The Moderating Effect of Job Satisfaction on Monetary Rewards and Employee Performance of some Listed Pharmaceutical Firms in Nigeria

Aidi Paul Aidi[1], Emmanuel, Okohn Salifu[2] and Joy Aricha Ijuwo[3]

[1,2]Department of Business Management, Faculty of Management Sciences, Benue State University, Makurdi

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ABSTRACT

This study dealt with the moderating effect of job satisfaction on monetary rewards and employee performance of pharmaceutical firms in Nigeria. The study employed a descriptive survey research design method. A sample size of 290 respondents was selected from a total population of 772 employees of nine pharmaceutical firms in Nigeria. Primary data was gather using questionnaire which was structured in five likert scale; (1=strongly disagree, to 5 =strongly agree) and was self-administered to the respondents of the said pharmaceutical firms. Bivariate regression and multiple regression analysis technique were adopted with the aid of SPSS for analysis of the hypotheses in the study. It was found out that monetary reward had significant effect on employee performance of pharmaceutical firms. The results reviewed that the employees' job satisfaction was influenced by the monetary rewards, bonus pay, salaries, incentive are demonstrated through compensation trends in the market. the explanatory variables made the following contributions, 0.04571 for salaries respectively for task performance. On moderation, the following contributions were recorded for task performance. salaries 1.2335 respectively. Recommended that the management of Pharmaceutical Firms should work to ensure that monetary rewards of pharmaceutical firms, Nigeria, were fair and equitable, there should be fairness and equity in the pharmaceutical firms, Nigeria rewards practices.

Keywords: Job Satisfaction, Monetary Reward and Employee Performance

INTRODUCTION

Employees are the most important resource of organization because the success of organization is dependent upon the performance of employees, therefore, it is important for an organization to attract and retain their talented employees. Bateman and Strasser (2014) aver that talented employees influence the performance of the organization in a positive manner. Thus, organizations need to invest on them and enhance their performance through higher level of motivation and satisfaction. Today employees want appropriate rewards for their performance and their satisfaction with the organization depends upon the fulfillment of their desires. Organizations must need to include monetary incentives and rewards such as profit sharing, bonus, fringe benefit, retirement benefit and salaries in their strategy to maintain the relationship and increase their performance (Saleem, 2015).

In any organization, the monetary reward and employee satisfaction are interrelated components, organizational monetary reward boosts the employee's job satisfaction and employee performance level. The organization uses monetary reward system to achieve its desired objectives. According to Danish and Usman (2010) monetary reward contributes to keep employee's satisfaction and increases employee

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performance. Bowenard (2014) stated that passionate and happy employees could create happy client. Ali and Ahmed (2019) conducted a study in Unilever companies. The result of this study revealed that there was a positive and strong association between monetary rewards and employee's performance and satisfaction Snyder, Osland and Hunter (2019) examined that private sector employees are more satisfied than public sectors employees on the basis of performance-based rewards.

A salary is a form of payment from an employer to an employee, which may be specified in an employment contract. It is contrasted with piece wages, where each job, hour, or other unit is paid separately, rather than on a periodic basis (Saleem, 2015). Fringe benefits are additions to compensation that companies give their employees. Some fringe benefits are given universally to all employees of a company while others may be offered only to those at executive levels (Clifford, 2015). Retirement benefits are benefits payable to the member of the pension scheme on retirement or earlier withdrawal from service, including retirement pensions; retirement lump sums or gratuities (Clifford, 2015). A bonus is a financial compensation that is above and beyond the normal payment expectations of its recipient. Companies may award bonuses to both entry-level employees and to senior-level executives. While bonuses are traditionally given to exceptional workers, employers sometimes dole out bonuses company-wide to stave off Employee satisfaction is an important variable that is able to give an opinion about general emotion and thinking forms of employees about their job and workplace. Thus, employee satisfaction refers to expectations of the employee about the workplace and his attitudes toward his job. Thus, job satisfaction is a function of the extent to which one's needs are satisfied in a job (Togia, Koustelios & Tsigilis, 2014).

Statement of the problem

The pharmaceutical firm's sector, as categorized under the service sector, contributes majorly to the gross domestic product of Nigeria's non-oil sector. This gives more prominence to the service sector and particularly the pharmaceutical firms sector.

