

REWARD SYSTEM AND EMPLOYEE COMMITMENT IN PUBLIC UNIVERSITIES IN SOUTHWEST, NIGERIA

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Abstract

This study examines the relationship between reward systems and employees' commitment in selected public universities in Southwest, Nigeria. While reward system was measured with salary, allowance and promotion, employees' commitment was disaggregated into affective and normative commitment. This study adopted a descriptive research design. The population for this study covered all the 10,553 academic staff, out of which 385 academic staff were sampled using Yamane (1964) formulae. The study adopted proportionate and random sampling techniques. For the data analysis, Pearson's Product Moment Correlation and multiple regression analysis were used to test the hypotheses. Findings from the study revealed that; salaries have a positive significant effect on the employee commitment in public universities in Southwest, Nigeria; Allowance has a positive effect on employee commitment in the public universities in Southwest, Nigeria. However, the positive effect is only significant for affective commitment against the insignificant positive effect on continuance and normative commitment. Based on the findings made, it was established that reward system has the capacity to influence employee commitment in the public universities in Southwest, Nigeria. It is recommended that across all the higher institutions in Nigeria, employee commitment should not be jettisoned, polluted and jeopardized as they serve as they contribute to the sustainability of the higher institutions in Nigeria.

Keyword: Reward System, Salaries, Allowance, Promotion, Employees' commitment, Affective commitment, normative commitment

1. Introduction

In the educational sector, universities are seen as one of the most powerful weapons to ameliorate the imbalances of a nation and ensure the desired level of growth and development is achieved. This is because university education, in its general sense, is expected to produce entrepreneurial graduates for national development. This is one of the core objectives of every university, public or private, in any developing nation like Nigeria. Undoubtedly, the achievement of this objective is majorly dependent on the commitment level of employees of all cadre. This underscores that committed employees do not only determine the direction of the

organizational performance, but they are also the life wire of organizations that determine its functionality. Committed employees are focused workers who are not easily tossed or overwhelmed by the operating activities of the organization. Ekwunife, Egunlusi and Chikwe (2019) believed that employee's commitment denotes a worker's dedication and enthusiasm to exercise strength and resources on behalf of a firm. Several factors have been put forward by scholars to determine the commitment level of employees across organizations (Ojeleye, 2017). These are not limited to internal control system, leadership style, internal marketing, training and reward system which happened to be the focus of this study. In other words, this study tries to examine how employees' commitment in terms of affective commitment, normative commitment and continuance commitment can be influenced by the reward system of universities in the Southwest geo-political zone of Nigeria. Employees are assumed to see organizations where they work as a means to an end. That is, the organization is viewed as a place of work where efforts are rewarded monetarily through which people earn a living and give back to society.

Rewards are monetary and non-monetary payments made available to employees by the organization in return for their contribution to the attainment of the stated objectives (Samuel, Stephen, Johnson & Damian, 2019). In the context of this study, reward is the benefit that boosts the frequency of an employee's action and propelled improved productivity and service delivery in universities. According to Riyanto, Yanti and Ali (2017), reward system is the means by which an organization encourages employees in terms of achievement, salary, allowances, promotion, staff training and retirement benefits, which ultimately motivate employees to improve performance. Generally speaking, employees seem to be more committed when they are rewarded accordingly. The purpose of reward system is to guarantee that employees' value and contributions are acknowledged and compensated (Ibrahim, 2018). However, in Southwest, Nigeria, personal observations show that public universities suffer the outcome of low commitment, low staff morale and high turnover of employees because of pitiable reward system. The implemented reward system needs to be reviewed and upgraded. This is necessary because of the continuous murmurs, go-slows and strikes that occur intermittently because of the seemingly poor reward system in terms of salary, allowances, promotion, staff training and retirement benefits. This seemed to be more pronounced in public universities where there is poor reward system because of the unpalatable news that overwhelmed the system.

Failure to adequately reward employees of universities might engender the production of half-baked graduates that might, in turn, deny the nation of the needed growth and development. Baring this in mind, there is a need for capable staffs to impart knowledge to students, but this would not happen when staffs are not properly rewarded for their efforts (Ojeleye, 2017). For example, some lecturers tend not to be rewarded enough to put in their best because their basic needs of food, shelter, clothing and security are neglected. Thus, in order to meet up these needs, they turn to other businesses and sadly neglect their official work. This practically explained the tenets of Maslow's theory of hierarchy of needs in 1943, which states that the need of shelter, food and clothing must be satisfied first, before other categories of needs. The commitment level of employees might be gravely affected if the reward system fails to match up their effort and contribution to the organization. Undoubtedly, a fair attempt has been made by researchers to unravel the connection between reward systems and employee commitment in organizations. Scholars submitted that the commitment level of employees sometimes depends on how they are treated in terms of salaries, bonuses, allowance, promotion, training and retirement benefits

(Onukwu, 2020; Aji, 2021). It was gathered that when employees are fairly treated, it will engender a reasonable increase in their commitment level. However, the researcher identified few areas yet to be covered. For example, from the studies reviewed, not all of them disaggregated employee commitment into normative, affective and continuance commitment to the best knowledge of the author. This is a gap in literature that this study intends to fill.

