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INFLUENCE OF FINANCIAL REWARD ON JOB SATISFACTION AMONG BUSINESS EDUCATORS IN PUBLIC UNIVERSITIES IN NIGERIA

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Abstract

Delta state. The main purpose of the study was to ascertain how financial reward influences business educators job satisfaction in public universities. Two research questions were raised while two hypotheses were formulated and tested at .05 level of significance. The study adopted correlational survey research design. The study was carried out in public universities in Delta State. The population of the study comprised 58 respondents made up business education lecturers in public universities in Delta State. There was no sample and sampling technique because the entire population was used. The instrument used for data collection was a structured questionnaire whose items were based on the research questions. The mean, standard deviation were used to answer the research questions while Pearson product moment correlation coefficient was used to test the hypotheses at 0.05 level of significance. The summary of the results revealed that there is a positive significant relationship between financial reward of salaries and fringe benefits and job satisfaction of business educators in public universities. Based on the findings, it was concluded that financial reward in terms of salaries and fringe benefits are major determinants of business educators job satisfaction in public universities in Delta state. The statistical implication of this is that a rise in financial reward will result in a rise in job satisfaction of business educators in public universities in the same direction. Based on the conclusion, recommendations were made among others that for business education to remain competitive in the academic industry, there is need for business educators commitment and satisfaction be sustained via good financial packages.

Keywords: Influence, financial, reward, job satisfaction, business educators

Introduction

Business educators are the operators of business education programme in any institution of higher learning. They transform the business education curricula into reality in all level of

education including universities. According to Osuala (2004), a business educator is anyone who plays a critical role in making business education viable and visible in the community, plays a crucial role as a force for change in business education, provides

high-quality training in the subject, and is skilled at identifying issues that arise in classroom instruction in the real world and speculatively find answers. Amoor (2010) notes that business educators play significant role in the economic development by providing knowledge and skills to the learners, thereby, enabling them to adequately impart knowledge into others, handle sophisticated office technologies and information systems.

The goal of business education programme in Nigerian universities is primarily to produce competent, skilful and dynamic business teachers, office administrators and businessmen and women that will effectively compete in the world of work. It has its primary aim, in the preparation of people for roles in enterprises such roles could be as employee, entrepreneur and employer or simply as self-employed. Inarguably, the instructional responsibilities of business educators in the 21st century business world cannot be over emphasized because they are expected not only to expose students to current workplace practices but also help acquire skills to create business enterprises that are essential to the creation of a sustainable society.

But they face various problems in their work environment ranging from population explosion of students, ill equipped laboratory and general poor condition of service . Stressful, depressed and dissatisfied employees would not be able to obtain the same quality level of work and productivity as those employees with low stress, high motivation and high satisfaction in terms of financial reward. It is therefore essential that business educators psychological aspects be looked into in terms of financial rewards.

One of the key factors in encouraging employees to provide their best effort and produce creative ideas that improve business operation and boost overall company performance is offering rewards, which is both financial and non-financial (Aktar, Sachu, and Ali, 2012), and also for organization to gain competitive advantage in this globalizing world. Financial reward according to Nazir, Wang, Akhtar, Shafi and Nazir,(2015) is sacrosanct to any occupation that we might engage in. In other words most people participate in varied occupation or functional activities because of financial gains. Financial rewards such as pay; has been seen in the literature as one of the essential driving force of an employee (Rynes, Gerhart, and Minette, 2004).

