Perception of Compensation Management Practices and Employee's Job Performance in the Hospitality Industry in Benin City

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BEING A RESEARCH THESIS PRESENTED TO THE DEPARTMENT OF HUMAN RESOURCES MANAGEMENT, FACULTY OF MANAGEMENT SCIENCES, UNIVERSITY OF BENIN, BENIN CITY, IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTERS OF SCIENCE (M.Sc.) DEGREE IN HUMAN RESOURCES MANAGEMENT

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DECLARATION

I, **Joanna Chukwudifu NATHAN,** hereby declare that the work presented in this thesis is a genuine work done originally by me and has not been submitted elsewhere for the award of any degree. All sources of information referred to in this work are acknowledged with reference to the respective authors.

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CERTIFICATION

This is to certify that this thesis titled **"Perception of Compensation Management Practices and Employee's Job Performance in the Hospitality Industry in Benin City"** was carried out by **Joanna Chukwudifu NATHAN** in the Department of Human Resources Management, Faculty of Management Sciences, University of Benin, Benin City.

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ATTESTATION OF CORRECTED THESIS

We the underlisted hereby attest that **Joanna Chukwudifu NATHAN** has effected all the required corrections as recommended by the external examiner and internal examiner in this thesis titled "**Perception of Compensation Management Practices and Employee's Job Performance in the Hospitality Industry in Benin City**".

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DEDICATION

I dedicate this milestone to my dear mother, Mrs. Adeline Ibemesim who always encouraged me to further my education but passed away the day I was writing my final exam. May her gentle soul continue to rest in peace. Amen

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ABSTRACT

This study examined the impact of the perception of compensation management practices on employee performance in the hospitality industry in Benin City, Nigeria. Specifically, it explored the relationships between salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities and their influence on employee performance. A survey research design, specifically the cross-sectional variant, was adopted. The study population comprised all employees in the hospitality industry in Benin City, and a stratified random sampling technique was used to select a representative sample of 385 respondents. Data were collected using a structured questionnaire, with a retrieval rate of 98%, and analysed through descriptive statistics, correlation, and multiple regression analysis using SPSS version 24. Findings revealed that fringe benefits, allowances for staff, and incentives had a positive significant correlation with employees' performance, which testifies the importance of both monetary and non-monetary rewards in motivating employees. However, wages and salaries did not statistically significantly impact performance, i.e., base pay alone may not be the productivity driver for the hospitality sector. Opportunities for training had a strong but weak positive relationship with performance, i.e., better organised and industry-specific training programmes need to be implemented. Based on these findings, the study recommended that hospitality organizations adopt an overall compensation policy by offering attractive fringe benefits, staff allowances formalized, and properly designed incentive schemes to enhance employees' motivation and performance. Besides, training programmes need to be developed according to the functional needs of employees in order to realize their full potential.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Compensation is not merely about financial remuneration but extends to the overall value employees derive from their employment. The extent to which employees perceive their compensation as fair and competitive often influences their engagement, motivation, and loyalty to the organisation (Boardman, Greenberg, Vining, & Weimer, 2017). In this regard, compensation management can be said to be the systematic approach organisations adopt to reward their employees for their contributions. It encompasses financial rewards such as salaries, wages, bonuses, fringe benefits (e.g., health insurance and retirement plans), and allowances (e.g., housing and transport). Additionally, it includes non-financial elements such as career development opportunities, training, and recognition programmes, all of which contribute to employee motivation and organisational success (Ndembele, Paston & Zuma, 2021; Fulmer, Gerhart, & Kim, 2023).

The hospitality industry, a sector that includes hotels, restaurants, event centres, bars, and cruise lines, is highly labour-intensive and relies significantly on human capital to deliver quality services (Njoku, 2015). However, one of the major challenges faced in this sector is high employee turnover, driven by factors such as low pay, long working hours, limited career growth opportunities, and unfavourable working conditions (Dobbs, 2019). High turnover not only affects service quality but also imposes significant costs on organisations, as they must continually recruit and train new employees. Moreover, employee demotivation, arising from inadequate compensation and poor working conditions, directly impacts service delivery, customer satisfaction, and overall business performance (Gao, 2016).

Despite the growing body of research highlighting the significance of compensation management in improving employee performance (Daniel, 2019), some Nigerian employers in the hospitality industry still fail to implement structured compensation systems that align with industry best practices. Anyim, Chidi, and Badejo (2012) observed that many Nigerian employers do not

prioritise employee performance improvement due to economic constraints and high unemployment rates. However, research suggests that a well-structured compensation management system can serve as a strategic tool for competitive advantage, enabling organisations to attract, retain, and motivate top talent while enhancing overall organisational effectiveness (Adari & Satyanarayana, 2018).

While prior studies have explored the relationship between compensation management and employee performance, there remains limited empirical evidence on how specific compensation components influence employee performance in the Nigerian hospitality industry, particularly in Benin City. Existing research has predominantly focused on general compensation practices without adequately examining how different elements such as salaries, fringe benefits, allowances, incentives, and training opportunities, interact to shape employee motivation and performance within this sector.

As one of the primary roles of compensation is addressing the issues of turnover and performance in the hospitality industry, this research aims to investigate how compensation management practices like remuneration and pay, fringe benefits, allowances for employees, incentives, and training influence the performance of the employee in the Nigerian hospitality industry, with specific focus on Benin City. This study argues that an effective compensation management system, encompassing both monetary and non-monetary incentives, is essential for enhancing employee performance and turnover prevention in the Nigerian hospitality industry.

1.2 Statement of the Research Problem

The Nigerian hospitality industry faces numerous challenges, ranging from inconsistent energy supply to security issues, which have fostered negative perceptions both domestically and internationally (Njoku, 2015). Compounding these issues are flawed hotel classification systems, inadequate customer service, and a lack of operational standardisation. Additionally, the industry struggles with a shortage of skilled labour, further exacerbated by individuals exploiting the system for personal gain (Heymann, 2019; Mato, 2021; Blake, 2022). One critical issue, as

highlighted by Mato (2021), is the undervaluation and underpayment of hospitality industry employees, leading to unpaid overtime and dissatisfaction with compensation.

Despite the evident challenges, there is no noticeable dearth of literature specifically addressing compensation management practices and their impact on employee performance within the hospitality industry of Benin City. Existing studies have explored similar dynamics in different regions or industries (Adari & Satyanarayana, 2018; Hong & SooCheong, 2020; Afriyie et al., 2020), but their findings may not be directly applicable to the unique socio-economic and cultural context of Benin City. This geographical gap signifies a critical area for further investigation to ensure relevant and effective management practices.

Although Bello, Aina, and Oluwole (2021) investigated job satisfaction within the hospitality sector in Lagos State, their study did not specifically examine compensation management practices. Likewise, the works of Yousaf et al. (2014) and Mangale (2017) focused on the effects of compensation on employee motivation and productivity, respectively, but these studies either lack geographical relevance to Benin City or do not explicitly explore the link between compensation management practices and employee performance. Consequently, a significant gap exists in understanding how compensation management influences employee outcomes within the hospitality industry of Benin City. Furthermore, the limited body of existing research does not adequately capture the various dimensions of compensation management, including salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities. There is, therefore, a need for more comprehensive investigations that consider these components collectively and assess their overall effect on employee performance. Previous studies have often employed narrow perspectives or restricted methodologies, thereby overlooking the broader implications of integrated compensation management practices.

Therefore, this study aims to bridge these research gaps by investigating the significant relationship between various compensation management practices which includes salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities – and employee performance in Benin City's hospitality industry. By contextualising existing knowledge and

employing robust methodologies, this research seeks to provide tailored insights into the unique dynamics of Benin City's hospitality sector. This approach will contribute to a more nuanced understanding of how effective compensation management can enhance employee performance and, consequently, overall industry performance.

1.3 Research Questions

Based on the research problem above, the following research questions are formulated to guide the study:

i. What is the effect of salaries and wages on employee performance in the hospitality industry in Benin City?
ii. What is the effect of fringe benefits on employee performance in the hospitality industry in Benin City?
iii. What is the effect of staff allowances on employee performance in the hospitality industry in Benin City?
iv. What is the effect of incentives on employee performance in the hospitality industry in Benin City, and
v. What is the effect of training opportunity on employee performance in the hospitality industry in Benin City?

1.4 Objectives of the Study

The broad objective of this research work is to examine compensation management practices and employee performance in the hospitality industry. The specific objectives of the research are to:

i. determine the relationship between salaries and wages and employee performance in the hospitality industry in Benin City;
ii. examine the relationship between fringe benefits and employee performance in the hospitality industry in Benin City;
iii. ascertain the relationship between staff allowances and employee performance in the hospitality industry in Benin City;

iv. ascertain the relationship between incentives and employee performance in the hospitality industry in Benin City; and

v. investigate the relationship between training opportunity and employee performance in the hospitality industry in Benin City.

1.5 Research Hypotheses

Based on the research objectives, this study seeks to test the following stated null hypotheses:

1. There is no significant relationship between salaries and wages and employee performance in the hospitality industry in Benin City;
2. There is no significant relationship between fringe benefits and employee performance in the hospitality industry in Benin City;
3. There is no significant relationship between staff allowances and employee performance in the hospitality industry in Benin City;
4. There is no significant relationship between incentives and employee performance in the hospitality industry in Benin City; and
5. There is no significant relationship between training opportunity and employee performance in the hospitality industry in Benin City.

1.6 Scope of the Study

This present study investigates the connection between the perception of compensation management practices and employee performance within the hospitality sector in Benin City, Nigeria. It examines key elements of compensation, such as salaries and wages, fringe benefits, staff allowances, performance incentives, and training opportunities, and evaluates their influence on performance indicators, including productivity, job satisfaction, and employee retention. The research is geographically situated in Benin City, the administrative centre of Edo State, which serves as the focal point for data gathering and analysis. This location provides a practical context for understanding compensation strategies employed by local hospitality establishments. The duration of the study spans one calendar year, allowing for a systematic and timely examination of current compensation approaches and their effects on workforce outcomes

in the hospitality industry. Data will be collected, analysed, and interpreted within this timeframe to ensure relevance and capture prevailing trends in the study area.

1.7 Significance of the Study

The primary aim of this study is to enhance the body of knowledge on compensation management practices and their impact on employee performance within the hospitality industry in Benin City, Edo State. The study's findings will be beneficial to the following groups:

Management of Hospitality Companies: This study will be of high value to the top management of hotels, motels, guest houses, and recreation centres within Benin City and similar organisations across Nigeria. It will help identify and address challenges affecting employee performance, enabling management to make informed improvements. Such enhancements are expected to foster more committed organisational citizenship behaviour among employees, ultimately benefiting the organisation as a whole.

Academics and Researchers: Academics and researchers will find this study a useful reference point and a foundation for further inquiry. The findings will contribute to the academic discourse on compensation management and employee performance, providing empirical evidence and insights that can inform future research. This study will be particularly relevant to researchers in accounting and management disciplines, offering a basis for developing recommendations to improve organisational compensation schemes.

Human Resource Managers and Professionals: Human resource managers and professionals will benefit from this study by gaining insights into the best compensation practices that can reduce job dissatisfaction and prevent organisational stagnation. The study will provide valuable information to help HR managers devise strategies to enhance compensation structures, thereby improving various employee performance variables. This, in turn, will aid in retaining talent and maintaining a competitive edge in the market.

Employees: Employees will also benefit significantly from this research. By highlighting the importance of effective compensation management, the study will encourage management to implement practices that promote positive attitudes and enhance employee performance.

Improved compensation practices will enable employees to align their goals with the organisation's objectives, fostering a more productive and motivated workforce.

Professional Agencies: Professional agencies in human resource management and related fields, such as the Chartered Institute of Personnel Management (CIPM), the Nigerian Institute of Management (NIM), the Chartered Institute of Administration (CIA), and the Nigerian Institute of Training and Development (NITAD), will find this study useful. The insights provided can guide these agencies in formulating and implementing policies related to compensation practices and organisational citizenship behaviour.

Policymakers: Policymakers will benefit from the study's findings by gaining a better understanding of how to create an enabling environment for fair compensation and positive organisational behaviour. The information gathered can inform policy formulation, ensuring that compensation practices are aligned with the goal of enhancing organisational performance and employee satisfaction. This will ultimately contribute to the development of a more robust and competitive hospitality industry in Nigeria.

CHAPTER TWO

LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Compensation Management and its Practices

According to Afriyie et al., (2020), compensation is the form of pay or incentive given to an employee for performing services for an employer. It is often based on certain benefits such as wages, salaries, incentives, or bonuses. Mangale (2017) view compensation as an outcome in the exchange among employees and themselves as an entitlement for being an employee of the organisation or as a reward for a job well done. Compensation given to employees in one agency is different from that for employees in other agencies, as well as compensation given to public employees, and compensation given to professional employees has a different value (Abebe, 2018). Compensation continues to be influenced by several factors that are producing some important trends in compensating workers (Olonade, Omotoye, Alabi, Odebode, 2022). One such trend is aligning wages to the organisation's goals. Others usually include tailoring compensation to the needs of employees; better salary, and pay equity.

A properly and well-designed compensation and benefits plan serves to attract, motivate, and retain talent within the organisation, benefiting in several ways. Onyeizugbe et al. (2018) posited that, firstly, it promotes job satisfaction by ensuring employees are content and enthusiastic about their work when they receive fair rewards in exchange for their performance. Secondly, it fosters motivation by catering to different needs; some individuals seek higher pay while others prioritise opportunities for promotion, learning, and continuous development. A compensation plan that aligns with employees' needs is more likely to motivate them to perform at their best. Thirdly, it drives employee performance by establishing clear incentives tied to specific events, performance outcomes, or achievement of goals. This creates a strong motivation for employees to excel and improve business performance. Additionally, a well-designed compensation and benefits plan contributes to low absenteeism as employees are satisfied with the office environment and the compensation they receive. Consequently, their performance remains high

and absenteeism rates are significantly reduced. Moreover, it promotes low turnover as employees are less inclined to seek opportunities elsewhere when they are offered fair rewards within the organisation. Furthermore, it provides peace of mind by offering various types of insurance to workers, relieving them of certain fears and allowing them to work with a relaxed mind, resulting in improved performance without mental stress. Lastly, it increases employees' self-confidence, as a reward system helps boost their belief in their abilities, thereby enhancing their overall performance within the organisation.

Compensation management practices in companies are usually administered via the financial and non-financial aspects respectively and as such this study has identified proxies of both types of compensation that they have a huge impact on employee performance. We thus grouped them into financial and non-financial and this is discussed in details below.

2.1.1.1 Financial Compensation

Providing appropriate financial compensation is important for employees, in addition to meeting the needs of life, financial compensation is an appreciation of the company's work potential that can affect employee behaviour in work. Therefore, it can be said that the provision of financial compensation not only benefits employees but also companies that will get employees who are loyal to the company. The provision of wise financial compensation affects both parties' employees and the company; therefore, this policy is expected to satisfy both parties. According to Burhanudin and Tambun, (2021), financial compensation consists of direct financial compensation and indirect financial compensation. Direct financial compensation is the payment received by an employee in the form of salary, wages, commission, and bonus. Meanwhile, indirect financial compensation is all forms of compensation that are not included in direct financial compensation. This indirect financial compensation is also called employee benefits or benefits. This indirect financial compensation includes social security, unemployment compensation, workers' compensation, paid rest time, health, life insurance, retirement plans, disability protection, employee stock option plans, employee services, and premium payments.

Salaries and Wages

Salaries and wages are intrinsically motivated compensation that has the probability to showcase expertise and abilities, receive gratitude, good recognition, freedom, responsibility and mutual respect (Ajalie, 2017). Garnero, Rycx and Terraz (2018) stressed that the payment of good wages and salaries instigate employees for efficient business operation and higher productivity. Therefore, the basic salary is the basic wage in form of salary; fringe benefits are supplementary compensation awarded to employers over and above the basic wage or salary. Payment of salary to employees by the employer is mandatory by law and not just for the fun of it and must be noted that such salary paid is an instrument of motivation or 'driver' for the workforce to keep the body and soul together and possibly make them a stakeholder in the organisation (Sule, Amuni, Obasan & Banjo, 2015).

Business organisations usually set up specific objectives through the frequent payment of salaries and wages. In modern business, employees (labour) have been generally recognized as the highly prized asset of any organisation because it is the human component which plans, organizes, controls and coordinates and puts other factors of production into effective use for the attainment of organisational set goals with a reasonable compensation management (Abah & Nwokwu, 2016). Olusadum and Anulika (2018) claimed that salary is a good motivator in an organisation and lead to improve employee performance. Salary is a reward packages that include bonuses, pension scheme, subsidized meal, medical facilities, training and assigning of special duties to the employees (Agwu, 2013). Idrees, Xinping, Shafi, Hua and Nazeer (2015) defined salary as fixed amount of money usually paid monthly or annually to a worker by an employer in return for work done. Mnzava (2012) added that basic salary is one main barometer of compensation that guarantees a minimum increase over time among business organisations. However, the salary a worker is paid by his employer can have a great influence on his performance.

