The impact of organizational reward system on workers attitude and motivation to work (case study of Coca-Cola, Sokoto)

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THE IMPACT OF ORGANIZATIONAL REWARD SYSTEM ON WORKERS ATTITUDE AND MOTIVATION TO WORK

A PROJECT SUBMITTED TO THE DEPARTMENT OF BUSINESS ADMINISTRATION, USMANU DANFODIYO UNIVERSITY, SOKOTO

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DECEMBER 2014

DECLARATION

I Ekeoma Mavis Chioma here by that this project report "The impact of organizational reward system on workers attitude and motivation to work" had been performed by me, and it has never been submitted in any form elsewhere for the award of other degree.

Ekeoma Mavis Chioma

………………………………   …………………….

Signature   Date

APPROVAL PAGE

I hereby certify that this research project titled the "The impact of organizational reward system on workers attitude and motivation to work"(case study of coca-cola Nigeria plc Sokoto) was written by Ekeoma Mavis Chioma, admission number 13120905003 has been read and approved on behalf of the department of business administration in partial fulfillment of the award for postgraduate diploma in management of Usmanu Danfodiyo University Sokoto

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External Supervisor   Date

DEDICATION

I dedicate this project to God almighty for his infinite mercy and favour has been sufficient for me throughout my study year.

ACKNOWLEDGEMENT

ABSTRACT

This project works looks at the "The impact of organizational reward system on workers attitude and motivation to work" Reward is designed to compensate the effort of workers to the attainment of organizational objectives. It was found that workers satisfaction with the reward system of an organization will give rise to developed positive attitude towards their job.

The theoretical part of the study introduces different theories of motivation and rewarding.

Emphasis is put on Maslow's hierarchy of needs, the goal setting theory and the total reward system. The empirical part of the thesis was conducted by using a quantitative research method. The data was gathered with the help of a questionnaire, some of the respondents express dissatisfaction with the organizations reward system, some also pointed out the margin between the organizations reward system and other similar organizations.

The research supports the assumption that a well developed and functional reward system can increase employee motivation and satisfaction.

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CHAPTER ONE: GENERAL INTRODUCTION

1.1   BACKGROUND OF STUDY

Employee motivation is one of the most essential parts in a company's development and success. In order to maximize the overall performance of the company it is vital for an employer to understand what motivates the employees and how to increase their job satisfaction. It might however be challenging for a company to find out what motivates its employees, especially because different people are motivated by different things.

A well designed and functional reward system is an efficient way to increase employee work motivation. The appropriate type of reward is developed in accordance to the company's reward philosophy, strategies and policy. However, it might be challenging to find the right way to combine the company's integrated policies and practices together with the employee's contribution, skill and competence.

Nigeria is a nation that is blessed with abundant human and material resources, in spite of these; it is surprising to observe that Nigeria is still rated among the less developed countries in the world. This may be attributed to the fact that the human and material resources are poorly harnessed and utilized. One of the poor utilization of human and material

resources in Nigeria is the Nigeria Attitude to work which is highly attributed to motivation.

1.2   STATEMENT OF THE PROBLEM

The problem here is that most organizations have gone under because their organizational reward systems do not favour employee and thereby do not motivate them towards putting their best into jobs. There are many discrepancies that occur in organizations due to an inappropriate reward system. Also as reward system is in the field of human resource, it is an opportunity to increase my knowledge in this complex field. One of the problems that can be identified in the organization is motivation. This has become a serious concern since we are dealing with a fast evolving environment. The work force has adapted to be flexible with new working hours, work with new tools and even being multi skilled, both technical and interpersonal. Moreover work force flexibility is requiring employees to have the ability to adapt with relatively management supervision. The present working environment presents stressful factors where the workforce finds itself more and more pushed to its limits.

More over there is the problem of absenteeism. Organization without good reward system often finds itself in conditions of high rate of absenteeism. This weights heavy on the balance of the organization since

it is not operating at full capacity. In the end, the origination will have no option but to take action against it own employees. This will defiantly cause more trouble and will further affect the proper running of the organization.

Another problem is low performance of the employees. Low reward system can lead to low performance of employees in an organization. Because reward boost the morale of the employees in an organization. Much concern has been put to the rewarding of employees since performance appraisal is carried out. There has always been this concern as rightly rewarding employee has a direct impact on the performance, productivity and satisfaction of the employee's performance has become a corner stone for rewarding.