Also, based on the available literature at the disposal of the researcher, studies that jointly captured reward systems with salary, allowances, promotion, staff training and retirement benefits are few (Benjamin, 2016; Rahaman, Abdul & Rahman, 2016; Ojeleye, 2017). This is the crux of this study and therefore, brings out its uniqueness. In the same vein, this study will be resolved in the Southwest geopolitical zone of Nigeria since researchers have not covered such large area of study This is an identified gap in literature that this current study intends to fill so that universities can better understand the nitty-gritty of reward system and how it can be used to improve the commitment level of employees.

Consequently, only a few studies (Lekan, Emerole & Rachel, 2018; Magaji, Akpa & Norom, 2018; Ojeleye, 2017; Nyawa, 2017; Stephen & Apollos, 2019) show the connection between their findings and the theory with which they underpinned their work. This is necessary to either approve or disapprove the tenets of the theory as they relate to the subject matter. Additionally, only a few of the available studies comparatively examine reward system and employee commitment in some selected public universities in Southwest, Nigeria, which is the focus of this study. Based on the identified gaps, it is the interest of the researcher to further examine reward systems and employee commitment in public universities in Southwest, Nigeria.

Research Questions

Sequel to the problem explained above, the following research questions are raised to guide this study:

- i. what is the relationship between salary and employees' commitment in public universities in Southwest, Nigeria?
- ii. what is the relationship between allowance and employees' commitment in public universities in Southwest, Nigeria?
- iii. what is the relationship between promotion and employees' commitment in public universities in Southwest, Nigeria?

Objectives of the Study

The broad objective of this study is to examine the relationship between reward systems and employees' commitment in selected public universities in Southwest, Nigeria. The specific objectives are to:

- i. assess the relationship between salary and employees' commitment in public universities in Southwest, Nigeria;
- ii. determine the relationship between allowance and employees' commitment in public universities in Southwest, Nigeria;
- iii. examine the relationship between promotion and employees' commitment in public universities in Southwest, Nigeria.

Research Hypotheses

The following hypotheses have been formulated in the null form to guide the study:

- i. there is no significant relationship between salary and employees' commitment in public universities in Southwest, Nigeria;
- ii. there is no significant relationship between allowance and employees' commitment in public universities in Southwest, Nigeria;

- iii. there is no significant relationship between promotion and employees' commitment in public universities in Southwest, Nigeria;

2. Literature Review

Reward System

Reward is a component of motivation that energizes employees in a university towards effective and efficient work done. According to Benjamin (2016), reward is the collection of brain structures that regulate and control behaviour of an individual by inducing pleasure. Abel (2018) viewed reward as all the money, non-monetary and psychological payments made available by a university to its employees to reciprocate their contribution towards its growth and development. Employee rewards indicate the benefits employees receive from their place of work and is usually seen as a predictor of job commitment.

Daniel (2017) ascertained that reward includes benefits (health issues, traveling and tours and other benefits), careers (training and development, seminars among others) and compensation (base pay, short- and long-term incentive, wages and salaries among others). Reward is described by Ibrahim and Adbdulah (2016) as an external motivator issued when a task or an act is performed, and has informational and controlling properties. This underlies that reward is the benefit that boosts the frequency of an employee's action that propelled improved productivity and service delivery in a university.

Components of Reward System

Salary

Generally speaking, employees seem to be more committed when they are rewarded accordingly. Ojeleye (2017) opined that among all forms of rewards that can be given to employees, payment of salaries is the best of all. Conceptually, salary is the amounts paid to employees, either in the form of a big sum or through periodic payments like monthly payments or in any other form which offers an extra income to an employee. Observably, payment of salary could be considered as one of the oldest forms of rewards, if not the oldest; which is described by quick and instant form that makes staff get an immediate response concerning their effort in achieving the university's goal.