A worker is more likely to perform to his full potential if happy with the salary he is earning; a person earning a high salary feels motivated to do a good job to please his employer and in turn retain his job, the level of appreciation he feels can have a direct impact on his overall performance (Woods, 2019). A good employee feels the value of the company is working for in

committing to the organisational goals and objectives when the wages and salaries is encouraging. Reward in terms of pay is seen as an external agent administered in a task performed (Marlisa & Wan, 2012). Therefore, the real success of organisation from employee from employee willingness to use their creativity and among how the employee increases the positive employee inputs and rewards practices in place.

Fringe Benefits

Fringe benefits are components of employee's compensation like social security and unemployment insurance, housing (employer provided or employer-paid), group insurance (health, dental, life etc.), disability and income protection, retirement benefits, day-care, tuition reimbursement, sick leave, vacation (paid and not paid), profits sharing, fund for education and other specialized benefits. Fringe benefits are good elements of compensation explored by business organisations to motivate employees for better performance and improve productivity (Karami, Dolatabadi & Saeed, 2013). However, fringe benefits are form of compensation employ by management of business organisation to motivate employees for increasing productivity and performance of the employee (Mugaa, Guyo & Odhiambo, 2018).

Fringe benefits are benefits offered to employees in a workplace and forms part of the indirect compensation for the motivation of the employee (Mathis, Jackson & Valentine, 2013). Fringe benefits are regarded as recurrent expenditures such as paid holidays, paid vacation, health insurance and profit sharing. Mugaa, Guyo and Odhiambo (2018) defined fringe benefits offered to employee in a business organisation as non-wage compensation in addition to their normal wages or salaries in work engagement. Haryono (2019) asserted that fringe benefits are a compensation strategy adopted by management for appreciating the staff for the success of the organisation for higher productivity. Adeniji and Osibanjo (2012) opined that fringe benefits are reward supplementary policy normally offered to employees of business organisation for higher productivity and performances such as annual leave allowances, salary advance and educational assistance. Good compensation practice is the basis of creating sense of employee's satisfaction.

It is a way of encouragement to employees to carry out their functions effectively and efficiently in the organisations.

Staff Allowances

The system of compensation management in organisations is very important for the performance of any organisation. In references to Onuorah, Okeke and Ikechukwu (2019), staff allowances are those compensation mechanisms used by management of productive organisation to create competitive advantage for business organisations. Furthermore, the process of creating and sustaining competitive business advantage is the basis of enhancing organisational productivity. The number of allowances received is usually believed to have a direct effect on the decisions affecting the eventual performance of the organisation. However, business organisations usually offered house rent allowance to the employees to enable them the basic needs of shelter and have access to reasonable accommodation while on official duty.

Incentives

Incentives are compensation which serves as a signal for staff to have a long-time relationship with the business organisation (Ibrahim & Boerhaneoddin, 2010). Compensation policy is a mechanism to align the incentives of investors and managers to mitigate agency problems arising from separation of ownership and control (Bessant & Tidd, 2007). According to National Productivity Council (2014), incentives are regarded as a measure employed by business organisation for stimulating the employees to higher productivity. Meanwhile, the amount of compensation received is usually believed to have direct effect on the decisions affecting the eventual productivity of the organisation.

Certo (2016) asserted that motivation is giving people incentives that cause them to act in desired ways. Motivation within the workplace has a direct impact on employees' performance. Therefore, workers who are motivated are excited about their jobs and carry out their responsibilities to the best of their abilities (Scot, 2019). The National Productivity Council (2014) categorised incentives into non-financial, financial and semi-financial and the non-financial incentive schemes are also known as non-monetary benefit which enhances the

productivity level of the employee such as recognition and praise for achievement while semi-financial incentives are also refers to short and long term incentives such as annual bonuses and commission based on performance in the period immediately preceding its award while long term incentive refers to incentives that are not realized until some time period has elapsed (Azasu, 2003).

2.1.1.2 Non-Financial Compensation

Beyond financial incentives, non-financial rewards and recognition programs also contribute to enhanced employee performance. The non-financial rewards incorporate job design, the working atmosphere, career improvement, training, cooperation and also acknowledgement (Mangale, 2017). A well-designed workspace that makes use of ergonomic furniture and accessories, lighting, and a practical layout will lessen difficulties and promote progress. Recognition programs that acknowledge exceptional performance, such as Employee of the Month awards or public recognition in team meetings, create a sense of achievement and reinforce positive behaviours. Non-financial job, job can be an interesting job, a chance to flourish, training, awards for his performance, and promotion. This form of compensation is the realization and fulfilment of self-actualization. Non-financial is compensation related to the work environment. Non-financial compensation regarding the work environment can be supervisory competence, comfortable working conditions, and job sharing. According to Jaiswal, Kushe, and Lucky (2022), non-financial demands, encompassing social, psychological, and emotional needs, can prompt employees to seek better opportunities elsewhere if unmet at work, thus emphasizing the significance of non-financial incentives in motivating better performance. Lack of recognition, acclaim, and advancements in the workplace have an impact on employees' performance (Idris et al., 2017).

Training Opportunity

Training opportunity is one element of compensation that human resource management should consider in its compensation policy. Training opportunity is “designed by management to support an effective performance appraisal process that involves establishing an ongoing

communication process between employee and management, and the presence of training and development is one of the ways by which employee feels that the organisation is taking care of the problems in the organisations" (Afaq, Raja, Mohsin, & Moazzam, 2016, p. 36). The purpose of training opportunity as a compensation practice carried out in organisations is to enhance employee performance (Ahmed, 2016). This helps to promotes employees, confidence; satisfaction and comfortableness within the organisation for improve performance and effectiveness.

Salau, et al., (2014) maintained that induction and staff attitude towards retention and organisational effectiveness indicates that work attitude tends to be favourable when organisations facilitate industrial harmony, affection, recognition, friendliness, freedom which is very important for enhancing organisational performance. The opportunity offers to employees through training has a direct contribution to overall achievements of organisational goals (Ibrahim Usman & Bagudu, 2013).

Compensation offers in the area of training influence the excellence of the people who apply job openings and motivate the employees to stay with the organisation for improved job performance (Shah, Mohd, & Khairudin, 2018). Berber, Morley, Slavić and Poór (2017) added that training opportunity is very crucial in attracting, retaining valuable employees to the organisation and strongly influencing job satisfaction as well as motivating employees to accomplish higher levels of performance. The learning opportunities given to employees at workplace is the process of inspiring, educating them to serve their positions to the best of their knowledge as regards to the organisational goals through training opportunity (Jahan, 2015). Zehra (2016) posited that organisations offer compensation in the area of training opportunity to improve the knowledge, skills and behaviour of employees for meeting stated goals and objectives set. However, regular training conducted is a good compensation policy for employee retention (Elnagal & Imran, 2013).

2.2.1 Employee's Job Performance

Donohoe (2019) notes that employee performance is an outcome based on several aspects such as excellence, amount, and efficiency of work as well as the demeanours that staff demonstrates in the workplace. Abundant control lies with the proprietor of the organisation while designating these objectives and assessing them regularly. Employee performance refers to the extent to which an individual fulfils the essential duties associated with their role within an organisation (Conway, 2006). Employee performance on the job is of great importance, especially in relation to maintaining and growing productivity for organisations (Conway, 2006). Tsitmideli, Skordoulis, Chalikias, Sidiropoulos, and Papagrigoriou (2016) supports Conway (2006) that job performance for an employee is one of the most crucial factors for sustaining and increasing production for organisations. However, poor relationships with managers can lead to employee stress, demotivation, counter-productivity, and poor performance. According to Coyle-Shapiro and Conway (2005), the role of a manager is seen as the leading role in promoting employee job performance and for employees to achieve their full potential. Furthermore, human capital is posited to be one of the most critical resources for organisational success. Hence, employee satisfaction should be considered a key factor by managers (Tsitmideli et al., 2016). Considering this, it becomes critical and beneficial for managers to promote good employee relations while also understanding the types of employee-manager relations aligned with employee job performance.

2.2.2 Dimensions of Employee's Job Performance

Employee performance can be defined as the actions and behaviours exhibited by an individual within an organisation that significantly contribute to the accomplishment of organisational goals (Motowidlo, 2003). This implies that employee performance is the anticipated value of individuals' actions within organisations, crucial for enhancing organisational effectiveness. In this study, three dimensions of employee performance that play a role in organisational effectiveness are considered: task performance, contextual performance, and adaptive performance (Allworth & Hesketh, 1999; Borman & Motowidlo, 1993; Koopmans et al., 2012). Task performance, as defined by Borman and Motowidlo (1993), refers to the efficiency with

which employees carry out activities contributing to the organisation's technical core objectives. Contextual performance, conceptualized by Borman and Motowidlo (1993), involves individual behaviours that support the organisational, social, and psychological environment, going beyond job requirements. Adaptive performance, the third dimension, pertains to an individual employee's ability to adjust to changes in the work environment, reflecting the acquisition and enhancement of competencies in response to organisational changes (Griffin, Neal, & Parker, 2007).

Task Performance

Task performance is a crucial dimension within the realm of individual work performance, consistently recognised in various scholarly frameworks. Scholars have employed alternative labels such as job-specific task proficiency, technical proficiency, and in-role performance to denote this dimension (Rollins & Fruge, 1992; Campbell et al., 2001; Bakker et al., 2004; Maxham et al., 2008; Owusu, Owusu, Senyah, & Appiah, 2022; Klieger, Kell, Rikoon, Burkander, Bochenek, & Shore, 2018; Murphy, 2015). Murphy (1989) defined task performance as the execution of duties within a job description, while Borman and Motowidlo (1993) characterized it as the proficiency in activities formally acknowledged as part of the job, contributing to the organisation's technical core as cited in (Bieńkowska & Tworek, 2020; Hassan & Mansur, 2023; Geldenhuys & Peral, 2020). This encompasses direct support for the organisation's technical processes, involving aspects like work quantity, work quality, and job knowledge (Van Scotter et al., 2000). Task performance is often integrated into individual work performance frameworks, presenting a dimension that describes activities transforming materials into goods and services or facilitating the organisation's efficient functioning (Motowidlo et al., 1997). Task performance is inherently multi-dimensional, with various frameworks incorporating specific dimensions to delineate this construct. For instance, Tett et al. (2000) highlighted that core job tasks vary across roles, leading to job-specific frameworks utilizing multiple dimensions to articulate task performance. Examples include Arvey and Mussio's (1973) description of clerical workers' task performance, Jiambalvo's (1979) delineation for

public accountants, and Engelbresht and Fischer's (1995) division for managers, encompassing action orientation, task structuring, and probing, synthesis, and judgment. These job-specific frameworks reflect the nuanced nature of task performance across diverse roles and responsibilities.

Contextual Performance

Contextual performance, also known as extra-role performance or organisational citizenship behavior, is a concept denoted by various labels in the literature, such as interpersonal relations, non-job-specific task proficiency, and extra-role performance (Borman & Motowidlo, 1993; Organ, 1998; Owusu et al., 2022). It refers to voluntary actions or behaviors that contribute to the effective functioning of an organisation but are not explicitly required by formal job descriptions or contracts. These behaviors go beyond the minimum requirements of the job and often involve activities that support the social and psychological environment of the workplace (Borman & Motowidlo, 1993; Podsakoff, MacKenzie, Paine, & Bachrach, 2000; Klieger et al., 2018).

Contextual performance encompasses individual behaviors that contribute to the organisational, social, and psychological environment in which the technical core of an organisation operates (Borman & Motowidlo, 1993; Murphy, 2015). It signifies the extent to which employees engage in activities that support organisational effectiveness and shape the context for task activities. This definition draws heavily from research streams on prosocial organisational behavior, organisational citizenship behavior, and the model of soldier effectiveness.

Researchers have emphasized the importance of contextual performance in contributing to organisational success and employee well-being (Borman & Motowidlo, 1997; Organ, 1988; Bieńkowska & Tworek, 2020). For example, Organ, Podsakoff, and MacKenzie (2006) found that employees who engage in higher levels of organisational citizenship behavior tend to have better job satisfaction, higher levels of organisational commitment, and lower turnover intentions.

Furthermore, contextual performance has been linked to various organisational outcomes such as improved team performance, enhanced customer satisfaction, and increased profitability

(Podsakoff et al., 2000; Organ et al., 2006). By going above and beyond their formal job requirements, employees demonstrate their commitment to the organisation and contribute to its overall success (Podsakoff et al., 2000).

However, it is essential to note that contextual performance is influenced by various factors, including organisational culture, leadership behavior, and individual characteristics (Borman & Motowidlo, 1997; Podsakoff et al., 2000). Organisations can foster contextual performance by promoting a supportive work environment, recognizing and rewarding employees for their extra-role contributions, and providing opportunities for employee development and growth (Podsakoff et al., 2000; Organ et al., 2006).

Several frameworks have been proposed to conceptualize contextual performance, ranging from single broad dimensions to multiple dimensions (e.g., Campbell, 1990; Viswesvaran, 1993). Commonly considered dimensions under contextual performance include communication, effort, discipline, interpersonal behavior, leadership, and developing others. Less frequently mentioned dimensions encompass planning, problem-solving, administration, and showing responsibility (Borman & Motowidlo, 1993; Coleman & Borman, 2000; Hassan & Mansur, 2023; Geldenhuys & Peral, 2020).

Adaptive Performance

As of now, there is no universally accepted definition of adaptive performance (AP) (Ployhart & Bliese, 2006). Generally, AP is understood as an individual's capacity to adapt to dynamic work situations (Hesketh & Neal, 1999). Griffin et al. (2007) defines it as "the extent to which an individual adapts to changes in a work system or work roles," while Jundt et al. (2015) describe AP as "task-performance-directed behaviours individuals enact in response to or anticipation of changes relevant to job-related tasks."

Scholars have used various terms interchangeably with adaptability, including adaptive performance (Hesketh & Neal, 1999), adaptability, adaptation, adaptive expertise, adaptive transfer, performance adaptation, role flexibility (Murphy & Jackson, 1999), and proficiency in integrating new learning experiences (London & Mone, 1999).

Researchers have conceptually and empirically distinguished AP from other performance dimensions (Allworth & Hesketh, 1999; Griffin et al., 2007; Shoss, et al., 2012). The term adaptive performance has gained significant attention from scholars such as Pulakos et al. (2000), Sinclair & Tucker (2006), Griffin et al. (2007), and Koopmans et al. (2011). Many scholars emphasize the importance of various adaptive behaviours (Allworth & Hesketh, 1996; Hesketh & Neal, 1999; Hollenbeck, et al., 1996; Ilgen, 1994; London & Mone, 1999; Murphy & Jackson, 1999). Traditional models of performance, considered static, are deemed insufficient without the inclusion of "responsiveness to changing job requirements," labelled adaptive performance (Allworth & Hesketh, 1999; Pulakos et al., 2000; Griffin et al., 2007).

Dimensions of Adaptive Performance

Adaptive performance encompasses problem-solving creatively, dealing with uncertain or unpredictable work situations, learning new tasks, technologies, and procedures, and adapting to other individuals, cultures, or physical surroundings. Baard et al. (2014) outlined two main domains of AP research: "domain-general" and "domain-specific." The domain-general approach sees adaptive abilities as relatively stable traits or performance constructs, applicable across various jobs. In contrast, the domain-specific approach views adaptation as a learned and applicable capability within specific contexts.

Pulakos et al. (2000) proposed a global model of adaptive performance, comprising eight sub-dimensions: (a) handling emergency or crisis situations; (b) handling work stress; (c) solving problems creatively; (d) dealing with uncertain and unpredictable work situations; (e) learning work tasks, technologies, and procedures; (f) demonstrating interpersonal adaptability; (g) demonstrating cultural adaptability; and (h) demonstrating physically oriented adaptability.

Sinclair & Tucker (2006) considered adaptive performance as a separate dimension in a job-specific framework, while in several other frameworks, it was included as part of contextual performance, reflecting an employee's ability to adapt to new job conditions or requirements, such as schedule flexibility (Hunt, 1996), adaptability (Rollins and Fruge, 1992), and leading change (Hedge et al., 2004).

2.2.3 Measurement of Employee's Job Performance

The measurement of employee performance is a critical aspect of human resource management, providing organisations with valuable insights into the effectiveness and efficiency of their workforce. In the context of employee performance measurement, various scholars have contributed to the development of frameworks, methodologies, and indicators.

Armstrong (2006) emphasizes the importance of measuring employee performance as the basis for providing feedback and guiding organisational success. He suggests that distinguishing between outputs and outcomes can be essential, especially in knowledge-based roles such as those of scientists. Outputs, which are quantifiable results, can be contrasted with outcomes, visible effects resulting from effort that may not be easily quantified. This distinction allows for a more nuanced evaluation of performance, even in roles where outcomes are challenging to quantify.

Bredrup (1995) contributes to the discussion by defining performance measurement as the retrospective collection of historical results. While this approach can serve useful purposes, Eccles (1991) argues for forward-looking indicators, particularly in the realm of employee performance management. He suggests that useful measurements should be concerned with performance improvement, moving beyond merely portraying past achievements.