1.3 OBJECTIVE OF THE STUDY

The main objective is to identify the reward system that the organization is using for its employees. Hence the following will be considered

1. If the reward system motivates the employees to work more effectively.

2. To know whether the reward system leads to employee satisfaction.

3. To know if the reward system is retaining employees.

4. If the reward system is acting as a driving force to encourage the employee to perform better

5. shed light on whether the reward management system reward people for the value that they create

6. To know the outcome of efficiency and performance of the employee with reward strategies.

7. To know the workers perception of the reward system at the organization

8. To know the problem associated with the reward system of workers in the organization

1.4 RESEARCH QUESTIONS

1. What motivates the employees of Coca-Cola bottling company?

2. Which reward system does the employees perceive the most motivating?

3. How can the reward systems be further developed?

4. Does an organization reward system have impact on workers productivity

5. Does an organization reward system improve the impact on the cost of production

1.5 RESEARCH HYPOTHESES

The following hypothesis will be tested

I.   HO: A satisfactory reward system will have no impact on workers productivity.

Hi: A satisfactory reward system will have some impact on workers productivity

II. Ho: An organization reward system has no significant impact on the cost of production

Hi: An organization reward system has significant impact on the cost of production

III. Ho: There is no significant between the attitude of motivated employee and a non motivated employee conflict management

IV. Hi: There is a significant between the attitude of motivated employee and a non motivated employee conflict management

1.6 SIGNIFICANCE OF STUDY

Today an organizations result is highly dependent on the employees work motivation. It is therefore important for a company to find out what motivates its employees so that it can plan a suitable reward system and gain better results. The right combination of immaterial and material

rewards can boost up the employees' work motivation and enhance their commitment to the company.

This study will be of great benefit to the organization understudy and other organizations in general

The aim of this study is to investigate and analyze how well the current reward system of Coca-Cola helps generate employee motivation.

More specifically it aims to find out which aspects of the reward system functions well, and which aspects could be further developed and improved in order to increase employee satisfaction. . This research has the following significances

a. This study will help organizations improve the level of efficiency of employee i.e the reduction of cost of operation and increase productivity

b. It will help to build friendly relationship in the organization i.e industrial interest and dispute in employees will reduce

c. The study will help increase employee retention and performance i.e it will help reduce employee turn over

d. This study will help provide a clear line of sight to a career path that will take the employee to the next level.

e. This study will help put human resources into action.

f. It will serve as a literature to students in the tertiary institutions

1.7 SCOPE AND LIMITATION OF THE STUDY

Almost all the organizations that are involved in the activities of labour have a system of reward designed to motivate them towards increased productivity. This research work is a case study of coca-cola plc Sokoto. This study will be focused on how organizational reward system affects works attitude to work, the theoretical part of this study introduces different theories of motivation and reward system. This study will look at the role of attitude of workers towards increased productivity, and also investigate the relationship between the levels of job satisfaction or workers performance.

The research conducted focuses only on the employees of Coca-Cola, which means that the sample-size is limited. Furthermore, limitations were set on the theories used to analyze the level of motivation and satisfaction with the reward system. The author used Maslow's hierarchy of needs, the goal setting theory and the total reward system to analyze the results.

The questionnaire was filled in anonymously and was therefore limited to be analyzed on general and not individual bases.

CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

The second chapter of academic research work is usually the review of related literature

"Motivation is the desire to achieve beyond expectations, being driven by internal rather than external factors, and to be involved in a continuous striving for improvement". *(Torrington, Hall, Taylor & Atkinson, 2009, p. 276).*

Motivation, in the context of work, is a psychological process that results from the interaction between an employee and the work environment and it is characterized by a certain level of willingness. The employees are willing to increase their work effort in order to obtain a specific need or desire that they hold *(Beardwell & Claydon, 2007, p.491).*

According to Arnold (1991), motivation consists of three components direction – what a person is trying to do

☐ Effort – how hard a person is trying

☐ Persistence – how long a person keeps on trying

Motivation theory tries to explain why people at work behave the way they do in terms of their efforts and strive for achievement. The process of motivation can be shown as following;

Figure 1. **The process of motivation**
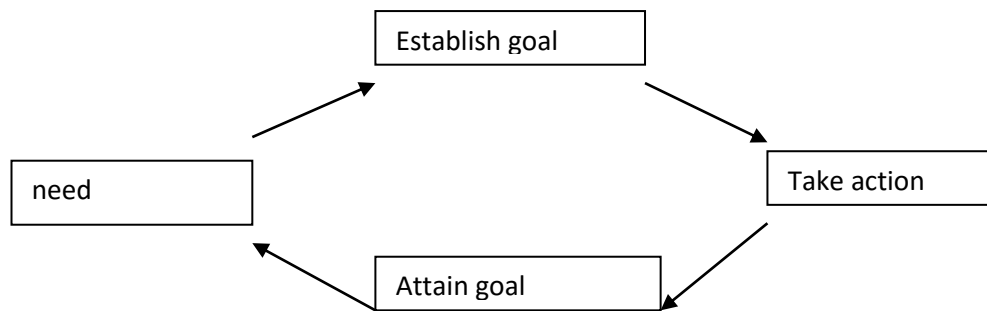
The process of motivation *(Michael Armstrong p.107).*

In this model motivation is initiated by the conscious or unconscious recognition of unsatisfied needs. These needs create wants, which in turn become desire to achieve or obtain something. In order to satisfy the needs and wants, goals are created and a behavior selected in order to achieve these goals. If the goal is achieved, the behavior is likely to be repeated when a similar need emerges. If the goal is not achieved, the same action is less likely to be repeated. *(Armstrong 1988, p. 106-107).*