Surprisingly, none has been done in the pharmaceutical firms setting in Nigeria, especially in Nigeria. Job satisfaction has various facets and one of the key facets is employees' reward (Akinloye & Adesola, 2015, Viko, Nnorom & Oyedokun, 2018).

Employee rewards is among the factors that cause job dissatisfaction and poor level of employee performance among Nigerian pharmaceutical firm employees. This is because pharmaceutical firm employees are offered reward packages that do not commensurate with the lengthily time, loyalty, and effort the employees invested in their jobs (Akinloye & Adesola, 2015). The pharmaceutical firms' employees are not well remunerated with attractive salaries, retirement benefit bonuses and allowances are dwindling, and career development and opportunities such as training and job security within the pharmaceutical firms compared to their counterpart in other parts of the world appears to be diminishing (Oyeniyi, Afolabi & Olayanju, 2014).

Thus, this study therefore evaluated the moderating effect of job satisfaction on monetary rewards and employee performance in the selected pharmaceutical firms in Nigerian.

Objective of the Study

The broad objective of this study shall be to examine the moderating role of job satisfaction on monetary reward and employee performance of pharmaceutical firms in Nigeria. The study shall specifically to:

1. Evaluate the effect of monetary reward on task performance of pharmaceutical firms in Nigeria.
2. To ascertain the moderating effect of job satisfaction on the relationship between monetary reward and employee performance of pharmaceutical firms in Nigeria

Research Questions

This study is guided through the following research questions these are: –

- To what extent does monetary reward affect task performance of pharmaceutical firms in Nigeria?
- To what extent does job satisfaction have a moderating effect on the relationship between monetary reward and employee performance of pharmaceutical firms in Nigeria

Research Hypotheses

To achieve the objective of this study, the following hypotheses formulated in a null form will be tested. These are: –

$H0_1$: Monetary reward has no significant effect on task performance of pharmaceutical firms in Nigeria?

$H0_2$: Job satisfaction has no significant moderating effect on the relationship between monetary reward and employee performance of pharmaceutical firms in Nigeria

Scope of the study

The study has covered the period of 2010 to 2022. All departments of the organization were involved and both management and staff of the organization were sampled in the collection of data for the study. The study covered a fair balance of male and female employees of the employee performance of pharmaceutical firms in Nigeria and cut across the entire staff of the organization, thus from junior staff to management staff.

REVIEW OF RELATED LITERATURE

Concept of Monetary Rewards

The most important resource any organization possesses is its human resource. Therefore, it is also very important for organization to seek for ways to encourage positive attitude in order to strengthen themselves and their profit margin. Organization needs human beings and because human nature though very simple can be very complex too; this makes it a task for organizations to know how to motivate its employees. An understanding, appreciation of human nature is a pre-requisite to effectively motivate employees. Financial incentives involve granting of reward in terms of money such as commissions, bonuses etc. Examples of financial rewards include base pay, cost of living adjustments, short term incentives, and long term incentives (Aguinis, 2013). The available empirical evidence documents that monetary rewards are among the most powerful factors affecting employee motivation and performance Herman (2012) found that an employee’s productivity increased by an average of 30% after the introduction of individual monetary incentives. Other types of rewards and interventions do not seem to have such a powerful effect (Stajkovic & Luthans, 2011).

However, what employees say is the value of monetary rewards does not always reflect what they think or what they actually do (Rynes, Gerhart, & Minette, 2014). The reason why monetary rewards can be a powerful motivator of employee performance and also help attract and retain top performers is that they help meet a variety of basic needs (e.g. food, shelter) and also higher-level needs (e.g., belonging to a group, receiving respect from others, achieving mastery in ones work) (Long & Shields, 2010). For example, monetary rewards provide employees with the means to enhance the well-being of their families, as well as pay for leisure activities with friends and colleagues, thereby helping satisfy the higher-level need to belong in groups. Employees can also use monetary rewards to purchase status symbols such as bigger houses (satisfying the higher level need for respect from others) and pursue training, development, or higher education (satisfying the higher-level need for achieving mastery). Further, monetary rewards in and of themselves are often valued as a symbol of one's social status and acknowledgment of one's personal accomplishment (Trank, Rynes, &Bretz, 2012). In sum, monetary rewards can improve employee motivation and performance because they can satisfy a wide range of low-and high-level needs (Long& Shields, 2010)

Job Satisfaction

Pouliakas (2010) found that there is a huge negative relationship between bonus payments and the satisfaction of workers with the actual job itself. Financial motivators positively affect worker's utility and performance.

