### ALTERNATIVE OPTIONS IN BUILDING WORKERS' INCENTIVES: EFFECTS ON JOB SATISFACTION AND PERFORMANCE IN LOCAL CONTEXT

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ABSTRACT: Incentives are motivators and highly critical in determining positive feelings and work behaviour in different contexts and satisfaction often depends on its relevance to felt needs of workers. The uncritical adoption of foreign schemes in local contexts has distanced reward strategies from employees' needs and demands alternative strategies. The study tested innovative incentives and relationships with satisfaction and performance of employees in a local enterprise using 50 participants (74% males). A reliable instrument, aggregate α=0.74 was used to gather information and inferential statistics used for analysis. Inferential statistics were used to run the analysis. Results of the study showed that traditional and nontraditional incentives significantly determine employee job satisfaction, (p < 0.01). With regards to effects on performance, traditional incentive was significant, (p < 0.01), while nontraditional incentive failed to predict performance. Although results suggested that traditional and nontraditional incentives remain key determinants of satisfaction, only traditional incentives could influence performance. The test of positive feelings as a factor in performance was highly significant. The paper, therefore, suggests that additional studies should be carried out in order to validate the innovative model for best practices in incentives design and administration in local contexts.

KEY WORDS: Culture, Compensation, Innovation, Perception, Work

#### INTRODUCTION

Human resource management implies wielding influence over people in order to achieve organisational goal, and it is nothing more than the management of people at work (Fomba, 2007). The interplay of incentives can have a significant impact in generating positive feelings and responsive work behaviours. In organisational processes, incentive management strategies are designed to help employers reward and motivate employees to achieve set gaols and these have become a topical management issue (Besong, 2015). Recognising that effective and efficient utilisation of employees' talents is critical in realising the organisational objectives (DeLancey, 2015), the design and management of incentive packages become a performance driven activity and very critical in determining expected work behaviours. Despite the significant role of compensation packages in reinforcing work values and behaviour, Kanungo and Jaeger (1990) cautioned that the uncritical transfer of management theories and techniques based on Western ideologies and value systems has in many ways contributed to organisational inefficiency and ineffectiveness in developing countries. This builds on the premise that people are products of their culture and the behaviour of any organisation is derived to an extent from wider environmental

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values. Although individual factors cannot be undermined in satisfaction and performance, it would be noted that changing societal values have often influenced managerial and employees' behaviours. Consequently, the recognition of workers' lifestyle as a key factor in the design and administration of incentive packages is on the rise in management circles particularly in developing countries. In view of this, a thorough understanding of the nature and significant sources of incentives and job satisfaction can enable employers to effect the required positive strategic changes towards optimal employees' behaviour (Roos & Eeden 2008). This implies that incentive strategies often determine work drive of employees and in turn slow or accelerate the progress of many enterprises (Masooma et al. 2014; Ovidiu-Iliuta 2013). The need for responsive schemes cannot be overemphasized since they are congruent with needs, desires and core values of the people. The present analysis builds on the premise that African communities are not Western but possess inherent values that often transcend societal behaviour towards work, and as such these values have to be considered in making a proper match between compensation schemes and workers' needs in order to foster positive feelings and performance in organisations.

While issues of unresponsive incentives and motivation, satisfaction and performance of employees have been considerably addressed in developed countries (Armstrong, 2014; Revenio, 2016), they are still pervasive in sub Saharan Africa due to tension and confusion over exogenous and endogenous models and practices. In cross cultural people management practices, the needs of workers are very critical and identifying valuable performance driven motivators is indispensable in building incentive models. Considering that performance rewards are not effective in developing countries since workers' responses to incentives are governed by different cultural norms (Oriana & Greg 2013), it is necessary to resuscitate and integrate endogenous values into mainstream incentive schemes. To this effect, many strategies have been proposed to understand the place of culture in people management propelling a culture fit model, which has become topical and simultaneously a challenge to researchers and practitioners. To Aycan et al. (2000), the model of culture fit explains the way in which socio-cultural environment influences internal culture and human resource management practices. Therefore, a socio cultural platform can breed incentive packages capable of influencing job satisfaction and performance (Roos & Eeden 2008). While exploring the place of culturally sensitive and innovative incentives in an indigenous enterprise in Cameroon, the paper covers emerging literature pertaining to the subject matter and how results of the present study could be more relevant to context, inspire best practices and provoke further investigations in a sector wide context to ascertain the relevance of the study model.