Managers can motivate employees through methods such as pay, promotion and praise. Employees can also motivate themselves by seeking work where individual goals, needs and wants will be achieved. These two types of motivation are called intrinsic and extrinsic motivation and are more closely described as follows: *(Armstrong 1988, p. 109).*

Intrinsic motivation refers to the motivation that comes from inside an individual. The motivation is generated trough satisfaction or pleasure that one gets in completing or even working on a task. Factors that influence on intrinsic motivation include responsibility, freedom to act, scope to use and develop skills and abilities, interesting work and opportunities for advancement. These motivators, which are concerned with the quality of work life, tend to have a long-term effect since they are inherent in individuals and not imposed from outside. *(Armstrong 1988, p. 109-110)*

Extrinsic motivation is something that is done to or for people to motivate them. It arises from factors outside an individual, such as money, grades, criticism or punishments These rewards provide satisfaction and pleasure that the task itself might not provide.

An extrinsically motivated person might work on a task even when they have little interest in it. This type of motivation usually has an immediate and powerful effect, however it does not tend to last for long. *(Armstrong 1988, p. 109-110).*

Figure 2 Extrinsic and intrinsic motivation

Personal	Inter personal	
Personal	Social	Intrinsic
Satisfaction	Satisfaction	
Personal	Public	Extrinsic
Rewards	Recognition	

Source: Michael Armstrong p.108

2.2   THEORIES OF MOTIVATION

Content Theories of Motivation are based on the needs of individuals. These theories try to explain why the needs of individuals keep changing overtime and therefore focus on the specific factors that motivate them. In general, these theories explain motivation as the product of internal drives that encourage an individual to move towards the satisfaction of individual needs. Major content theories of motivation are Maslow's hierarchy of needs, McClelland's learned needs theory, Alderfer's ERG theory and Herzberg's motivation- hygiene theory from which the firstly mentioned will be closer discussed. *(Beardwell & Claydon, 2007, p. 492).*

Maslow's hierarchy of Needs is a theory of personality that identifies five basic need categories:

☐ *Physiological needs* are basic human needs that are vital for survival. Examples of these needs are food, water, air and comfort. The organization provides a financial reward by paying a salary and this way helps to satisfy employees' physiological needs. *Safety needs* reflect a desire for security and stability. Examples of these needs include desire for steady employment, health insurance and safe neighborhoods.

☐ *Social needs* are the desire for affiliation. They reflect the person's desire for love, affection and belonging. These needs can be fulfilled by the organization trough sport teams, parties and celebrations. The managers can help to satisfy employees' social needs by showing direct care and concern for employees.

☐ *Esteem needs* include the need for things that reflect on personal worth, self respect and social recognition. Individuals need to attain a good reputation in a group or strive to increase their status in the eyes of others are driven by these needs. The organization can help to satisfy employees' esteem needs by showing workers that their work is appreciated and recognized.

☐ *Self-actualization needs* are the individuals desire for self-fulfillment and the realization of doing what he or she has the potential of doing.

Assigning tasks that challenge employees' minds and encouraging their aptitude and training are examples on how the organization can help fulfill self-actualization needs. *(Beardwell & Claydon, 2007, p. 493).*