Walters (1995) expands on the indicators used to measure employee performance, identifying various dimensions such as contribution to strategic objectives, measures of quality, quantity, volume, efficiency, value for money, and satisfaction of external and internal customers. This comprehensive set of indicators reflects the multifaceted nature of employee performance and emphasizes the need for a holistic approach in measurement.

In the realm of feedback mechanisms, Armstrong (2006) discusses the implementation of 360-degree feedback. This approach involves obtaining input not only from supervisors but also from peers, subordinates, and even external stakeholders. The 360-degree feedback process is designed to provide a well-rounded perspective on an individual's performance and is often used as part of self-development or management development programs. These scholarly perspectives

collectively underscore the complexity of measuring employee performance. The field encompasses not only quantitative outputs but also qualitative outcomes, requiring organisations to adopt a multifaceted and forward-looking approach to truly understand and enhance employee performance.

2.2.1.3 Linking Compensation Management Practices to Employee's Job Performance

According to Rizwan and Ali (2010), monthly rewards serve as a significant source of motivation for employees. Recognizing the crucial role employees play in an organisation, it becomes imperative to enhance their performance by offering both financial and non-financial incentives (Fidiyanto et al., 2018). Effective organisations prioritize the development of strategies that attract and retain highly skilled and qualified employees, while also motivating them to align with the organisation's objectives and goals. When employees perceive their compensation as inadequate, it can lead to dissatisfaction and hinder their progress towards goal attainment (Fitriani, 2018).). Supraja (2020) expressed the view that a combination of financial and non-financial compensation holds considerable importance in influencing employee performance. By offering a well-balanced mix of both monetary rewards and non-monetary benefits, organisations can effectively motivate their employees and enhance their overall productivity and engagement levels (Rifa'i et al., 2020). This comprehensive approach recognizes that employees are driven by a range of factors beyond just monetary incentives, and emphasizes the need to address both financial and non-financial aspects when designing compensation strategies (Mardiyanti et al., 2018).

2.3 Conceptual Framework

As shown in Figure 2.1, compensation management practices (salaries and wages, fringe benefits, staff allowance, incentives and training opportunity) is directly related to employee performance, forming a crucial link between the rewards employees receive and their ability to perform effectively within the hospitality industry. In the context of the hospitality industry, where service quality and guest satisfaction are of utmost importance, the relationship between compensation and employee performance becomes even more critical. Employees who are well-compensated are likely to experience higher levels of job satisfaction, which in turn can positively impact their service delivery and overall performance. Additionally, the hospitality industry often operates under unique circumstances, such as long working hours, intense customer interactions, and a high-pressure environment. Effective compensation strategies that

address these specific industry challenges can help attract and retain talented individuals, promote employee well-being, and enhance their motivation and performance.

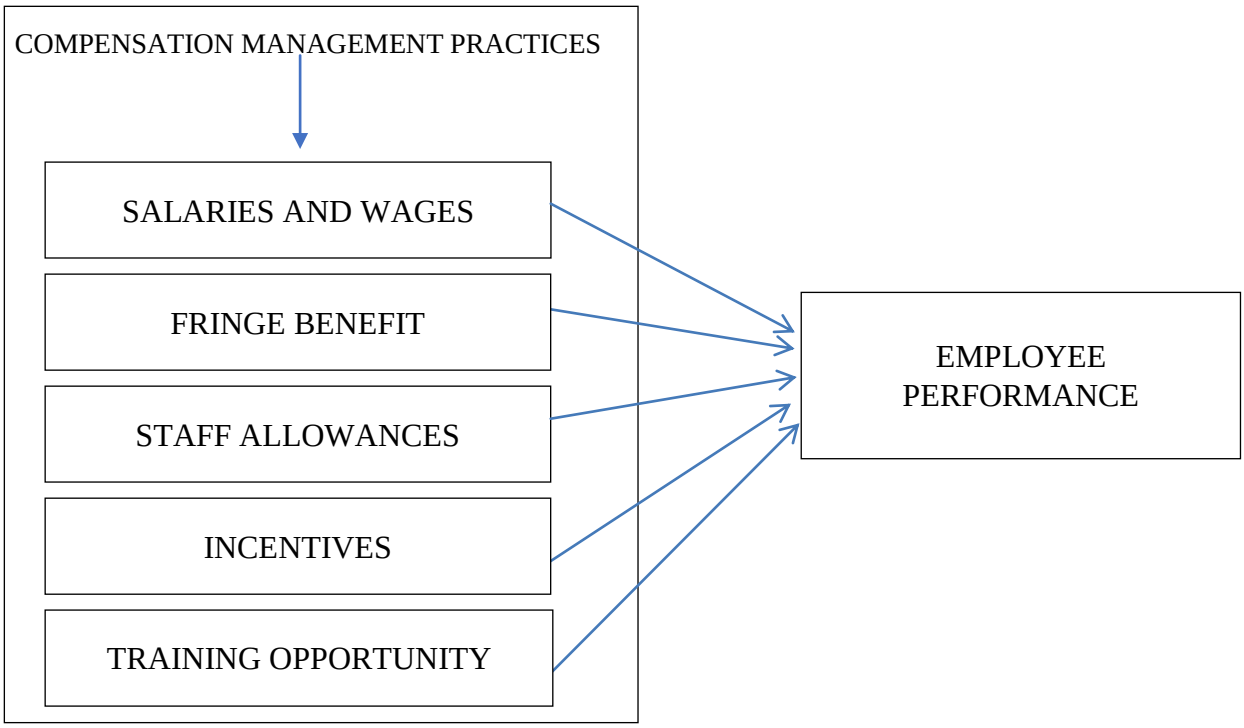

Figure 2.1 Conceptual Framework for the Study showing the Compensation – Employee Performance Relationship

Source: Olaniyan (2017)

2.4 Theoretical Review

This is focused on the relevant theories that the study is premised on that help in informing the research methodology, interpreting the findings, and providing a theoretical framework for understanding the phenomenon under investigation. The theories selected for this study have been carefully chosen based on their applicability, relevance, and ability to contribute to the overall objectives and research questions of the study finding of the study.

2.5.1 The Reinforcement Theory

The Reinforcement Theory, developed by B.F. Skinner in the mid-20th century, posits that behaviour is shaped by its consequences. It emphasises external stimuli as the primary drivers of behavioural modification, arguing that individuals are more likely to repeat actions that are followed by positive reinforcement and less likely to repeat those that result in negative

consequences. This theory has been widely applied in various fields, including education, organisational management, parenting, and behaviour modification (Skinner, 1953; Luthans & Kreitner, 1985).

Despite its widespread adoption, the theory has received several critiques. One of the key limitations is its excessive focus on external reinforcement while neglecting intrinsic motivation. Scholars such as Deci and Ryan (1985) argue that over-reliance on external rewards can undermine internal motivation, potentially leading to decreased long-term engagement and creativity among employees. Furthermore, Reinforcement Theory does not adequately account for cognitive processes and individual differences in perception, as highlighted in the work of Bandura (1986), who proposed Social Learning Theory as an alternative perspective. Unlike Reinforcement Theory, which primarily focuses on stimulus-response relationships, Social Learning Theory suggests that individuals learn not only through direct reinforcement but also by observing others and internalising experiences.

Another critique of Reinforcement Theory in the context of compensation management is its limited applicability to complex job roles that require creativity and problem-solving. While reinforcement techniques such as bonuses, promotions, and incentives can enhance performance in structured, task-oriented roles (Stajkovic & Luthans, 2001), they may not be as effective in roles requiring high levels of innovation and autonomy. Additionally, research by Kohn (1993) suggests that extrinsic rewards may lead to unintended consequences, such as short-term compliance rather than genuine commitment to organisational goals.

Nevertheless, several studies have successfully applied Reinforcement Theory in workplace settings, demonstrating its relevance in compensation management. For instance, Stajkovic and Luthans (2003) found that positive reinforcement through financial and non-financial incentives significantly improved employee performance in service-oriented industries. Similarly, Fryer (2011) examined the impact of performance-based incentives in the hospitality sector and found that targeted reinforcement strategies, such as commission-based pay and recognition programmes, led to increased employee productivity and job satisfaction.

In the context of compensation management in Benin City's hospitality industry, Reinforcement Theory remains a useful framework for understanding how rewards influence employee behaviour. By strategically employing positive reinforcement mechanisms—such as performance bonuses, career advancement opportunities, and recognition programs—hospitality managers can enhance motivation and improve service delivery. However, it is essential to balance extrinsic rewards with intrinsic motivators to sustain long-term employee engagement and organisational commitment. Given the critiques of Reinforcement Theory, integrating insights from complementary theories, such as Self-Determination Theory (Deci & Ryan, 1985) and Goal-Setting Theory (Locke & Latham, 1990), may provide a more comprehensive understanding of employee motivation and performance management in the hospitality industry.

2.5.2 Expectancy Theory

The Expectancy Theory, introduced by Victor Vroom in the 1960s, offers a framework for understanding motivation by suggesting that individuals are driven to engage in behaviours they believe will lead to desired outcomes. The theory is built on three key components: expectancy (the belief that effort will lead to performance), instrumentality (the belief that performance will lead to specific rewards), and valence (the perceived attractiveness of the rewards) (Vroom, 1964). According to this theory, motivation is influenced by the strength of these beliefs and the perceived likelihood of achieving the desired outcomes.

While the Expectancy Theory has been widely applied in organisational behaviour, human resource management, and performance appraisal systems, it is not without criticism. One of its primary limitations is the assumption that employees always act rationally by calculating the probabilities of success and reward before making decisions. Critics, such as Porter and Lawler (1968), argue that individual motivation is influenced by multiple factors, including emotions, personality traits, and workplace culture, which the Expectancy Theory does not fully address. Additionally, Adams' Equity Theory (1965) suggests that fairness and social comparison also play a significant role in motivation, something that Expectancy Theory largely overlooks.

Employees may feel demotivated if they perceive that their peers are receiving disproportionate rewards, even if their own performance-reward relationship aligns with their expectations.

Another critique of Expectancy Theory is its limited applicability to roles that require high levels of creativity, teamwork, and intrinsic motivation. The theory is most effective in structured environments where performance can be clearly measured and directly linked to tangible rewards. However, in industries such as hospitality, where teamwork, customer interactions, and service quality are crucial, motivation may not be solely driven by individual perceptions of rewards (Chiang & Jang, 2008). Furthermore, empirical research by Van Eerde and Thierry (1996) suggests that Expectancy Theory is more effective for short-term motivation rather than long-term engagement, as employees may reassess their effort-reward expectations over time.

Despite these limitations, Expectancy Theory has been successfully applied in compensation management and employee performance studies. For example, research by Chen, Gupta, and Hoshower (2006) demonstrated that employees were more motivated when they perceived a clear link between effort, performance, and rewards, particularly in service-oriented industries. Similarly, a study by Nadiri and Tanova (2010) in the hospitality sector found that employees' motivation and job satisfaction improved when they believed that their efforts were directly linked to tangible rewards such as bonuses, promotions, and career advancement opportunities.

In the context of compensation management in the hospitality industry of Benin City, Expectancy Theory provides valuable insights into how compensation strategies influence motivation. Hospitality industry managers can enhance employee motivation by ensuring that rewards are clearly tied to performance expectations, that employees believe they can achieve the required performance levels, and that the offered rewards are meaningful. For instance, transparent reward structures, performance-based incentives, and opportunities for professional development can reinforce the expectancy-instrumentality-valence relationship, thereby improving employee motivation and overall performance.

However, given the critiques of Expectancy Theory, it is essential to complement its insights with alternative motivational frameworks such as Equity Theory (Adams, 1965) and Herzberg’s

Two-Factor Theory (Herzberg, Mausner, & Snyderman, 1959), which account for fairness and intrinsic job satisfaction. By integrating these perspectives, hospitality industry stakeholders in Benin City can develop more holistic compensation management practices that not only incentivise performance but also foster long-term employee engagement and organisational commitment.

2.5.3 Equity Theory

The Equity Theory, introduced by J. Stacy Adams in 1963, provides a framework for understanding workplace motivation by emphasising fairness in social exchanges. The theory posits that employees evaluate their inputs (such as effort, skills, and experience) against the outcomes they receive (such as salary, recognition, and benefits) in comparison to their peers (Adams, 1965). If employees perceive an imbalance—where their inputs outweigh their rewards in comparison to others—they experience feelings of inequity, leading to dissatisfaction and potential disengagement. Conversely, if they feel over-rewarded, they may experience guilt or an internal pressure to adjust their efforts accordingly.

While the Equity Theory is widely acknowledged for its relevance in explaining job satisfaction, employee engagement, and turnover intentions, it has received several critiques. One major criticism is its assumption that all individuals perceive fairness and equity in the same way. Research suggests that perceptions of fairness are influenced by personality traits, cultural background, and individual tolerance levels (Huseman, Hatfield, & Miles, 1987). For instance, some employees are more sensitive to inequities than others—what Huseman et al. (1987) refer to as equity sensitives, benevolents, and entitleds. Benevolent employees may tolerate being under-rewarded without experiencing dissatisfaction, while entitled individuals expect greater rewards regardless of their input. This variation in individual equity perception suggests that a one-size-fits-all approach to compensation management may be ineffective.

Another limitation of Equity Theory is that it primarily focuses on outcome fairness (distributive justice) but does not account for the role of procedural justice (Folger & Konovsky, 1989). Employees may be dissatisfied not only due to perceived pay disparities but also due to a lack of

transparency in decision-making processes. Research by Colquitt et al. (2001) highlights that procedural fairness—such as clear communication about salary structures and performance evaluation criteria—can mitigate negative perceptions of distributive inequity. This suggests that organisations must address both distributive and procedural aspects of equity to ensure a more comprehensive approach to fairness.

Despite these criticisms, Equity Theory has been widely applied in research on compensation management and employee motivation. Studies such as Greenberg (1990) have demonstrated that perceived inequities in pay can lead to counterproductive behaviours, including reduced performance and workplace deviance. Additionally, empirical findings by Al-Zawahreh and Al-Madi (2012) show that employees who perceive fairness in reward distribution exhibit higher levels of organisational commitment and lower turnover intentions.

In the context of the hospitality industry in Benin City, Equity Theory offers valuable insights into how employees perceive the fairness of their compensation relative to their contributions and those of their peers. Given the labour-intensive nature of the hospitality sector, employees frequently compare their salaries, benefits, and other rewards to colleagues in similar roles or industry benchmarks. If they perceive inequities—such as wage disparities between employees performing similar tasks—they may experience dissatisfaction, leading to reduced motivation and performance. The high turnover rate commonly observed in the hospitality industry (Kong, Cheung, & Song, 2012) further underscores the importance of equitable compensation structures.

To mitigate equity concerns and enhance employee motivation, hospitality industry stakeholders in Benin City can integrate the principles of Equity Theory into their compensation management practices. This includes conducting regular salary audits to identify and rectify disparities, ensuring transparency in pay structures, and offering both monetary and non-monetary rewards, such as career advancement opportunities and public recognition. By aligning compensation practices with fairness principles, organisations can foster greater job satisfaction, motivation, and performance within the hospitality sector. However, given the limitations of Equity Theory, it may be beneficial to integrate insights from Expectancy Theory (Vroom, 1964) and Herzberg's

Two-Factor Theory (Herzberg, Mausner, & Snyderman, 1959) to address other dimensions of employee motivation, such as perceived reward attainability and intrinsic job satisfaction.

2.5 Theoretical Framework Underpinning the Present Study

The theoretical framework underpinning this thesis is rooted in the Expectancy Theory, as proposed by Vroom (1964). This theory delves into the intricate interplay between rewards and behaviors, emphasizing the anticipation of future rewards over the actual experience of rewards. Such a theoretical perspective harmonizes effectively with the research objective, which aims to assess the impact of financial compensation management practices on employee performance within the hospitality industry while discerning employee preferences in compensation structures (Min, Tan, Kamioka & Sharif, 2020).

Expectancy Theory serves as a pertinent theoretical framework for scrutinizing the nexus between financial compensation and employee performance in the hospitality sector. It underscores the paramount importance of employees' expectations concerning the correlation between their exerted efforts, resultant performance, and the rewards they envision. By delving into employees' perceptions of expectancy, instrumentality, and valence regarding financial compensation, this theoretical framework facilitates a deeper comprehension of how these elements influence employee motivation and subsequent performance outcomes (Nhung & Do, 2020).

Furthermore, Expectancy Theory proves pertinent to the research objective of identifying employee preferences in compensation structures within the hospitality industry. By elucidating employees' expectations and perceptions regarding the nexus between their efforts, performance, and rewards, this theoretical framework sheds light on their inclinations concerning diverse components of compensation and the motivational ramifications of varied compensation structures (Reddy, 2020).

In essence, Expectancy Theory furnishes a robust theoretical underpinning for investigating the relationship between compensation management practices and employee performance in the hospitality industry, alongside comprehending employees' preferences in compensation

structures. It yields invaluable insights into employees' expectancy, instrumentality, and valence perceptions, thereby enriching the understanding of the motivational drivers influencing employee performance and satisfaction within the realm of compensation in the hospitality sector.

2.6 Empirical Review

In this section, we delve into an empirical review of existing literature pertinent to the relationship between compensation management practices and employee performance within the hospitality industry.