Allowances

Rewarding employees is associated with their motivation for greater commitment. Allowances are reward strategies used to improve employees' commitment in most universities. Koitalek (2016) defined allowances as indirect financial and non-financial payments employee received for continuing their employment with a university. They include grants, retirement plans, paid sick leaves and purchase discounts. Lekan, Emerole and Rachel (2018) also observed that allowances are sometimes called indirect compensation as they are given to employees in form of plan rather than cash to improve their commitment.

Promotion Opportunity

According to Aji (2021), promotion is the process of shifting an employee for a job of higher significance and compensation. The movement of an employee upward in the hierarchy of the university typically leads to the enhancement of responsibility and an improved reward. Also, promotion is the reassignment of an employee to a higher-rank (Samuel et al., 2019). In any educational environment promotion enhance increase in staff status. Daniel (2017) described promotion as an act of increasing the status of employees to a higher position and as well as to determine if an employee in the university is due for a promotion or not and also helps in promoting the committed employees.

Employee Commitment

Balbina (2020) defined commitment as a condition of being where a staff is constrained by his activities to endure actions in which he is doing. This means that commitment is a state in which a staff of a university endures the happenings or events surrounding the activity in which he is engaged in. Commitment is an internal motivation that preserves behavioural states when equity conditions are not met. From another perceptive, Angwech (2017) believed that commitment is one’s tendency to act in a particular way to realize a given target. This underscores that commitment denotes both the behavioural inclinations and feelings that staffs have towards an action. That is, it is a condition of being bound or engaged; a quality of genuineness and concentrated purpose. According to Benjamin (2016), employee commitment is the extent of participation and empathy that employees have with their university’s standards, mission and goals. Ibrahim and Abdullah (2016) opined that employee commitment is the allegiance and attachment that employees have in a university and it is related to their feelings about the firm. In essence, employee commitment is the desire that employees have to continue in a university by having assurance in its values and goals. Employee commitment is described as the impact of an employee’s identification and participation with a definite university. It is a psychological affection of an employee to the university.

Dimensions of Employees’ commitment

Affective Commitment

Affective commitment is defined as the emotional attachment an employee has to a university (Ruth & David, 2018). It is the degree to which employees appreciate being workers in a university. According to Samuel, Stephen, Johnson and Damian (2019), affectively committed employees are viewed as having a feeling of empathy and belonging to the firm, and this stimulates them to intensify their involvement in the actions of a university. This means that affective commitment motivates employees to have the enthusiasm to achieve the objectives of a university, as well as the longing to continue in the university. Yousafzai, et. al., (2017) stated that employees who have an affective level of commitment have a desire to stay in the university because they sight their worth and objectives to be consistent with those of the university.

Normative Commitment

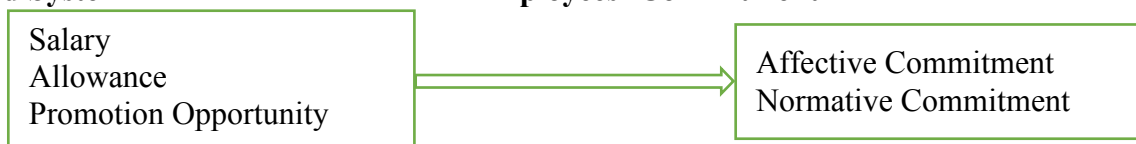
According to Jolly (2020), normative commitment is a sense of responsibility that an individual has to endure with the university. Usually, it springs up from employees’ duties and personal values that the person has towards the university. For instance, an employee that was employed by a university in a time of dire necessity could feel committed to that university based on the employment, and would give his best to the university. Karanja, Karanja and Wagoki (2017) pointed out that employees with a great degree of normative commitment feel that they ought to continue with the university. This feeling of responsibility to continue in the university may come about due to the internalization of normative weights exerted on an employee before joining the university.

Conceptual Framework

Depicted in figure 2.1.3 is the connectivity between the predictor and outcome variables. It shows that employee’s commitment is the functionality of the rewards systems of university. In other words, it shows that reward systems determine the commitment level of employees.

Reward System

Employees’ Commitment



Independent Variables

Source: Author's Design (2024)

Theoretical Review

This connection between reward system and employee commitment is further explained with Maslow's theory of hierarchy of needs and Herzberg two-factor theory.

Maslow's Theory of Hierarchy of Needs

This theory is believed to be one of the oldest theories which enlighten on employee motivation and commitment. The establishment of the theory is generally accredited to Abraham Maslow (1943, 1954). The author outlined human needs in a hierarchical order and explained how each need works in human life. The major perception expressed in the theory is that the needs of people come according to importance. That is, some needs must be met in a person's life, before he would be motivated to realize higher needs. In relation to the study, an employee might not be motivated or committed if the basic needs are not fully met.