Fig 3.Maslow's hierarchy of needs

Self actualization

personal growth and fulfillment

Esteem needs

Achievement, status, responsibility

Social needs

Family, affection, work group, relationship

Safety needs

Protection, security, law, limits, stability

Physiological needs

Air, food, water, sex, shelter, sleep, warmth
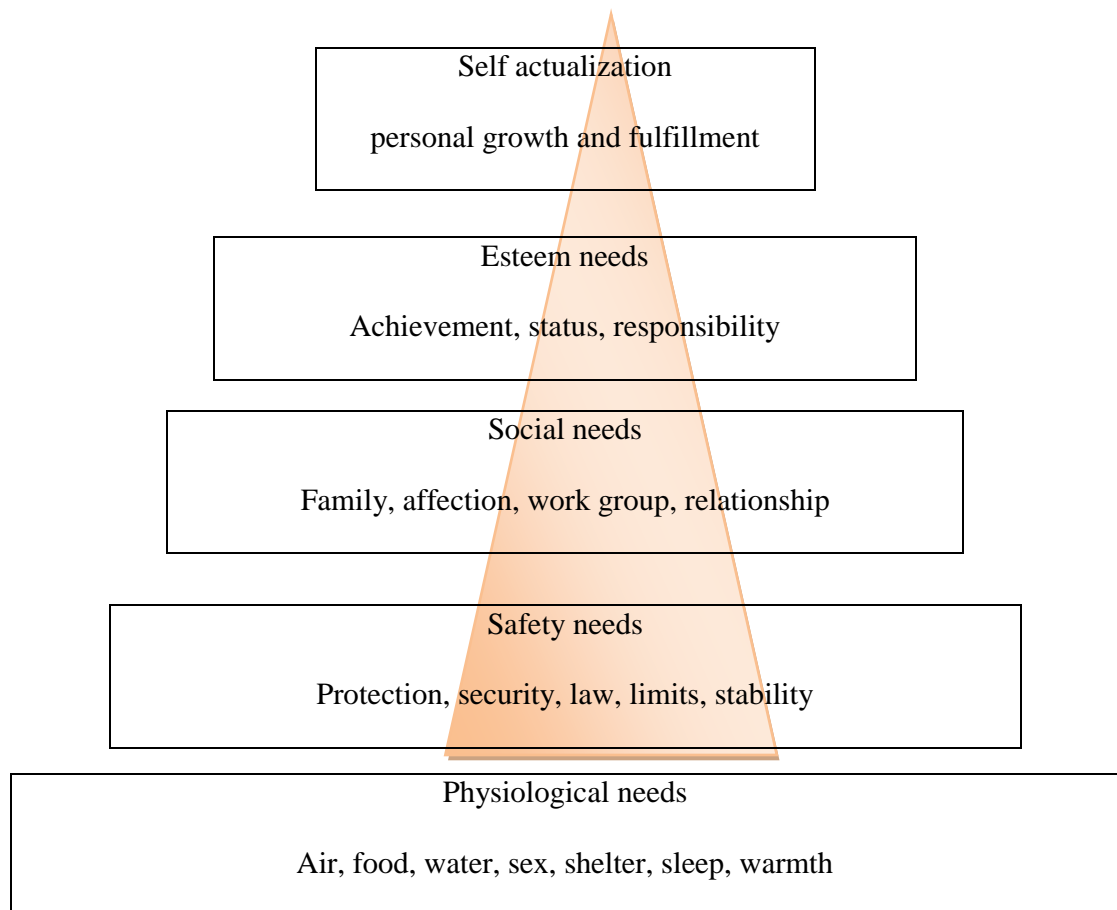
Source: Beardwell and Claydon 2007 p.493..

The basic needs are arranged in a hierarchy where the most basic need emerges fist and the most sophisticated need last. In other words, the higher-order needs including belonging, esteem, and self-actualization are

not seen important until the lower-order needs which are safety and physiological are satisfied. Managers should find out what motivates the employees at each of the levels and develop a reward strategy accordingly. *(Tosi, Rizzo & Carroll, 1994, p. 217 and Beardwell & Claydon, 2007, p. 493).*

Maslow's hierarchy of Needs has been criticized because there is little evidence that support its strict hierarchy and the fact that people satisfy only one motivating need at a time. The theory also fails to prove any clear relationship between needs and behavior, and is therefore unable to predict when a specific need will be manifested. (*Beardwell & Claydon, 2007, p. 493-494).*

Process Theories of Motivation tries to explain how behavior change occurs and why individuals act in different ways. In other words, they focus on how workers needs influence their own behavior. Process theories originate from early cognitive theories, which state that behavior is the result of conscious decision-making processes. Following are the most famous process theories: reinforcement theory, expectancy theory, equity theory, and goal setting theory, from which the goal setting theory will be closer discussed. *(Tosi, Rizzo & Carroll, 1994, p. 226).*

The goal setting theory of Locke and Latham assumes that human behavior is governed by goals and ambitions, which lead to the

assumption that an employee with higher goals will do better than an employee with lower goals. This theory states that there is a positive relationship between goal precision, difficulty and performance. Hence, if an employee knows precisely what he or she is expected to do, that individual will do better than someone whose goals are vague. Adequate and timely feedback plays an essential role in the goal setting theory sine it has a the following effect on the employees: *(Beardwell & Claydon, 2007, p. 498).*

☐ increase feelings of achievement

☐ increase the sense of personal responsibility for the work

☐ reduce uncertainty

☐ refine performance

The goal setting theory has been criticized because it does not take into consideration two important factors, individual differences and goal complexity. Individual priorities and goals that differ in specificity and difficulty, as well as some personality differences, such as self-esteem, might affect goal acceptance and willingness to achieve goals. *(Tosi, Rizzo & Carroll, 1994, p. 236-237)*

2.3 *REWARDS AND INCENTIVES*

"Reward is the benefits that arise from performing a task, rendering a service or discharging a responsibility." *(Colin Pitts, 1995, p. 11.)* Pay is the most significant and motivating benefit that is received in return for performing a task or service. It is pay that motivates individuals to go out and seek work. Pay is also one of the few ways to set a mutually acceptable common value to the individual's work contribution. Pay can also be a powerful demotivator, if employees are not satisfied with the reward package, it

will be hard for the company to recruit and retain good individuals. *(Colin Pitts, 1995,p. 11).*

Advocates of the expectancy theory believe that employees will change their behavior by working harder or prioritizing their actions if they know that by doing so they will be rewarded with something of value to them. Hence, incentives are a great way to reward effort and behaviors which the organization wishes to encourage. If the incentive is paid in return for behavior that contributes to the organizations goals, it will in the long run enhance organizational effectiveness and productivity and hence generates a positive outcome for both employer and employee. *(Torrington, Hall, Taylor & Atkinson, 2009,p. 162).*