Uzochukwu, Nwankwo, and Okafor (2023) examined the impact of reward systems on employee productivity within the Nigerian hospitality sector, focusing specifically on Enugu State. The study employed a descriptive survey research design, and a sample of 378 participants was drawn from a total population of 503 using the Taro Yamane formula. Data analysis involved the use of descriptive statistics such as percentages, means, and standard deviations, while hypotheses were tested using regression analysis and t-statistics. The findings indicated that competitive wage and salary structures significantly enhanced service delivery among employees. Additionally, retirement benefit schemes were found to positively influence employee commitment. The researchers concluded that reward systems had a statistically significant and positive effect on productivity in the hospitality sector, particularly at Nike Lake Resort Hotel in Enugu.

In a related study, Olonade et al. (2022) explored the relationship between non-financial rewards and employee performance in selected deposit money banks within Lagos State. The study utilised a cross-sectional design and focused on five banks licensed by the Central Bank of Nigeria. Convenience sampling was initially used to select the banks, followed by random sampling to choose respondents, culminating in a sample size of 352, determined via Yamane’s formula. Structured questionnaires were used for data collection, and Pearson correlation was applied to test the hypotheses. The study found that non-monetary reward components—such as recognition, flexible work arrangements, and professional development—had a statistically

significant impact on employee performance, thereby reinforcing the relevance of intrinsic motivation strategies in the banking sector.

Bello et al. (2021) investigated the role of job satisfaction in influencing employee performance within the hotel industry in Lagos State. Data were obtained through a structured questionnaire administered to 330 employees across 63 hotels situated in the state's 20 Local Government Areas. The analysis was conducted using Partial Least Squares Structural Equation Modelling (PLS-SEM). Results showed that variables such as job stress, opportunities for promotion, and managerial support significantly affected employee performance. However, compensation systems and the physical work environment did not exhibit statistically significant relationships with performance. The study recommended that hotel managers prioritise career advancement and staff support initiatives to drive performance outcomes.

Supraja (2020) conducted an empirical assessment of how both financial and non-financial compensation impact employee job performance. The study took place at the Gunungsitoli Teachers and Education Institute (Institut Keguruan dan Ilmu Pendidikan - IKIP Gunungsitoli) in August 2019. Using a sample of 28 respondents, data were analysed through multiple regression techniques. Findings revealed that both financial and non-financial rewards significantly influenced work performance, although financial incentives emerged as the more dominant factor in driving employee achievement.

Afriyie et al. (2020) conducted a study to examine how compensation affects employee performance at Accra Technical University in Ghana. Employing a descriptive survey approach, the researchers selected 40 administrators from a total population of 57 using a simple random sampling method. Out of these, 35 administrators responded to a structured 20-item questionnaire. The data were presented using frequency tables. The study concluded that monetary compensation was not the primary motivator for the administrators. Instead, they were more influenced by how attentively management addressed their needs. Additionally, the findings underscored the importance of housing assistance and accommodation support as the most valued aspects of compensation.

In a related investigation, Pangastuti, Sukirno, and Efendi (2020) evaluated the effect of work motivation and compensation on employee performance. Using a quantitative research strategy, the study involved 71 respondents selected through a total sampling approach. Data were analysed using multiple regression techniques. The analysis demonstrated that both work motivation and compensation had statistically significant and positive impacts on employee performance, underscoring the dual importance of intrinsic and extrinsic motivators in organisational productivity.

Abebe (2018) explored the relationship between compensation strategies and employee productivity at Kality Foods Manufacturing Factory. The study adopted a mixed-method approach, incorporating both descriptive and explanatory research designs. Data collection instruments included questionnaires, interviews, and document reviews. The target population comprised all 368 employees of the factory. A sample of 110 respondents was selected using stratified random sampling. SPSS Version 20.0 was used for data analysis, incorporating descriptive, correlation, and regression analyses. The descriptive findings indicated that all compensation elements influenced productivity. Correlation results showed that financial incentives were positively and strongly related to productivity, while non-financial rewards demonstrated a weak and statistically insignificant negative association. Regression analysis further affirmed the significant positive effect of financial compensation, contrasting with the negligible impact of non-financial incentives on productivity.

Similarly, Onyeizugbe et al. (2018) focused their research on the connection between organisational trust and employee performance in selected hotels across Edo State, Nigeria. Using a survey research design, the study sampled 180 employees from a population of 326, applying Taro Yamane's formula to determine the appropriate sample size. Data were collected via structured questionnaires and analysed using multiple regression, while hypotheses were tested using Pearson's test of significance. The findings indicated a significant positive relationship between interpersonal trust and job satisfaction, with 97% of the variation in job satisfaction explained by trust-related factors. The authors concluded that trust plays a pivotal

role in employee performance within the hospitality industry. Recommendations included the employment of competent personnel, the encouragement of honesty, and the promotion of team cohesion as strategies for improving job satisfaction and performance.

Mangale (2017) conducted a study aimed at understanding the influence of compensation on employee productivity, with specific reference to the Kenya Literature Bureau located in South C, Nairobi. A descriptive research approach was adopted, utilising questionnaires as the primary instrument for data collection. The study's population comprised 150 employees, including managerial, support, and junior staff. Stratified proportionate random sampling was employed to derive a sample of 45 respondents. Data were analysed using both qualitative and quantitative techniques through SPSS software. The findings indicated that while fixed monthly salaries were consistently paid, the payment schedule was sometimes irregular. There was no clear consensus among employees regarding whether their remuneration accurately reflected their skills, expertise, and work output. The study also highlighted the significance of indirect financial benefits—such as health coverage and paid leave—as factors positively impacting productivity. Non-financial incentives like job sharing and flexible work hours were considered essential, while elements of the work environment, such as seating arrangements, lighting, noise levels, recognition, and opportunities for advancement, were also found to influence productivity. However, symbolic rewards like gift vouchers and ceremonial recognitions did not necessarily translate into higher productivity. The study further underscored that the broader employer-employee relationship, referred to as Total Reward, played an integral role in shaping employee output.

Idris, Hamzah, Sudirman, and Hamid (2017) examined the effect of financial and non-financial compensation on lecturers' professionalism and performance across both public and private universities in Makassar, Indonesia. The research utilised a stratified proportional random sampling method, culminating in a sample of 111 certified lecturers. Data analysis was performed using Structural Equation Modelling (SEM), specifically the covariance-based variant via WarpPLS 5.0. The results demonstrated that both forms of compensation had a statistically

significant and positive influence on lecturer professionalism. Notably, financial incentives showed a strong and direct impact on performance, whereas non-financial compensation did not exhibit a significant influence. Furthermore, the study established that the level of professionalism among lecturers positively mediated the relationship between compensation and performance, suggesting that professionalism could be a key explanatory factor in understanding how compensation mechanisms affect academic staff output.

In another contribution, Oyibo (2013) explored the economic relevance of the hospitality sector in Nigeria, particularly regarding its actual and potential contributions. The study employed the Chi-square statistical method to analyse data obtained from 80 key stakeholders in the industry. Findings revealed that the hospitality sector plays a substantial role in promoting national economic development and in shaping Nigeria's international image. A positive correlation was identified between the sector's activities and the country's Gross Domestic Product (GDP). The study recommended increased investment in the hospitality industry, alongside improvements in infrastructure and the creation of a conducive business environment, as strategies to unlock the sector's full economic potential.

2.7 Summary of Empirical Review

The reviewed literature encompasses diverse studies investigating the intricate relationship between compensation practices and employee performance across various industries and regions.

Supraja (2020), Afriyie et al. (2020), Pangastuti, Sukirno, and Efendi (2020), Idris et al. (2017), Abebe (2018), Uzochukwu, Nwankwo, and Okafor (2023), Olonade et al. (2022), Bello et al. (2021), and Onyeizugbe et al. (2018) all examined compensation's effect on employee performance in various industries, countries and contexts. Supraja found out that financial compensation had a more dominant influence on job performance than non-financial compensation while Afriyie concluded that that administrators were not attracted by the monetary aspect of compensation but rather by management's sensitivity to their needs. In a similar manner, Pangastuti, Sukirno, and Efendi (2020) found compensation to have a positive

and significant impact on employee performance but Mangale found out that indirect financial compensation such as health insurance and paid leave had an impact on the productivity of employees. Non-financial compensation, such as flexible work schedules and job sharing, was deemed necessary. Idris, Hamzah, Sudirman, and Hamid (2017), Abebe (2018), Uzochukwu, Nwankwo, and Okafor (2023) found that financial compensation exhibited a positive and significant impact on performance, while Olonade et al. (2022) discovered that all dimensions of non-financial rewards significantly influence employee performance.

Study	**Aim**	**Place of Study**	**Methodology**	**Key Findings**
Uzochukwu, Nwankwo, & Okafor (2023)	To investigate the effect of the reward system on employee productivity	Enugu State, Nigeria	Descriptive survey research	A significant effect of wage and salary rewards on employee quality of service delivery and retirement benefits on employee commitment was found.
Olonade et al., (2022)	To examine the link between non-monetary rewards and employee performance	Lagos State, Nigeria	Descriptive survey research	All dimensions of non-financial rewards significantly influenced employee performance in selected financial institutions.

Bello et al. (2021)	To explore the influence of job satisfaction on employees' performance	Lagos State, Nigeria	Descriptive survey research	Job stress, promotion opportunities, and supervisory support significantly influenced employee performance. Payment system and workplace environment did not.
Supraja (2020)	To assess the impact of financial and non-financial compensation on work performance	Institut Keguruan Dan Ilmu Pendidikan (IKIP) Gunungsitoli (Gunungsitoli Teachers and Education Institute), August 2019	Descriptive survey research	Combination of financial and non-financial compensation significantly influenced work achievement. Financial compensation had a more dominant effect than non-financial compensation.
Afriyie et al., (2020)	To investigate the effect of compensation on employee performance	Accra Technical University, Ghana	Descriptive survey design	Administrators were more attracted to management's sensitivity to their needs rather than the monetary aspect of compensation. Housing loans and accommodation were identified as crucial needs.
Pangastuti, Sukirno, & Efendi (2020)	To determine the impact of work motivation and compensation on employee performance	Not specified	Descriptive survey research	Work motivation and compensation had positive and significant effects on employee performance.

Abebe (2018)	To assess the effect of compensation on employee productivity	Kality Foods Manufacturing Factory, Ethiopia	Descriptive and explanatory research design	Financial compensation had a significant positive effect on employee productivity, while non-financial compensation had a weak and insignificant effect.
Onyeizugbe et al. (2018)	To assess the relationship between organisational trust and employee performance	Edo State, Nigeria	Survey Research Design	Interpersonal trust and job satisfaction had a statistically significant positive relationship, with 97% of the change in job satisfaction accounted for by changes in interpersonal trust.
Mangale (2017)	To explore the effects of compensation on employee productivity	Kenya Literature Bureau South C Nairobi	Descriptive research design (questionnaires)	Direct financial compensation included fixed and constant monthly salaries with flexible payment dates. Indirect financial compensation and non-financial compensation were deemed necessary.
Idris, Hamzah, Sudirman, & Hamid (2017)	To examine the impact of financial and non-financial compensation on professionalism and performance of lecturers	Makassar, Indonesia	Descriptive survey research	Financial compensation positively influenced lecturer performance. Non-financial compensation did not show a significant effect. Professionalism mediated the relationship between

				compensation and performance.
Oyibo (2013)	To evaluate the contribution of the hospitality industry to the economy of Nigeria	Not specified	Descriptive survey research	Positive correlation between the hospitality industry and Nigeria's GDP. Recommended enhanced investment in the sector and provision of adequate infrastructure for economic development.

2.8 Research Gap

The empirical review has revealed significant research gaps within the scope of the specified research objectives. While existing studies have examined the influence of both financial and non-financial compensation on employee performance (Supraja, 2020; Afriyie et al., 2020; Pangastuti, Sukirno, & Efendi, 2020; Mangale, 2017; Idris et al., 2017; Abebe, 2018), there remains a pressing need for a comprehensive understanding of the full spectrum of compensation packages prevalent in the hospitality industry (Supraja, 2020). Furthermore, deeper investigation is warranted to discern the relative impact of financial versus non-financial compensation on employee performance (Supraja, 2020; Afriyie et al., 2020; Pangastuti, Sukirno, & Efendi, 2020; Mangale, 2017; Idris et al., 2017; Abebe, 2018).

The literature currently offers limited insights into the nuanced preferences of employees regarding compensation structure (Mangale, 2017), underscoring the importance of understanding not only the types of compensation offered but also how these packages align with the preferences and priorities of employees within the hospitality industry.

Addressing these research gaps is essential for future studies seeking to contribute to a more comprehensive understanding of compensation dynamics and their impact on employee performance within the hospitality sector as there is a noticeable dearth of literature specifically

addressing compensation management practices in this context (Njoku, 2015; Heymann, 2019; Mato, 2021; Blake, 2022).

Existing studies have explored similar dynamics in different regions or industries (Adari & Satyanarayana, 2018; Hong & SooCheong, 2020; Afriyie et al., 2020), but their findings are not directly applicable to the unique socio-economic and cultural context of Benin City. Research by Bello, Aina, and Oluwole (2021) has examined job satisfaction within the hospitality sector in Lagos State but does not directly address compensation management practices. Similarly, studies by Yousaf et al. (2014) and Mangale (2017) have explored compensation's impact on employee motivation and productivity, respectively, yet lack geographical relevance to Benin City or fail to focus specifically on the relationship between compensation management practices and employee performance.

The present study aims to bridge these research gaps by investigating the intricate relationship between compensation management practices and employee performance within the hospitality industry in Benin City. Specifically, the study will focus on elucidating the diverse array of compensation packages, such as salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities. It will also explore the differential influences of financial and non-financial compensation. Additionally, the research will endeavour to shed light on employee preferences concerning compensation structure, thereby offering valuable insights for industry practitioners and policymakers aiming to optimise compensation strategies to enhance workforce performance and satisfaction. By contextualising existing knowledge and employing robust methodologies, this research seeks to provide tailored insights into the unique dynamics of Benin City's hospitality sector. This approach will contribute to a more deeper understanding of how effective compensation management can enhance employee performance and, consequently, overall industry performance.

CHAPTER THREE

METHODOLOGY

3.1 Research Design

This study adopted the survey research design especially the cross-sectional variant in which a structured questionnaire is designed and distributed to the respondents because the sampled elements and variables being studied are simply observed without making any attempt to control or manipulate them. This helped to gather information from a small or large population and it is very useful for a study with a subjective nature like this at a particular time. The choice of the survey research design for this study was justified by the fact that the researcher intended to gather insights from a broad range of perspectives, enhancing the representativeness and generalisability of the findings and also allows researchers to observe and gather information about the sampled elements and variables without attempting to control or manipulate them. This is particularly relevant in this study, where the focus is on understanding the existing compensation management practices and their relationship with employee performance in the hospitality industry, without intervening in the natural setting of the workplace.

3.2 The Population of the Study

The population of this study consists of five hundred and forty-two (542) employees of selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria. The choice of these selected hospitality companies is largely due to convenience and also on the belief that these employees come from varied ethnic, religious, cultural background, thereby providing the diversity required for this study. This diversity is crucial as it provides a comprehensive representation necessary for the study's objectives. It is from this population that we will take our sample.

Table 3.1: Determination of Population

S/NO	Organisation	Total Number of Employees
1.	Motel Benin Plaza	25
2.	Constantial Hotel	45
3.	Prestige Hotel	52

4.	Randekhi Royal Hotel	63
5.	Uyi Grand Hotel and Suites	71
6.	Excalibur Hotel	58
7.	Protea Hotel Benin Select	48
8.	Bronze Royal Hotel	23
9.	Westview Hotel	35
10.	Brtiz Hotel	43
11.	ISNO Hotel	34
12.	Vichi Gates	45
	Total	**542**

Source: Administrative Offices of Selected Hospitality Companies in Benin City, Edo State, 2024.

3.3 Sample Size and Sampling Technique

To obtain a sample size for this study, the Yamane (1967) formula was used to determine the appropriate sample size for the study. It was calculated as follows:

$$n = \frac{N}{1+N(e)^2}$$

Where:

n= Sample size;

N= population size;

e = percentage level of significance; and

N = 542

$$\frac{542}{1 + (542\ X\ 0.05\ X\ 0.05)}$$

$$\frac{542}{1 + (542\ X\ 0.0025)}$$

$$\frac{542}{1 + 1.355}$$

$$\frac{542}{2.355}$$

n = 232

To account for potential non-responses that could reduce the effective sample size, an adjustment was made by incorporating a margin of 66% to the initial sample size estimate. This adjustment

was necessary to ensure that the final sample size remained statistically robust and representative of the target population. Therefore, the revised sample size was calculated as follows:

$$n = 232 + (66\% \times 232) = 385$$

This approach aligns with best practices in survey research, where an inflated sample size is often employed to mitigate the impact of unreturned or incomplete questionnaires, thereby preserving the study's validity and reliability. The final sample size of 385 was deemed appropriate for achieving a comprehensive representation of employees across the selected hospitality establishments in Benin City. The distribution of these organisations and their respective employee counts is presented in Table 3.1, ensuring proportional representation across different sectors within the hospitality industry.

