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REWARD SYSTEM: A STRATEGY FOR ACADEMICS' JOB SATISFACTION AND RETENTION

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ABSTRACT

The reward systems are significant factors for employee satisfaction. Reward systems addresses the needs of workers, strengthens the relationship between the employee and the employer. Employees are valuable assets in any organization and expect to get rewarded for the job done. The survey method was employed in carrying out this research. A total of 200 academics' were selected from Covenant University. The stratified sampling was used to distribute 200 copies of questionnaire among lecturers in four colleges in the university and 176 copies of questionnaire were adjudged usable for this research. Data collected was analysed using descriptive statistics on the Statistical Package for Social Sciences (SPSS) version 23. The study revealed that reward takes different forms and majority of the academics are not satisfied with the rewards system in the university. The study recommends that university management should pay attention to improving the reward system available so as to increase productivity and efficiency among academics.

Keywords: Reward System, Academics, Job Satisfaction, Retention, Employee.

INTRODUCTION

The level of commitment of an employee to any organization is strongly linked to the level of satisfaction of such employee, and job satisfaction is derived from the rewards employees get from their employers. Job satisfaction is the degree to which employees are satisfied with their jobs, and the performance increases remotely when an employee is satisfied (Ngwa et al., 2019). Additional factors impacting employee job satisfaction include career growth, accomplishment, financial stability, self-esteem and a sense of belonging. If employees are pleased with the consequence of these variables, then they are satisfied with their jobs. If they are only moderately content, they are only satisfied with certain parts of their jobs or they are not at all satisfied with their jobs, which in turn would significantly affect the growth of every organization. Job satisfaction is founded on the idea that the happiest worker is the most efficient. Greenberg & Baron (2008) assert that job satisfaction has a positive or negative impact on one's work responsibilities. The degree to which workers are satisfied with their work influences how efficient an organization is. Therefore, employees need to be satisfied and committed to their jobs through various ways which include strong and effective motivation. Motivation is a psychological state. Human needs are insatiable but these needs can to a large

extent be covered. In an organizational context, when these needs are not met, they are demonstrated in the employees' behavior, employers must create a suitable environment in which motivation can take place. However, Elton Mayo, a prominent expert in the human relation approach, argues that employers need to be mindful of these 'social needs' and ensure that employees cooperate with the official organization instead of operating toward it., therefore humans should be seen as humans and not machines ensuring that productivity can also be achieved.

Reward and compensation have been noted as major factors that affect job satisfaction of employees in many organizations. Angima & Mwangi (2017) asserted that salary and compensation are important factors affecting job satisfaction of employees since they strengthened a positive emotional state. Job satisfaction is positively related to the degree to which one's personal interests are achieved in the work position. Employees place a high premium on jobs that offer rewards such as a sense of accomplishment, variety challenge, and individual development. Organizations should modify current positions so they can have features or results that are inherently rewarding for employees.

LITERATURE REVIEW

Reward System

Armstrong's (2006) stated that rewards system consists of the integrated strategies, procedures and activities of a company to reward its workers in accordance with their commitment, ability and skills. Reward is extrinsically or inherently enhanced to preserve and enhance the conduct of employees in an organization. Reward is earned by an employee from an employer for the exchange of the employee's service or as a return for the work performed. Bau & Dowling (2007) noted examples that can be used to reward employee accomplishments, such as a fixed base wage, variable allowance and employee stock ownership plans. In addition, rewards can take financial and also non-financial forms such as recognition, empowerment etc.

Types of Reward System

Intrinsic reward

It has been argued that intrinsic rewards originate from the content of the work itself and include enhanced performance-oriented variables such as: interesting and challenging work, self-direction and accountability, variety, imagination, ability to use one's skills and abilities and appropriate input on the effectiveness of one's effort. Intrinsic rewards are defined by Mahaney & Lederer (2006) to include performance-related incentives such as encouragement from co-workers and immediate bosses, appreciation of management for well-performed work tasks, status in the workplace.

Intrinsic or non-financial rewards are very important for stimulating improved effort and efficiency, according to Chiang & Birtch (2008), as they profoundly contribute to creating a positive impression in the employee's mind of the degree to which he or she sees the organization as helping and caring. Mahaney & Lederer (2006) also emphasized the importance of intrinsic rewards to include the stimulation of employee motivation towards work; an action argued to be influenced by several factors such as the level of pride one attaches to their job, the

level of fun or joy derived from work, the belief that one's effort contributed to the group, department and organization's success.

