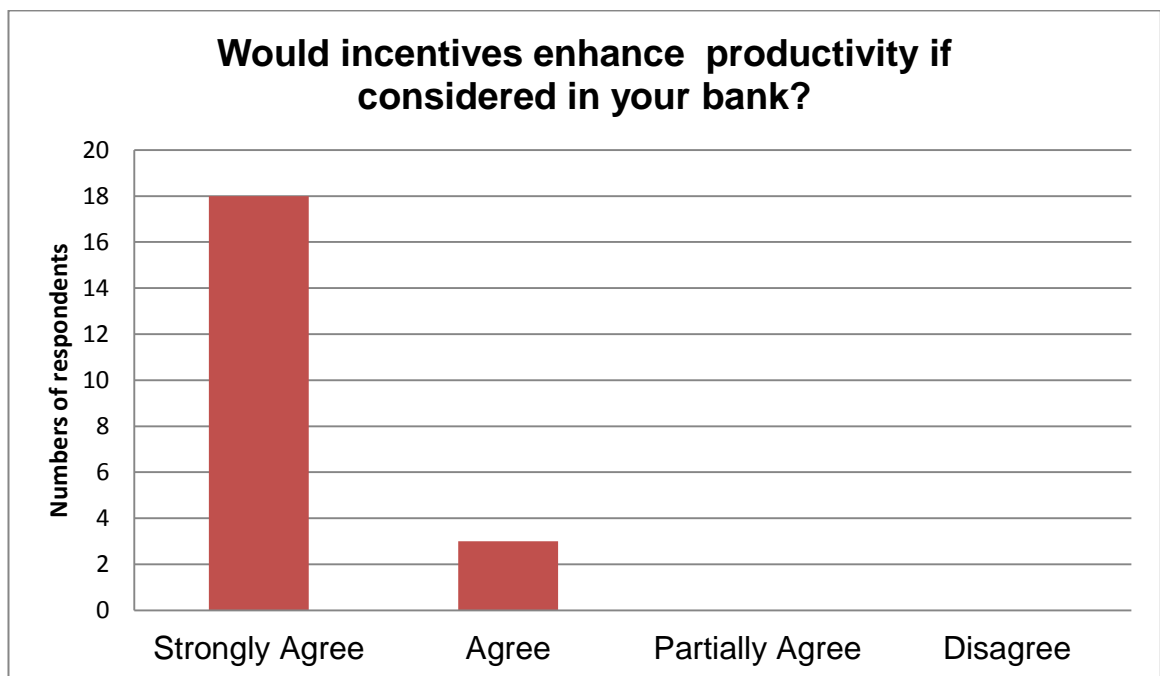


FIGURE 21. Would incentives enhance productivity?

The purpose of this part of the question is to know if perhaps productivity will increase if incentives are considered. Majority (18 respondents) strongly agree that the existence of incentives would increase productivity and the remaining 3 respondents also agree. No one partially agree or disagree.