The principle reward for performing work is pay, many employees however offer also reward packages of which wages and salaries are only a part of. The packages typically include; bonuses, pension schemes, health insurance, allocated cars, beneficial loans, subsidized meals, profit sharing, share options and much more. *(Pitts, 1995, p. 13).* There are various things to think about before making decisions about what kind of payment system is most appropriate for an organization. Managers should start by asking what objectives they are seeking to achieve. These are likely to include the following: *(Torrington, Hall, Taylor & Atkinson, 2009, p. 154).*

1. To minimize expenditure on wages and salaries over the long term.

2. To attract and retain staff of the desired caliber, experience and qualifications.

3. To motivate the workforce so as to maximize organizational performance.

4. To direct effort and enthusiasm in specific directions and to encourage particular types of employee behavior.

5. To underpin and facilitate the management of organizational change. There is no one payments system that can achieve all the above mentioned features for all employees in an organization. Managers are required to weigh up the advantages and

disadvantages of each payment system and decide where to put the emphasis on. *(Torrington Hall, Taylor & Atkinson, 2009, p. 154).*

2.4 THE TOTAL REWARD SYSTEM

Total reward describes a reward strategy that brings components such as learning and development together with aspects of the work environment, into the benefits package. In the total reward system both tangible and intangible rewards are considered valuable. Tangible rewards arise from transactions between the employer and employee and include rewards such as pay, personal bonuses and other benefits. Intangible rewards have to do with learning, development and work experience. Examples of these types of rewards are opportunity to develop, recognition from the employer and colleagues, personal achievement and social life. The aim of total reward is to maximize the positive impact that a wide range of rewards can have on motivation, job engagement and organizational commitments. The components of the total rearward can be described as in the following figure. *(Armstrong & Brown, 2006, p.22).*

Fig 4. *The components of total reward*

Transactional rewards	Base pay	Total remuneration	
	Contingent pay		
	Employee benefits		
Relational rewards	Learning and development	Non Financial/ Intrinsic rewards	Total reward
	The work experience		

Source: Armstrong and Bro 2006,, p. 23

The purpose of total reward is to create a cluster where all the different reward processes are connected, complementary and mutually reinforcing each other. In order to achieve internal consistency, the total reward strategies are horizontally integrated with human resource activities and vertically integrated with business strategies. *(Armstrong & Brown, 2006, p. 23).*

The benefits of a total reward system are described by Armstrong and Brown, 2006:

☐ Greater impact – when different types of rewards are combined, they will have a deep and long-lasting affect on the motivation, commitment and engagement of employees.

☐ Enhancing the employment relationship – total reward appeals more to employees due to the fact that it makes the maximum use of relational as well as transactional rewards.

☐ Enhancing cost-effectiveness – because total reward communicates effectively.

☐ Flexibility to meet individual needs – due to the variety of rewards, the total reward is able to answer the individual needs of the employees and hence bind them more strongly to the organization.

☐ Winning the war for talent – because relational reward processes are more difficult to replace than individual pay practices, total reward gives the organization the ability to attract and retain talented employees by differentiating their recruitment process and hence becoming "a great place to work."

2.5   TYPES OF INCENTIVES

Payment by Result is historically the most widely used incentive scheme, it reward employees according to the number of items or units they produce or the time they take to produce them. This scheme has been

criticized due to its tendency to reward quantity of output rather than quality which can lead to reduced quality of the product or service. There is a great need to modify and evaluate the effectiveness of this scheme if it is to retain the impact of productivity. (*Dessler, 2003, p. 335-336).*

Skills-based pay is an input-based payment system in which employees receive pay for the skills or competencies which they acquire. This system gives the employees an opportunity to influence their pay by acquiring more skills that lead to pay increases. Skills-based pay encourages multitasking and flexibility, which in turn enables the organization to respond faster and more effectively to the needs of customers. *(Torrington, Hall, Taylor & Atkinson 2009, p163-164).*

Profit sharing is an incentive based compensation program where employees are rewarded with company shares or a percentage of the company's profit. This scheme is claimed to increase employee's commitment to his or her company by linking pay to profit, and hence deepening the level of mutual interest. Profit sharing also encourages the thought of everyone being on the same team; the employees have the same goals and are rewarded equivalently. The disadvantage of profit sharing in the employee's point of view is the fact that pay levels may decline if the company do not meet its profit expectations. Another weakness of profit sharing is that the employees cannot see and know the

impact of their work performance on the profitability of the company. Due to the fact that the employees receive the profit sharing money regardless of their own performance, the reward might become more of an entitlement than a motivating factor.

(Torrington, Hall, Taylor & Atkinson 2009, p163-164).