# Contextual analysis

In spite of the paucity of literature on human resource management thinking and practices in Cameroon, major causes of human resources crisis transcend poor production and recruitment planning to problems of retaining workers at work (Ngah et al. 2013), incentive administration cannot be undermined as a major factor in determining work behaviours. In Cameroon, different incentive schemes and implementation impact differently on growth of enterprises and this has been attributed to the inappropriateness of packages that deviate at different degrees from the needs of employees. Fomba (2007) observed that the failure of micro enterprises has equally been attributed to the unfiltered adoption of complicated Western management theories that are often in

disagreement with local realities of Cameroon. This concurs with the view of Masooma et al. (2014) that job side environment is key to the understanding of the mechanisms underlying work motivation, satisfaction, employees' turnover, job loyalty and job performance. Despite the competitive edges of compensation policies and practices, DeLancey (2015) argued that employees' perceptions of human resources practices can pose challenges for small and medium size businesses in Cameroon. With reference to the health sector, Ngah, et al. (2013) posited that Cameroon is among African countries that experienced human resources crisis due to gross deficit in the management and retention existing staff. While strategies to improve incentive schemes are being advanced to improve on the performance and wellbeing of employees (Revenio 2016), managers and human resource services are being urged to understand employee desires for relevant incentive responses. Such needs and desires are at times culturally determined and should be transformed into competitive packages to spur satisfaction and performance. This is based on the recognition that human resource strategies need to be congruent with the existing culture of the organisation and careful attention has to be given to the current needs of workers (Amstrong, 2014). With present study, examines the design and implementation of a culturally relevant incentive scheme in Higher Institute of Management Studies (HIMS), Buea, a growing business enterprise with a dynamic and worker sensitive institution in the academic sector in Cameroon. Building on the culture fit model (Aycan, 2000), workers were recruited from the institution to assess the design of incentive scheme to ascertain its effect on employee satisfaction and performance.

Employers are being challenged to develop and implement incentive schemes and procedures that will attract, motivate, retain and satisfy their employees (Onanda 2015). In view of HIMS's strategic objectives, a perceived relevant incentive scheme has been designed to influence workers' behaviour and this has taken into consideration the cultural values of employees. Despite management efforts to create an impact using the scheme, the question is whether it is potent enough to influence satisfaction and performance. With the understanding that rewards should be properly designed and implemented (Besong 2015), it is probable that the scheme becomes a powerful mechanism for influencing employees' drive and positive feelings towards work. Generally, effective management of human resources can improve the performance of employees and also increase productivity and profits for the business (DeLancey 2015) thereby questioning the effectiveness of the present innovative scheme put in by HIMS. In addition, a point of concern is whether the incentive scheme is properly managed to impact on work relevant behaviours. Workers have been observed expressing organisational citizen behaviour through extra role activities with remarkable successes. The question is whether performance could be dependent on the incentive strategies being implemented by the institution. Evidence from literature unveils that studies on needs-driven incentives are scarce, particularly, in Cameroon. This situation deprives managers of relevant knowledge packages capable of informing effective practice of people management. These missing links therefore necessitate an impact assessment of the predictive powers of the incentives as strategies to promote employees' satisfaction and performance. It would be noted that the contributions of this investigation stand to test, develop and expand debates on endogenous incentive models for satisfactory consumption in local organisations

### REVIEW OF RELATED LITERATURE

Incentives and work behaviour have caught the attention of scholars and researchers in human resource management circles and related disciplines as core antecedents of performance and productivity. This section presents an overview of key concepts, theoretical framework, and provides evidence of related literature. Particular interest is on how development and administration of incentive schemes relate with satisfaction and performance of workers in different contexts.