Despite the appreciation for this theory, it has been criticized on the following grounds. Firstly, there is a lack of hierarchical structure of needs as put forward by Maslow, though every individual has some ordering for his need satisfaction (Saharuddin & Sulaiman, 2016). This means that people's need might not necessarily follow the hierarchical structure of Maslow. Another criticism is that there is a lack of direct cause and effect association between need and behaviour (Janice, 2021). A particular need can cause different behaviour in different people. This implies that the satisfaction of a need might lead to motivation in a person, but does not lead to motivation in another person. The last criticism is the explanation of some of his concepts. For instance, the need of self-actualization is very difficult to measure.

Maslow's theory is of crucial importance for this study because it supplies the knowledge of an individual's needs at diverse levels, displaying that matching the primary needs of a person does not assure motivation. Rather, motivation happens when a person is enthusiastic to target for improvement. This implies that management of public universities in Nigeria should aim for high-level needs to motivate their employees for persistent improvement. This theory also helps management to segregate the needs they can meet for their employees, so that job commitment and performance would be at their ideal level. In the place of work, managers can organize their own pyramid of needs which would increase commitment and performance.

The Herzberg Two-Factor Theory

This theory was firstly established by Frederick Herzberg (1966). It is generally believed that this theory stemmed from Abraham Maslow's theory of needs because it divides job-related needs into motivators and hygiene factors. That is, the needs of employees are caused either by motivators or hygiene factors. This is where the two-factor phrase is coined out from in the theory. He developed his theory from the question: "What do people want from their jobs?" In carrying out a study on the question, he requested people to vividly describe such conditions when they felt extremely good or extremely bad. This means that this theory is more than an assumption or observation.

This theory has a lot of true and realistic assumptions. However, it has been criticized based on some limitations. Firstly, the factors leading to satisfaction and dissatisfaction are not dissimilar (Simon, 2015). Also, this theory is an over-simplification of the true association between motivation and dissatisfaction; because, one factor can cause job satisfaction or commitment for one person, and job dissatisfaction and non-commitment for another. Herzberg's inference concerning the differences between satisfiers and motivators cannot be accepted (Stephen &

Dependent Variables

Apollos, 2019). This is because people usually attribute the reasons of satisfaction to their achievements but usually attribute their dissatisfaction to hindrances caused by the firm's policies or managers than to their incompetency.

This theory holds great relevance to the study because factors that cause dissatisfaction can decrease the level of commitment of employees, and factors that increase satisfaction can also increase the level of commitment of employees. The theory's relation of motivation and satisfaction, can be likened to the relationship between reward system and employees' commitment. Rewards motivate employees, which increases their performance. This theory also agrees that satisfaction and commitment in the place of work are very important and significant as both of them influence performance a lot.

Review of Empirical Literature

Alamelu, Surulive, Motha, Amudha and Selvabaskar (2015) carried out a study in India which examined the relationship between compensation and commitment, factors of compensation affecting employee commitment, and identified the employee's perception towards the components of pay model. The study was conducted among small manufacturing industries in Tiruchirappalli District, Tamil Nadu, India. ANOVA, Chi-square test and Structural Equation Modelling were the favoured method of data analysis. The study outcome revealed that employee commitment was strongly associated with the satisfaction of employees towards their compensation based on pay model.

In US, Nyberg, Pieper and Trevor (2016) performed a study which identified and incorporated employee characteristics, job characteristics, pay system characteristics, and pay system experience into a contingency model of the pay-for-performance-future performance relationship. Descriptive statistics was the chosen method of data analysis. Findings showed that merit and bonus pay, as well as their multiyear trends, were positively associated with future employee performance. Furthermore, bonus pay had a stronger effect on future performance than merit pay.

A study was conducted in Nigeria by Ojeleye (2017) which explored the impact of remuneration on employees' performance. The data used for the analysis was derived from eighty three employees of Abdul Gusau polytechnic and state college of education both in Zamfara state. The independent variable was proxied with salary/wages and bonus/incentives. Pearson correlation and multiple regression model were used to analysed the data. The finding revealed that there was a strong and positive relationship between remuneration and employees' performance and that salary/wage and bonus/incentives served as a form of motivation to the employees.

Rahaman, Abdul and Rahman (2016) carried out a study in Bangladesh in order to identify the relationship between Bangladesh Railway employee's commitment and compensation and benefits. A structured questionnaire was used to survey the opinions of 40 employees who were from Bangladesh Railway, Rajshahi City. Descriptive statistics, correlation and multiple regression analysis were utilized in analyzing the survey responses and identified a number of key findings. From the analysis, it was revealed that allowance, payment of salary and training were some of the compensations and benefits that affected employee's commitment.