Fapohunda (2012), averred that pay is an important process in human resources management covering economic rewards in form of wages. Additionally, Yousaf, Latif, Aslam, and Saddiqui (2014) pointed out that in developing nations like Nigeria, financial incentives are crucial for boosting employee engagement. Employee performance is positively impacted by financial incentives; therefore, if salary is raised, performance is likely to rise as well. We can infer that monetary compensation has an impact on performance. The consistent relationship connecting monetary compensation and performance is supported by a number of variables. On the one hand, employees see a reasonable level of neutrality between their work and financial compensation. Workers, however, think that if they do well, they would receive decent cash benefits. Green (1977) as cited in Fapohunda (2012) upholds that “rewards constitute a necessary intervening variable and this satisfaction is considered as a function of performance related reward which implies that performance causes satisfaction”. This suggests that improved financial compensation results from successful and satisfying performance. It has been shown that financial compensation can improve productivity and increase motivation. To maintain that satisfied workers lead to a high -

performing team would not be in conflict. People who are happy in their jobs contribute delight, contentment, better communication, serenity, etc. to the company they work for. While an unhappy employee will cause conflict, chaos and acrimony in the workplace. The disgruntled employee wants to undermine the company's efforts, and that might theoretically prevent it from creating a competitive edge. There are various types of financial rewards but for the purpose of this study we will limit ourselves to salary and bonuses.

Salary is the theoretical basis for money as an effective incentive motivator has been given attention over the years (Mitchell and Mickel,1999) as cited in (Peterson and Luthans, 2006). Salary has traditionally been thought of as the guaranteed sum that an organization gives a staff for work that is accomplished by them. Heathfield (2012) as noted by Mustapha (2013), argued that salary is a fixed amount of money or compensation paid to an employee by an employer in exchange for a productive work performed. One could only find it particularly interesting that compensation and employee incentive interact and reinforce one another. (Mustapha (2013)), noted that remuneration system plays an important role in determining an employee's level of job satisfaction. Families in this emerging region of the world have endless wants, and the increased standard of living there may encourage workers to look for jobs that pay more to safeguard their future and quality of life. An psychological condition of discontent will emerge if people feel their pay is inadequate. Over time, this emotional conflict will build up, and the individual would eventually wish to quit the company in pursuit of better opportunities.

Employee benefits are defined as any forms of compensation provided by the organization other than wages or salaries that are paid for a while or in part by the employer. In order for business employee engagement to evolve, Christoph (1996) noted that compensation packages are crucial. Examples include retirement plans, child care, elder care, hospitalization programs, social security vacation and paid holidays. Benefits packages are designed to give workers more financial stability. Fringe Benefits Employee benefits include various types of non-wage compensation (allowances) provided to employees in addition to their normal wages or salaries. Salary packages, often known as a "salary exchange" agreement, refers to situations when a staff trades (cash) compensation for another type of perk. Most remuneration are at least somewhat taxed in certain organizations. Examples of these benefits include: housing (employer-provided or employer-paid), group insurance (health, dental, life etc.), disability income protection, retirement benefits, day-care, tuition reimbursement, sick leave, vacation (paid and non-paid), incentives such as social welfare, revenue sharing, school funding, as well as other unique incentives. The purpose of employee benefits is to increase the economic security of staff members, and in doing so, improve worker retention across the organization {Abernethy, 2005}. It is thus a part of performance appraisal.

Business educators, therefore, offer their inputs in terms of time, effort, commitment, integrity, skill, ability with the expectation that outputs(rewards) will commensurate the inputs expended for work. They are however demotivated and perhaps reduced input and/or seek change or improvement better engage in search for better greener pasture whenever they feel that their inputs are not fairly distributed when engaged in comparison.

Rewards can influence how productive an employee performs, as well as inspire and influence it. This means that incentives have a

significant impact on employee performance. As a result, an administrator must comprehend how much a cash incentive actually spurs and motivates workers. Financial reward is considered as the most functional tool for managers to motivate employees to move successfully and influence their behaviour to achieve greater organization goals (Danish and Usman, 2010). On the other side, a lack of financial incentives could impede the performance of trained manpower if they are not inspired.