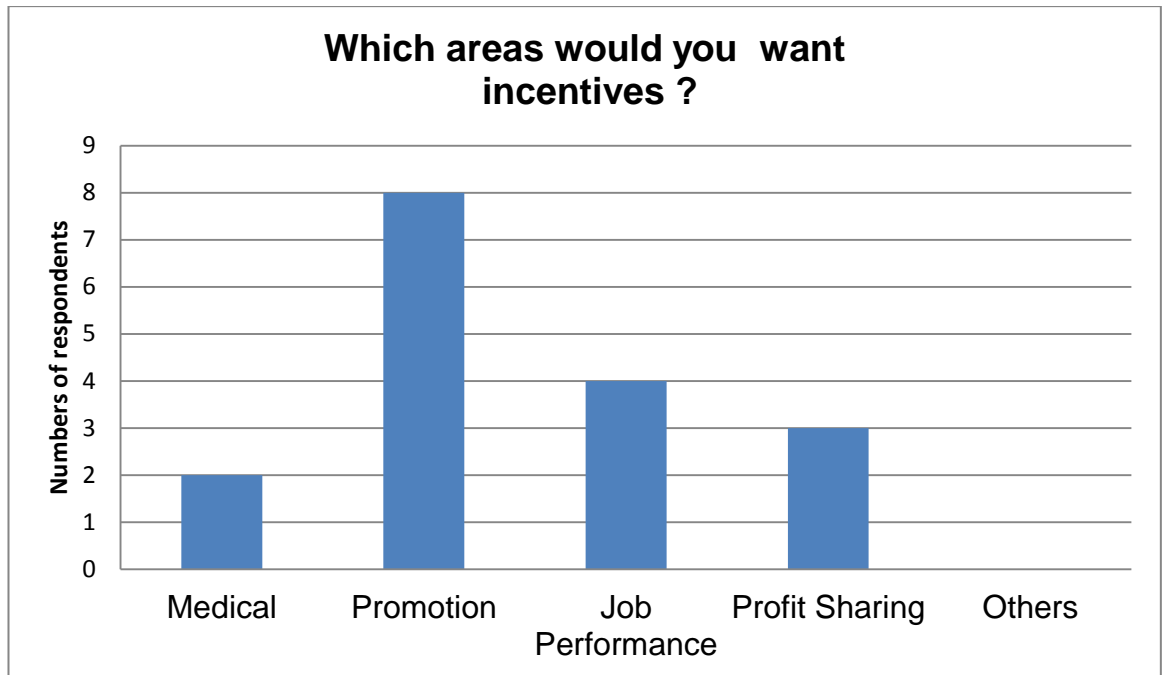


FIGURE 22. Which areas would you want incentives.

The respondents were asked which areas of incentives would be appreciated if introduced. 8 of the respondents prefer promotion, 4 respondents choose job performance, profit sharing was seen as an option for 3 respondents while 2 respondents prefer medical. None of the respondents choose others.

Promotion is an increase in rank which goes along with appraisal and accompanied with recognition and increment in pay. Majority of the respondents have worked towards the aim of getting promoted at work but not forthcoming.

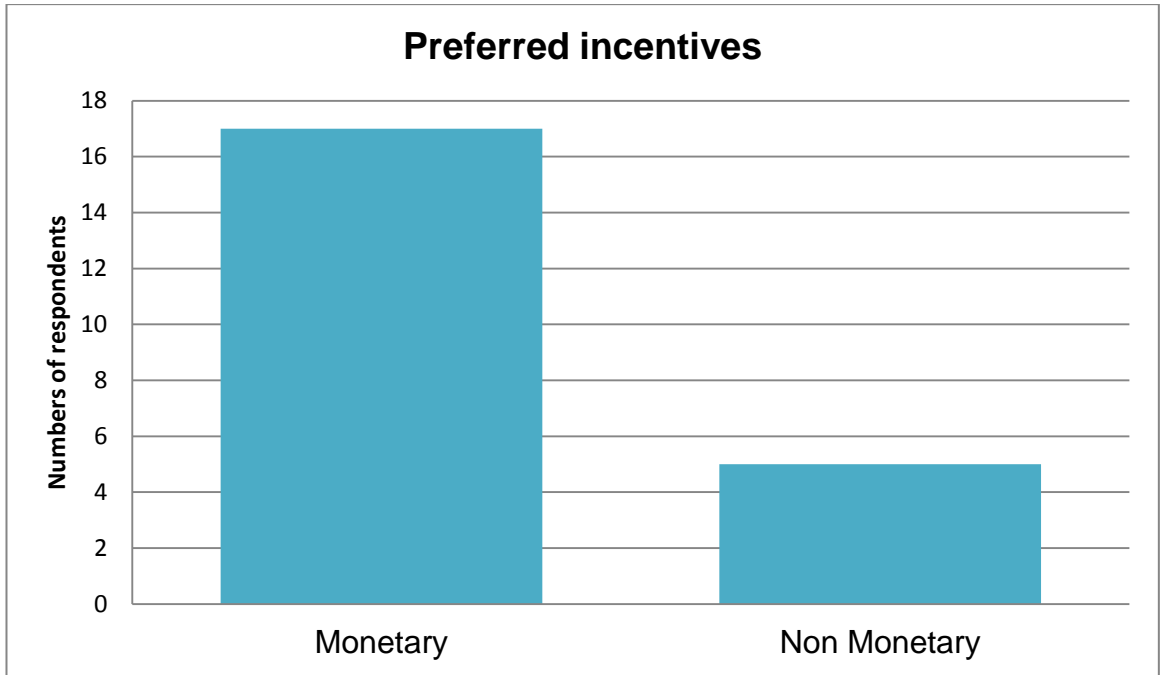


FIGURE 23. Preferred incentives

Majority of the respondents (17) prefer monetary incentives while non-monetary was chosen by the remaining 5 respondents.

Monetary and non-monetary incentives are very important, encouraging incentives would go a long way to support employees' performance and both should be encouraged in work places. Most Nigerian bankers prefer monetary incentives because of the economic situation of the country and it would help to alleviate some economic challenges.

7 CONCLUSION AND RECOMMENDATION

7.1 Conclusion

Results gathered from the research indicate that 72% of the respondents get incentives, which means that only few of the Nigerian banks do not give. Employers should note that the means of motivating employees should be considered appropriately.

Information gathered from respondents who receives incentives at their workplaces shows that the presence of incentives guarantee productivity and performance would be affected if the motivation package is withdrawn .28% of the respondents who does not receive as shown on figure 19-23, states that if incentives is added, it would also support the zeal to do more on every given task thereby enhancing productivity to an enviable level.

