

REWARD AND PRODUCTIVITY OF EMPLOYEES: A GOLDEN GUINEA BREWERIES PERSPECTIVE, ABIA STATE, NIGERIA

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Abstract: The crux of this paper is Reward and Productivity of Employees: A Golden Guinea Breweries Perspective, Abia State, Nigeria. The paper observed that rewards contribute to employee satisfaction, which in turn can positively impact employee productivity. Satisfied employees tend to be more engaged, committed, and motivated to achieve company goals. However, a poorly managed reward system can lead to low morale, unproductive performance, and even higher employee turnover. The study posed three research questions that aligned with the study's objectives and hypotheses. Methodologically, the researcher used documentary sources, also known as "secondary sources," from relevant literature on the research topic. Documentary sources refer to existing written materials (whether handwritten, typed, or printed) that were created for purposes other than the researcher's benefit. The study found, among other things, that rewards increase Golden Guinea Breweries Ltd. (GG) employees' job satisfaction and retention because they feel their work is valued and appreciated. GG employees are encouraged to strive for better results when they are recognized for their productivity. This motivates them to do more, which increases engagement and productivity. The study, among other things, recommends that GG Breweries should make compensation a top priority so that employees feel valued and satisfied, thereby taking pride in their work, which leads to higher productivity and better business performance. Therefore, the study concludes that GG Breweries needs to develop a performance-enhancing compensation system that allows for the best possible management and development of employees in order to increase productivity.

Keywords: Reward, Productivity, Employee, Organization, Management.

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Introduction

Rewards are often used as a management tool to achieve desired goals. One of the most common purposes is to motivate employees to improve their performance (Armstrong, 2001). In today's business culture, rewards, recognition, and a good work environment have become very important for various reasons. According to Chin-Ju (2010), rewards can be in the form of recognition, cash (extrinsic), praise (intrinsic), or a combination of both, and performance-based group programs can reward groups or teams with: Cash payments for achieving agreed-upon goals. All of these programs are designed to improve company performance by aligning employee interests with the company's financial performance. Intrinsic and extrinsic rewards are key to getting people to do what they should. Armed with the knowledge of what matters most, key issues can be solved using creative solutions and adequate financial resources. Without this knowledge, well-intentioned efforts may be over-spent trying to fix things that are not as important to employees (Kreitner, 2008). Due to the financial crisis the world is currently experiencing, compensation structures with emphasis on bonuses and sustainable compensation have been heavily debated. There are many forms of compensation in organizations and they need to be rewarded appropriately and efficiently to increase employee productivity. Because employees are the driving force of an organization and their wellbeing should be given utmost attention. One of the most important issues that

concern every employee in an organization is regarding rewards or compensation for their efforts.

Reward systems vary from organization to organization and may change from time to time. This makes employee motivation perhaps the most complex of all management functions (Bowen & Radhakrishna, 2010). However, the basic feature of a reward system is that it must motivate employees to give their best to the organization. Lucey (2014) states: "A well-organized and well-planned reward system benefits both the company and the employee." Our needs, thoughts and experiences are different, and we are all motivated by different things.

Companies are looking for ways to win the competition and make profits. Nothing is more important to this goal than human energy. It is a strategic approach to motivate the entire organization (Daft, 2003). Armstrong (2003) concludes that when managing team and individual performance, both inputs (behaviors) and outputs (results) must be considered. In other words, performance management includes not only setting and reviewing goals but also competency levels and achievements. Bourne (2003) identifies employees as one of the most important stakeholders in the five dimensions of performance prism. This supports Balmer and Gray's (2000) assertion that the key to an organization's competitiveness is its ability to attract and retain talented and motivated employees.

To keep scarce skills and knowledge from the labor market, employers must put in place very competitive reward structures.

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Every organization is concerned about what needs to be done to achieve sustained high levels of performance from its employees. This means paying close attention to how best to motivate individuals through incentives, rewards, leadership, and, importantly, the work they do and the organizational context in which they do it.