Table 3.1: Determination of Sample

S/NO	Organisation	Total Number of Employees
1.	Motel Benin Plaza	15
2.	Constantial Hotel	27
3.	Prestige Hotel	37
4.	Randekhi Royal Hotel	42
5.	Uyi Grand Hotel and Suites	53
6.	Excalibur Hotel	43
7.	Protea Hotel Benin Select	38
8.	Bronze Royal Hotel	18
9.	Westview Hotel	26
10.	Brtiz Hotel	36
11.	ISNO Hotel	24
12.	Vichi Gates	26
	Total	**385**

Source: Researcher's Compilation, 2024.

This structured approach ensures the study's robustness in capturing a representative sample of employees from various segments of the hospitality industry in Benin City, thereby enhancing the reliability and generalizability of the research findings.

3.4 Method of Data Collection

The data to be used in this study will be the primary data. The primary data will be obtained by administering questionnaires to elicit information from respondents. This data that will be elicited from the sampled respondents will be obtained using the research instrument (questionnaire). This data will form the basis of the analysis of the fieldwork to be stated in the data analysis and interpretation section of this research work.

3.5 Model Specification

This study will adapt the models found in Salah (2016), Shafiq and Hamza (2018), Ananthalakshmi (2019), Fernando and Dissanayake (2019) and a multiple regression model was derived. This multiple regression econometric model explains the variation in the value of the dependent variable (employee performance) based on a change in the independent variable, compensation management practices denoted by (salaries and wages, fringe benefits, staff allowance, incentives and training opportunity).

The model for the study is expressed functionally as:

$$EP = CMP \quad (3.1)$$

Where $CMP = SW, FB, SA, ICT, TOP$

$$EP = f(SW, FB, SA, ICT, TOP) \quad (3.2)$$

This model is further expressed mathematically as:

$$EP = \beta_0 + \beta_1 SW + \beta_2 FB + \beta_3 SA + \beta_4 ICT + \beta_5 TOP + \varepsilon \quad (3.3)$$

Where:

EP = Employee Performance

CMP = Compensation Management Practice

SW = Salaries and wages

FB = Fringe benefits

SA = Staff allowance

ICT = Incentives

TOP = Training opportunity

ε = Error term

β_0 = Constant

$\beta_1 \ldots \beta_5$ = Coefficients of the Independent variables

Apriori Expectation

Apriori expectation describes a conclusion based upon deductive reasoning rather than research or calculation. Based on the objective of this research, which is to examine the impact of compensation management practices on employee performance in the Nigerian hospitality Industry using selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria, the researcher's expectation is that there will be a positively significant relationship between Compensation Management Practices and Employee Performance in the Nigerian Hospitality Industry using selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

The *Apriori* expectation is stated as: $\beta_1>0$, $\beta_2>0$, $\beta_3>0$, $\beta_4>0$ and $\beta_5>0$ (3.4)

Signifying that:

$\beta_1>0$; means that a unit increase in salaries and wages, will bring about an increase in the Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

$\beta_2>0$; means that a unit increase in fringe benefits, will bring about an increase in Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

$\beta_3>0$; means that a unit increase in staff allowance, will bring about an increase in the Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

$\beta_4>0$; means that a unit increase in incentives, will bring about an increase in the Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

$\beta_5>0$; means that a unit increase in training opportunity, will bring about an increase in the Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria.

3.6 The Research Instrument

A structured questionnaire adapted from the works of Osibanjo, Adeniji, Falola, and Heirsmac (2014) and Aliku, Morka, and Igemohia (2020) will be employed as the research instrument for this research study. It will be used to elicit the (data) feelings, beliefs, experiences, perceptions or attitudes of the sample respondents. The administration of copies of the questionnaire to the respondents will be done via physical contact. The statements in the questionnaire are expected to elicit data that would be quantitatively analysed. The questionnaire to be administered would be divided into two sections (Sections A & B). Section A provides for demographic data of the respondents, that is, it comprises questions about the bio-data of the respondents this includes personal information relating to sex, age distribution and educational qualifications among others while section B will examine issues that address the core subject matter of this study: Compensation Management Practices and Employee Performance in the selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria. The questionnaire-response format on the core subject matter (Section B) will consist of Likert-type questions, with options on a 5-point scale ranging from a level of a strong agreement through a neutral zone to a level of strong disagreement.

3.7 Validity of the Research Instrument

In this study, adequate consideration was given to issues of face and content validity of the instrument used. To ensure face and content validity, the instrument was given to my supervisor, as well as other lecturers in the Faculty of Management Sciences, University of Benin. They reviewed and critiqued the items on the instrument in terms of their clarity, appropriateness of the language and instructions that the respondents are expected to adhere to. They also aided in determining whether the items in the questionnaire can elicit the relevant information that they are expected to generate from the respondents. Their criticism was incorporated in modifying the items on the

instrument used. Also, content validity was further ensured by making sure that each item in the questionnaire addressed a specific problem of the study as identified from the trial testing of the instrument to ensure its reliability.

3.8 Reliability of the Research Instrument

To ensure the reliability of the measuring instrument, the test/retest method was used to determine the reliability of the measuring instrument. Twenty (20) copies of the questionnaires for this survey were distributed to the selected staff of selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria. The same set of questionnaires was administered on a different occasion to the same group of respondents; after which the scores of the respondents from the two tests were examined to establish the degree of consistency between them. The Cronbach's alpha value for each construct as portrayed in the Table 3.3 is shown below.

Table 3.3: Reliability Test

S/N	Variables	Number of Items	Cronbach's Alpha Value
1	Employee Performance	4	0.712
2	Salaries and wages	4	0.717
3	Fringe benefits	4	0.750
4	Staff allowance	4	0.721
5	Incentives	4	0.710
6	Training opportunity	4	0.736

Source: Researcher's fieldwork, 2023.

The Cronbach's alpha value for each construct as shown in Table 3.3 above is above 0.7. This means that the questionnaire is reliable and that it can be depended upon to elicit the necessary information from the respondents (Nunnally & Bernstein, 1994).

3.9 Operationalisation of Variables

Employee Performance is the dependent variable while compensation management practice is the independent variable. Compensation management practice was measured regarding its factors (salaries and wages, fringe benefits, staff allowance, incentives, training opportunity).

The scale comprises of 16 statements and was designed using a five-point Likert response format ranging from 1= Strongly Disagree to 5= Strongly Agree. On the other hand, the scale adapted from Charbonnier-Voirin, and Roussel, (2012) was used to measured employee performance and the scale comprises four items, designed using a five-point Likert scale ranging from 1= Strongly Disagree to 5= Strongly Agree. There are be 7 bio-data questions."

Table 3.4: Operationalisation and measurement of variables

S/N	Variable	Proxy by	Measured Scale	Appears in the questionnaire as
1.	Gender	Male Female	2-point Likert scale	Q1
2.	Age	Under 30 years 31-40 years 41-50 years 51-60 years Above 60 years	5-point Likert scale	Q2
3.	Marital Status	Single Married Others	3-point Likert scale	Q3
4.	Educational Qualification	First School Leaving Certificate or less SSCE/GCE/NECO/NABTEB OND/NCE HND/B.Sc MBA/M.Sc./Ph.D Others	6-point Likert scale	Q4
5.	Job Experience	IT Student NYSC Full-time Worker Part-time/Contract Worker	3-point Likert scale	Q5
6.	Work Experience	0-5 years 6-10 years Above 10 years	3-point Likert scale	Q6
7	Department	Front Office Reservations House Keeping Sales/marketing HRM Security Others	7-point Likert scale	Q7
	INDEPENDENT VARIABLE			
8.	Salaries and wages	SW	5-point Likert scale	Q8-Q11
9.	Fringe benefits	EB	5-point Likert scale	Q12-Q15
10.	Staff allowance	SA	5-point Likert	Q16-Q19

			scale	
11.	Incentives	ICT	5-point Likert scale	Q20-Q23
12.	Training Opportunity	TO	5-point Likert scale	Q24-Q27
	DEPENDENT VARIABLE			
16	Employee performance	EP	5-point Likert scale	Q17-Q21

Source: Researcher's conceptualization (2023)

3.10 Method of Data Analysis

Descriptive statistical analysis will be computed using percentages, frequency distribution tables and averages or mean for all variables items and will be used to examine the data obtained from the survey generally. The data obtained for this study would be presented in a tabular form and analysed with the use of correlation and multiple regression to enable us to understand the relationships between the various variables and test the hypotheses stated and this will help to determine the degree to which compensation management practices influences employee performance in selected hospitality industries in the Benin City Metropolis, Edo State, Nigeria. All test computations would be done at 5% level of significance. The Statistical Package for Social Sciences (SPSS) version 24 will be used to analyse all data collected and conduct the necessary analyses.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Retrieval Rate and Description of Respondents' Socio-Demographics

4.1.1 Retrieval Rate

From the survey conducted, 379 copies of the questionnaires were retrieved out of the 385 copies distributed. The retrieval rate was calculated as follows:

$$Retrieval\ Rate\ = \frac{Total\ retrieved}{Total\ Distributed}\ x\ 100$$

$$rr\ = \frac{379}{385}\ x\ 100$$

$$rr = 0.9844\ x\ 100$$

Retrieval rate ≈ 98.44%

So, the retrieval rate is approximately 98%.

4.1.2 Description of Respondents' Socio-Demographics

This section provides a descriptive analysis of the demographic data obtained from the sampled respondents. The analysed variables include gender, age, marital status, educational qualification, job experience, job designation and departments of the respondents.

Gender

From the above table, the data revealed that 45.1% of respondents were male, while 54.9% were female, indicating a slightly higher representation of females in the study sample.

Age

The majority of respondents (28.8%) were aged between 41 and 50 years, followed by those aged 31–40 years (27.2%). Respondents aged 51–60 years constituted 24.0%, while those under 30 years represented 13.7%. Only 6.3% of respondents were 60 years or older, indicating a workforce with a significant proportion of middle-aged employees.

Marital Status

Nearly half (47.5%) of respondents were single, while 46.2% were married. A smaller percentage (6.3%) fell under the "Others" category, which may include widowed, separated, or divorced individuals. This distribution suggests a relatively balanced marital composition among the workforce.

Highest Educational Qualification

The majority of respondents (61.7%) possessed HND/BSc qualifications, while 15.6% had advanced degrees (MBA/M.Sc/Ph.D). Those with OND/NCE made up 9.2%, while 11.3% had secondary school-level qualifications. A very small proportion (1.1%) had only First School Leaving Certificate or less, indicating a highly educated workforce within the hospitality industry.

Job Experience

The highest proportion of respondents (38.0%) had between 5 and 10 years of job experience, while 32.2% had 0–5 years of experience. Those with more than 10 years of job experience constituted 29.8%, indicating that the workforce has a significant number of experienced employees.

Job Designation

Most respondents (63.3%) held permanent positions, while 31.4% were on contract. A smaller percentage (5.3%) fell under the AdHoc/Other category. This suggests that a majority of employees have stable employment in the hospitality industry.

Department

Respondents were distributed across various departments, with Reservations (14.2%), Front Office (13.7%), and Housekeeping (11.6%) being the most represented. Other notable departments included HRM and Security, each with 10.3%, and Accounting & Finance and Food & Beverage, both with 9.8%. Sales & Marketing (9.0%), Maintenance & Engineering (8.4%), and Others (2.9%) had lower representation. This distribution reflects a diverse workforce across different operational units within the hospitality industry.

4.2 Description of Research Variables

The variables were described using simple percentage, mean and standard deviation. The independent variable is compensation management practices while the dependent variable is employee performance.

4.2.1 Description of Compensation Management Practices

In realising this objective, first of all, the computed mean scores and standard deviation of responses to each factor of compensation practices which are assessed on a five-point Likert scale in which one represents a strong level of disagreement and five represents a strong level of agreement are presented below.

Table 4.2 below showed the description of perception of compensation management practices and employee performance in the hospitality industry in Benin City.

Table 4.2: Description of Compensation Management Practices

Q/N	Item	Frequency							Decision Rule: <3 Reject >3 Accept
		1	2	3	4	5	Mean	SD	
	SALARIES AND WAGES								
8.	Salaries and wages in my organisation are competitive compared to industry standards.	10	32	66	145	126	3.91	1.038	**Accepted**
9.	My salary or wages reflect my contributions and effort within the organisation	12	29	98	123	117	3.8	1.059	**Accepted**
10.	Adequate salaries and wages motivate me to perform at my best in my current role.	23	39	81	114	122	3.72	1.191	**Accepted**
11.	In my organisation, higher salaries and wages are linked to increased motivation and improved employee performance.	15	28	76	94	166	3.97	1.137	**Accepted**

	Average Total						**3.85**	**1.10625**	**Accepted**
	FRINGE BENEFITS								
12.	The fringe benefits offered by my organisation, such as health insurance and retirement plans, meet my needs and expectations.	8	32	80	158	101	3.82	0.988	**Accepted**
13.	The availability of fringe benefits positively influences my job satisfaction and commitment to the organisation.	10	47	82	146	94	3.7	1.055	**Accepted**
14.	I consider fringe benefits to be an important part of my overall compensation package, and they motivate me to perform at my best.	7	22	55	196	99	3.94	0.897	**Accepted**
15.	Employees who receive attractive fringe benefits are more likely to stay with the organisation and contribute to its success.	10	21	60	177	111	3.94	0.954	**Accepted**
	Average Total						**3.85**	**0.9735**	**Accepted**
	STAFF ALLOWANCES								
16.	Staff allowances provided by my organisation, such as housing or transportation allowances, enhance my overall compensation package.	20	23	76	123	137	3.88	1.126	**Accepted**
17.	The availability of staff allowances positively influences my job satisfaction and motivation to excel in my role.	9	40	98	131	101	3.73	1.043	**Accepted**
18.	Staff allowances	7	35	75	110	152	3.96	1.066	**Accepted**

	contribute to a better work-life balance for me, allowing me to focus more on my job performance.								
19.	There is a correlation between the provision of staff allowances and increased commitment and productivity among employees in my organisation.	23	45	64	168	79	3.62	1.121	**Accepted**
	Average Total						**3.7975**	**1.089**	**Accepted**
	INCENTIVES								
20.	Incentive programs in my organisation, such as performance bonuses or recognition awards, motivate me to excel in my role.	21	36	42	178	102	3.8	1.106	**Accepted**
21.	The availability of incentives positively influences my job satisfaction and commitment to achieving organisational goals.	8	13	56	161	141	4.09	0.917	**Accepted**
22.	Incentives provided for exceptional performance encourage healthy competition among employees and lead to improved overall performance.	5	19	63	153	139	4.06	0.922	**Accepted**
23.	There is a direct link between the effectiveness of incentive programs and the high-performance levels of employees in my organisation.	6	31	57	174	111	3.93	0.954	**Accepted**
	Average Total						**3.97**	**0.97475**	**Accepted**
	TRAINING OPPORTUNITY								
24.	The availability of training	19	36	80	100	144	3.83	1.182	**Accepted**

	opportunities in my organisation enhances my professional growth and development.								
25.	Access to training and skill development programs positively influences my job performance and effectiveness.	18	41	94	102	124	3.72	1.167	**Accepted**
26.	Training opportunities provided by my organisation contribute to my job satisfaction and my ability to contribute effectively to team goals.	2	14	85	121	157	4.1	0.909	**Accepted**
27.	There is a direct relationship between the quality of training programs and the overall performance of employees in my organisation.	2	21	71	122	163	4.12	0.936	**Accepted**
	Average Total						**3.9425**	**1.0485**	**Accepted**
	Overall Compensation Practices Score						**3.882**	**1.0384**	**Accepted**

Source: Field Survey, 2025.

N.B: **1, 2, 3, 4 and 5 denote strongly disagreed, disagreed, undecided, agreed, strongly agreed response rate respectively.**

The analysis of compensation practices based on the questionnaire items highlights varying perceptions among respondents in the hospitality industry in Benin City. The responses are summarised in Table 4.2 and discussed under key components of compensation management: salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities. The analysis is based on a five-point scale, where a mean score below 3 indicates rejection, and a score above 3 signifies acceptance.

Salaries and Wages

The analysis of salaries and wages reveals that respondents generally perceive their salaries as competitive and motivating. For item 8, “Salaries and wages in my organisation are competitive compared to industry standards,” 10 respondents strongly disagreed, 32 disagreed, 66 were undecided, 145 agreed, and 126 strongly agreed. The mean score of 3.91 and standard deviation of 1.038 indicate strong agreement with moderate variability. For item 9, “My salary or wages reflect my contributions and effort within the organization,” 12 respondents strongly disagreed, 29 disagreed, 98 were undecided, 123 agreed, and 117 strongly agreed. The mean score of 3.8 and standard deviation of 1.059 suggest agreement but with some variability in responses. Item 10, “Adequate salaries and wages motivate me to perform at my best in my current role,” had a mean score of 3.72 and a standard deviation of 1.191, reflecting agreement but with higher variability. For item 11, “In my organisation, higher salaries and wages are linked to increased motivation and improved employee performance.,” the mean score was 3.97, with a standard deviation of 1.137, indicating strong agreement. The average total mean score of 3.85 suggests that respondents generally accept that salaries and wages in their organisations are competitive, fair, and motivating.