## **Conceptual and Theoretical Framework**

Employees remain a great asset to all business ventures due to its human capital value and since they have to be adequately compensated for their efforts in order to feel motivated (Ude & Coker 2012), the concept of incentive has become topical in compensation literature. Incentives refer to compensation paid as a result of performance to improve motivation and performance of employees. They are motivators and stimulate human efforts with implications on work behaviours that equally create healthy competition amongst employees (Sujatha & Abhilasha 2015). Organisations consider incentives as critical ingredients in influencing employees' attitudes, perceptions, motivation, commitment and performance and incentives have been classified into financial and nontraditional incentives. Financial incentives are monetary/cash compensation and aligned with organizational goals that an employee earns and commonly known as traditional incentives. Nonfinancial incentives are more or less intangible rewards that initiate, energise and direct workers behaviour such as feedback, recognition, participation, career growth, work satisfaction itself and feelings of security. Such catalysers are also known as nontraditional incentives since they are not directly spelt out in the employment relationships. While designing and executing an incentive plan, various concerns are required to confirmed and successfully realise the plan (Sujatha & Abhilasha 2015), and cultural values has become prominent in the design and administration of incentive schemes.

The satisfaction of employees has been highly associated with the growth and development of an enterprise, building on the premise that a satisfied worker performs and produces maximally. To Vhona-Nanette et al. (2015), employee satisfaction is a valuable factor in business success and high satisfaction implies improvement in effectiveness and performance in doing work or service. Despite its critical role in performance the concept of job satisfaction varies as per context and authors since the concept is multifaceted and complex. According to Revenio (2016) job satisfaction represents a feeling that appears as a result of the perception that the job enables material and psychological needs as well as positive and negative feelings towards the job. This means that satisfaction has a lot of bearing on the emotions and cognitive dispositions of the worker. Although the most widely used measures of job satisfaction are work, pay, promotion, supervision and co-workers it is also concerned with attitudes about job characteristics, benefits, status, social security, advancement opportunities, technological challenges and respect (Vhona-Nanette et al. 2015). With the recognition that employees expect financial reward, recognition and caring attitude from their employers, it is therefore necessary for enterprises to promote these values in order to avoid satisfaction and poor performance (Yousaf et al., 2016).

Performance at the micro level refers to activities, whether mental, emotional or action that

workers realise, which contribute to the strategic objectives of organizations. The concept reflects the main goal of any institution and underlies productivity according to standards and expectations at all levels. To Mamik (2016) job performance refers to levels of achievement of tasks that make up a employees, reflecting the extent to which employees' performance meets the job requirements. Therefore, it is an expression of human capital base that is accounted for in terms of values such as knowledge, attitudes, skills and motivation. In some situations employee performance implies quantity and quality of work done within a given period of time. From a psychometric standpoint, it is perceived in terms of ultimate criterion, an indicator of an individual's total contribution to the goals of the organisation (Campbell & Wiernik 2015). It is therefore understood that performance is equally defined in terms of internal force of a worker. Although these forces influence employees to work willingly, this is when employees feel satisfied with their jobs and this intern depends of incentive strategies that need to be properly harnessed.

The design and administration of incentive schemes has often been influenced by internal and external factors of the enterprise emanating from the recognition that responsive packages build on the socio economics and cultural realities of employees and this has been captured in many value-related models and theories. Fomba (2007) advanced that cultural values are essential in developing culturally sensitive incentive strategies, which in turn promote desired work behaviour and performance outcome for enterprises. Therefore, productive human resource practices would depend to an extent on the lifestyle of workers that often influence cultural values of the organisation and affect people management strategies. However, many conventional theories and models target the consequences of organisational culture and not wider societal values, and this has left a gap in understanding responsive incentive designs build on the felt needs of workers. Hofstede (1980) proposed a historic and common measure of national culture using statistical analysis and theoretical reasoning to isolate four basic cultural dimensions that could affect employee behaviours: Uncertainty avoidance, individualism, masculinity and power distance. This macro theory has interest in the international and societal dimensions of work values, and capacities in influencing work behaviour in different countries or regions. The Configural Model of Kanungo and Jaeger (1990) postulates that, the way in which an organisation is structured and behaves is determined in parts by the surrounding society with implications on management behaviour. The Configural hypothesis emphasizes the study of the enterprise in a holistic dimension, and states that internal properties of the organisation must fit with external realities of the society in order to survive. Although the aforementioned models appear appropriate in context, current investigations use a Model of Culture Fit (Aycan et al. 2000), which posits that, people management at work requires the understanding of both internal and external environments since lifestyle is critical in people management practices. The model influences human resource management by identifying socio cultural needs and transforming them into incentive schemes (See Figure 1). It identifies felt needs derived from work environments and transforms them into incentive schemes. Its basic assumption holds that the wider societal and work environment affects work culture and human resources management practices of the enterprise and further asserts that cultural variables affecting human resource practices are found at different levels. The enterprise and socio cultural dimensions relate to two basic elements; task and employees.