Koitalek (2016) conducted a study in Kenya to ascertain the influence of compensation policy on employees' commitment at Teachers Service Commission. Primary data was collected using self-administered questionnaire and the data was analyzed using descriptive statistics and regression analysis. From the finding, it was discovered that cash pay and allowance among other compensation policies influenced employee commitment and this led to enhanced performance, trust in management and strong relationship in the organization.

Another study was conducted in Kenya by Nyawa (2017) to explore the effects of compensation on employee productivity with specific focus on Kenya Literature Bureau. The study adopted a descriptive research design which used questionnaires as research instruments. The target population consisted of one fifty (150) employees of Kenya Literature Bureau including management staff, support staff and subordinate staff in the establishment. Frequency and percentage were used to analyze the data. Findings proved that allowance and bonuses as forms of compensation influenced employees' productivity.

In Nigeria, Emmanuel, Talatu, Umar and Dickson (2020) investigated the effect of organisational commitment dimensions on job satisfaction of academic staff of Kaduna State tertiary education institutions. The data was analysed using Structural Equation Modeling (SEM). From the findings, there was enough evidence to prove that both affective commitment and normative commitment had significant effect on job satisfaction; but continuance commitment failed to have significant effect on job satisfaction of academic staff.

A study was undertaken in Nigeria by Magaji, Akpa and Norom (2018) to examine the relationship between recognition and promotion on employees' job satisfaction of selected outsourced service providers in Jos Plateau State. Data was analyzed using simple linear regression analysis and Pearson product moment correlation. The findings revealed that recognition and promotion had a significant relationship and positive effect in employees' job satisfaction.

In Indonesia, Noor and Silitonga (2018) aimed to determine the effect of promotion and competence on organizational performance. Analysis of data was done with path analysis. Findings showed that promotion and competence variables affected performance of the organization simultaneously.

Another study was carried out in Indonesia by Razak, Sarpan and Ramlan (2018) to know the influence of promotion and job satisfaction on employee performance in Makassar Government Region, either simultaneously or partially. The method used was descriptive survey method and explanatory. The method of analysis used was the frequency distribution and path analysis. Based on the results of the analysis, it was evidenced that job promotion and job satisfaction affected the performance of employees of Makassar Government Region, but when viewed partially, it turned out the promotion of dominant positions affected their performance.

In US, Janice (2021) examined the importance of promotion among all other motivational tools and the impact it has on the performance and productivity of an employee. Content analysis was the selected method of data analysis. From the study, the findings gave credence to the fact that promotion significantly motivated performance and productivity of employees.

A study was undertaken in Nigeria by Aji (2021) to know the impact of promotion on academic staff development in the State higher educational institutions of Borno State. The collected data was analysed using Chi-square statistical technique. The finding revealed that since 2015-to date the State government offered paper promotion with no monetary increment to salary to academic staff in the state higher education. The study also revealed that there was a significant relationship between promotion and academic staff development.

Methodology

The study adopted descriptive research design of a survey type. Descriptive survey aims predominantly at observing, describing and documenting aspects of a situation as it naturally occurs rather than explaining them. The design has an advantage of producing good number of responses from a wide range of people. The study covered all the six states; Ekiti, Lagos, Ogun, Ondo, Osun and Oyo in South West Nigeria. The population for this study covered all the 10,553

academic staff. According to Yamane (1964) model, the sample size for this study is 385 respondents. The study adopted proportionate and random sampling techniques. Proportionate sampling technique was used to determine the sample for each institution while random sampling technique was used to determine the respondents with which the questionnaires were administered to promote voluntary participation. Data collected was analyzed using descriptive and inferential statistics. Descriptively, frequency and percentage were used to analysis the background information of the respondents. Thereafter, mean and standard deviation were used to analysis all the items raised for the specific variables of the study and all the formulated hypotheses were tested with Pearson Correlation and multiple linear regression. To observe whether the responses of the respondents with respect to both independent and dependent variables fulfil the requirements of linear regression, normality test, linearity test and heteroscedasticity test were carried out. One of the models used by Awoni and Korir (2020) to examine career training, rewards system and employee commitment will be adapted. Employee commitment was made a full function of training. Mathematically, it is given thus:

$$ECO = f(TRA) \dots\dots\dots 3.1$$

Where:

ECO is Employee Commitment

TRA is Training

However, the model was modified as follow:

- i. While Awoni and Korir (2020) used employee commitment holistically, it will be captured with affective and normative commitment in this current study. This is done to capture all the areas of employees' commitment.
- ii. The study of Awoni and Korir (2020) was restricted to training as the predictor variable. However, this current study will include salary, allowance and promotion. This is predicated on the stated objectives in chapter one of this study.