Fringe Benefits

Fringe benefits were also positively perceived among respondents. For item 12, “The fringe benefits offered by my organisation, such as health insurance and retirement plans, meet my needs and expectations,” the mean score was 3.82, with a standard deviation of 0.988, indicating strong agreement. For item 13, “The availability of fringe benefits positively influences my job satisfaction and commitment to the organisation,” the mean score was 3.7, with a standard deviation of 1.055, suggesting agreement. Item 14, “I consider fringe benefits to be an important part of my overall compensation package, and they motivate me to perform at my best,” had a mean score of 3.94 and a standard deviation of 0.897, showing strong agreement with lower variability. Similarly, item 15, “Employees who receive attractive fringe benefits are more likely to stay with the organisation and contribute to its success,” had a mean score of 3.94 and a

standard deviation of 0.954. The overall mean score of 3.85 suggests that respondents accept that fringe benefits contribute positively to their job satisfaction, motivation, and retention.

Staff Allowances

The perception of staff allowances was also favourable. For item 16, "Staff allowances provided by my organisation, such as housing or transportation allowances, enhance my overall compensation package," the mean score was 3.88, with a standard deviation of 1.126. For item 17, "The availability of staff allowances positively influences my job satisfaction and motivation to excel in my role," the mean score was 3.73, with a standard deviation of 1.043. Item 18, "Staff allowances contribute to a better work-life balance for me, allowing me to focus more on my job performance," had a mean score of 3.96, with a standard deviation of 1.066. For item 19, "There is a correlation between the provision of staff allowances and increased commitment and productivity among employees in my organisation," the mean score was 3.62, with a standard deviation of 1.121. The average total mean score of 3.7975 indicates that respondents agree that staff allowances contribute positively to their job satisfaction, work-life balance, and productivity.

Incentives

Incentives were found to be highly motivating for employees. For item 20, "Incentive programs in my organisation, such as performance bonuses or recognition awards, motivate me to excel in my role," the mean score was 3.8, with a standard deviation of 1.106. For item 21, "The availability of incentives positively influences my job satisfaction and commitment to achieving organisational goals," the mean score was 4.09, with a standard deviation of 0.917, indicating strong agreement. Item 22, "Incentives provided for exceptional performance encourage healthy competition among employees and lead to improved overall performance," had a mean score of 4.06, with a standard deviation of 0.922, reflecting strong agreement. For item 23, "There is a direct link between the effectiveness of incentive programs and the high-performance levels of employees in my organisation," the mean score was 3.93, with a standard deviation of 0.954. The

overall mean score of 3.97 suggests that incentives are widely accepted as an effective means of enhancing job satisfaction, competition, and performance among employees.

Training Opportunities

Training opportunities were also perceived positively. For item 24, "The availability of training opportunities in my organisation enhances my professional growth and development," the mean score was 3.83, with a standard deviation of 1.182. For item 25, "Access to training and skill development programs positively influences my job performance and effectiveness," the mean score was 3.72, with a standard deviation of 1.167. Item 26, "Training opportunities provided by my organisation contribute to my job satisfaction and my ability to contribute effectively to team goals," had a mean score of 4.1, with a standard deviation of 0.909. For item 27, "There is a direct relationship between the quality of training programs and the overall performance of employees in my organisation," the mean score was 4.12, with a standard deviation of 0.936, indicating strong agreement. The overall mean score of 3.9425 suggests that training opportunities are highly valued by employees as they contribute to professional growth, job satisfaction, and performance.

The overall mean score for all compensation management practices was 3.882, with a standard deviation of 1.0384. This indicates that respondents generally perceive their organisation's compensation management practices—salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities—as fair, motivating, and beneficial to their performance and job satisfaction.

4.2.2 Description of Employee Performance

Table 4.3 showed the description of employee performance in selected hospitality industries in Benin City, Edo State.

Table 4.3 Description of Employee Performance

Q/N	Item	Frequency		Decision Rule: <3 Reject >3 Accept

		1	2	3	4	5	Mean	SD	
	EMPLOYEE PERFORMANCE								
28.	Compensation practices in my organisation are equitable, motivating me to perform at my best.	11	16	52	162	138	4.06	0.965	**Accepted**
29.	The overall compensation package of my organisation positively influences my job satisfaction and commitment to the organisation.	13	18	54	176	118	3.97	0.977	**Accepted**
30.	Adequate compensation practices contribute to a better work-life balance, allowing me to focus more on my job performance.	5	30	64	185	95	3.88	0.918	**Accepted**
31.	There is the existence of a direct link between the effectiveness of compensation management practices and the overall performance of employees in my organisation.	11	15	51	163	139	4.07	0.959	**Accepted**
	Total						**3.995**	**0.95475**	**Accepted**

Source: Field Survey, 2024.

N.B: **1, 2, 3, 4 and 5 denote strongly disagreed, disagreed, undecided, agreed, strongly agreed response rate respectively**

Employee Performance

The analysis of employee performance based on the questionnaire items highlights the perceptions of respondents regarding the influence of compensation management practices on their performance in selected hospitality industries in Benin City, Edo State. The responses are summarised in Table 4.3 above and discussed below based on key aspects of employee

performance. The analysis follows a five-point Likert scale, where a mean score below 3 indicates rejection, and a score above 3 signifies acceptance.

The respondents generally perceive compensation management practices as a significant factor influencing their job performance. For item 28, “Compensation practices in my organisation are equitable, motivating me to perform at my best,” 11 respondents strongly disagreed, 16 disagreed, 52 were undecided, 162 agreed, and 138 strongly agreed. The mean score of 4.06 and standard deviation of 0.965 indicate strong agreement with relatively low variability in responses.

For item 29, “The overall compensation package of my organisation positively influences my job satisfaction and commitment to the organisation,” 13 respondents strongly disagreed, 18 disagreed, 54 were undecided, 176 agreed, and 118 strongly agreed. The mean score of 3.97 and standard deviation of 0.977 suggest strong agreement, indicating that employees consider compensation a critical factor in their job satisfaction and commitment. Item 30, “Adequate compensation practices contribute to a better work-life balance, allowing me to focus more on my job performance,” had a mean score of 3.88, with a standard deviation of 0.918, reflecting agreement with minimal variation in responses. For item 31, “There is the existence of a direct link between the effectiveness of compensation management practices and the overall performance of employees in my organisation,” 11 respondents strongly disagreed, 15 disagreed, 51 were undecided, 163 agreed, and 139 strongly agreed. The mean score of 4.07 and standard deviation of 0.959 indicate strong agreement, reinforcing the perception that compensation management practices play a vital role in employee performance. The total mean score of 3.995, with a standard deviation of 0.95475, suggests that respondents generally accept that compensation practices, including salaries, benefits, and incentives, positively impact job satisfaction, work-life balance, and overall employee performance. The relatively low standard deviation values across all items indicate consistency in responses, reinforcing the view that effective compensation management enhances employee performance in the hospitality industry.

4.3 Estimation and Interpretation of Model/Relationship between Compensation

Management Practices and Performance of Selected Hospitality Industry in Benin City, Edo State.

4.3.1 Correlation Analysis

Bivariate Pearson correlation coefficients were conducted on the data for all the variables in the study. Table 4.4 shows the Pearson correlation coefficients among research variables.

Table 4.4: Pearson Correlation Coefficients among Research Variables

Variable		EP	SW	FB	SA	ICT	TOP
Employee Performance	Pearson Correlation	1	.491**	.618**	.479**	.674**	.314**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	379	379	379	379	379	379
Salaries and Wages	Pearson Correlation	.491**	1	.551**	.659**	.525**	.659**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	379	379	379	379	379	379
Fringe Benefits	Pearson Correlation	.618**	.551**	1	.495**	.722**	.346**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	379	379	379	379	379	379
Staff Allowances	Pearson Correlation	.479**	.659**	.495**	1	.464**	.643**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	379	379	379	379	379	379
Incentives	Pearson Correlation	.674**	.525**	.722**	.464**	1	.379**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	379	379	379	379	379	379
Training Opportunities	Pearson Correlation	.314**	.659**	.346**	.643**	.379**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	379	379	379	379	379	379

Source: Researcher's Computation (2025)

. Correlation is significant at the 0.01 level (2-tailed).

Table 4.4 presents the correlation matrix illustrating the relationships between employee performance (EP) and the key compensation variables: Salaries and Wages (SW), Fringe Benefits (FB), Staff Allowances (SA), Incentives (ICT), and Training Opportunities (TOP). The results indicate that all compensation variables have a positive and statistically significant relationship with employee performance, as shown by the correlation coefficients and p-values. The correlation coefficient of 0.491 between employee performance and salaries and wages suggests a moderate positive relationship. This implies that fair and competitive salary structures contribute to improved employee performance. The relationship is statistically significant, with a

p-value of 0.000. A correlation coefficient of 0.618 between employee performance and fringe benefits reveals a strong positive relationship. This suggests that comprehensive fringe benefits significantly enhance employee performance. The relationship is statistically significant, with a p-value of 0.000. The correlation coefficient of 0.479 between employee performance and staff allowances indicates a moderate positive relationship. This suggests that adequate and fairly distributed allowances contribute positively to employee performance. The statistical significance of this relationship is confirmed by a p-value of 0.000. A correlation coefficient of 0.674 between employee performance and incentives shows a strong positive relationship. This highlights the importance of performance-based incentives in enhancing employee motivation and performance. The relationship is statistically significant, with a p-value of 0.000. The correlation coefficient of 0.314 between employee performance and training opportunities suggests a weak to moderate positive relationship. Although training opportunities contribute to employee performance, their influence appears less pronounced compared to other compensation variables. Nevertheless, this relationship remains statistically significant, with a p-value of 0.000. The relationships among other compensation variables are also significant. Salaries and wages exhibit strong correlations with staff allowances (0.659) and training opportunities (0.659), indicating that these variables complement each other in influencing employee performance. Fringe benefits show very strong correlations with incentives (0.722) and training opportunities (0.346), highlighting the interconnectedness of these compensation practices. Similarly, staff allowances correlate strongly with training opportunities (0.643) and incentives (0.464), underscoring the role of a holistic compensation strategy.

In general, the correlation analysis reveals that all compensation variables are positively associated with employee performance, with incentives, fringe benefits, and salaries and wages demonstrating the strongest relationships. These findings emphasise the critical role of well-structured compensation practices in improving employee performance within the hospitality industry in Benin City, Edo State.

4.3.2 Results of Regression Analysis

The regression analysis was performed to start a relationship between perception of compensation management practices and employee performance in the hospitality industry in Benin City. Below are tables representing the output of the regression analysis.

Table 4.5: Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.720[a]	.518	.511	2.20662	2.203

a. Predictors: Salaries and Wages, Fringe Benefits, Staff Allowances, Incentives, Training Opportunities

b. Dependent Variable: Employee Performance

Table 4.5 above presents the model summary, which provides insights into the strength of the relationship between the independent variables (Salaries and Wages, Fringe Benefits, Staff Allowances, Incentives, and Training Opportunities) and the dependent variable (Employee Performance). The correlation coefficient (R = 0.720) indicates a strong positive relationship between compensation management practices and employee performance. The coefficient of determination (R^2 = 0.518) suggests that approximately 51.8% of the variance in employee performance is explained by the independent variables in the model. This implies that compensation practices significantly contribute to variations in employee performance. The adjusted R^2 value of 0.511 provides a more accurate estimate of the population variance explained by the model, accounting for the number of predictors. The standard error of the estimate (2.20662) reflects the average deviation of the observed values from the regression line. The Durbin-Watson statistic (2.203) indicates that there is no significant autocorrelation in the residuals, confirming the validity of the regression model assumptions. These results affirm that the model effectively captures the relationship between compensation management practices and employee performance.

Table 4.6: ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1950.584	5	390.117	80.120	.000[b]
	Residual	1816.202	373	4.869		
	Total	3766.786	378			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Salaries and Wages, Fringe Benefits, Staff Allowances, Incentives, Training Opportunities

Table 4.6 presents the results of the ANOVA test, which examines the overall significance of the regression model. The F-statistic (80.120) is statistically significant (p = 0.000), confirming that the independent variables (Salaries and Wages, Fringe Benefits, Staff Allowances, Incentives, and Training Opportunities) collectively explain a significant portion of the variance in employee performance. Since the p-value is less than 0.05, the null hypothesis (which assumes no relationship between compensation practices and employee performance) is rejected, supporting the claim that compensation practices significantly influence employee performance in the hospitality sector.

4.4 Test of Hypotheses

The hypotheses were tested with a p-value in the regression result. Where the p-values are greater than or equal to 0.05, the null hypotheses (H_0) are not rejected. And where the p-values are less than 0.05, the null hypotheses (H_0) are dismissed. The results of the interpretations presented below.

Table 4.7: Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.078	.746		4.125	.000
	SalariesandWages	.122	.064	.108	1.914	.056
	FringeBenefits	.200	.058	.191	3.463	.001
	StaffAllowances	.184	.055	.177	3.347	.001
	Incentives	.429	.053	.436	8.150	.000
	Training Opportunities	.107	.054	.103	1.988	.048

a. Dependent Variable: Employee Performance

Hypothesis 1

H_{01}: There is no significant relationship between salaries and wages and employee performance in the hospitality industry in Benin City.

The analysis in Table 4.7 shows that the coefficient for salaries and wages is 0.122, indicating a positive relationship with employee performance. However, the p-value is 0.056, which is

greater than 0.05, and the standardised coefficient (Beta) is 0.108. Therefore, the null hypothesis is not rejected, suggesting that there is no statistically significant relationship between salaries and wages and employee performance in the hospitality industry in Benin City.

Hypothesis 2

H_{02}: There is no significant relationship between fringe benefits and employee performance in the hospitality industry in Benin City.

The coefficient for fringe benefits is 0.200, signifying a positive relationship with employee performance. The relationship is statistically significant, with a p-value of 0.001 ($p < 0.05$) and a standardised coefficient (Beta) of 0.191. Therefore, the null hypothesis is rejected, confirming that there is a significant positive relationship between fringe benefits and employee performance.

Hypothesis 3

H_{03}: There is no significant relationship between staff allowances and employee performance in the hospitality industry in Benin City.

The coefficient for staff allowances is 0.184, reflecting a positive relationship with employee performance. This relationship is statistically significant, with a p-value of 0.001 ($p < 0.05$) and a standardised coefficient (Beta) of 0.177. Consequently, the null hypothesis is rejected, establishing that there is a significant positive relationship between staff allowances and employee performance.

Hypothesis 4

H_{04}: There is no significant relationship between incentives and employee performance in the hospitality industry in Benin City.

The analysis reveals that the coefficient for incentives is 0.429, suggesting a strong positive relationship with employee performance. This relationship is statistically significant, with a p-value of 0.000 ($p < 0.05$) and a standardised coefficient (Beta) of 0.436. Thus, the null

hypothesis is rejected, confirming that there is a significant positive relationship between incentives and employee performance.

Hypothesis 5

H_{05}: There is no significant relationship between training opportunities and employee performance in the hospitality industry in Benin City.

The coefficient for training opportunities is 0.107, showing a positive but weaker relationship with employee performance. The relationship is statistically significant, as the p-value is 0.048 ($p < 0.05$), and the standardised coefficient (Beta) is 0.103. As a result, the null hypothesis is rejected, indicating that training opportunities significantly influence employee performance. However, the relatively lower coefficient suggests that training programmes may need to be more targeted and relevant to maximise their impact on employee performance.

4.5 Discussion of Findings

This study examined the relationship between perception of compensation management practices and employee performance in the hospitality industry in Benin City. The findings provide empirical support for the role of compensation components such as fringe benefits, staff allowances, and incentives in enhancing employee performance. The results align with prior research, with some variations, as discussed below.

The study found that salaries and wages do not have a statistically significant impact on employee performance. This contrasts with the findings of Uzochukwu, Nwankwo, and Okafor (2023) in Enugu State, Nigeria, who established that wage and salary rewards significantly improved service delivery and enhanced employee commitment. Similarly, Abebe (2018) in Ethiopia found that financial compensation had a significant positive effect on employee productivity. However, the present study aligns with the findings of Bello et al. (2021) in Lagos State, Nigeria, who concluded that the payment system did not significantly influence employee performance. These mixed findings suggest that while salaries and wages may be critical in some industries, in the hospitality sector, other factors such as job satisfaction, motivation, and additional benefits may be more influential in determining employee performance.

The study revealed a significant positive relationship between fringe benefits and employee performance. This finding is consistent with Afriyie et al. (2020) in Accra, Ghana, who found that non-monetary compensation elements such as housing loans and accommodation were key factors in employee motivation. Similarly, Mangale (2017) in Kenya emphasised the necessity of indirect financial compensation and non-financial rewards in influencing employee productivity. These findings suggest that fringe benefits play a crucial role across different industries, including the hospitality sector, in enhancing employee commitment and productivity.