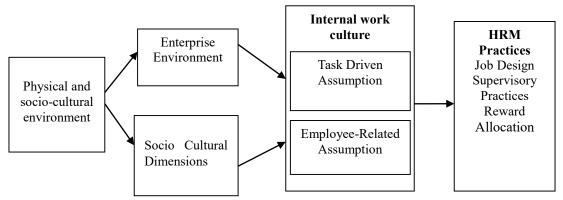


Figure 1: Model of Culture Fit (Aycan et al. 1999)

With regards to the task dimension of the model, interest is on managerial assumptions about tasks, nature of tasks, how they could be executed based on the nature of the task and employees' expectations. This issue is what employees derive from the task they are performing and this has implications on incentive schemes. The culture-fit model has emerged as a promising framework for analysing the sources and sustainability of competitive advantages in HRM considering that internal fit and external fit are the two main streams in institutional sustainability (Waiganjo et al. 2012). This undeniably accounts for the fact that both local and global values have been recognised as predictors of satisfaction and performance in HIMS; thereby justifying the relevance of the theory in-context. Using the model of culture-fit incentives can be produced with the necessary potency to determine job satisfaction and performance of employees in indigenous enterprises.

#### Related literature review

In human resource circles, a key link exists between incentive packages and job satisfaction of workers. The administration of incentives has therefore become an important managerial function to foster positive feelings in employees since satisfaction can influence organisational effectiveness (Mamik et al. 2016). This has been an important opportunity to researchers interested in exploring the psychological processes that act as antecedents of satisfaction and performances. Oni-Ojo et al. (2015) assessed the attitude of workers towards incentive and their satisfaction to work in Nigerian manufacturing sector with a sample of 127 managerial and non-managerial staff. Findings revealed that financial rewards encouraged workers externally; while nonfinancial rewards satisfied employees internally by making them feel like a valued part of an organisation. In another empirical investigation, Khalizani et al. (2011) examined the impact of rewards on job satisfaction between public and private water utility organisation in Malaysia. Using a total of 689 employees results were significant, indicating the influence of reward system on satisfaction. Atallah (2014) found out that incentives made an impact on job satisfaction and made precisions that financial, moral, individual and collective incentives played a significant role in employee's satisfaction by providing financial incentives and rewards for distinguished staff, and by providing wages and salaries that match with work size and responsibilities. Using a sample of 100 workers from a factory in Pakistan, Ali et al. (2016) reported that both tangible and intangible incentives are positively related to job satisfaction among workers. Thus, at work settings the rise in the use of incentives is associated with high job satisfaction. Generally results have been significant with scarcity of insignificant results. This is the case with results obtained by Mamik et al. (2016) that

incentives had no effect on satisfaction of workers, implying that incentives do not directly impact on job satisfaction of employees.

Past works have explored incentives as a key factor in job satisfaction and human resource management functions in general. Al-Nsour (2012) discovered that financial and moral incentives were responsible for high level of organizational performance and positively affected internal business processes in Jordanian universities. This concurred with that of Khan et al. (2012) using a sample of 200 medical doctors in Pakistan that pay, promotion, job safety and security, working conditions, job autonomy, relationship with co-workers, relationship with supervisor and nature of work influenced job performance of employees. In the banking sector Onanda (2015) observed a significant relationship between incentives and organisational performance in Kenya and concludes that that great strides be made to motivate all staff to enhance performance and survival among its competitors. One of the few studies that were insignificant is that of Huang and Lai (2014) who used 272 respondents to investigate the impact of incentives on performance of workers in Taiwan though an indirect relationship was inferred. It is evident that most studies have ascertained the existence of a positive relationship between incentives and expected work behaviours and it is worthy to test and understand the direction of the relationship in the current study.