Referring to the senior level management response in question 6, “incentive is a reward for hard work”, if this statement is true then employees whose pay does not commensurate with their performance (Figure16) should be compensated accordingly.

Figure 23 in this context shows that most bankers prefer monetary to non-monetary incentives. An average person will prefer to get a monetary reward and spend it on whatever he or she desires be it for expenses or savings. Promotion is another part in this result which should not be neglected; it must not take long years before promoting employees who deserves it.

Comparing the results gathered from existing bankers and non-existing bankers who presently study abroad, incentives was seen as same. They added that during their stay in Nigerian banks, bankers prefer monetary incentives and would work passionately to prevent their source of income. The fact that employees fear to lose their jobs, cash has been an effective motivator simply because money is indispensable for survival in an economy. Promotion was also delayed.

There are lots of non-monetary incentives which could be used as motivational tool if employers are considering cost. Employees should be seen as bedrock in achieving the set goals and objectives of the organization. For this, they are meant to be valued from time to time in the organization.

7.2 Recommendation

From the research conducted, it was very obvious that usage of incentives as a motivational tool will boost the productivity of an organization as well as the profitability. Thus, it is highly recommended that organization should adhere strictly to incentives usage in order to produce quality services to the customers.

The usage of incentives goes a long way in achieving the organization's goal. Incentives motivate employees and make them work passionately. Motivated and passionate employees are happy and encouraged workers who have the enthusiasm to deliver exceptionally.

I strongly recommend that the use of incentives both monetary and non-monetary to keep the morale of the employees on the high side thereby giving room for improvements on their job from time to time.

I also recommend timely promotions to every deserving employee as this would make them more loyal to the organization.

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APPENDICES

Appendix 1. Letter of Motivation

Good day,

Please, find below a research question which several survey questions were generated to draw research conclusions on.

‘What do you consider as incentives in the Nigerian Banking Sector? ’

Giving answers to this questionnaire will help the student in the completion of her Bachelor’s degree thesis in International Business at the Seinäjoki University of Applied Sciences, Finland.

The questionnaire contains twenty (20) questions. However, participation will only take about five (5) minutes to answer.

All information will be kept confidential. Hence, participation ends by Tuesday 15th of January 2013.

Thank you.

Best regards,

Adeshola Ogunmuyiwa.

Appendix 2

Thesis Questionnaire

Your answers will support the completion and success of my thesis.(Thanks in Anticipation)

General Information *

1. Gender:

- Female
- Male

2, Age *

- 0-20
- 21-30
- 31-40
- 41-50
- 51-60

3,Current Residence *

4,Nationality *

5. Grade (position level): *

- Senior level
- Middle level
- Junior level

6. What do you think about incentives in Nigerian banks? *

7. Do you receive incentives in your bank? *

- Yes
- No

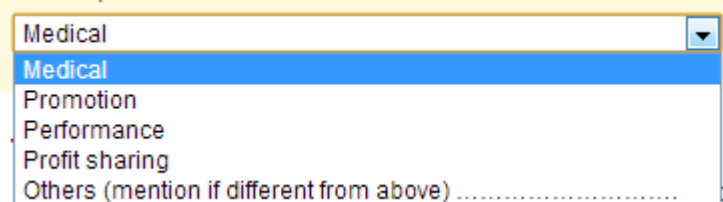
(If you receive incentives in your place of work, please answer questions 8-15 below)

8. When do you get it?

- Weekly
- Monthly
- Quaterly
- Yearly

9. The incentives you get are tied to: Select options from the list below

Select options from the list below



Medical
 Medical
 Promotion
 Performance
 Profit sharing
 Others (mention if different from above)

10. Do incentives make you more productive in your bank?

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| 1 Strongly
agree | 2 Agree | 3 Partially
agree | 4 Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

11. What is your impression about the present quality or quantity of your incentives?

- | | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Excellent | Very good | Good | Fair | Poor |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

12. The presence of incentives in your work place guarantee productivity

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

13. Is your incentive in-commensuration with your performance or position?

- Yes
- No

14. Are you satisfactorily motivated by the incentives you presently receive?

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

15. If incentives are removed in your bank, do you think performances will be affected.

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

(If you don't receive incentives please give answer to the question below):

16. The present lack of incentives in your bank negatively affects the level of employee performance

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

17. Incentives should be encouraged in your bank?

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Please give a short reason for your answer in question 17

18. Incentives will enhance productivity level if considered in your bank.

- | | | | |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Strongly
agree | Agree | Partially
agree | Disagree |
| <input type="radio"/> | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

19. If incentive is considered in your bank, in what areas would you want it?

- Medical
- Promotion
- Job Performance
- Profit sharing
- Others

20. What kind of incentives would you prefer?

- Monetary
- Non-Monetary