One of the best feelings in the world is to be recognized and rewarded for your efforts. This applies in school, sports, competitions, and of course in the workplace. When people do exemplary work, they should be rewarded. Rewarding employees is important to retain and motivate employees. And while 40% of Americans say they would work more if they were more recognized, a staggering 82% don't feel their contributions are valued or rewarded. When employees feel recognized and rewarded, they are more productive, happier, and more loyal to the company. However, the "method" of performance reward is very important. Delivering the wrong rewards in the wrong way can do more harm than good (www.award.co/blog/how-to-efficiently-reward-employee-performance)

According to Fay & Thompson (2001) cited in Hatice (2012), "Reward systems play a key role in determining an organization's ability to attract high potential employees and retain good employees to achieve higher levels of quality and performance." Performance is important for the success of a company, and every organization solely depends on the good performance of its employees. Rewards are considered an important tool to check employee productivity in any organization. Management uses rewards to motivate employees. Therefore, an effective reward system attracts new employees to the company and motivates existing employees to improve their performance. According to Schuler and Jackson (1996), the link and relationship between rewards, motivation, and employee job satisfaction is crucial to the success of both the public and private sectors.

Golden Guinea Breweries Plc, located along Aba Road, Afara Layout, is a Nigerian brewery located in Afaraukwu Umuahia, Abia State. The company was established in 1962 by the Eastern Government of Nigeria as a local competitor to the country's foreign manufacturers. The company produces Golden Guinea beer. Golden Guinea (GG), formerly Independence Brewery Limited, chose the location in Umuahia, where Prime Minister Michael Okpara is headquartered, because of the importance of water. Production began in 1963 with 1 million gallons per year. The company introduced Eagle Stout to the market in 1967, but production was disrupted due to the Nigerian Civil War between 1967 and 1970. In 1971, the company changed its name to Golden Guinea Brewery. In 1975, the company was restructured and an expansion project was created by the German company Coutinho Caro, which then took part in the company's share issue. There was a fire in 2003, but the company has tried to revive the works.

In April 2018, the company received a N3.6 billion loan from the Nigerian Export-Import Bank (NEXIM) and the Bank of Industry (BOI) and will start all operations in 2019. The company has franchise rights to produce and sell Holsten Brewery's premium Bergedorf beer and Bergedorf Malta beer in Nigeria (Kilby, 2008). Most of the company's shares were bought by Pan Martine Investments Ltd promoted by Mr Okey Nzenwa.

Statement of the Problem

Golden Guinea Breweries Plc (GG) is facing possible implosion as intense competition, economic crisis, unfavourable government

policies and changing consumer tastes have caused significant losses in sales and profits. Despite spending millions and even billions on events and advertising, it is still very difficult to attract young Nigerians to its 21 flagship brands. GG faces several difficult business challenges arising from the current macroeconomic environment, including: B. Macroeconomic Risks - Slow economic growth and recession. There are concerns that demand for GG may decrease. There is a risk of devaluation as some of its raw materials are imported. Higher production costs for locally sourced materials. A blanket ban on using the CBN foreign exchange (FX) window for the importation of certain packaging materials forced GG to use locally available alternative packaging materials. This temporarily increased its production burden and at the same time increased the company's need to make payments in local currency.

GG has struggled with the high cost of raising capital when needed, the high cost of acquiring industrial machinery and equipment to produce quality products, inadequate government support for industrialization, and the incessant demand of Nigerians for imported products.

Research Questions

1. How does effective reward system lead to employee productivity in GG?
2. Is there any significant relationship between reward and employee productivity in GG?
3. How does lack of effective reward system lead to workers low morale in GG?

Objectives of the study

The broad/main objective is to investigate the concomitance of reward and productivity of employees in Golden Guinea Breweries Plc Abia State, Nigeria. While the specific objectives are as follows:

1. To ascertain how effective reward system leads to employee productivity in GG
2. To know if there is any significant relationship between reward and employee productivity in GG
3. To show that lack of effective reward system lead to workers low morale in GG

Hypotheses

The study will be guided by the following hypotheses derived from the research questions and objectives of the study. They include:

1. Effective reward system leads to employee productivity in GG
2. There is a significant relationship between reward and employee productivity in GG
3. Lack of effective reward system leads to workers low morale in GG

Significance of the Study

Theoretically, this study is important because it will increase the knowledge of managers and the general healthiness of GG. The results of this study allow the organization to establish structures that will improve the performance of employees, thereby increasing employee productivity, and identify areas for

improvement, especially training employees, salaries, bonuses and promotions.