Reena and Shakil Ahmed (2009) proved that there is a statistically significant relationship between reward and recognition respectively, and motivation and satisfaction. Their research showed that changes in employee recognition or awards would also affect how motivated and satisfied people were at workplace. Hafiza, Shah, Jamsheed, Zaman (2011) revealed that there is a significant and positive relationship between extrinsic rewards and employee motivation but the proper financial compensation for employees—known as intrinsic rewards—is not being provided by firms, according to observations. Employee motivation is significantly influenced by pay. Kalim Ullah Khan, Syed Umar Farooq, Muahmmad Imran Ullah (2010) highlighted the various aspects necessary for motivating employees to improve their performance.

Reward systems and improved employee mental strength have been proven to have a significant and favorable connection. Accordingly, the relationship between compensation and employee work incentive is straightforward. Employee job engagement levels will inevitably fluctuate as benefits offered by employers change. Better the rewards, the higher the levels of motivation and greater levels of employee performance. Arik Prasetya and Masanori Kato (2011) also observed that there are significant influences from both financial and nonfinancial compensations to the employee performance. Financial rewards is one of the physical needs that influence motivation which in turn will affect the employee performance. One of the toughest tasks for department of human resources to accomplish is giving extra remuneration within the parameters that is equitable and sufficient to satisfy the needs. The monetary rewards for the services that employees provide as part of employment agreements are included in compensation. An incentive that workers receive as a result of their engagement is called earnings. (Dessler, 1995). Compensation has a big influence in the recruitment of employees, motivation, productivity and employee turnover (Bernardin & Russell, 1993).

Statement of the Problem

In this era of globalization, every organization in the world improving its business processes by adopting advance technologies and innovations. To keep the pace of achieving goals organizations tries their best to hire competent human resource. Employing competent human resource, organizations have to offer better working environment, market-based salaries, job security, empowerment among others. Out of all these perks and benefits the financial variables appears to be more important especially pay. Every employee has to run his livelihood. He needs financial rewards / perks to support him and family. Business organizations especially universities ought to develop relationship between the employee (business educators) and the institution to fulfill the right demands of both parties. The management of the universities expect from employees (business educators) are to follow the rules, policies and regulations of the organization and business educators expectations are better working environment, good financial rewards especially fair pay. If the universities offer more financial rewards, the business educators of the institution are likely to be

motivated and satisfied and be disposed to inculcate the right skills in business education students and on graduation would either secure jobs in the labour market or create one. The extent to which financial reward could enhance job satisfaction among business educators in public universities is however not clear. The study therefore investigates the influence of financial reward on job satisfaction among business educators in public universities in Nigeria.

Purpose of the Study

The main purpose of the study was to ascertain the influence of financial reward on job satisfaction among Business Educators in Public Universities in Nigeria.

Specifically, the study determined:

1. whether salaries correlates business educator's job satisfaction in public universities in Nigeria; and
2. the relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria.

Research Questions

The following research questions guided the study

1. What is the relationship between salaries and business educator's job satisfaction in public universities in Nigeria?
2. What is the relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria?

Hypotheses

At a significance level of .05, the null hypotheses were tested:

1. There is no significant relationship between salaries and business educator's job satisfaction in public universities in Nigeria
2. There is no significant relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria

Method

The research design adopted for the study was a correlational survey. A correlation research design measures two or more relevant variables and assesses the relationship between/among the variables, as well as allows prediction of future events from the present knowledge. This design is therefore suitable for this study because it fundamentally explained the extent to which financial reward variables predict business educator's job satisfaction in public universities in Delta State. The study was carried out in public universities in Delta State. The population of the study comprised of 58 business education lecturers in public universities in Delta State. Data was gathered using a systematic questionnaire that was approved by professionals. The questionnaire was created and distributed by the researcher with assistance from two study assistants, totaling fifty-eight copies. The mean and standard deviation were used to analyze the data. The level of agreement or disagreement with each questionnaire items were determined based on the midpoint for the scale, which is 2.50. Mean scores of 2.50 and above were regarded accepted while mean scores below 2.50 were regarded as unacceptable. The null hypotheses were tested using Pearson Product Moment Correlation Coefficient. The decision rule for the hypotheses was based on p-value; when p-value was greater than 0.05 was retained, otherwise was rejected.