Millán, Hessels, Thurik, and Aguado (2011) in their study reported that for both workers and the self-employed, having higher work wages helps to improve the probability of being happy with the sort of work. As indicated by Bozeman and Gaughan (2011) the view of being paid what one is worth predicts work satisfaction. Individuals who agree that they are paid "what they are worth" in the market have a tendency to have more elevated amounts of job satisfaction than the individuals who do not agree. Noordin and Jusoff (2019) concentrated on the levels of job satisfaction among Malaysian scholarly staff; argued that the pay seems to speak to one of the precursor states based on general satisfaction. Moreover, in Lebanon the work of Zaraket and Halawi (2017) covered the effect of Human resource practices on employee performance in the Lebanese pharmaceutical firms sector; where within the practices is compensation and benefits that reflect high significant impact on the employees' performance.

Herzrberg (1966) specified that workers would not be satisfied just by meeting their lower-level needs. Without any doubt, increasing fundamental advantages and pay rates, and having a fitting workplace, would not basically make the staffs become pleased or contented with their employments. Along these lines, by concentrating on his hypothesis, employees attempt to discover higher needs and various level of satisfaction alluding to their mental personalities like gratefulness, change, and greater responsibility. This additionally the impact of financial reward on job satisfaction and performance 372 suggests to occupational change and makes an attempt to arrange the assignments to create open doors for individual achievement, singular development, and acknowledgment (Herzberg, 1966). Subsequently, Herzberg's dual factor hypothesis incorporates cleanliness and inspiration elements which have appeared to be successful as a result of the change of employee's performance. As indicated by the scholar, inspiration elements are required to propel the specialists to carry out their employments and conceivable with their most astounding capacity levels. On the opposite side, cleanliness elements are important to guarantee that the staff is not miserable and disappointed. As such, the creator examined that the elements prompting occupation satisfaction (and inspiration) were not at all like those prompting employment disappointment. Through this way, he upgraded the inspiration cleanliness hypothesis to elucidate these outcomes. In addition, he regarded the satisfier as a motivator and called dissatisfy the hygiene ones. The reason behind the application of the "hygiene" name is that these components are upkeep ones which are important to be separated from disappointment. Also, they don't give satisfaction themselves.

Employees Performance

Performance of employees plays a major role in increasing the performance of organization and achieving competitive advantage. According to Mello (2014), there are number of factors that contribute in the success of organization however, human resource is the most crucial one. Today organizations are improving the performance of their employees by employing different Human Resource practices because Human resource practices are the major source of achieving competitive advantage (Çali?kan, 2010). Job performance can be defined in number of ways. Nayyar (2014) it is about the execution of the role by keeping in view the standards set by the organization. As per Romanoff (2019), it as an outcome produces during a particular period of time. Some other researchers defined performance as a behavior that is efficient for achieving the goals of organization. High job performance is not only important for achieving the competitive advantage of firm but it is also very important for the individuals because it became a source of satisfaction for them. According to Motowildo, Borman, and Schmit (2017) judgmental and evaluative process are required to define performance it is not only defined by the actions.

Nowadays employee's performance is a vital issue for the employee's development as well as organizational development. Job performance cannot be defined from any specific way. It depends on the size, policy and strategy of an organization. It is also concerns with day-to-day or routine operations relevant with one's duties and responsibilities. There are number of authors who define performance from different ways. Hellriegel, Jackson, and Slocum (2019) define performance as the level of an individual's work achievement after having exerted effort. Whetten, Cameron and Woods (2000) believe that performance is an individual phenomenon with environmental variables. Laitinen (2012) suggests that performance "can be defined as the ability of an object to produce results in a dimension determined a priori, in relation to a target. For identifying employees? job performance (Becker, Billings, Eveleth, & Gilbert, 2016), some necessary elements or factors (Liao & Chuang, 2014) must be needed to consider, such as; communication, job knowledge, creativity/innovation, technology skills, problem solving, attitude, sense of accountability, and culture fit etc. It is the part of HRM (Borman, 2014) commonly refers to whether a person performs his/her jobs well, relates to organizational outcomes and success. From a psychological perspective (Tsui, Pearce, Porter& Tripoli, 2017), describes job performance as an individual level variable.