Empirically, In fact, this study will serve as a reference for scholars and guide students and researchers to improve their understanding of organizational reward structures to review the previous approaches used to solve similar organizational problems and revitalizing their compensation models. In addition, they can detect logical errors and false assumptions, as well as methodological issues that were not properly addressed in the study.

Definition of Terms

Reward structure

Reward structure or reward system refers to programmes set up by a company to *reward* performance and motivate employees on individual and/or group levels. They are normally considered separate from salary but may be monetary in nature or otherwise have a cost to the company. This also means that a reward structure is a programme set up by a company to *reward* performance and motivate employees on individual and/or group levels. They are normally considered separate from salary but may be monetary in nature or otherwise have a cost to the company.

Furthermore, the reward structure is a group of neural structures responsible for incentive salience (that is., motivation and "wanting", desire, or craving for a reward), associative learning (primarily positive reinforcement and classical conditioning), and positive emotions, particularly ones which involve pleasure as a core component (for example., joy, euphoria and ecstasy). Reward is the attractive and motivational property of a stimulus that induces appetitive behavior, also known as approach behavior, and consummatory behaviour. In its description of a rewarding stimulus (i.e., "a reward"), a review on reward neuroscience noted, "any stimulus, object, event, activity, or situation that has the potential to make us approach and consume it is by definition a reward." In operant conditioning, rewarding stimuli function as positive rein-forcers; however, the converse statement also holds true: positive rein-forcers are rewarding.

Organization

An organization is an entity, such as a firm or group, that has a common goal and is connected to the external environment. Management is a systematic arrangement of people to achieve certain goals. Every organization has three components: people, goals, and systems. Every organization has different goals. These goals are called goals. Every organization has people. Each organization has a system structure that defines the boundaries of each member. Some of its members are managers, some are managers. Organization can also refer to a social group consisting of people who are organized and organized to fulfill certain needs or to pursue group goals. All organizations have an organizational structure that determines the relationships between various functions and members, breaks down and distributes roles, responsibilities and authority to perform different tasks. Organizations are open systems - they influence and are influenced by their environment

Productivity

Productivity describes various measures of the efficiency of production. Often, a productivity measure is expressed as the ratio of an aggregate output to a single input or an aggregate input used in a production process, that is, output per

unit of input, typically over a specific period of time. Most common example is the (aggregate) labour productivity measure, e.g., such as GDP per worker. There are many different definitions of productivity (including those that are not defined as ratios of output to input) and the choice among them depends on the purpose of the productivity measurement and/or data availability. The key source of difference between various productivity measures is also usually related (directly or indirectly) to how the outputs and the inputs are aggregated into scalars to obtain such a ratio-type measure of productivity.

Productivity is a crucial factor in production performance of firms and nations. Increasing national productivity can raise living standards because more real income improves people's ability to purchase goods and services, enjoy leisure, improve housing and education and contribute to social and environmental programs. Productivity growth can also help businesses to be more profitable.

Literature Review

The Concept of Reward System

Nelson and Peter (2005) says "you get what you get." They believe that the payment system is the biggest control system in the world. If the organization rewards certain employee behaviors, whether good or bad, it will be more profitable for the company (Svensson, 2001). Every company today has some form of compensation system, whether clear or not, it still exists (Jaghult, 2005). People respond positively to compliments, and timely compliments lead to loyalty and attraction (Bernstein, 1998). This can be motivation or personal growth stimulation. The first thing is to be proud of something, to be satisfied and happy with what you do. The latter is the type that is displayed by another person or organization (Kaplan and Atkinson, 1998), and it is the type that we focus on in this study. In addition, external payments can be monetary or non-monetary. Compensation is usually a fringe fee, separate from compensation for outstanding performance or incentives, and can be provided by an individual or a group. The means of obtaining these rewards must be established in advance and performance must be measured (Jaghult, 2005). Reward systems have many purposes, most of which are to motivate employees to perform better and also to retain employees (Axe, Christer, & Kullven, 2005). For a reward system to have the desired incentive effect, rewards must meet certain criteria; important, big enough to have an impact, easy to understand, timely, long-lasting impact, and finally a long-term reward. cost effective (Merchant, 2007).