The study further established that staff allowances significantly influence employee performance. This finding aligns with Pangastuti, Sukirno, and Efendi (2020), who concluded that compensation had a significant impact on employee performance. Likewise, Supraja (2020) in Indonesia found that a combination of financial and non-financial compensation significantly enhanced work achievement, with financial compensation playing a dominant role. These findings indicate that staff allowances serve as a crucial financial incentive, reinforcing employee motivation and improving performance in the hospitality sector.

Additionally, the study found that incentives have a strong positive influence on employee performance. This finding is consistent with Olonade et al. (2022), who found that non-financial rewards significantly influenced employee performance in financial institutions in Lagos State. Similarly, Idris et al. (2017) in Indonesia found that financial compensation positively influenced professionalism and performance among lecturers. These results suggest that incentives, whether financial or non-financial, serve as a major driver of employee motivation and performance across different industries. The strong influence of incentives observed in this study highlights their critical role in employee engagement, retention, and productivity in the hospitality industry.

The study found that training opportunities significantly but weakly influence employee performance. While the relationship was statistically significant, the relatively low coefficient suggests that training may not be as impactful as other compensation components in improving employee performance. This contradicts empirical findings such as those of Onyeizugbe et al. (2018), who found that interpersonal trust, job satisfaction, and employee performance were

positively correlated. The weaker impact of training in this study may be attributed to factors such as inadequate training content, lack of alignment with job roles, or insufficient post-training incentives. This suggests that while training remains a valuable component of employee development, the effectiveness of training programmes in the hospitality industry needs to be assessed and improved.

These findings indicate that a well-structured compensation system that integrates financial and non-financial rewards is crucial for enhancing employee performance in the hospitality industry. The study underscores the importance of fringe benefits, staff allowances, and incentives as key drivers of motivation, while highlighting the limited impact of salaries and the need for more effective training programmes. Industry stakeholders should focus on strategic compensation planning that emphasises incentives and additional benefits, rather than relying solely on salary structures.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

1. The study found that salaries and wages do not have a statistically significant impact on employee performance in the hospitality industry in Benin City.

2. A significant positive relationship was found between fringe benefits and employee performance, indicating that employees are motivated by additional benefits beyond salaries.

3. The study revealed that staff allowances significantly enhance employee performance, highlighting the role of financial incentives in improving productivity.

4. Incentives were found to have a strong positive effect on employee performance, suggesting that reward systems play a crucial role in motivating employees in the hospitality sector.

5. The findings showed that training opportunities have a weak but statistically significant impact on employee performance, suggesting that existing training programmes may not be effectively structured, well-aligned with job roles, or adequately incentivised to enhance employee productivity.

5.2 Contributions to Knowledge

This study has made the following contributions to the body of knowledge:

1. This study extends the existing body of knowledge on compensation management practices by providing empirical evidence on their impact on employee performance in the hospitality industry in Benin City, Nigeria, a sector and location that have been relatively underexplored in previous research.
2. The study identifies fringe benefits, staff allowances, and incentives as the most influential compensation factors affecting employee performance, offering a context-specific understanding of employee motivation in the Nigerian hospitality industry.

3. Unlike many previous studies that found a positive relationship between training and employee performance, this research reveals a negative relationship, suggesting the need for a more structured and relevant training approach tailored to the specific needs of hospitality employees.
4. The study contributes to compensation theory by demonstrating that salaries and wages alone are not sufficient to drive employee performance, challenging the assumption that financial remuneration is the primary driver of productivity.
5. By incorporating local empirical evidence, the study enhances the generalisability of compensation management theories, bridging the gap between global compensation frameworks and the realities of the Nigerian hospitality industry.
6. The research provides a foundation for policy recommendations aimed at improving compensation strategies within the hospitality sector, particularly in emerging economies like Nigeria, where compensation structures may differ from global practices.

5.3 Conclusion

This study investigated the impact of compensation management practices on employee performance in the hospitality industry in Benin City, Nigeria. The findings highlight the critical role of compensation strategies in shaping employee motivation, productivity, and overall organisational success. The study established significant relationships between various compensation components, including salaries and wages, fringe benefits, staff allowances, incentives, and training opportunities, and employee performance, underscoring the necessity of a well-structured compensation system.

Notably, incentives and fringe benefits emerged as the strongest predictors of employee performance, indicating that financial and non-financial rewards play a crucial role in motivating employees within the hospitality industry. However, training opportunities showed a weak but statistically significant relationship with performance, suggesting the need for more industry-specific training programmes that align with employees' practical job requirements.

Furthermore, this study underscores the importance of sector-specific considerations in compensation management. Given the unique demands of the hospitality industry, where service quality and customer satisfaction are paramount, compensation strategies must be comprehensive, competitive, and tailored to address both financial and intrinsic motivational factors.

In conclusion, compensation management is a key driver of employee performance in the hospitality sector. Employers should implement compensation structures that balance monetary rewards with non-financial incentives, such as career growth opportunities and work-life balance initiatives, to enhance employee commitment and productivity. The insights from this study provide a foundation for hospitality managers and policymakers to develop sustainable compensation frameworks that support employee performance and organisational growth.

5.4 Recommendations

Based on the findings of this study, the following recommendations are made:

1. Organisations in the hospitality industry should ensure that salary structures are competitive and regularly reviewed to reflect industry standards. Adequate salaries and wages enhance employee motivation and reduce turnover rates.
2. Employers should expand the range of fringe benefits offered to employees, including health insurance, pension schemes, and housing allowances. These benefits contribute significantly to job satisfaction and overall employee performance.
3. Incentive programmes should be designed to reward outstanding performance effectively. Performance-based bonuses and commission structures should be transparent and linked to measurable key performance indicators (KPIs).
4. Training opportunities should be tailored to meet the practical and evolving needs of employees in the hospitality industry. Training should focus on skill development, customer service excellence, and career progression to ensure a positive impact on performance.

5. Organisations should implement fair and structured staff allowance policies that cater to job roles, seniority, and employee contributions. This will help improve employee morale and productivity.

5.5 Suggestions for Further Research

The following suggestions are made for future research to build on the findings and insights of this study. Future research should examine the impact of compensation management practices on employee performance in other industries beyond the hospitality sector, such as healthcare, education, and manufacturing, to determine sector-specific variations. A longitudinal approach should be adopted to track the long-term effects of compensation management on employee performance and organisational outcomes over an extended period. This will provide deeper insights into causality and sustainability. Further research should compare compensation practices and their effects on employee performance in different geographical regions within Nigeria or across other countries to assess the influence of economic, cultural, and regulatory differences. Future studies should explore the role of non-financial compensation, such as recognition, career advancement opportunities, and workplace culture, in shaping employee motivation and performance. Additional research should investigate how organisational culture and leadership styles moderate the relationship between compensation management and employee performance in various industries. With the rise of digital transformation in human resource management, future studies could examine how technology-driven compensation systems, such as performance-based pay software and AI-driven HR analytics, influence employee satisfaction and productivity. Further research should assess how demographic factors, such as gender, age, and educational background, influence perceptions of compensation fairness and its impact on employee performance.

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APPENDIX:

QUESTIONNAIRE

Department of Human Resources Management,
Faculty of Management Sciences,
University of Benin,
Benin City.

Dear Sir/Madam,

SOLICITING YOUR COOPERATION IN COMPLETING THIS QUESTIONNAIRE

I am a student at the above-named university undertaking a study on "Perception of Compensation Management Practices and Employee Performance in the Hospitality Industry in Benin City".

Kindly assist me in conducting the study by answering the attached questions. Just tick or circle the appropriate box that corresponds to your opinion on the various issues. You are not required to disclose your identity; be assured that your answers will be treated with the utmost confidence and solely used for academic purpose.

Your cooperation is highly appreciated.

Thank you.

Joanna Chukwudifu NATHAN
RESEARCHER

SECTION A: DEMOGRAPHIC INFORMATION

INSTRUCTION: Please tick and fill in the necessary information as may be appropriate.

1. Gender: Male [ ] Female [ ]

2. Age: Under 30 years [ ] 31-40 years [ ] 41-50 years [ ]

51-60 years [ ] Above 60 years [ ]

3. Marital Status: Single [ ] Married [ ] Others [ ]

4. Educational Qualification: First School Leaving Certificate or less [ ]

SSCE/GCE/NECO/NABTEB [ ] OND/NCE [ ] HND/B.Sc. [ ]

MBA/M.Sc./Ph.D.[ ]Others [ ]

5. Job Experience: 0-5 years [ ] 5-10 years [ ] Above 10 years [ ]

6. Job Designation: Contract [ ] Permanent [ ] Ad Hoc/Other [ ]

7. Department: Front Office [ ] Reservations [ ] Housekeeping [ ] Food & Beverage [ ] Sales & Marketing [ ] Accounting & Finance [ ] Human Resources (HRM) [ ] Security [ ] Maintenance/Engineering [ ] Others (Please specify) [ ]

SECTION B: (RESEARCH QUESTION/STATEMENTS)

INSTRUCTION: Please indicate as frankly as possible the extent to which the following statements below describes your opinions using the following scale: Strongly Disagree (SD), Disagree (D), Undecided (U), Agree (A) and Strongly Agree (SA).

S/N	STATEMENTS	SD	D	U	A	SA
	SALARIES AND WAGES					
8.	Salaries and wages in my organisation are competitive compared to industry standards.					
9.	My salary or wages reflect my contributions and effort within the organisation					
10.	Adequate salaries and wages motivate me to perform at my best in my current role.					
11.	In my organisation, higher salaries and wages are linked to increased motivation and improved employee performance.					
	FRINGE BENEFITS					
12.	The fringe benefits offered by my organisation, such as health insurance and retirement plans, meet my needs and expectations.					
13.	The availability of fringe benefits positively influences my job satisfaction and commitment to the organisation.					
14.	I consider fringe benefits to be an important part of my overall compensation package, and they motivate me to perform at my best.					
15.	Employees who receive attractive fringe benefits are more likely to stay with the organisation and contribute to its success.					
	STAFF ALLOWANCES	**SD**	**D**	**U**	**A**	**SA**
16.	Staff allowances provided by my organisation, such as housing or transportation allowances, enhance my overall compensation package.					

17.	The availability of staff allowances positively influences my job satisfaction and motivation to excel in my role.					
18.	Staff allowances contribute to a better work-life balance for me, allowing me to focus more on my job performance.					
19.	There is a correlation between the provision of staff allowances and increased commitment and productivity among employees in my organisation.					
	INCENTIVES	**SD**	**D**	**U**	**A**	**SA**
20.	Incentive programs in my organisation, such as performance bonuses or recognition awards, motivate me to excel in my role.					
21.	The availability of incentives positively influences my job satisfaction and commitment to achieving organisational goals.					
22.	Incentives provided for exceptional performance encourage healthy competition among employees and lead to improved overall performance.					
23.	There is a direct link between the effectiveness of incentive programs and the high-performance levels of employees in my organisation.					
	TRAINING OPPORTUNITY	**SD**	**D**	**U**	**A**	**SA**
24.	The availability of training opportunities in my organisation enhances my professional growth and development.					
25.	Access to training and skill development programs positively influences my job performance and effectiveness.					
26.	Training opportunities provided by my organisation contribute to my job satisfaction and my ability to contribute effectively to team goals.					
27.	There is a direct relationship between the quality of training programs and the overall performance of employees in my organisation.					
	EMPLOYEE PERFORMANCE	**SD**	**D**	**U**	**A**	**SA**
28.	Compensation practices in my organisation are equitable, motivating me to perform at my best.					
29.	The overall compensation package of my organisation positively influences my job satisfaction and commitment to the organisation.					
30.	Adequate compensation practices contribute to a better work-life balance, allowing me to focus more on my job performance.					
31.	There is the existence of a direct link between the effectiveness of compensation management practices and the overall performance of employees in my organisation.					

Thank you very much for taking out time to fill this questionnaire.

Reliability

Notes

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Reliability Statistics

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Reliability

Notes

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Scale: Fringe benefits

Case Processing Summary

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Cases	Valid	20	100.0
	Excluded[a]	0	.0
	Total	20	100.0

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Reliability Statistics

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Reliability

Notes

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	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
Syntax		RELIABILITY /VARIABLES=SA16 SA17 SA18 SA19 /SCALE('Staff Allowance') ALL /MODEL=ALPHA.
Resources	Processor Time	00:00:00.00
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Scale: Staff Allowance

Case Processing Summary

		N	%
Cases	Valid	20	100.0
	Excluded[a]	0	.0
	Total	20	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.721	4

Reliability

Notes

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Scale: Incentives

Case Processing Summary

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Cases	Valid	20	100.0
	Excluded[a]	0	.0
	Total	20	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
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Reliability

Notes

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	Cases Used	Statistics are based on all cases with valid data for all variables in the procedure.
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Scale: Training Opportunity

Case Processing Summary

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	Total	20	100.0

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Reliability Statistics

Cronbach's Alpha	N of Items
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Reliability

Notes

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Scale: Employee Performance

Case Processing Summary

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Cases	Valid	20	100.0
	Excluded[a]	0	.0
	Total	20	100.0