Extrinsic reward

In the other hand, extrinsic incentives are external to the work itself. Elements such as salaries, fringe benefits, job security, promotions, private office space, and the social environment provide financial or tangible incentives (Hafiza et al., 2011). Competitive wages, wage increases, merit awards and other indirect forms of payment as compensatory time off are further examples (Mahaney & Lederer, 2006). One of the oldest techniques implemented by business organizations to increase the productivity of workers is to pay a salary premium to workers, a wage that is above the wage paid for equivalent labor by other businesses.

A wage premium will improve efficiency by improving morale, fostering greater dedication to firm objectives, minimizing turnover and motivating. As a result people are often drawn to well-paid job, increase additional attempts to undertake tasks that get them more pay, and become dissatisfied if their pay is threatened or diminished. Extrinsic incentives shows that the organization values the contribution of employees.

Job Satisfaction

Satisfaction means different things to different people and at different levels. Job satisfaction is more of a mindset, an internal state: it may be correlated with a personal sense of accomplishment (Inuwa, 2016). Job satisfaction is a crucial factor in the retention of skilled staff and success of all organizations. Job satisfaction is a function of how satisfied one's job needs are. Job satisfaction for employees is the achievement and pleasure that comes from work. It is the impression that employees get out of work itself (Bustamam et al., 2014). In addition, job satisfaction is a category of positive behaviours linked to some of the factors that employees have in their careers, which is why job satisfaction can have an effect on people's physical well-being, emotional well-being and social life.

Galanou et al. (2010) argues that job satisfaction is a very important aspect of human resource management as it affects the relationships between various work cultures, goals and rewards affecting their employees. The more satisfied employees are, the less likely they are to leave their jobs, the lower rates of absenteeism and the greater productivity they have. This is relevant because employers are now opting for actions that will make employees more satisfied and thus more productive (Galanou et al., 2010).

The factors that cause job satisfaction may also cause job dissatisfaction. There are some factors which affect the satisfactory level of work for an employee. Ahmed et al. (2012) claims that a person with a high degree of job satisfaction has a positive attitude toward work, while a person who is dissatisfied has a negative attitude toward it. He also mentioned that job satisfaction would lead to the commitment of an organization while job dissatisfaction would lead to the turnover of workers, absenteeism, strikes.

Other variables, such as personal attributes such as employment, age, education, marital status and experience, have an impact on job satisfaction. Thus, the importance of job satisfaction for the organizations as suggested by Singh & Jain (2013) include; increases employee retention, increases productivity, reduction in turnover, recruitment and training costs, reduced wastage and breakage, reduced accidents, reduced absenteeism, increased customer satisfaction and loyalty, enhanced employees, improves teamwork, improves corporate image.

These suggest that satisfied employees are the best tool that can assist any organization in achieving its desired objectives (Özutku, 2012; Jiang et al., 2006; Hedge & Borman, 2012).

Benefits of Job Satisfaction

Employees' who are satisfied and motivated in organizations that offer competitive rewards, have less turnover intentions and increased job satisfaction. Job satisfaction leads to higher productivity, lower turnover and less work stress. Employee job satisfaction is vital to the success of every organization.

Increased level of employees' job satisfaction often results in increase profitability of an organization. These would allow employers to be more willing and able to increase their employees' wages, salaries and benefits. The provision of reward system increases employees' commitment to the organization. When employees are satisfied with their roles, they would be more likely to put extra time into working for the good of the whole organization. High job satisfaction will result in a series of positive results.

Lower Level of Employee Turnover

In many organizations the high turnover rate has always been a big issue. The more efficient people, the happier they appear to be and the less likely they are to leave the company as the employees are fulfilled. The high turnover of employees is the product of work dissatisfaction and job satisfaction is very important in order for the company to retain employees for a long time.

Reduced Absenteeism

In organizational research, the word absenteeism is defined by the non-attendance of workers when they are supposed to attend scheduled work. Absenteeism has been aptly called the common cold of problems with organizations.