The new models are stated thus:

$$AFC = f(SAL \text{ ALL } PRO) \dots\dots\dots 3.2$$

$$NOC = f(SAL \text{ ALL } PRO) \dots\dots\dots 3.3$$

Where:

AFC is Affective Commitment

NOC is Normative Commitment

SAL is Salary

ALL is Allowance

PRO is Promotion

The equations of the models are given thus:

$$AFC = \alpha_0 + \alpha_1SAL + \alpha_2ALL + \alpha_3PRO + U \dots\dots\dots (3.4)$$

$$NOC = \alpha_0 + \alpha_1SAL + \alpha_2ALL + \alpha_3PRO + U \dots\dots\dots (3.5)$$

α_0 = Intercept of relationship in the model,

u = Error term and $\alpha_1 \dots\dots \alpha_5 \dots$ are coefficients of the explanatory variables.

It is expected that absolute changes in salary, allowance and promotion will exert a positive influence on affective and normative commitment. For simplicity the expectation is presented in mathematical form using differentiation notation:

$\frac{dAFC}{dSAL} > 0 : \frac{dAFC}{dALL} > 0 \frac{dAFC}{dPRO} > 0$: connote that absolute change in in salary, allowance and promotion is expected to exert positive impact on affective commitment;

$\frac{dNOC}{dSAL} > 0 : \frac{dNOC}{dALL} > 0 \frac{dNOC}{dPRO} > 0$: connote that absolute change in in salary, allowance and promotion is expected to exert positive impact on normative commitment.

Results and Discussion of findings

Pearson Correlation Analysis

Table 4.1 Result of Pearson Correlation Matrix

Var.	AFC	NOC	SAL	ALL	PRO	VIF
AFC	1					
NOC	.289**	1				
SAL	.455**	.376**	1			0.521
ALL	.334**	.133*	.203**	1		0.541
PRO	.366**	.253**	.579**	.240**	1	0.579

Source: *Data Analysis (2024)*.

From the result presented in table 4.1, AFC maintained a positive relationship with NOC, SAL, ALL and PRO with the correlation coefficient of 0.289 for NOC, .455 for SAL, .334 for ALL, .366 for PRO. The inference is that AFC, NOC, SAL, ALL and PRO moves in the same direction. Similarly, NOC moves progressively with SAL, ALL and PRO with the correlation coefficient of .376, .133 and .253 By extension, this means that when NOC is increasing SAL, ALL and PRO will increase. The relationship between all the predictors is positive, indicating that they all move in the same direction. The highest correlation coefficient was 0.579 (SAL and PRO) and this is considered moderate. The consequence of this is that there are no issues of multi-collinearity capable of affecting the regression results. This was further confirmed with the variance factor.

Analysis of Model.

Model I: The relationship between reward systems and employees’ commitment (Affective) in selected public universities in Southwest, Nigeria.

Assumptions of Linear Regression

The variables were measured by using standardized instruments of proven reliability and validity as described in the previous chapter. To observe whether the responses of the respondents with respect to both independent and dependent variables fulfil the requirement of linear regression, normality test and heteroscedasticity test were carried out.

Table 4.2: Normality Test Results

Shapiro-Wilk Stat	Probability
0.835	0.097

Source: *Data Analysis, 2022*

The Shapiro-Wilk statistics and probability values of the error term estimated models, stood at 0.835 and 0.097. The result revealed that there is no enough evidence to reject the null hypothesis that the error term of the estimated model is normally distributed, given the probability value that is greater than 0.05, thus confirming that the error term is normally distributed.

Table 4.3: Breusch-Pagan Godfrey Heteroscedasticity Test Results

F-statistics	Probability
0.649	0.175

Source: Data Analysis, 2024.

Table 4.3 reports f-statistics and probability values of 0.649 and 0.175. Given the probability of the reported f-statistics, it stands that there is no evidence to reject the null hypothesis of constant variance of the error term (homoscedasticity). Hence the test confirmed that there is no problem of heteroscedasticity in the error term of the estimated models.

Multiple Regression

Linear regression analysis was carried in this section through which the researcher either accept or reject the null hypothesis.