Literature search shows that a plethora of studies exits to understand the relationship between job satisfaction and performance of employees in different work contexts. However, Revenio (2016) exalted the relevance and interest of continuous investigation on the in the fields of management sciences. Using qualitative and quantitative study with a sample of 15 employees in Philippines, Vhona-Nanette et al. (2015) affirmed that employees express their satisfaction on the way they are being handled in the company, and that satisfaction made significant contributions to performance and productivity. With a sample of medical staff in Libya, Elarabi and Johari (2014) evaluated the factors that affect job satisfaction and improve performance of workers in the public sector and perceived satisfaction with work comfort, work treatment, salary, incentives were isolated as predictors of performance. This agrees with Huang and Lai (2014) in a study with 275 workers in Taiwan that satisfaction was a key antecedent of job performance. In one of the scarce local studies Besong (2015) with 580 participants realised a significant positive relationship between economic incentive and job involvement among teachers in technical schools. Although this is not directly on employee performance involvement is a core dimension of performance and the study is critical in exploring dimensions of incentive schemes in local contexts.

Despite the fact that individual differences stand to mitigate attractions to incentive schemes and affect work behaviours in a variety of ways, management factors equally act as powerful influentials. The present study assumes that the level of satisfaction and performance of workers will depend on incentives administered to workers. This is why the investigation intends to assess the relevance of the scheme being used in the institution as a predictor of performance and positive feelings. In certain cases performance will depend on how satisfied workers feel with available incentives. Based on the research model, the study intends to test the following assumptions:

1. Traditional and non-traditional incentive schemes will not significantly determine employee job satisfaction

- 2. Traditional and non-traditional incentive schemes will not significantly determine employee performance
- 3. Job satisfaction of employees will not significantly determine performance of employees

### **METHODOLOGY**

This section documents how empirical evidence was obtained in the conduct of the study. At this phase particular focus is on the area of study, design, category of participants, techniques of data collection, procedures that were used to collect information, and run the analysis. It equally explains ethical considerations that were deployed in the conduct of data collection.

## Scope and Study Area

This study was carried out with workers of the Higher Institute of Management Sciences (HIMS), Buea and the present work was realised between July and August 2016. As a dynamic enterprise, interest was on the design of incentives for personnel as a mechanism to promote performance. In 2015 HIMS put in place a motivation strategy with conventional and nontraditional incentives that were in agreement with the changing lifestyle of workers drawing in local and global values. The institution has designed an incentive system constituting felt needs of workers such as salary, social insurance, heath subsidies, recognition, service vehicles and fuel allowances, daily snacks, 50% thirteenth month salary, scholarship for staff and dependents and performance award. Other non-traditional incentives included building loan/support, outreach meetings, allowances for sociocultural ceremonies such as "born houses", marriages and death of first degree relations. The scheme also has gratifications for job crafting and job enrichment in terms of initiatives, creativity, innovation, invention and critical problem solving. This is why the institution became very relevant for the current study, to explore if the incentives being implemented have any effect on satisfaction and performance of employees.

### **Methods of Data Collection**

The purpose of this exploratory case study was to examine the influence of innovative incentive scheme on employees' satisfaction and performance in HIMS. A total of 67 questionnaires were administered to participants and 50 were collected, making a return completion rate of 74.62%. Among 50 workers (37 males), participants included management staff (N=6), senior staff (N=17), intermediate staff (N=12) and auxiliary staff (N=15). Majority had a Master degree (N=23), followed by first degree holders (N=10), doctorates (N=4), while only 9 participants did not attain University education. Due to the case study nature of the study and considering the number of workers in the young enterprise, the snow ball sampling technique was deployed in data gathering.

A self-report inventory with subscales having close and open-ended questions was used to measure employees' experiences with regards to incentives, satisfaction and performance. The subscale for traditional incentives, 7 items ( $\alpha$  =.72) comprised sample items such as "I am adequately remunerated for the job I do" and "provision of fuel allowance is a great measure of encouragement". Non-traditional incentives had 5 items, ( $\alpha$ =.61) with the following sample items: "Provision of daily snacks to staff is a great source of motivation", "Supporting staff for Post Graduate Studies is inspiring to me"; "Giving assistance during the death of a spouse moves me to work,", The Generic Job Satisfaction scale, Macdonald & MacIntyre (1997), was adopted for the measurement of job satisfaction, 10 items ( $\alpha$ =.88), comprising workplace affect and affective

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reactions. Sample items comprised "I receive recognition from my job" and "I feel close to the people I work with." The subscale for performance, 18 items ( $\alpha$ =.80), was derived from the model of Campbell et al. (1990) comprising task mastery, effectiveness, adaptability and competence. Sample items included "I have mastery of my job." and "I adapt easily to emerging work demands." The last section obtained socio-demographic information. With regards to the inventory, the 5-point scale responses were coded ranging from 1 ("Strongly disagree") to 5 ("Strongly agree").