Results

The results of the study are presented as follows:

- Research Question 1:** What is the relationship between salaries and business educator's job satisfaction in public universities in Nigeria?

Table 1: Mean and Standard Deviation of Business Educators on Salaries and Job Satisfaction in Public Universities. (N=58)

S/N	Items on Salaries	\bar{X}	SD	Remarks
1	Receive salary regularly	3.70	0.46	Agreed
2	Receive salary as and when due	2.00	0.45	Disagreed
3	Receive increment in salary annually.	1.30	0.70	Disagreed
4	They do not owe salary	1.80	0.40	Disagreed
5	Receive car allowance	3.80	0.40	Disagreed
6	Receive housing	3.70	0.46	Agreed
7	Salary do not really matter so long there are non-financial reward	2.40	0.38	Disagreed
8	Salary alerts give me joy	3.10	0.94	Agreed
9	Salary give me job salary	3.70	0.46	Agreed
10	I work majorly for salary	3.00	0.45	Agreed
11	Salary promote job satisfaction	3.00	0.45	Agreed

Table 1 shows that the mean responses of business educators on salaries and job satisfaction range from 1.30 to 3.80, while the standard deviation range from 0.38 to 0.94. The mean values show that business educators agree to six items, but disagree with five items.

Research Question 2: What is the relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria?

Table 2: Mean and Standard Deviation of Business Educators on Fringe Benefits and Job Satisfaction in Public Universities. (N=58)

S/N	Items on Fringe Benefits	\bar{X}	SD	Remarks
1	Have received medical benefits	2.30	0.40	Disagreed
2	Have fringe benefit such as insurance Plan	1.80	1.09	Disagreed
3	Receive education/tuition reimbursement for further studies	3.20	0.45	Agreed
4	Sponsoring in-service training	2.20	1.09	Disagreed
5	Transportation benefit	3.00	0.45	Agreed
6	Scholarship to staff children	2.30	1.19	Disagreed
7	Medical leave	2.60	0.80	Agreed
8	Maternity leave with pay	2.55	0.71	Agreed

9	Holidays pay	3.40	0.48	Agreed
10	Free breakfast and lunch	1.20	0.71	Disagreed
11	Retirement contributions and pension plans	2.80	1.09	Agreed
12	Vacation abroad sponsored	2.20	0.96	Disagreed
13	Like fringe benefit of any kind	2.60	0.24	Agreed

The results in Table 2 indicates that the mean responses of business educators on salaries and job satisfaction range from 1.20 to 3.40, while the standard deviation range from 0.24 to 1.19. The mean values show that business educators agree to seven items, but disagree with six items.

Test of Hypotheses

Hypothesis testing One: There is no significant relationship between salaries and business educator's job satisfaction in public universities in Nigeria

Table 3: Pearson Product Moment Correlation Coefficient Showing the Relation between Salaries and Business Educator's Job Satisfaction in Public Universities

Correlation			
Correlation	Pearson	1	.840
Job Satisfaction (2 tailed)	Sig.		.001
N		58	58
Correlation			
Correlation	Pearson	.840	
Financial Reward(salaries)	Sig. (2 tailed)	.001	58
N		58	

SPSS Output: 2022

The above result shows that there is a relationship between job satisfaction and financial rewards of salaries. This is so because the p-value (0.001) is less than (0.05) level of significance. This implies that job satisfaction has a significant and positive relationship with financial rewards. Therefore, the null hypothesis is rejected and the alternate hypothesis is accepted. Thus, there is significant relationship between salaries and business educator's job satisfaction in public universities in Nigeria. The implication of this is that the higher financial reward in terms of salaries, the higher job satisfaction of business educators and vice versa.

Hypothesis testing Two: There is no significant relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria?