Table 4.4: Multiple regression result of the relationship between reward systems (salary, allowance and promotion) and employees’ commitment (Affective) in selected public universities in Southwest, Nigeria

Var.	Coe.	St. E.	T-test	Prob
C	2.048	1.684	3.216	.025
SAL	.240	.052	4.578	.000
ALL	.198	.082	2.410	.016
PRO	.059	.087	.677	.499

Source: Data Analysis, 2024. *R-square-0.716, Adj. R-Square- 0.716, F-Stat- 34.578, Prob-0.000*

The adjusted R-square statistics reported in table 4.14 disclosed that about 71.6% of the systematic variation in the employee commitment in terms of affective commitment in selected public universities in Southwest, Nigeria can be jointly explained by salary, allowance, promotion, staff training and retirement benefits while the remaining 28.4% could be accounted for by other variables not covered by this study. Also, the F-statistics of 34.578 along the probability value of 0.000 revealed that the model is fit. It was revealed from the estimation result presented that, salary, allowance and promotion exert a positive effect on affective commitment of employees in selected public universities in Southwest, Nigeria. The positive effect is significant for salary and allowance to the tunes of 0.240($p=0.000<0.05$) for salaries and 0.198($p=0.016<0.05$) for allowances, against the insignificant effect of promotion to the tune of 0.059($p=0.499>0.05$).

Model II: The relationship between reward systems and employees’ commitment (Normative) in selected public universities in Southwest, Nigeria.

Normality Test

Table 4.5: Normality Test Results

Shapiro-Wilk Stat	Probability
0.921	0.214

Source: Data Analysis, 2024

The Shapiro-Wilk statistics and probability values of the error term estimated models, stood at 0.921 and 0.214. The result revealed that there is no enough evidence to reject the null hypothesis that the error term of the estimated model is normally distributed, given the probability value that is greater than 0.05, thus confirming that the error term is normally distributed.

Table 4.6: Breusch-Pagan Godfrey Heteroscedasticity Test Results

F-statistics	Probability
0.734	0.083

Source: Data Analysis, 2024.

Table 4.6 reports f-statistics and probability values of 0.734 and 0.083. Given the probability of the reported f-statistics, it stands that there is no evidence to reject the null hypothesis of constant variance of the error term (homoscedasticity). Hence the test confirmed that there is no problem of heteroscedasticity in the error term of the estimated models.

Multiple Regression

Table 4.7: Multiple regression result of the relationship between reward systems (salary, allowance and promotion) and employees' commitment (Normative) in selected public universities in Southwest, Nigeria

Var.	Coe.	St. E.	T-test	Prob
C	6.044	1.250	4.834	.000
SAL	.289	.039	7.409	.000
ALL	.018	.061	.303	.762
PRO	.052	.065	.798	.425

Source: Data Analysis, 2024. *R-square-0.316, Adj. R-Square- 0.307, F-Stat- 33.373, Prob- 0.000*

Table 4.7 revealed that salary, allowance and promotion exert a positive effect on continuance commitment of employees in selected public universities in Southwest, Nigeria. The positive effect is significant for salary to the tune of 0.289($p=0.000<0.05$) against the insignificant effect of allowance and promotion to the tune of 0.018($p=0.762>0.05$) and 0.052($p=0.425>0.05$) respectively. Adjusted r-square value stood at 0.307. This indicates that 30.7% of the systematic variation in continuance commitment of employees in selected public universities in Southwest, Nigeria can be explained by salary, allowance and promotion. An explanation of the remaining 69.3% can be given by other factors not in the study model. Also, the F-statistics of 33.373 along the probability value of 0.000 revealed that the model is fit.

Discussion of Findings

The broad objective of this study is to assess reward systems and employee commitment in selected public universities in Southwest, Nigeria. The reward system was captured with salary, allowance and promotion while employee commitment was captured with affective commitment and normative commitment. To achieve the first objective, multiple regression was carried out and it was discovered that salaries have a positive significant effect on the employee commitment in public universities in Southwest, Nigeria, capture with affective, continuance and normative commitment to the tune of 0.240($p=0.000<0.05$) and 0.289($p=0.000<0.05$) respectively. By implication, it connotes that the employee commitment in public universities in Southwest, Nigeria, capture with affective and normative commitment, stands the chance of increasing by 0.240% and 0.289% with just a 1% increase in salaries. This discovery is a confirmation of the a-priori expectation of a positive effect. Theoretically, the positive impact of salary on employee commitment gave credence to the tenets of Maslow's theory that matching the primary needs of a person does not assure motivation. Rather, motivation happens when a person is enthusiastic to target for improvement. This implies that prompt payment of salaries to the employees in public universities in Southwest, Nigeria motivates their employees to invest most of their resources in the success of the universities. Empirically, this outcome is coherent with the findings of Idrees, Xinpeng, Shafi, Hua and Nazeer (2015), Alamelu, Surulive, Motha, Amudha and Selvabaskar (2015), Nyberg, Pieper and Trevor (2016), Ojeleye (2017), Karanja and Wagoki (2017), Angwech (2017), Aliku, Morka and Igemohia (2020), who reported that the impact of salary on employee commitment and performance is positive and significant. However, it failed to corroborate the outcome of Richard (2019) who reported the salary has an insignificant on employee commitment in the public sector of Nigeria.