Compensation systems align the natural needs of employees with organizational goals and provide three types of benefits that are controlled by the organization: information, motivation, and employees. First, rewards should attract employees and remind managers of what needs to be accomplished in various areas of work. Organizations use reward systems to increase parameters in employees to work hard and participate in reward programs (Svensson, 2001). This is a good way to praise and encourage employees what aspects of work are important, and to set goals in the organization and show how employees manage their work. Incentives are the second benefit of control. Sometimes people need motivation to do their job well and work hard. Finally, we have the advantage of human-centered controls. Organizations provide incentives for various reasons, such as increasing employee engagement and maintaining wages by offering competitive wages in the market (Merchant, 2007). It is important to remember that reward systems have positive and negative

rewards. Negative rewards are called penalties and are shown by the absence of positive rewards. Examples of positive rewards include autonomy, power, salary increases, bonuses, while some negative rewards include excessive interference with work, lack of pay, and lack of promotion (Svensson, 2001).

There are criteria that should be considered when establishing a fee structure and are considered in most flat fee systems. Incentives can be "fixed" (i.e. employees receive a fixed salary) and bonuses. Like people, companies have different parts of the world, and depending on where the company is at the moment, companies have different needs, in terms of payment systems and need to create goals.

The company's goals for profitability and growth are the parameters used to measure whether you should pay incentives. In general, goals should be clearly broken down so that they are easier for employees to measure and understand, and they should be shown how their performance impacts the goals and parameters being measured. Here, the incentive system becomes a management tool, it is important to choose the goals to measure, because these are the goals that the employees focus on. Financial rewards are sometimes awarded based on the performance of an individual or department even if the company is in trouble. This can be avoided by adding a threshold requirement for the company, which must be met before the fund is paid to any department. Factors such as when and how payments are made, and whether there is a cap (an upper limit on the amount of payments) should always be determined when designing a system (Jaghult, 2005).

Monetary Reward

As the name implies, a monetary incentive is a money-based reward given when an employee meets or exceeds expectations. One common way to reward employees is to offer bonuses. This might include individual bonuses for meeting sales quotas or team bonuses for meeting production requirements or completing a project on time. Some companies offer an annual Christmas bonus based on the amount of time an employee has been with the company to reward loyalty.

Profit sharing with employees is an excellent way to reward employees. Employees receive a portion of the profit based on their position and time with the company. It also gives employees a sense of ownership in the success of the company and encourages high levels of performance.

For employees in production positions, companies can offer piece rates as a monetary award. The employee will receive a certain amount of money for each piece he produces. This encourages employees to work quickly to receive the highest rate of pay, but the company must make sure that quality is not sacrificed.

Companies can also offer pay raises for reaching certain production levels, completing training programmes or for staying with the company for a certain period of time. These raises can help motivate employees to improve their performance levels and skills. They also reward loyalty to the company.

Other monetary reward ideas include offering employees matching retirement fund contributions and paying for part or all of continuing education or employee training programmes. You can also offer paid time off as a reward for meeting certain work goals.

"It is certainly not the only form of reward, and it is not necessarily always the best one, but its use is so common that it deserves special mention" (Merchant, 2007). People value money and

therefore use it as a form of value. Bonus systems can be divided into three main categories: performance-based, short-term incentive plans, and long-term incentive plans. The last two types of compensation are common at the organizational level and are usually linked to performance over a period of time (Svensson, 2001). The first is considered the main motivation factor (Samuelsson, 1999). Every organization provides compensation to employees at all levels of the organization. This is normally a small portion of an employee's salary, by has a significant values due to its long-term perspective (Merchant, 2007).

Short term incentives in some form are however commonly used in organizations. A cash bonus is usually based on performance measured on a time period of one year or less. Why a company primarily uses a variable pay is to differentiate it among the employees, so that the most successful employees will be rewarded. By recognizing the employee's contributions to the company it makes it easier for the organization to encourage excellent performance. The employees appreciate the possibility of receiving a reward for their performance (Svensson, 2001). Using a variable pay can also be an advantage for the company in terms of risk-sharing. This means that the expense for compensation varies more with company performance when the total compensation is partly variable, making the cost lower when no profit is made and when there is a profit this can be shared with the employees.