That is, demand of job effects the job performance (Jones, Chonko, Rangarajan, & Roberts, (2017) which is most important dependent variable in industrial and organizational psychology. A number of studies (e.g., Tsui, Pearce, Porter, & Tripoli, 2017; Heilman, Block, & Lucas, 2012; Pearce & Porter, 1986; Welbourne, Johnson, &Erez, 2018) have suggested several factors to measure job performance. The aforementioned discussion shows that job performance can be measured by quantity, quality, accuracy of work, employees efficiency and standard of work, employees striving for higher quality of work, achievement of work goals, and also organizational policy and strategy. Hence, this research work has considered task performance, contextual as measures of employee performance and employee turnover.

Task Performance

The definition of task performance emphasizes the instrumentality of performance for organizational goals. It refers to those required outcomes and behaviors that directly serve the goals of the organization (Motowidlo & Van Scotter, 2019). It includes meeting company objectives, effective sales presentations and it varies between jobs within the same organization. In role performance behaviors also contribute directly or indirectly to individual and organizational performance (Behrman & Perreault, 1982). Task performance emphasizes the effectiveness with job incumbents perform activities that contribute to the organization's technical core either directly by implementing a part of its technological process, or indirectly by providing it with needed materials or services (Borman & Motowidlo, 1993). Examples of task performance dimensions for a sales job might include Product Knowledge, Closing the Sale, and Organization and Time Management. For a firefighter job, Performing Rescue Operations, Conducting Salvage Operations, and Applying Ventilation Procedures are good examples of task dimensions.

Monetary Rewards and Employee Performance

A study by Veling and Arts (2010) aimed at examining 'whether monetary rewards can reduce failures to act on cued task goal' (2010). With a research sample comprising of thirty-six (36) undergraduates, the authors experimented to see how quick their respondents reacted to specific tasks when given a range of monetary rewards ranging from low to high rewards. The studies found out that giving relatively high monetary rewards, led to 'overall faster responses' to the specific tasks given to respondents. The authors noted that respondents overall fast response to task was positively correlated to the high rewards given them. Conversely, the authors also noted that when rewards were on the low side, respondents either slacked or showed little in the task at hand. Their finding is consistent with other studies which noted that relatively high monetary rewards may function as a catalyst for enhanced effort or determination by employees to perform well (Locke & Braver 2018, Waugh & Gotlib 2018).

In a meta-analysis of seventy-two field studies, Stajkovic and Luthans (2013) found that the use of monetary rewards by organizations led to a 23% improved performance while social recognition and the giving of feedback improved task performance by 17% and 10% respectively. The authors however noted that when all three forms of incentives were combined, it led to a 45% improvement in task performance. They thus concluded that financial incentives or rewards only improve task performance moderately to a significant level. The effectiveness of the use of monetary rewards is thus contingent on the conditions which pertain in the organization in question.

Stajkovic and Luthans (2013) again focused only on manufacturing and service industries. The authors noted that the use of financial incentives or rewards generally led to improved performance in manufacturing industries than the service ones. Significantly, their findings suggest that a combination of financial, nonfinancial, and social rewards produced the greatest effect in task performance.

Another meta-analysis of 39 studies done by Jenkins, Jnr., Atul, Nina, and Jason (2018) focused specifically on college students. Here, the authors were interested in the effect of the use of financial rewards on the quality and quantity of performance. The study noted that the use of financial rewards is positively related to the quantity of performance but not its quality.

Ermias (2017) did his study to investigation whether reward system has an impact on performance of employees at National Pharmaceutical firm of Ethiopia. His multiple regression analysis showed there is a positive relationship between monetary and non-monetary rewards with the perceive employee performance in the pharmaceutical firm. But the study lacked qualitatively analyzed result though he argued his study is triangulated based on mixed research approach. This indicates he did not keep his research approach to be integrated with his data analysis methods. In line with Ermias (2017) finding, Nigatu (2015) recommended the mix of financial and non-financial reward methods is more important to increase the employee's performance based on his study in public financial institution. Significant relationship between performance of employees and salary have been well established in studies by Heneman, Kochan & Locke (1995). They indicated that financial reward is one of the most significant variables in determining better employee performance.