Performance-related pay works on the assumption that if an employee is offered monetary bonuses for a job well done, they will perform better. There are two distinct varieties of this scheme. The merit-based system is based on the assessment of an employee's performance against previously set objectives. In the goal-based system the employer and the employee arrange a meeting and agree a list of objectives which are set to be met during the coming months. In order for performance related pay to work it should be based on clear and measurable targets that are agreed by both the employer and employee *(Torrington, Hall, Taylor & Atkinson 2009, p163-164).*

2.6   RECOGNITION AND CELEBRATION

"Recognition is the demonstration of appreciation for a level of performance, an achievement or a contribution to an objective. It can be confidential or public, causal or formal. It is always in addition to pay." *(Colin Pitts 1995, p 14.)* In addition to reward, employees also need recognition. Individuals like to share their achievements with others and

have it recognized and celebrated. When this need is satisfied, it works as an excellent motivator. If employers rely on reward alone to recognize contribution and

Achievement it is most possible that the employee's objective will become modified to secure the pay and nothing more and this in turn will lead to a degraded culture of the organization. When used correctly recognition is a cost-effective way of enhancing achievements and enable people to feel involved in the company culture. *(Pitts 1995, p.14).*

Recognition and celebration does not work as an alternative to a base pay, they are only adders, not replacements for pay. However, together with a solid pay approach, recognition and celebration is an effective way to make rewards communicate effectively. Used properly, these two factors that gives the company an opportunity to communicate the role that employees should play in making the organization a success. When traditional pay solutions fail to acknowledge issues such as business opportunities, organization design and competency, recognition can be a great tool to address them. *(Zingheim & Schuster,2000, p. 188-191).*

2.7 THERE ARE SIX TYPES OF RECOGNITION.

1. Verbal and Written Recognition is for examples expressions of praise or a personal thank-you note. This type of recognition costs nothing and it makes people feel good.

2. Work-Related Recognition can be educational and training opportunities, a special project assignment, lateral or vertical career opportunities or special office and work equipment.

3. Social Recognition. Examples of this are pizza parties, dinners and articles in newsletters.

4. Financial Recognition such as; cash, stock options and stock grants.

5. Symbolic Recognition include T-shirts, coffee mugs, sculptures, jackets and plaques. The importance does not lie on the monetary worth but on what the recognition symbolizes.

6. Tangible Recognition consists of gift certificates, trips, meal tickets, merchandise and tickets to entertainment events.

Recognition, whether it is cash or non-cash has an advantage over base pay and variable pay because it can be used at any time. The company can immediately reward and acknowledge something of importance that was not necessarily planned, such as unexpected and outstanding achievements of individuals and teams. Non-cash recognition can be especially meaningful to the recipient since it can be customized or personalized.

Non-cash recognition also gives the company a possibility to distinguish themselves from other employers due to the fact that this type of

recognition cannot be imitated by other companies. *(Zingheim &*

Schuster, 2000, p. 193-194).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1   INTRODUCTION

The purpose of this study is to explore the impact of organizational reward system on workers attitude and motivation to work. The chosen method for collecting data in this research was a quantitative research questionnaire

The questionnaire was divided into five parts. In the first part, the respondents were asked questions about their age, gender the number of years working for coca-cola PLC, the number of years working with the same work tasks and whether they are full-time or part-time employees. The second part measured the respondent's attitudes towards the three reward systems that are currently used in the company and the third part measured what type of reward the employees consider to be most motivating. The fourth part included a list of statements where the respondents were required to choose in a scale from one to five, which reward motivated them the most. The last part of the questionnaire contained four open questions

Some questions were reversed and asked repeatedly in order to make sure the respondents understand and read the questions carefully. In total 200 employees participated in the survey which is 85 % of the total workforce of coca-cola PLC Sokoto. In addition to the questionnaire, some

qualitative information was gathered throughout two personal interviews with the store manager and assistant manager. The two individuals were interviewed due to the fact that they were able to give some insight information on the specific opportunities and threats that coca-cola PLC has been experiencing concerning the company's reward systems and the employees work motivation.

The interviews were carried out as semi-structured. The questions were sent out to the interviewees in beforehand, hence giving them the opportunity to prepare. The interviews lasted approximately one hour and contained 9-10 questions. The questionnaire and the interview questions can be found in the appendix

3.2   SAMPLING AND SAMPLING TECHNIQUE

One of the essential requirements of sampling is that it must represent the population from which it is drawn, if it is to provide useful information about the characteristics of the population. An important way of meeting this requirement is through probability sampling probability sampling provide an effective method of selecting a sampling that will adequately reflect the variation that exist in the population.

Hence stratified sampling which is probability sampling size because of Coca-Cola Nigeria plc is made up of different department with different staff strength. This researcher decided to use stratified sampling in order

to ensure that the representation of the different category of staff in the organization.

3.3   SOURCE OF DATA

In this study data were collected through two sources, namely the primary source and the secondary source.

Primary source of data is data which is collected by the researcher themselves. This kind of data is new, original research information. This is first hand information primary source enable the researcher to get as close as possible to what actually happened.

Secondary research is using information that has already been produced by other people.

The instrument of data is using collection used in the study were questionnaire and interview methods.