Permission to carry out the study was requested and authorisation issued same to the investigators by the authority of HIMS and the American Psychological Association (APA) ethical codes were strictly respected. Baseline information was collected through observation, discussion and archives and the inventory was tested with workers of similar characteristics in a different institution. Consent was sought and the instrument administered to staff without duress and the whole process was facilitated by the administration. The inventory was self-administered and employees were requested to fill them according to their thinking and experiences in the institution. This was achieved with a lot of ease considering the level of education of participants. Incomplete or poorly filled inventory was discarded from the analysis. Data were entered into SPSS and descriptive and inferential statistics used to test the assumptions.

#### RESEARCH FINDINGS

This section starts with analysis of relationships among study variables to ascertain the relevance of the study model drawn from the degree of association. This is closely followed by results of the hypothesis tests designed to respond to the various research assumptions.

## Analysis of relationships and descriptives

The study investigated innovative incentives as determinants of employee satisfaction and performance at work and three hypotheses were tested. A main interest of the study was to explore the relationships among the study variables and levels of employees' experiences, and results presented in Table 1. According to employee performance has the highest mean score among the study variables (M=89.65; SD=7.42), implying that workers demonstrated a higher level of performance with regards to work in the institution. A higher level of mean values was reported for overall incentives (M=66.04; SD=9.67), and employee satisfaction (M=56.63; SD=9.24). This was the expression of their beliefs and degree of feelings towards incentives administered by the institution. Concerning the incentive scheme, traditional incentives has a higher mean value (M=36.20; SD=4.92) as compared to non-traditional incentives (M=29.96; SD=6.10), suggesting that participants had a higher preference for financial incentives than non-financial incentives. Results of relationships among study variables have also been presented (Table 1) and analysis of covariates reported highly significant relationships, p<0.01. This suggests that the more employees are exposed to the predictors the higher their levels of satisfaction and performance.

Table 1: Bivariate	Correlation	Analysis.	Mean and	Standard Deviation

Variables	1	2	3	4	N	Mean	Std	Alph
							D.	a
Traditional incentives (1)	1				49	36.20	4.92	.75
Non-traditional incentives (2)	.534**	1			50	29.96	6.10	.70
Overall incentives (3)	.845**	.903*	1		49	66.04	9.67	.61
Employee satisfaction (4)	.408**	.433*	.474**	1	44	56.63	9.24	.88
Employee performance (5)	.413**	.250	.374**	.415**	48	89.16	7.42	.80

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

# Traditional and non-traditional incentives as determinants of job satisfaction

The first hypothesis assumed that traditional and nontraditional incentives will not significantly determine employee job satisfaction, and results presented in Table 2. According to analysis traditional incentives ( $\beta$ = 0.40, p<0.01) statistically determined employee satisfaction and explained 16.6% of the variance of the outcome measure, and Ho was rejected. Nontraditional incentives ( $\beta$ =0.44, p<0.01) also significantly predicted employee satisfaction and was able to explain 18.8% of variation in the independent variable, and Ho was rejected. Results suggested that both traditional and nontraditional incentive schemes are able to account for employee satisfaction.