Ibrar (2015) explained how employee performance is influenced through reward in private school with special reference of Malak and private school. His study indicated that there is significant relationship between compensation and employee's job performance. The study of Waruni and Ayesha (2014) identified different reward packages on perceived performance of employee with special reference of Electrico. It was quantitative research with only regression analysis. This study proved that there is significant relation between salary payment and employee performance. Additionally, this study indicated from the non-financial reward variables recognition has the highest correlation coefficient with performance. The two authors recommended appreciation of staffs and employees are an important element of reward to enhance employee's performance.

Theoretical Frameworks

This is anchored on Herzberg's two factor theory and supported by Expectancy Theory and Equity Theory. The relevance of Herzberg's two factor theories in this current study is that, Herzberg explained about money and motivation that make an individual satisfied. According to of Herzberg's two factor theory, money provides carrot that most people want. It is argued that it has something in it especially for the employees with fixed salaries or rates of pay who do not benefit directly from an incentive scheme. They will feel good when they experience an increase of it. It is highly tangible form of recognition and an effective means of helping people to feel that they are valued (Welbourne, Johnson & Erez, 2018). Therefore, Herzberg's two factor theory is more relevant to be considered for a study of money reward; since this reward build up job satisfaction.

METHODOLOGY

In order to investigate the hypotheses, this research took a quantitative (deductive) approach in collecting and analyzing the information from the target respondents. The research design (strategies) includes a number of essential logical decisions.

The population of the study comprises of all the employees (772) of the seven (7) pharmaceutical companies in Nigeria listed on the Nigerian Stock Exchange as at 31st December, 2021. The seven pharmaceutical companies listed on the Nigerian Stock Exchange used in this study are: GlaxoSmithKline Nigeria, May & Baker Nigeria Plc, Fidson Healthcare Plc, Neimeth International Pharmaceuticals Plc, Pharma-Deko Plc, Morison Industries Plc and Evans Medical Plc. This choice of these pharmaceutical companies is justified by their large volume of assets base, market capitalisation, business operations and large numbers of employees. Therefore, this study used Taro Yamane's formula to obtain the sample size were selected by chance from the huge population to achieve the desired number of 290 which was the sample size. Subsequently, the researcher filed theses questionnaires into an envelope with written name of each person selected during the process and administered to them for participation. Primary data was collected with the use of questionnaires.

Pilot Testing

Prior to the analysis, the researcher first does some testing of instrument. Reliability and validity test of the questionnaire instrument is carried out to determine the consistency of this instrument used for the study. The researcher first considered 25% (31) of the questionnaire which was administered to employees of GlaxoSmithKline Nigeria, May & Baker Nigeria Plc, Neimeth International Pharmaceutical Plc, Pharma-Deko Plc, Morison Industries Plc and Evans Medical Plc and ran a pilot test. When these questionnaires were returned, it was coded in SPSS and imported in Smart PLS for reliability and validity analyses of the proposed instrument for the study. This aspect of reliability and validity considered here in this study were: Content Validity Ratio formula by Lawsha, Cronbach alpha reliability and Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy are considered.

Validity of the Instrument

Content Validity Ratio by Lawsha (1975) was also considered in this research. This is a method of validity that consider all the items by calculating them individually; then eliminating items that their significant level are not up to 0.5 in the CVR values. The items were range from 0.5 to -1 which was perfect disagreed and +1 which was perfect agreed with CRV values above zero indicating that the over half of panel members agree and the item is essential. The CVR proposed by Lawsha (1975) is a linear transformation of proportional level of agreement on how many experts within a panel rate an item essential. This can be calculated as follows:

$$CVR = \frac{ne - \frac{N}{2}}{\frac{N}{2}}$$

Where:

CVR = Content Validity Ratio

n_e = number of panels indicating an item essential

N = total number of panel members

This calculation is presented on the table below:

Table. Content Validity Ratio

Variables	Questionnaire items	N	n_e	CRV Values
Salary	6	10	8	0.78
Job Satisfaction	6	9	8	0.77
Employee Performance	5	11	10	0.82

Source: (Survey 2023)

Reliability of the Instrument

According to Kerlinger (1973) reliability is a measure of degree to which a research instrument yields consistent results or data after repeated trials. The reliability of the instruments was tested through Crombach's alpha scale which the values above 0.7 where obtained. Exploratory factor analysis was also applied to monetary variable so identify components underlying the variables. The analysis is preceded by Kaiser-Meyer-Olkin (KMO) and Bartlett's test for sphericity in order to establish the sampling adequacy for satisfactory factor analysis. The KMO measure greater than 0.5 and significant Bartlett's test was acceptable for factor analysis (Field, 2000). The Bartlett's test of sphericity is significant ($p<0.05$) and KMO (0.630) is greater than 0.5. The result of the test the Bartlett's test of sphericity is significant ($p<0.05$) and KMO (.821) was also greater than 0.5.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		**.821**
Bartlett's Test of Sphericity	Approx. Chi-Square	1245.968
	Df	630
	Sig.	.000
Reliability Statistics: Crombach Alpha		**.831**