3.4   QUESTIONNAIRE METHOD

Questionnaire is a research instrument consisting of series of question and other prompts for the purpose of gathering information from respondents. One of the major instruments used in the collection of data for study was the questionnaire. The questionnaire was designed in such a way that it included aspects of organizational reward system, promotion policy, and

with social demographics such as sex, age, educational level and marital of the respondents.

In order to gain maximum support from the respondent, and to avoid doubt of the research, it was clearly stated in the cover letter that is was strictly for academic purpose, and every information provided by the respondent will be treated with confidentiality.

3.5   SECONDARY SOURCE OF DATA

The secondary source of data collection in this study were the use of published materials and documents such as journals, magazines, textbooks, and internet.

3.6   PRIMARY SOURCE OF DATA

The primary source of data include the questionnaire, which is the main instrument used in data collection for this study.

3.7   VALIDITY AND RELIABILITY OF INSTRUMENTS

Validity and reliability are two important concepts in all research. The validity of a measuring instrument is the extent to which difference in scores on its reflect time attribute that is the extent to which measuring influenced by chance and random error. The reliability of a study is measured by how similar the results would be if another researcher conducted the same study. *(Kirk & Miller, 1986, p. 13-14)*. The result of

this questionnaire might vary slightly depending on the responders. Factors such as time pressure, the respondent's interest in the study, their willingness to give insight information, honesty and the relationship to the author might affect the respondent's answers.

Due to the fact that the middle-age of coca-cola PLC is approximately 26 years, it should be considered whether the results and suggestions of this study would be of any use in a work-environment with a higher middle-age.

Young employees are motivated by different factors then more mature employees. Also the fact that the respondents are the author's co-workers might have affected some of the answers concerning questions about job-satisfaction. Respondents might have been unwilling to answer truthfully fearing that it could affect their relationship to the employer.

3.8   METHOD OF DATA ANALYSIS

In analyzing the data collected, chi-square and percentiles method of data analysis were employed. While the chi-square method was used in testing for hypothesis, the percentile method was used in analyzing some key question in the questionnaire.

The chi-square is the difference between the test observed frequencies of a sample and the corresponding set of expected or theoretical frequencies.

CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS

4.1   INTRODUCTION

In analysis the data for this study it is important to know the socio-demographic features of the respondents used in the study includes age, marital status, and educational background of the respondents

Table 4.1 Age Distribution of the Respondents

Age of respondents	No. of respondent	Percentage %
15-24years	35	17.5
25-34years	90	45
35-44years	50	25
44-54years	15	7.5
55-63years	10	5
65years and above	0	0
Total	200	100

Source: Questionnaire administered (2014).

From the above table, it can be seen that those between the ages of 25-34 years constituted the greatest number of the respondents selected for this study. this group represent 45% of the respondent used in this study, followed by the 35-44 years age group which represent 25% of the respondent, those between the ages of 15-24years represent 17.5% of the

respondents, does between the ages of 45-54years constituted 7.5%, while does between the ages of 55-64years represent 5% of the respondent. The implication of this is that majority of the workers in Coca-Cola plc are between the ages of 25-44years of age. This group represents 90% of the respondent in this study.

Table 4.2 Sex Distribution of the Respondent

Sex of respondents	No of respondents	Percentage %
Male	162	81
Female	38	19
Total	200	100

Source: Questionnaire administered (2014).

Table 4.2 shows the distribution of respondents according to sex. 81% of the respondents are male while 19% of the respondents were female. This shows that there are more males than females in the organization

Table 4.3 Distribution of respondents according to marital status

Marital status of Respondent	No of respondent	Percentage %
Single	71	35.5
Married	125	62.5
Divorced	1	0.5
Widowed	3	1.5
Total	200	100

Source: Questionnaire administered (2014).

Table 4.3 Shows that married people constituted a large percentage of the respondent, followed by the single respondents while does who are widowed and divorced constitute a smaller percentage of the respondents.

Table 4.4 Distribution of Respondents According to Educational Variable

Educational levels of respondent	No of respondents	Percentage %
None	0	0
Primary	10	5
Secondary	68	38
College	41	20.5
University	69	34.5
Others	12	6
Total	200	100

Source: Questionnaire administered (2014).

Table 4.4 the table above shows the distribution of respondents according to their educational level. The university graduate represents the 34.5% of the respondents, 20.5% are college graduate, secondary graduate occupy 38 % of the respondent group, while the lowest group of 5% and 6% are the primary graduates and others group respectively.

4.2   DATA ANALYSIS

The data in this study took the form of hypothesis testing, in testing the hypothesis chi-square was used in other to show the relationship between the variables.

Hypothesis

Ho: A satisfactory reward system will not make workers to develop positive attitude towards their job

Hi: A satisfactory reward system will make workers to develop positive attitude towards their job.

Chi-square was used to test the relationship between workers satisfaction with the organization reward system and its role in workers attitude to work.