Rewards based on performance measures over time periods larger than one year are long-term incentive rewards. By using this, a company can reward employees for their outstanding work performance to maximize the firm's long-term value. This also works to attract and retain key talented persons (Merchant, 2007). Types of these can be stock-option programs, restricted stock plans or by a reward that is put in a „bonus-bank“ that change according to result and runs over several years (Samuelsson, 1999). Stock option plans usually allow people to buy shares in the future at current prices. This is a good way to reward managers who want to increase the value of their shares, and who are committed to achieving long-term goals and objectives, rather than focusing on short-term profits. short. Another advantage of this type of index is that because the manager does not own the shares, he is still at risk of paying more than if he owns the shares. However, stock option plans have serious problems. Managers have very little control over value. Too many external and non-responsive factors can influence value, making it less attractive as an incentive (Kaplan and Atkinson, 1998).

One type of long-term incentive is some form of restricted stock plan. These awards are shares that are given to employees as a bonus, but can be sold after a certain period of time. For example, after one year, the employee can buy one-fifth of his shares, after two years, he can buy two-fifths, and after three years, the three fifths, and so on. way. Some companies will go out of their way to take the shares you have received (Merchant, 2007).

Non-monetary

Non-monetary incentives refer to rewards other than money, such as recognition of employee learning needs, training and development, and flexible working hours. Therefore, payments are made in transactions without cash. Non-cash payments include jewelry, precious metals, etc. In business, it can also be a service, such as property repair or vehicle repair. Receiving praise from a manager or praise from coworkers are examples of non-monetary rewards (Jaghult, 2005). Cash payments are often criticized for

being too short-term and not creating long-term stability, which is usually what you want from employees. To achieve long-term employee motivation, organizations should focus on financial and non-financial incentives to provide a positive combination (Armstrong, 2003). Fees apply on an individual to group basis. For group rewards to have a direct motivational effect, employees receiving the reward must believe that they can significantly influence the performance for which the reward is based (Merchant, 2007). Accomplishing something as part of a team strengthens the bonds between colleagues. However, if someone joins the team without much input from others, it often leads to resentment from others and telling the employee that they don't need to put in the effort to give back from something. This situation is called the free rider problem. In many projects and companies, it is not possible to do a job alone, but the process of achieving something is a process that goes on in the company with many different people. In these situations, rewards are better on teams because "everyone does his part," although it's hard to see the individual impact.

Individual costs are based on optimization. When individualized compensation systems are implemented, employees focus on their own performance rather than the performance of the company as a whole. Asking co-workers and managers for emergency help will make you think twice about asking for help, because if you do, you may need to share the costs later. The result of this is that the work is completed with good results compared to colleagues who are more likely to complete the work or a part of the work, and therefore are less than perfect. However, individual-related rewards can create significant motivation and motivation for individuals (Jaghult, 2005). This is because the more responsibility employees have, the more they feel appreciated and more knowledgeable. In teams, people learn from each other, do more good work, and become more productive. Rewarding groups that file lawsuits with monetary rewards creates rewards for group members because they enjoy being part of a group that has done something remarkable (Jaghult, 2005). It is also possible to combine the two indicators (Samuelsson, 1999). This can be done by basing the total score on team performance and basing the proportion of the score on individual performance (Kaplan and Atkinson, 2016).

Differences between Monetary and Non-Monetary Incentives

Motivating employees can be challenging for any business owner or manager. In some industries, monetary rewards are enough to get the most out of employees, while in other industries, other types of incentives may be more effective. Differences between monetary and non-monetary incentives are simple to distinguish, in some respects, but their impacts on an employee's performance can be somewhat more difficult to measure.

One of the primary differences between monetary and non-monetary incentives is in the type of reward they offer. As the name implies, a monetary incentive is a money-based reward given when an employee meets or exceeds expectations. Monetary incentives can include cash bonuses, stock options, profit-sharing and any other type of reward that increases an employee's compensation. Blumberg, Cooper and Schindler (2008) at the University of Florida, contend that non-monetary awards tend to come with the promise of an opportunity. Opportunities can include time off from work, flexible work schedules or even positive changes in the work environment.

The purpose of monetary and non-monetary incentives is similar. Only slight differences may exist between the two in what they are

designed to accomplish. A monetary incentive is generally awarded for a job well done and is often something that the employee can strive for. These are usually offered in the form of some type of bonus. However, the purpose of a non-monetary incentive is to generally reward the employee after the fact of doing a good job. This may not always be the case for every type of non-monetary incentive, but these rewards are not generally something the employee works toward.