Source: (Survey 2023)

Techniques of Data Analysis

The data was tabulated, and then analyzed using descriptive statistical technique. The descriptive statistics involved the measure of Central Tendency (weighted mean) and Measures of Dispersion. The researcher employed STATA 13.0 which is statistical software that stands for analysis of a multivariate structure. These data was organized with the help of the software into figures and tables to present and discuss the results of the study.

Model specification

Two models were developed for this study. The first model is to estimate the effect of monetary rewards on employee performance while the second model is to estimate the moderating effect of job satisfaction on the relationship between the explanatory variable of monetary reward on the proxy of employee's performance.

Model without moderating variable

Employee performance (EP) = F Monetary reward (MR)

$TP= \beta o + \beta_1 S + \varepsilon$ ………(1)

Model with moderating variable (Job satisfaction)

$TP(js)= \beta o+ \beta_1 S*JS + \varepsilon$ ………(2)

where:

TP = represents task performance.

S=Salaries

TP (js) = represents moderated effect of job satisfaction on task performance.

S*JS= Moderated salaries.

$_E$ = is error term.

βo= the regression constant

$\beta_{1,}$ = coefficient for the independent variable

Data Presentation

This section presents the data that were collected from the respondents based on the 290 questionnaires administered. It is important to state that all the 290 questionnaires administered were duly completed and returned. This was due to the small sample size as well as repeated visits by the researcher to the study organizations to remind the respondents to complete and submit the questionnaire issued to them. This cooperative attitude on the part of the respondents indicates the confidence they had in the research process.

Descriptive statistics

Table 1 presents the descriptive statistics of the dependent and independent variables. The statistics reported in the table are, the mean, standard deviation, minimum and maximum values of the data for the variables used in the study.

Summary of Descriptive Statistics

Variables	Mean	SD	Max	Min	N
TP	3.451	0.302	5.000	1.100	290
S	3.541	0.436	5.000	1.292	290
JS	3.447	0.592	5.000	1.344	290

Source: STATA output

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Results on the above table Indicates that, task performance (TP) ranges from a minimum of 1.100 to maximum of 5.000, the overall task performance mean scores is (M=3.451, SD=0.302), salaries (M=3.541, SD=0.436) and Job satisfaction (M=3.447, SD=0.592).

The descriptive statistics in table were computed from the five- points likert scale. Thus, the mean value of the variable more than 3 depicts that the respondents agree that, monetary rewards influence employee performance. On the other hand, mean value less than 3 depicts that respondents refute the claim that monetary rewards increase employee performance, while a mean value of 3 suggest that respondents are indifferent. With respect to the employee performance variable (Task performance) with the mean value of 3.451, it approximates to 4 suggesting that, respondents agreed with employee performance in pharmaceutical firms in Nigeria.

With regards to the monetary reward variable (Salaries) with the mean values of 3.541, the value approximate to 4 also suggesting that the respondents agreed that there is monetary reward in pharmaceutical firms in Nigeria.

Regression Assumptions

Regression is a parametric test and as a result it is restrictive in nature. It fails to deliver good results with data sets that do not fulfill its assumptions. It is therefore critical to first validate these basic regression assumptions for a successful regression analysis.

Normality test

One of the basic assumptions of a parametric test is that data must be normally distributed. In statistics, the normality test is used in order to determine whether a given set of data is well-defined by a normal distribution. If the error terms are non- normally distributed, confidence intervals may become too wide or narrow. Once confidence intervals become unstable, it leads to difficulty in estimating coefficients based on minimization of least squares. The result obtained from the joint probability of skewness and kurtosis for all the variables of interest in table which is presented as appendix shows that the data collected from the sampled firms during the period of study all have p-values of between 0.000 and 0.003 at 0.05 alpha level of significance. This is a clear indication that the data used in this study is normally distributed at 5% level of significance.