Table 4 : Pearson Product Moment Correlation Coefficient Showing the Relation between Fringe Benefit and Business Educator's Job Satisfaction in Public Universities

Correlation			
Correlation	Pearson	1	.641
Job Satisfaction	Sig. (2 tailed)		.000
N		58	58

N			
Pearson		.641	
Correlation		.000	
Fringe Benefits		58	58
Sig. (2 tailed)			
N			

SPSS Output: 2022

The above result reveals that there is a relationship between fringe benefits and job satisfaction. This is so because the p-value (0.000) is less than (0.05) level of significance. This implies that job satisfaction has a significant and positive relationship with financial rewards of fringe benefits. The alternative hypothesis is therefore accepted, and the null hypothesis is disproved. Thus, there is significant relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria. The implication of this is that the higher financial reward in terms of fringe benefit, the higher job satisfaction of business educators and vice versa.

Discussion of Findings

The study was aimed at investigating the influence of financial reward on job satisfaction among business educators in public universities. It equally sought to determine how the various variables of financial correlates job satisfaction among business educators.

The investigation carried out by the researcher on the first research question which states "What is the relationship between salaries and business educator's job satisfaction in public universities in Nigeria?", Business instructors agree on six topics, but differ on five, according to mean values. Testing the null hypothesis, it was found that the p-value was less than the alpha level. The researcher then rejects the null hypothesis that there is significant relationship between salaries and business educator's job satisfaction in public universities in Nigeria. From the above findings, it is clear that appropriate and adequate dispenser of financial reward in terms of salaries will produce a proportionate increase in raising the job satisfaction of business educators. The investigation of Fapohunda (2012), which maintains that providing of decent wages is essential for a company to boost efficiency and reduce turnover intention of employees, supports these conclusions. Giving adequate financial rewards can help retain quality staff that are rare and help increase employees' commitments. The findings of the study also uphold Zaman (2011) who noted that there is a significant and positive relationship between extrinsic rewards and employee motivation but the proper monetary benefit for employees—known as intrinsic rewards—is not being provided by firms, according to observations. Employee productivity is significantly influenced by remuneration. The findings also aligned with Khan, Farooq and Ullah (2010) who highlighted the various financial rewards necessary for motivating employees to improve their performance. It has been noted that remuneration and employee work dedication are directly and favorably correlated. It implies that the relationship between compensation and employee work commitment is direct.

The results of the analysis of the data relating to the second research question which determines "What is the relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria?", mean values show that business educators agree to seven items, but disagree with six items. On

testing the null hypothesis, it was found that the p-value was less than the alpha level. The researcher then rejects the null hypothesis that there is significant relationship between fringe benefits and business educator's job satisfaction in public universities in Nigeria. The implication of this is that, the higher financial reward in terms of fringe benefits, the greater the job satisfaction of business educators, vice versa. The findings corroborate with (Abernethy, 2005) who asserted that the purpose of employee benefits is to increase the economic security of staff members, and in doing so, improve worker retention across the organization. Also agrees with Christoph (1996), who observed that employee benefits are essential for the development of corporate industrial relations.

Conclusion

Considering the significant role of business educators in the economic development by providing knowledge and skills to the learners, thereby, enabling them to adequately impart knowledge into others, handle sophisticated office technologies and information system.; there exists a grave concern for the universities management to adequately remunerates business educators for them to willingly discharge the responsibilities they are saddled with. In maximizing their profit as a university, the satisfaction of business educators should not be taking with levity. Reduction of the business educator's turnover intention must be reduced to the barest minimum with good financial reward in place to sustain their job satisfaction.

Recommendation

Having carefully analysed the research findings an drawn conclusion, the following suggestions are recommended to the university owners and policy makers which will help enhance job satisfaction and commitment of business educators; The recommendations are as follows:

1. That for business education to remain competitive in the academic industry, there is need for business educators commitment and satisfaction be sustained svia good financial packages.
2. Fringe benefits such as payment for leave, PhD sponsorship should be put in place to enhance job engagement and satisfaction of business educators.
3. Pay satisfaction of business educators should be an uttermost concern for the university management so as to reduce turnover.

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