Both monetary and non-monetary incentives can be effective in the workplace, but to varying degrees. Monetary incentives tend to be more effective when the employee is actually motivated by cold, hard cash or additional forms of payment that increase his total compensation. However, non-monetary incentives can be just as effective in motivating employee behaviour.

Another difference between monetary and non-monetary incentives are the potential problems associated with each. Both may prove to be effective motivators in certain contexts, but the performance-based monetary award tends to encourage compliance rather than creativity and innovation. In other words, the employee acts in a way that allows him to receive the monetary award, rather than thinking outside the box. His motivation is to make the money and not necessarily to improve the company or gain additional praise from his employer (Sarantakos, 2005).

Theoretical Framework

McGregor's Theory X and Theory Y

In his book, *The Human Side of Enterprise* (1960), McGregor looked at the management systems that existed during his time and divided management approach into two essential psychological types. The conventional view of management, which he terms as Theory X resembles a top-down approach to management. He noted that managers who employed theory X approach perceived people as needing direction and control. According to McGregor, this perspective assumed that:

- a. Management is responsible for organizing the elements of productive enterprise- money, materials, equipment, and people in the interest of economic ends.
- b. Without this active intervention by management, people would be passive even - resistant to organizational needs. They must, therefore, be persuaded; rewarded, punished, controlled their activities must be directed.
- c. The average man is by nature indolent- he works as little as possible
- d. He lacks ambition, dislikes responsibility, and prefers to be led
- e. He is inherently self-centred, indifferent to organizational needs
- f. Again, he is gullible, not very bright, the ready dupe of the charlatan and the demagogue. (McGregor 1960) McGregor notes that with such assumptions, management tends to be of two opposing types. On the one extreme end, management tends to be strong, where the methods of directing or managing behaviour involve coercion and threat. On the other extreme end, management approach tends to be soft, whereby the need for management to maintain harmony leads to permissiveness. McGregor notes the inappropriateness of both forms of management types as coercion and threats generate resistance while extreme permissiveness leads to inefficiency. In addition, both management approaches are wrong because man as a social

being needs more than financial rewards at work, he has a higher and deeper order of motivation, with the opportunity for self-fulfillment topping them. He asserts that to understand why the conventional perception is the wrong one need to look at the nature of human motivation. Human motivation, according to McGregor, is ordered in a hierarchical manner of importance: the physiological needs, safety needs, social needs, ego needs, and self-fulfillment needs. At the physiological level is the need for food, water, etc. These are also ordered such that when he is hungry, he ignores all others. The safety need, which includes protection, against danger and threats begins to dominate once the physiological needs are fulfilled. He notes that the „arbitrary management actions, behaviour which arouses uncertainty with respect to continued employment or which reflects favouritism or discrimination, unpredictable administration policy can be powerful motivators of the safety needs“ (McGregor 1960). The need for a sense of belongingness to the group constitutes the social need. Above the social need is ego need which relates to the need for reputation and self-esteem. Finally, there is the self-fulfillment need, to „realize one’s potentialities, continued self-development and for being creative in the broadest sense of the term“ (McGregor 1960). Each lower level of need will remain important until it has been satisfied. Thus, a satisfied need is not necessarily a motivator of behaviour, but rather a motivator to achieve or fulfill the next level of need. McGregor, therefore, proposed a shift in perspective by incorporating a humanistic approach through the integration of the individual and organizational goals, a perspective he terms as Theory Y and resembles a bottom-top approach. He indicates that:

- a. the various elements of a productive enterprise (such as money, materials, equipment, and people in the interest of an economic end) are the core responsibilities of management.
- b. People become passive or resistant to organizational needs as a result of their experience in the organization but not because they are naturally passive in nature.
- c. Human characteristics, such as their readiness for development, their inward ability to take responsibilities, their zeal be organizationally oriented are all imbibed in people, but it is the responsibility of management to make them recognize and exhibit the potential abilities.
- d. The crucial responsibility of management is to ensure that the organizational conditions and methods of operations are properly arranged, to enhance people to adequately achieve their own goals by directing their effort towards the organizational objectives. McGregor notes that a more accurate assumption about human nature and human relation such as the above is essential to managing human relations, motivating employees, and achieving efficiency in the workplace between employers and employees, communication between the two parties and maintenance of employees by management. (McGregor 1960).