High job satisfaction can lead to low absenteeism; low satisfaction can lead to an increase in absenteeism. For avoidable causes, the less happy workers are more likely to be away from work. Absenteeism is triggered by disgruntled workers, who escape stressful circumstances of work. An employee is absent when the benefits of non-work outweigh the costs.

Less Unionization

Patrice (2017) suggested that employees could support unions in expressing negative attitudes to the workplace. Employees who are more or less dissatisfied with their work in one way or the other are likely to enter a union to demonstrate such unhappiness. That is to say, it is not being unionized that makes employees less satisfied, it is being disappointed with an organization which makes one more likely to enter a union. The employees enter the unions because they believe they cannot make changes directly that will reduce the causes of job dissatisfaction. The extent of union operations has to do with job dissatisfaction. A low level dissatisfaction will only result in protests whereas higher rates of dissatisfaction will result in attacks on employees.

Relationship between Rewards and Job Satisfaction

Reward is commonly seen as one of the ways in which employees' job satisfaction is improved. Some of the major issues of organizations involve their system of rewards and job satisfaction for employees (Bustamam et al., 2014). As a result, many organizations invest a lot of time on job satisfaction for employees in order to reduce turnover, improve productivity and help the organization accomplish its objectives through a reward system that addresses employees' personal needs.

Recent studies suggest that the job satisfaction of employees is highly influenced by the various types of rewards of the organizations. A research conducted reveals that employees tend to be more satisfied with jobs when rewards suit their needs. In addition, both the intrinsic and extrinsic rewards that an employee receives are essential predictors of job satisfaction.

Consequently, having appropriate rewards has a strong association with the morale and job satisfaction of employees. Rewards are strong job satisfaction determinants (Bustamam et al., 2014).

The rewards of an organization may have a powerful impact on the attitude of its employees towards their job and organization for which they work. Note that intrinsic rewards are likely to be more common in terms of affective participation and job involvement, whereas extrinsic rewards are more likely to be significant in terms of the ongoing commitment of the organization.

METHODS

The survey method was employed in carrying out this research. The study population consist of academics in Covenant University. A total number of 200 respondents were considered for this study. The multistage sampling method was employed. The stratified sampling was used to distribute 200 copies of questionnaire among lecturers the four colleges in the university and 176 copies of questionnaire were adjudge usable for this research. They include College of Science and Technology (CST) with 169 lecturers, College of Business and Social Sciences (CBSS) with 127 lecturers, College of Engineering (COE) with 131 lecturers and College of Leadership and Development Studies (CLDS) with 52 lecturers. Data collected was analysed using descriptive statistics on the Statistical Package for Social Sciences (SPSS) version 23. Results were presented in frequencies, tables, percentages and charts.

RESULTS

Table 1 show that there are more female 51.7%, than male lecturers 48.3%. The table also shows that most lecturers are between 31-40 years 36.9%, aged 21-30, are 48.3%, 23.9% of respondents are between the ages of 41-50, 7.4% between 51-60 years and only 1.1% are above 60. Furthermore, 45.5% of respondents have gotten a Doctor of Philosophy qualification, 35.8% have a Masters while only 18.8% are Bachelor degree holders. Also, 22.7% are senior lecturers. This group has the highest number of all others closely followed by graduate assistants which account for 16.5% of the respondents, 14.2% are lecturer 2 and associate professors, 13.1% are lecturer 1, On the other hand, only 11.9% of lecturers have attained the position of full professorship while 14.2% are associate professors.

Table 2 shows that a majority 63.1% of Covenant University lecturers are aware about the university's reward system with only 36.9% ignorant of such provision. Nevertheless, 70.5% of the lecturers do not find the reward system attractive (Figure 1).

Sex	Frequency	Percentages
Male	85	51.7%
Female	91	48.3%
Age	Frequency	Percentages
21-30	54	48.3%
31-40	65	36.9%
41-50	42	23.9%
51-60	13	7.4%
60 above	2	1.1%
Academic qualification	Frequency	Percentages
B. Sc	33	18.8%
M. Sc	63	35.8%
Ph. D	80	45.5%
Academic status	Frequency	Percentages
Asst. Lecturer	13	7.4%
Graduate Asst.	29	16.5%
Lecturer 1	23	13.1%
Lecturer 2	25	14.2%
Senior Lecturer	40	22.7%
Associate Prof.	25	14.2%
Professor	21	11.9%
Total	176	100%