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Reliability Statistics

Cronbach's Alpha	N of Items
.712	4

```
FREQUENCIES VARIABLES=Gender Age MaritalStatus
HighestEducationalQualification JobExperience
    JobDesignation Department SW8 SW9 SW10 SW11 FB12 FB13 FB14 FB15 SA16 SA17
SA18 SA19 ICT20 ICT21
    ICT22 ICT23 TOP24 TOP25 TOP26 TOP27 EP28 EP29 EP30 EP31
  /STATISTICS=STDDEV MEAN
  /ORDER=ANALYSIS.
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Frequencies

Notes

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	Cases Used	Statistics are based on all cases with valid data.
Syntax		FREQUENCIES VARIABLES=Gender Age MaritalStatus HighestEducationalQualification JobExperience JobDesignation Department SW8 SW9 SW10 SW11 FB12 FB13 FB14 FB15 SA16 SA17 SA18 SA19 ICT20 ICT21 ICT22 ICT23 TOP24 TOP25 TOP26 TOP27 EP28 EP29 EP30 EP31 /STATISTICS=STDDEV MEAN /ORDER=ANALYSIS.

Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.03

Statistics

		Gender	Age	MaritalStatus	HighestEducationalQualification	JobExperience
N	Valid	379	379	379	379	379
	Missing	0	0	0	0	0
Mean						1.98
Std. Deviation						.788

Statistics

		JobDesignation	Department	SW8	SW9	SW10	SW11
N	Valid	379	379	379	379	379	379
	Missing	0	0	0	0	0	0
Mean		1.74	4.79	3.91	3.80	3.72	3.97
Std. Deviation		.547	2.743	1.038	1.059	1.191	1.137

Statistics

		FB12	FB13	FB14	FB15	SA16	SA17	SA18
N	Valid	379	379	379	379	379	379	379
	Missing	0	0	0	0	0	0	0
Mean		3.82	3.70	3.94	3.94	3.88	3.73	3.96
Std. Deviation		.988	1.055	.897	.954	1.126	1.043	1.066

Statistics

		SA19	ICT20	ICT21	ICT22	ICT23	TOP24	TOP25
N	Valid	379	379	379	379	379	379	379
	Missing	0	0	0	0	0	0	0
Mean		3.62	3.80	4.09	4.06	3.93	3.83	3.72
Std. Deviation		1.121	1.106	.917	.922	.954	1.182	1.167

Statistics

		TOP26	TOP27	EP28	EP29	EP30	EP31
N	Valid	379	379	379	379	379	379
	Missing	0	0	0	0	0	0
Mean		4.10	4.12	4.06	3.97	3.88	4.07
Std. Deviation		.909	.936	.965	.977	.918	.959

Frequency Table

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	208	54.9	54.9	54.9
	Male	171	45.1	45.1	100.0
	Total	379	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	31-40	103	27.2	27.2	27.2
	41-50	109	28.8	28.8	55.9
	51-60	91	24.0	24.0	79.9
	60 years and above	24	6.3	6.3	86.3
	Under 30 years	52	13.7	13.7	100.0
	Total	379	100.0	100.0	

MaritalStatus

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	175	46.2	46.2	46.2
	Others	24	6.3	6.3	52.5
	Single	180	47.5	47.5	100.0
	Total	379	100.0	100.0	

HighestEducationalQualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	FSLC	4	1.1	1.1	1.1
	HND/B.Sc	234	61.7	61.7	62.8
	MBA/M.Sc/Ph.D	59	15.6	15.6	78.4
	OND/NCE	35	9.2	9.2	87.6
	Others	4	1.1	1.1	88.7
	SSCE/GCE/NECO/	43	11.3	11.3	100.0
	Total	379	100.0	100.0	

JobExperience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-5years	122	32.2	32.2	32.2
	5-10 years	144	38.0	38.0	70.2
	Above 10 years	113	29.8	29.8	100.0
	Total	379	100.0	100.0	

JobDesignation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Contract	119	31.4	31.4	31.4
	Permanent	240	63.3	63.3	94.7
	AdHoc/Other	20	5.3	5.3	100.0
	Total	379	100.0	100.0	

Department

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Front Office	52	13.7	13.7	13.7
	Reservations	54	14.2	14.2	28.0
	Housekeeping	44	11.6	11.6	39.6
	Food & Beverage	37	9.8	9.8	49.3
	Sales & Marketing	34	9.0	9.0	58.3
	Accounting & Finance	37	9.8	9.8	68.1
	HRM	39	10.3	10.3	78.4
	Security	39	10.3	10.3	88.7
	Maintenance & Engineering	32	8.4	8.4	97.1
	10	11	2.9	2.9	100.0
	Total	379	100.0	100.0	

SW8

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	10	2.6	2.6	2.6
	Disagree	32	8.4	8.4	11.1
	Undecided	66	17.4	17.4	28.5
	Agree	145	38.3	38.3	66.8
	Strongly Agree	126	33.2	33.2	100.0
	Total	379	100.0	100.0	

SW9

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	12	3.2	3.2	3.2
	Disagree	29	7.7	7.7	10.8
	Undecided	98	25.9	25.9	36.7
	Agree	123	32.5	32.5	69.1
	Strongly Agree	117	30.9	30.9	100.0
	Total	379	100.0	100.0	

SW10

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	23	6.1	6.1	6.1
	Disagree	39	10.3	10.3	16.4
	Undecided	81	21.4	21.4	37.7
	Agree	114	30.1	30.1	67.8
	Strongly Agree	122	32.2	32.2	100.0
	Total	379	100.0	100.0	

SW11

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	15	4.0	4.0	4.0
	Disagree	28	7.4	7.4	11.3
	Undecided	76	20.1	20.1	31.4
	Agree	94	24.8	24.8	56.2
	Strongly Agree	166	43.8	43.8	100.0
	Total	379	100.0	100.0	

FB12

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	2.1	2.1	2.1
	Disagree	32	8.4	8.4	10.6
	Undecided	80	21.1	21.1	31.7
	Agree	158	41.7	41.7	73.4
	Strongly Agree	101	26.6	26.6	100.0
	Total	379	100.0	100.0	

FB13

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	10	2.6	2.6	2.6
	Disagree	47	12.4	12.4	15.0
	Undecided	82	21.6	21.6	36.7
	Agree	146	38.5	38.5	75.2
	Strongly Agree	94	24.8	24.8	100.0
	Total	379	100.0	100.0	

FB14

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	1.8	1.8	1.8
	Disagree	22	5.8	5.8	7.7
	Undecided	55	14.5	14.5	22.2
	Agree	196	51.7	51.7	73.9
	Strongly Agree	99	26.1	26.1	100.0
	Total	379	100.0	100.0	

FB15

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	10	2.6	2.6	2.6
	Disagree	21	5.5	5.5	8.2
	Undecided	60	15.8	15.8	24.0
	Agree	177	46.7	46.7	70.7
	Strongly Agree	111	29.3	29.3	100.0
	Total	379	100.0	100.0	

SA16

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	20	5.3	5.3	5.3
	Disagree	23	6.1	6.1	11.3
	Undecided	76	20.1	20.1	31.4
	Agree	123	32.5	32.5	63.9
	Strongly Agree	137	36.1	36.1	100.0

	Total	379	100.0	100.0	

SA17

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	9	2.4	2.4	2.4
	Disagree	40	10.6	10.6	12.9
	Undecided	98	25.9	25.9	38.8
	Agree	131	34.6	34.6	73.4
	Strongly Agree	101	26.6	26.6	100.0
	Total	379	100.0	100.0	

SA18

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	7	1.8	1.8	1.8
	Disagree	35	9.2	9.2	11.1
	Undecided	75	19.8	19.8	30.9
	Agree	110	29.0	29.0	59.9
	Strongly Agree	152	40.1	40.1	100.0
	Total	379	100.0	100.0	

SA19

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	23	6.1	6.1	6.1
	Disagree	45	11.9	11.9	17.9
	Undecided	64	16.9	16.9	34.8
	Agree	168	44.3	44.3	79.2
	Strongly Agree	79	20.8	20.8	100.0
	Total	379	100.0	100.0	

ICT20

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	21	5.5	5.5	5.5
	Disagree	36	9.5	9.5	15.0
	Undecided	42	11.1	11.1	26.1

	Agree	178	47.0	47.0	73.1
	Strongly Agree	102	26.9	26.9	100.0
	Total	379	100.0	100.0	

ICT21

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	8	2.1	2.1	2.1
	Disagree	13	3.4	3.4	5.5
	Undecided	56	14.8	14.8	20.3
	Agree	161	42.5	42.5	62.8
	Strongly Agree	141	37.2	37.2	100.0
	Total	379	100.0	100.0	

ICT22

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.3	1.3	1.3
	Disagree	19	5.0	5.0	6.3
	Undecided	63	16.6	16.6	23.0
	Agree	153	40.4	40.4	63.3
	Strongly Agree	139	36.7	36.7	100.0
	Total	379	100.0	100.0	

ICT23

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	6	1.6	1.6	1.6
	Disagree	31	8.2	8.2	9.8
	Undecided	57	15.0	15.0	24.8
	Agree	174	45.9	45.9	70.7
	Strongly Agree	111	29.3	29.3	100.0
	Total	379	100.0	100.0	

TOP24

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	19	5.0	5.0	5.0

	Disagree	36	9.5	9.5	14.5
	Undecided	80	21.1	21.1	35.6
	Agree	100	26.4	26.4	62.0
	Strongly Agree	144	38.0	38.0	100.0
	Total	379	100.0	100.0	

TOP25

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	18	4.7	4.7	4.7
	Disagree	41	10.8	10.8	15.6
	Undecided	94	24.8	24.8	40.4
	Agree	102	26.9	26.9	67.3
	Strongly Agree	124	32.7	32.7	100.0
	Total	379	100.0	100.0	

TOP26

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	.5	.5	.5
	Disagree	14	3.7	3.7	4.2
	Undecided	85	22.4	22.4	26.6
	Agree	121	31.9	31.9	58.6
	Strongly Agree	157	41.4	41.4	100.0
	Total	379	100.0	100.0	

TOP27

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	2	.5	.5	.5
	Disagree	21	5.5	5.5	6.1
	Undecided	71	18.7	18.7	24.8
	Agree	122	32.2	32.2	57.0
	Strongly Agree	163	43.0	43.0	100.0
	Total	379	100.0	100.0	

EP28

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	11	2.9	2.9	2.9
	Disagree	16	4.2	4.2	7.1
	Undecided	52	13.7	13.7	20.8
	Agree	162	42.7	42.7	63.6
	Strongly Agree	138	36.4	36.4	100.0
	Total	379	100.0	100.0	

EP29

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	13	3.4	3.4	3.4
	Disagree	18	4.7	4.7	8.2
	Undecided	54	14.2	14.2	22.4
	Agree	176	46.4	46.4	68.9
	Strongly Agree	118	31.1	31.1	100.0
	Total	379	100.0	100.0	

EP30

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	5	1.3	1.3	1.3
	Disagree	30	7.9	7.9	9.2
	Undecided	64	16.9	16.9	26.1
	Agree	185	48.8	48.8	74.9
	Strongly Agree	95	25.1	25.1	100.0
	Total	379	100.0	100.0	

EP31

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagree	11	2.9	2.9	2.9
	Disagree	15	4.0	4.0	6.9
	Undecided	51	13.5	13.5	20.3
	Agree	163	43.0	43.0	63.3
	Strongly Agree	139	36.7	36.7	100.0
	Total	379	100.0	100.0	

CORRELATIONS

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    TrainingOpportunities
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Correlations

Notes

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Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics for each pair of variables are based on all the cases with valid data for that pair.
Syntax		CORRELATIONS /VARIABLES=EmployeePerformance SalariesandWages FringeBenefits StaffAllowances Incentives TrainingOpportunities /PRINT=TWOTAIL NOSIG /MISSING=PAIRWISE.
Resources	Processor Time	00:00:00.03
	Elapsed Time	00:00:00.03

Correlations

		EmployeePerformance	SalariesandWages	FringeBenefits
EmployeePerformance	Pearson Correlation	1	.491**	.618**
	Sig. (2-tailed)		.000	.000
	N	379	379	379
SalariesandWages	Pearson Correlation	.491**	1	.551**
	Sig. (2-tailed)	.000		.000
	N	379	379	379
FringeBenefits	Pearson Correlation	.618**	.551**	1
	Sig. (2-tailed)	.000	.000	
	N	379	379	379
StaffAllowances	Pearson Correlation	.479**	.659**	.495**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379
Incentives	Pearson Correlation	.674**	.525**	.722**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379
TrainingOpportunities	Pearson Correlation	.314**	.659**	.346**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379

Correlations

		StaffAllowances	Incentives	TrainingOpportunities
EmployeePerformance	Pearson Correlation	.479**	.674**	.314**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379
SalariesandWages	Pearson Correlation	.659**	.525**	.659**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379
FringeBenefits	Pearson Correlation	.495**	.722**	.346**
	Sig. (2-tailed)	.000	.000	.000
	N	379	379	379
StaffAllowances	Pearson Correlation	1	.464**	.643**
	Sig. (2-tailed)		.000	.000
	N	379	379	379
Incentives	Pearson Correlation	.464**	1	.379**
	Sig. (2-tailed)	.000		.000
	N	379	379	379
TrainingOpportunities	Pearson Correlation	.643**	.379**	1
	Sig. (2-tailed)	.000	.000	
	N	379	379	379

**. Correlation is significant at the 0.01 level (2-tailed).

```
REGRESSION
  /MISSING LISTWISE
  /STATISTICS COEFF OUTS CI(95) R ANOVA COLLIN TOL CHANGE
  /CRITERIA=PIN(.05) POUT(.10)
  /NOORIGIN
  /DEPENDENT EmployeePerformance
  /METHOD=ENTER SalariesandWages FringeBenefits StaffAllowances Incentives
TrainingOpportunities
  /SCATTERPLOT=(*ZRESID ,*ZPRED)
  /RESIDUALS DURBIN.
```

Regression

Notes

Output Created		04-FEB-2025 17:14:08
Comments		
Input	Data	C:\Users\P P S\Desktop\Joseph Permanent 2025\Joanna Nathan MSc\Joanna Data.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	379
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.

Syntax		REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS CI(95) R ANOVA COLLIN TOL CHANGE /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT EmployeePerformance /METHOD=ENTER SalariesandWages FringeBenefits StaffAllowances Incentives TrainingOpportunities /SCATTERPLOT=(*ZRESID,*ZPRED) /RESIDUALS DURBIN.
Resources	Processor Time	00:00:00.41
	Elapsed Time	00:00:00.37
	Memory Required	6160 bytes
	Additional Memory Required for Residual Plots	0 bytes

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	TrainingOpportunities, FringeBenefits, StaffAllowances, Incentives, SalariesandWages[b]	.	Enter

a. Dependent Variable: EmployeePerformance

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.720[a]	.518	.511	2.20662	.518	80.120	5

Model Summary[b]

Model	Change Statistics		
	df2	Sig. F Change	
1	373	.000	2.203

a. Predictors: (Constant), TrainingOpportunities, FringeBenefits, StaffAllowances, Incentives, SalariesandWages

b. Dependent Variable: EmployeePerformance

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1950.584	5	390.117	80.120	.000[b]
	Residual	1816.202	373	4.869		
	Total	3766.786	378			

a. Dependent Variable: EmployeePerformance

b. Predictors: (Constant), TrainingOpportunities, FringeBenefits, StaffAllowances, Incentives, SalariesandWages

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.078	.746		4.125	.000
	SalariesandWages	.122	.064	.108	1.914	.056
	FringeBenefits	.200	.058	.191	3.463	.001
	StaffAllowances	.184	.055	.177	3.347	.001
	Incentives	.429	.053	.436	8.150	.000
	TrainingOpportunities	-.107	.054	-.103	-1.988	.048

Coefficients[a]

Model		95.0% Confidence Interval for B		Collinearity Statistics	
		Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	1.611	4.545		
	SalariesandWages	-.003	.248	.405	2.468
	FringeBenefits	.087	.314	.424	2.360
	StaffAllowances	.076	.292	.461	2.171
	Incentives	.325	.532	.452	2.215
	TrainingOpportunities	-.212	-.001	.480	2.084

a. Dependent Variable: EmployeePerformance

Collinearity Diagnostics[a]

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions (Constant)	SalariesandWages	FringeBenefits
1	1	5.914	1.000	.00	.00	.00
	2	.033	13.410	.00	.01	.13
	3	.020	17.233	.91	.01	.02
	4	.013	21.164	.07	.03	.04
	5	.011	23.157	.01	.51	.23
	6	.009	25.413	.01	.43	.58

Collinearity Diagnostics[a]

Model	Dimension	Variance Proportions StaffAllowances	Incentives	TrainingOpportunities
1	1	.00	.00	.00
	2	.06	.16	.15
	3	.13	.02	.00
	4	.63	.17	.39
	5	.17	.42	.04
	6	.01	.23	.41

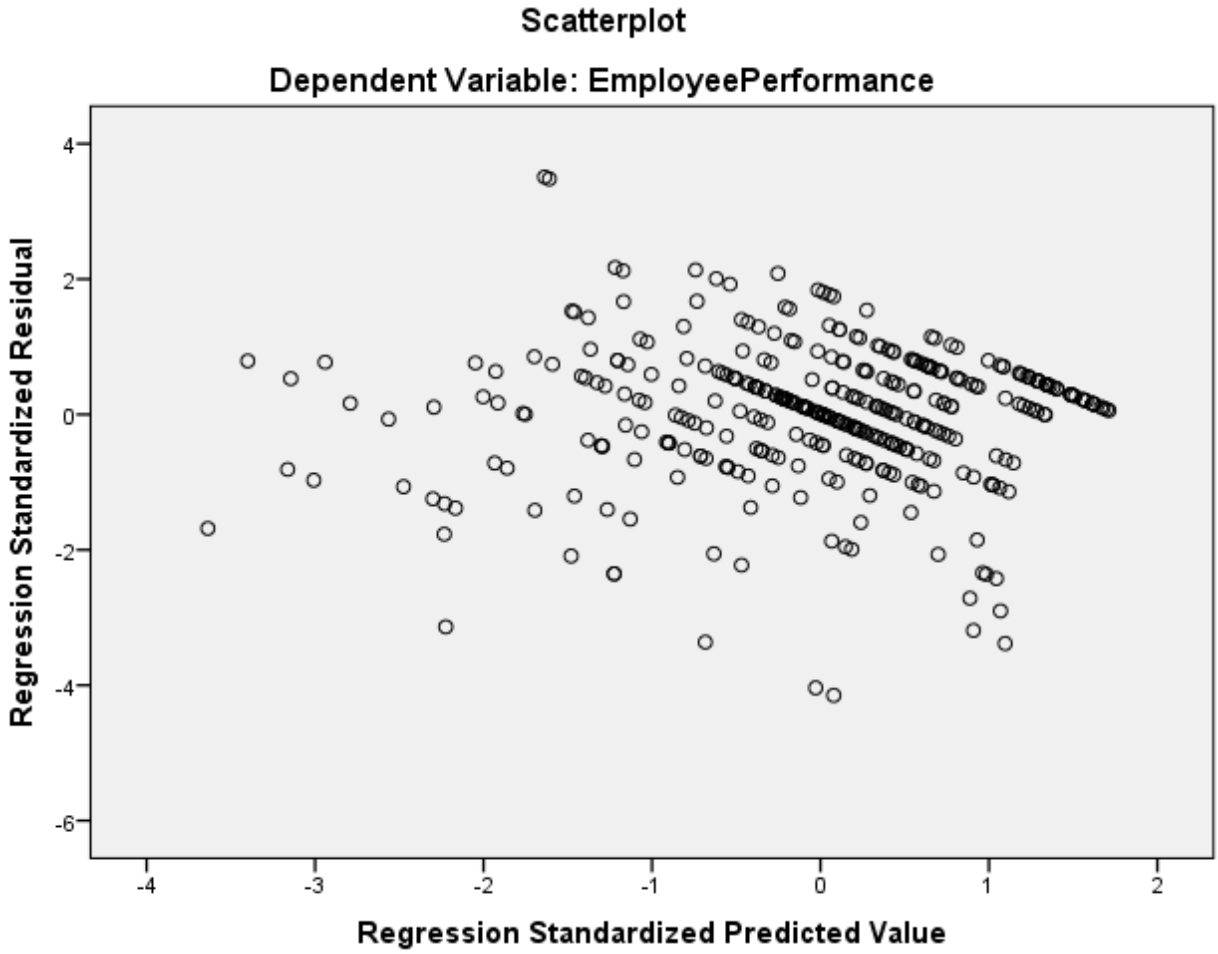
a. Dependent Variable: EmployeePerformance

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	7.7150	19.8672	15.9763	2.27162	379
Residual	-9.15548	7.74263	.00000	2.19198	379
Std. Predicted Value	-3.637	1.713	.000	1.000	379
Std. Residual	-4.149	3.509	.000	.993	379

a. Dependent Variable: EmployeePerformance

Charts


Scatterplot
Dependent Variable: EmployeePerformance
Regression Standardized Residual
Regression Standardized Predicted Value
4
2
0
-2
-4
-6
-4
-3
-2
-1
0
1
2