Table 2: Regressing incentive schemes on satisfaction

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Predictors	Unstandardized		SE B	Stand	Standardized		$\overline{P}$	
(Incentives)	Beta (B)		Beta $(\beta)$					
	Step 1	Step 2		Step 1	Step 2			
Traditional incentives	0.633	-	0.264	0.408	-	2.860	.007	
Nontraditional incentives	-	0.420	0.203	-	0.443	3.117	.003	

Step 1:  $^{R2=}$  0.166; Adj.  $^{R2=}$ 0.145; Sig. F = 0.007; F-value = 8.182; employee satisfaction; p < 0.01

Step 2:  $^{R2=0.188}$ ; Adj.  $^{R2=0.169}$ ; Sig. F = 0.003; F-value = 9.714; employee satisfaction; p < 0.01

The second hypothesis assumed that incentive schemes will not significantly determine job performance, and findings have been reported in Table 3. Analysis revealed that traditional incentives ( $\beta$ = 0.413, p<0.01), was a statistically significant determinant of job performance and explained 17.0% of the variance of the independent variable, and the Ho was rejected. Nontraditional incentives ( $\beta$ =0.250, P>0.05) was unable to predict employee job performance and Ho was accepted. The second assumption that incentives and job satisfaction significantly determined job performance was accepted to an extent. While traditional incentives were

Published by European Centre for Research Training and Development UK (www.eajournals.org) significant, nontraditional incentives failed to predict employee performance.

Table 3: Regressing incentive schemes on job performance

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Predictors	Unstandardized		SE	Standardized		t	P		
(Incentives)	Beta (B)		B	Beta (β)					
	Step 1	Step 2		Step 1	Step 2				
Traditional incentives	0.629	-	0.20 7	0.413	-	3.040	.004		
Nontraditional incentives	-	0.300	.171	-	0.250	1.749	.087		

Step 1:  $R^{2} = 0.170$ ; Adj.  $R^{2} = 0.152$ ; Sig. F = 0.004; F-value = 9.243; job performance; p < 0.01

Step 2:  $^{\text{R2=}}$  0.062; Adj.  $^{\text{R2=}}$  0.42; Sig. F = 0.087; F-value = 3.060; job performance; p > 0.05

## Job satisfaction as a determinant of job performance

The third hypothesis assumed that employee satisfaction will not significantly determine job performance and simple regression results have been presented in Table 4. Findings showed that employee satisfaction ( $\beta$ = 415, p<0.01), significantly predicted job performance of workers and explained 17.26% of the variance of the independent variable, and consequently Ho was rejected. It is therefore evident that the positive feelings experienced by workers about their jobs can determine their work behaviours.

Table 4: Regression effect on Employee Performance

Predictor	Unstandardized	SE B	Standardized	t	$\overline{P}$
(Satisfaction)	Beta (B)		Beta $(\beta)$		
Employee	.327	.113	.415	2.88	.006
satisfaction				7	

Step 1:  $^{R2=}$  0.172; Adj.  $^{R2=}$  0.152; Sig. F = 0.006; F-value = 8.333; job performance; p < 0.01

#### **DISCUSSION**

The study investigated innovative incentives as determinants of employee satisfaction and performance at work and three hypotheses were tested. A main interest of the study was to explore the relationships among the study variables and levels of employees' experiences. Results of relationships among study variables were generally significant at, p<0.01, suggesting that the more employees are exposed to the predictors, the higher their levels of satisfaction and performance. A significant relationship was found between incentive scheme and satisfaction. Discussion of results have been guided by the Model of Culture Fit (Aycan et al. 2000), asserting that human resources management in organizations requires the understanding of both internal and external environments.

According to analysis, results showed that both traditional and nontraditional incentive schemes significantly explained employee satisfaction. This is in conformity with the findings of Oni-Ojo et al. (2015) in Nigeria, Khalizani et al. (2011) in Malaysia and Atallah (2014) in Pakistan who obtained

similar results in their respective countries. In addition, the studies confirmed the existence of a positive relationship between both traditional and nontraditional incentives and satisfaction of workers. But it would be noted that present findings disagree with those of Mamik et al. (2016) indicating that incentives has no effect on satisfaction of workers. It is evident that managerial practices in African organizations have largely been dominated by western thinking and this has led to the demise of many institutions justifying why contextual factors which are culturally friendly should be give due considerations. Therefore, demand-driven incentives have been isolated as factors in predicting satisfaction and performance of employees in HIMS. The fact that both traditional and nontraditional incentives determined satisfaction of workers was proof that both schemes are properly administered as mechanism to influence employee work behaviour. Interestingly, there were no widespread differences between both incentive types relating to their degree of influence and support in fostering appropriate work attitude and behaviour.