Question	No	Yes
Are you aware of any reward system in your university	65	111
Is the reward system in your university attractive	124	52

Suggested reward	Frequency	Percentage
Increase in salary	23	13%
Better welfare packages	13	7.4%
Scholarships for staff children	7	4%
Better training packages	10	5.7%
Recognition for research and staff efforts	32	18.2%
Regular and fair promotion	24	13.6%
Overtime Pay	7	4%
More bonuses and allowances	36	20.5%
Better pension package	4	2.3%
Leisure activities for lecturers	3	1.7%
No responses	15	8.5%
Participation in decision making process	2	1.1%
Total	176	100

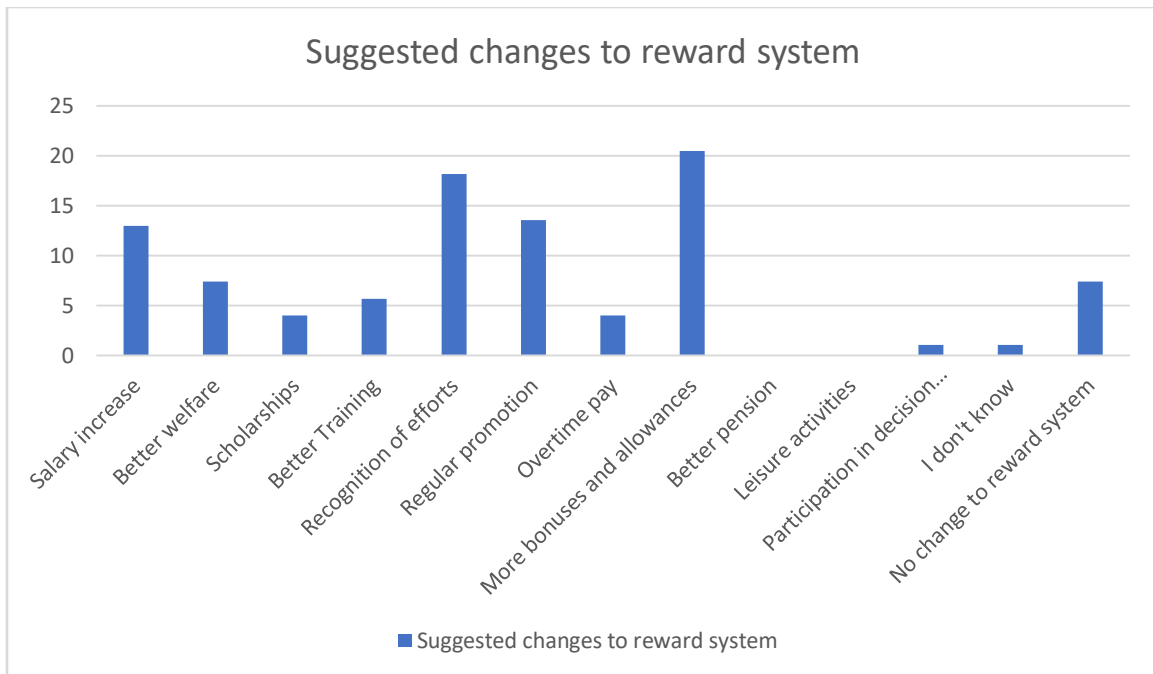


FIGURE 1
SUGGESTED CHANGES TO REWARD SYSTEM

Table 3 shows that getting bonuses and allowances 20.5% is very important. Such allowances include travel, vacation; leave (especially maternity) allowances. It is the most considered among the other areas of improvement to the reward system noted by respondents. This is followed by the 18.2% who consider seeing their efforts and research recognized as more important. This is seen to boost their morale to work more and better. Salary increase is also not left out as 13% respondents see it as an area for necessary upgrade in the reward system.

CONCLUSION

The study revealed that reward could take different forms and is vital in ensuring job satisfaction among academics. There are reward systems available in the university but the academics are not satisfied with them. Majority of the academics suggested increase in salary, recognition for research and staff efforts regularly, fair promotion, bonuses and allowances amongst others. Employees are less motivated when they are not adequately rewarded or when the reward they get is not commensurate for the job done. This study recommends that the university management should make rewards system commensurate and available to academics'.

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