Gap in Literature

The gap in literature emanates from the fact that previous studies did not demonstrate that theory X views employees as inherently lazy and unmotivated, while theory Y sees them as proactive and self-motivated. These contrasting views lead to significantly different management styles and organizational cultures. Theory X tends to promote micromanagement or, at the very least, close supervision. By contrast, Theory Y leads to a higher degree of worker freedom and self-motivation.

On their impact on employee motivation and performance, theory X can result in a de-motivating work environment, where employees feel undervalued and restricted. They cannot see a causal connection between their hard work and any improvement in their working life or conditions. In contrast, Theory Y creates a positive atmosphere, encouraging employees to take initiative and perform at their best. Implementing theory Y principles can lead to higher job satisfaction, increased productivity, and reduced turnover.

However, in situational appropriateness, both theories have situational appropriateness; in other words, there are environments where it is better to adopt more of a theory X approach, rather than a theory Y culture.

Theory X may be necessary in environments requiring strict compliance and control, such as safety-critical industries. The police, the armed forces, the law; all are realms in which a strict Theory X approach may be required in many day-to-day workplace activities.

Conversely, theory Y is more suitable for creative and dynamic workplaces where innovation and employee engagement are crucial. Engineering, product design, and entertainment are three disciplines in which a theory Y approach is best.

Methodology

For the purpose of generating data for this study, the researcher made use of documentary sources which is also known as “Secondary Sources” from related literature on the subject of our study. By documentary sources, we mean any written material (whether hand-written, typed or printed) that is already in existence, which was produced for other purpose than the benefit of the investigator.

Discussion

Test of Hypothesis One

Effective reward system leads to employee productivity in GG

Research shows that when employees are recognized and rewarded for their work, they are more likely to be productive and engaged at work. GG creates a positive work environment that encourages employees to do more. By honoring and appreciating employees, motivated and appreciated employees will increase their performance, as well as their loyalty to the company and its products. This shows that rewarding employees for their achievements has a positive impact on their productivity. Rewarding employees due to increased productivity through GG motivates employees to work better and increase productivity. A good compensation system can increase attendance and reduce absenteeism. Many employees leave when they feel that their achievements are not seen, appreciated and respected by their bosses. Therefore, employee appreciation can greatly influence an employee's decision to stay with the company or seek employment elsewhere. A reward system creates a work culture that acknowledges and celebrates employee achievements. Job satisfaction and job retention increase because employees feel their work is valued and cared for. Paying employees for their results encourages them to strive for better results. This motivates employees to do more, increase productivity and productivity. This will benefit the employees. An employee compensation system is a necessary way to motivate employees and keep them motivated to work. Employees' contributions to the company's goals and

achievements are recognized and rewarded. It builds relationships between employers and employees while helping to build trust. In addition, the reward system creates a good and cooperative work environment where employees are passionate about work and carry out their work with great motivation (<https://oneri.io/en/blog/the-role-of-reward-in-employee-motivation>). The above discussion supports our first hypothesis that effective reward system leads to employee productivity in GG.

Hypothesis Two

There is a significant relationship between reward and employee productivity in GG

Rewards help to increase employee satisfaction, thus improving employee productivity. Satisfied employees are more engaged, committed, and willing to go the extra mile to achieve organizational goals. A well-designed reward system can stimulate the motivation of employees and encourage them to excel in their work. In fact, well-designed hires can increase employee productivity by 44%. Torrington and Associates (2009) expressed the view that reward systems can have a positive impact on employee productivity if the system meets the needs and expectations of employees. The most common rewards are divided into intrinsic and extrinsic rewards, extrinsic rewards refer to promotions, commissions, bonuses, and awards, while intrinsic rewards include performance appreciation, increasing socialization, improving working conditions, diversifying job descriptions, and increasing responsibility.