The second assumption that incentives and job satisfaction significantly determined job performance was accepted to an extent. While traditional incentives were significant, nontraditional incentives failed to predict employee performance. Results of traditional incentives and performance are consistent with that of Al-Nsour (2012) in Jordanian universities, Khan et al. (2012) in Pakistan, Huang and Lai (2014) in Indonesia, Onanda (2015) in Kenya and Mamik et al. (2016) in East Java. In fact, it has been difficult to obtain results of empirical studies that contradicted the current findings implying that although other nontraditional incentives are important, traditional motivators are critical elements in performance at work. It is noteworthy that the aforementioned studies have made emphasis on the relationship between incentive strategies and job performance with the understanding that it stands to influence positive work behaviours.

Analysis also confirmed that satisfaction as a key predictor of employee performance implying that the emotions they express towards their jobs are incidental to performance. This concurs with results obtained by Vhona-Nanette et al. (2015) with a Philippine sample and Elarabi and Johari (2014) in Pakistan public sector. In a similar line of interest, Huang and Lai (2014) found that job satisfaction could predict performance with a sample of Taiwan workers. In conformity with available literature, the study portrayed that attitudes and positive feelings held by employees will influence their performance and such feelings should therefore be reinforced by management to ensure good practices in context.

# Implications of findings

Based on the results, the researchers have presented some policy orientations that could be relevant to the wellbeing and progress of HIMS as a young and dynamic institution. It is evident that employees of HIMS are satisfied with the present incentive schemes being delivered by the enterprise. This could be attributed to the fact that the package put in place with incentives dimensions such as pay, career growth, study scholarships, building assistance, social and cultural solidarity assistance are judiciously handled by management and should be reinforced. Considering that nontraditional incentives could not predict performance (though satisfaction indirectly predicted performance) it is necessary for the enterprise to craft non material incentives that affect many staff considering that the packages are sporadic are enjoyed just by a few staff. Considering that the enterprise is having an innovative culture and achievement-driven value, more

attention should be given to critical incident and innovative awards, since they are closely tied to both task and contextual performance. As a model of growing enterprise with group cohesion and family-oriented values, team spirit should be harnessed and improved with consciousness raising on the vision and mission of the enterprise as a source of motivation. There is no doubt that individual workers and dependents have opportunities for scholarships from the institutions. It would be necessary that HIMS should provide employee development programs or assistance for the whole staff through evaluation meetings, seminars, workshops and conferences to boost their career growth, motivation and performance on their job.

### CONCLUSION AND NEW DIRECTIONS

To conclude, managerial practices in African organisations have largely been dominated by western thinking and this has affected effective human resources management, thereby justifying the place of culturally friendly or contextual factors in people management at work. The present analysis indicates that demand driven incentive schemes have potentials to predict motivation, satisfaction and performance of employees in HIMS and thereby justifies the theoretical and practical implications of the study. Findings from this exploration stand to add value to existing management principles and practice in African organisations where felt needs of workers are incorporated in incentive packages to inform work behaviour. Despite the competitive edges of the incentives it was however unveiled that nontraditional cannot predict performance in the institution. There is no doubt that a few studies (Fomba 2007; Besong 2015) have been carried out in the Cameroonian context on relevant incentive packages and much is desired to validate the model. Considering the ability of the incentive package to predict satisfaction and performance, it will be ideal if many organisations are educated and advised to adopt ideas of the scheme for necessary improvement and validation.

In scientific and professional circles, testing models of practice is very exciting in order to validate and extend models to other institutions. Despite the exciting results and implications on practice, there are limitations that have been recognised in order to give future directions to the study. This is a case study and findings restricted to an organisation with limited number of participants and generalisation of results requires a certain degree of caution. The study requires extension to other enterprises with recommendable number of participants to ascertain ecological validity. Considering that the subject matter is novel requiring exploration of values in local context, it is essential for an extended study to adopt a triangulation approach using both quantitative and qualitative measures. It is also ideal to identify and construct a model of incentive schemes in indigenous organizations that can be tested for necessary improvement and validation. Despite the limitations, the study has contributed immensely to existing body of knowledge in the area of compensation strategies and work behaviour, exposed innovative indigenous practices and advanced people management research in in the domain in local context.

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