Also, it was discovered that allowance has a positive effect on employee commitment in the public universities in Southwest, Nigeria. However, the positive effect is only significant for affective commitment with the coefficient and probability values of 0.198 and 0.016 repetitively against the insignificant positive effect on normative commitment to the tunes of 0.018($p=0.762>0.05$) respectively. The consequence of this discovery is that a 1% increase in allowance would produce a respective 0.198 and 0.018 increase in affective and normative commitment among employees of public universities in Southwest, Nigeria. The positive effect is a confirmation of the a-priori expectation. One potential explanation for this is that financial attractiveness suggests that an employee would be readily available to put in their best to the productivity of the university. The insignificant effect could be as a result of bias system adopted in given allowances to the employees of the public universities in Southwest, Nigeria. This outcome corroborated the findings of Ronah (2015), Benjamin (2016), Rahaman, Abdul and Rahman (2016), Nyawa (2017) and Lekan, Emerole and Rachel (2018). They reported that allowance has a significant positive effect on employee commitment. However, some other studies did not find a significant positive effect of allowance. Adewale (2018), Ruth and David (2018), showed that allowance has no effect on employee commitment in the public sector.

Also, it was discovered that a positive relationship exists between promotion and employee commitment of the public universities in southwest, Nigeria. the positive effect is only significant for affective commitment to the tune of 0.198($p=0.016<0.05$) against the insignificant positive effect on normative commitment to the tune of 0.062($p=0.425>0.05$). This implies that a 1% increase in promotion would engender 0.198% and 0.062% increase in affirmative and normative commitment among employees of public universities in Southwest, Nigeria. The positive effect is in tandem with the a-prior expectation, that promotion has the capacity to influence employee commitment in public universities in Southwest, Nigeria. the positive effect became insignificant for continuance and normative commitment as a result of the delay in the initiation of the financial reward attached to the promotion given to the employees in the public universities. Empirically, this outcome is in agreement with the conclusion of Gathungu, Iravo and Namusonge (2015), Saharuddin and Sulaiman (2016) and Magaji, Akpa and Norom (2018) that promotion has a significant relationship and positive effect in employees' job satisfaction. On the contrary Noor and Silitonga (2018) reported that job promotion variables affected the performance of the organization partially.

Conclusion and Recommendations

The motivation to further examine how reward system influences employee commitment is based on the identified gaps in literature. Undoubtedly, a fair attempt has been made by researchers to unravel the connection between reward systems and employee commitment in organizations. Scholars submitted that the commitment level of employees sometimes depends on how they are treated in terms of salaries, allowance and promotion. It was gathered that when employees are fairly treated, it will engender a reasonable increase in their commitment level. Based on the findings made, it was established that reward system has the capacity to influence employee commitment in the public universities in Southwest, Nigeria. Thus, the following recommendations were made:

- i. Based on the discoveries made in this study it can be established that there is a high level of commitment among the employees of public universities as a result of their salaries. It is, therefore, recommended that across all the higher institutions in Nigeria, employee

commitment should not be jettisoned, polluted and jeopardized as they serve as they contribute to the sustainability of the higher institutions in Nigeria. This can be achieved by steady payment of salaries as and when due to the employees. Under no circumstance, the salaries of employees should be paid in full and not in percentage.

- ii. Better understanding that the role of allowance to the academic staff in public universities is a crucial element and the ability to assess the impact on employee commitment is crucial. The management should ensure adequate transparency in the bursary department to avoid any blunder that could affect the free flow in the prompt payment of allowance to the academic staff. Also, the management should to review the allowance scale of the academic staff and incorporate stipends that could assist the academic staff in promoting their commitment level.
- iii. As reported, promotion contributes to the growth in the employee commitment productivity at the long run. Thus, it is hereby recommended that through their organizational structure the management should ensure that all criterion is fully met by the academic staff before promotion. And build on the established policy guiding promotions in the institute to promote the significant influence on employee commitment.

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