Research has long shown a link between employee satisfaction and productivity. When employees are appreciated and satisfied, they take pride in their work, productivity increases and business results are better. However, these results are not random. Rewarding employees for their work encourages them to strive for better results. This motivates employees to do more, increase productivity and productivity. This will benefit the employees. Reward management is the process of providing incentives for employees to meet or exceed organizational goals. The motivation to achieve or exceed organizational goals is influenced by extrinsic rewards (such as financial incentives) and intrinsic rewards (such as employee autonomy). This motivation comes from external sources such as money, awards, criticism or punishment. Externally, motivated employees can complete a task even if they don't want to because they know that they will be rewarded with satisfaction and happiness when the task is completed. Unfortunately, the effect of extrinsic motivation on employees is only temporary, and new rewards must be given when new tasks are completed (Armstrong, 2013). Torrington, Hall, Taylor, and Atkinson (2009) studied compensation systems and their impact on organizations and concluded that fair compensation systems can increase job satisfaction and thus increase employee effectiveness and efficiency. The above analysis supports our second hypothesis that there is a significant relationship between reward and employee productivity in GG.

Hypothesis Three

Lack of effective reward system leads to workers low morale in GG

A poorly managed compensation system can lead to low morale, poor performance, and even high employee turnover. Compensation systems are successful when employees interpret their policies in a fair, consistent, and meaningful manner. Hiring and rewarding employees is difficult. A lack of effective

compensation makes it impossible to attract and retain the employees necessary for the success of the organization. Ineffective compensation systems often lead to embarrassment and frustration among employees, who may feel that their work is being ignored or undermined. Open communication promotes trust and honesty in the compensation system, and ensures that employees are committed to fairness and impartiality. Reward systems are an important part of employee motivation and engagement in an organization. However, if implemented incorrectly, this can not only lead to a lack of improvement in employee performance, but can also reduce employee motivation and create a negative work environment. Appreciation is perceived by employees as a means and appreciative, thus increasing employee morale and ultimately increasing organizational productivity. Therefore, if the compensation system is not well managed, the morale of the employees will be low. The above discussion shows that lack of effective reward system leads to workers low morale in GG.

Findings

From the discussion above, the study found as follows:

1. By providing employees with recognition and rewards, GG create a positive work environment that encourages employees to do more. Rewarding workers by the management of GG as a result of increased productivity can give its employees an incentive to perform better and become more productive.
2. Reward increases job satisfaction and retention as it makes employees of GG feel that their work has value and is cared for. Rewarding GG employees for their productivity encourages them to strive for better results. This motivates them to achieve more, increasing engagement and productivity.
3. When GG workers feel valued and satisfied, they take pride in their work resulting in greater productivity and better business outcome.
4. Extrinsicly motivated staff of GG can work on a task even without being interested in it, knowing that the reward will provide them with satisfaction and pleasure after the task being completed.
5. Lack of effective reward can lead to the inability GG breweries to attract and retain the employees needed for the success of the organization

Recommendations

In the light of the above ideological disquisitions, the study recommends as follows:

1. To create a positive work environment that will encourage its workers to do more, the management of GG should have a good reward system that will result to increased productivity and give its employees an incentive to perform better and become more productive.
2. To ensure job satisfaction and retention, increased motivation and productivity of its workers, the management of GG should reward its staff for their performance because it will encourage them to strive for more and better results.

3. GG Brewery should set effective wages so that the employees are appreciated and satisfied with their work, which will increase productivity and better business results.
4. The management of GG should not relegate extrinsic reward of its employees to the background, because it has the capacity of motivating its staff to work on a task even without being interested in it, knowing that the reward will provide them with satisfaction and pleasure after the task being completed
5. To ensure effective reward that will attract and retain the employees needed for the success of GG Breweries, the management of GG should always have open communication with the employees which will help to build trust and credibility in the reward system, ensuring that employees feel confident in its fairness and equity.

Conclusion

Reward system adopted by an organization is instrumental in motivating employees to perform better which ultimately increases their productivity. This implies that ineffective poor reward system may result in worse than average employee productivity. Therefore, there is need for GG to develop a performance-enhancing reward system capable of facilitating the best management and development of their employees to increase their productivity. The rationale behind the use of effective reward system to employees is that motivated employees become satisfied in terms of fulfilling their wants, both financial and non-financial. Failure to do so, employees will be tempted to leave the organization. On one hand, employees prefer receiving intrinsic rewards in terms of praise and recognition for certain work accomplishments, while other employees are happy with extrinsic reward in terms of salaries, bonus and incentive offered to them.

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