Table 4.5 the relationship between workers satisfaction with the organization reward system and attitude to work. In testing the hypothesis item 19 and 20 was used in the questionnaires.

Workers satisfaction with the organizations reward system	Yes	No	Total
Satisfactory	98	17	115
Fairly satisfactory	10	15	25
Unsatisfactory	9	51	60
Total	117	83	200

Expected frequency table

Workers satisfaction with the organizations reward system	Yes	No	Total
Satisfactory	67.3	47.4	115
Fairly satisfactory	15.6	10.4	26
Unsatisfactory	34.1	24.9	59
Total	117	83	200

4.3 HYPOTHESIS II

Ho: the attractiveness of the reward in meeting the immediate need of workers will not affect their attitude to work

Hi: the attractiveness of the reward in meeting the immediate need of workers will affect their attitude to work

In testing the hypothesis, question 21and 22 in the questionnaire were used to test the relationship between the extents to which it affect workers attitude to work in the organization

Table 4.1.6 relationship between the reward system meeting the immediate need of workers and their attitude to work

The attractiveness of reward to the workers	Yes	No	Total
Highly	85	11	96
Fairly high	13	17	30
Low	12	62	74
Total	110	90	200

Expected frequency table

The attractiveness of reward to workers	Yes	No	Total
Highly	52.8	43.3	96
Fairly high	16.5	13.5	30
Low	40.7	33.3	74
Total	110	90	200

Formula x = $\underline{E(0-E)}$

E

Degree of freedom= (C-I)(R-I)(2-1)(3-1)

X= level of significance=5%

X calculated value=90

X table value=5.991

Decision rejects the null hypothesis and accepts the research hypothesis since the chi-square table value is higher than the chi-square. The null

hypothesis between the extent to which the workers immediate needs are not met by the organization is rejected while the research hypothesis which says that there is relationship between the workers immediate needs are met by the organization and workers attitude to work accepted.

4.4   HYPOTHESIS III

Ho: A workers perception of reward he gets in relation to others of similar status in the organization will not affect attitude to work

Hi: A workers perception of the reward he gets in relation to others of similar status in the organization will affect his attitude to work.

In testing the hypothesis, chi-square was used to test the relationship between the workers perception of the reward he gets in relation to other colleagues of similar status in the organization and his attitude to work

Table 4.7 workers perception of the reward he gets in the organization

The attractiveness of reward to the workers	Yes	No	Total
Good	61	20	81
Fairly good	16	24	40
Bad	8	71	79
Total	85	115	200

Expected frequency table

The attractiveness of the reward to the workers	Yes	No	Total
Good	34.4	46.6	81
Fairly good	17	23	40
Bad	33.6	45.4	79
Total	85	115	200

Formula x $=\underline{E(0-E)}$

$\quad\quad\quad$ E

Degree of freedom = (c-1)(R-1)=(2-1)(3-1)

X level of significance = 5%

X calculated=99.8

X table value=5.991

Decision: reject the null hypothesis and accept the research hypothesis. as seen from above chi-square calculated at 15%, level of significance with degree of freedom 2 is higher than chi-square table value(5.991)

4.5   DISCUSSION AND FINDINGS

During the course of this research it was found that for workers to be motivated there is need to apply incentives, training promotion, job security and leadership styles because it enhances their productivity, does with high qualification earns more than does without qualification, also fat salaries encourages the workers to put in their best

CHAPTER FIVE: SUMMARY OF FINDINGS AND CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

The title of this research is the impact of organizational reward system on workers attitude and satisfaction to work", (case study of Coca-Cola Plc Sokoto).

1. Workers satisfaction with the organizations reward system can make them develop positive attitude to work, majority of respondent used in this study claimed that they were satisfied with the reward system of the organization, in fact about 57% were satisfied with the organizations reward system, however only about 30% of the respondent were not satisfied with the organizations reward system

2. It was discovered in the course of the study that there is a positive relationship between reward system meting needs and make them develop positive attitude to work

3. Workers perception of the reward they get affect their attitude towards work.. many of the respondent in this study express their grievances regarding the pay they receive in the organization in relation to what their colleagues of similar status receive

5.2 CONCLUSION

The conclusion of this study is based on the proposition and assumption of the study.

Workers satisfaction with the reward system will make them develop positive attitude to work. There is a positive relationship between the extent to which the organizational reward system and workers attitude is geared towards meeting the immediate needs of workers and hence developing positive attitude to work.

5.3 RECOMMENDATION

The following recommendation is made based on the findings of the study.

a. The reward system of the organization should be improved the level of satisfaction of workers

b. The discrepancies which exist in the reward system of workers in the organization should be discouraged; this is mostly among junior staff who feels that what they receive in the organization is not what their colleagues in other similar organizations are receiving.

c. The management of the company should communicate the reward system and policy to the workers in other to prevent misconceptions.

d. The reward policy of the organization should favorably compete with the reward policy of other similar organizations.

e. Management should ensure that workers are adequately appreciated

f. The organization should double her effort to provide enabling environment for workers to improve productivity.

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