Normality test table

Variables	Obs	Pr(Skewness)	Pr(Kurtosis)	P.value
TP	290	0.0003	0.0002	0.0001
S	290	0.0001	0.0001	0.0000
JS	290	0.0001	0.0000	0.0000

Source: STATA Output

Multicollinearity

An important assumption of multiple regressions is that independent variable is not perfectly multicollinearity. When collinearity exists, it becomes difficult to determine to certainty which of the variable is actually contributing to predict the response variable. Another problem with collinearity is that the error terms tend to increase. With large standard errors, the confidence interval becomes widens leading to less precise estimates. The presence of multicollinearity amongst predictors ends up with incorrect

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conclusions that a variable either strongly or weakly affects target outcome.

Multicollinearity test was done using variance inflation factor (VIF) and tolerance value. The result in Table shows that all the VIF values for all independent variable was consistently below the benchmark of '10' which is considered not harmful for regression. This is supported by a mean VIF of 1.01 which is above the benchmark of '1' considered suitable for regression analysis. This is an indication of the absence of the problem of multicollinearity.

Multicollinearity test table

Variables	VIF	1/VIF
S	1.01	0.980311
MEAN VIF	1.01	

Source: STATA Output

CORRELATION

Correlation coefficient measures the direction and degree of association between two or more variables. Correlation measures association not causality. This means that correlation cannot be used to test for cause-effect relationship. Correlation can be positive (>0) or negative (<0). A positive correlation means two variables moves in the same direction while a negative correlation means they move in opposite direction. Pearson Correlation Test is best used to test for the direction and strength of association among a set of variables that are normally distributed. The coefficient is computed based on raw data and is therefore adopted in this study.

Presents correlation value between dependent and independent variable, these values are generated from Pearson correlation output. The table contains correlation matrix showing the Pearson correlation coefficients between the dependent and independent variables and among the independent variables of the study.

Correlation Matrix of Dependent and Independent variables

	TP	S	JS
TP	1.0000		
S	0.1388	1.0000	
JS	0.1007	0.0135	1.0000

Source: STATA Output

Heteroskedasticity Test:

Heteroskedasticity means the absence of homoskedasticity, the constant variance assumption of the Ordinary Least Square estimator. It implies the absence of non-constant variance leading to the breakdown of the properties in which the efficiency and consistency property are lost.

The table above shows the result obtained from the test for heteroskedasticity using Breuch- pagan / Cook Weisberg test. The probability values of 0.2022 and 0.3551 resulting from the test for heteroskedasticity in models 1 to 2 respectively were insignificant at 0.05% level of significance. This implies that the models are free from the presence of unequal variance. This means that our probability values for drawing inference on

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the level of significance are reliable and valid. The absence of heteroskedasticity validate the regression results, which means there is no need for robust or weighted least square regression.

Heteroskedasticity Test:

Models	P-values
1	0.2022
2	0.3551

Source: STATA Output

Regression Results

Multiple regression method of analysis is used in this study for assessing the strength of the relationship between each set of explanatory variables and a single response variable. The analysis of the multiple regressions gives rise to what is known as the regression coefficients. The regression coefficients estimate the change in the response variable that is associated with a unit change in the corresponding explanatory variables constant.

With respect to the objectives, two models were formulated. Each model corresponds with a particular dimension of employee performance and the moderating effect of job satisfaction.

Summary of regression result for model 1(Task performance)

Variables	Coef.	Std.Er.	**t.value**	**P.value**	**95%**	**Conf.lnt**
Cons	2.1381	0.0187	4.03	0.000	1.0057	3.5992
S	0 .0457	0.0228	2.51	0.000	0.0294	0.4511
F -Stat.						0.000
R. Sq.						0.690

Source: STATA Output

Estimated model equation 1

TP= 2.1381 + 0.0457(S)

The summary of regression result in table shows F statistic value of 0.000. This is an indication that the model is fit. The R Square value of 0.690 indicates that 69% of the response variable is explained by the explanatory variables in the study. The standard error in multi regression measures the difference between a respondent assessment of employee performance in the underlying population. The more the error the larger the absolute differences between observed dependent variable and those expected. In this model, the standard error is 0.0187. As a further measure of the strength of the model fit, the standard error in the model 1 summary is compared with the standard deviation in the descriptive statistics table for Task performance (SD=0.3020). The standard error term is lower, implying that, the model is fit and the result is valid and reliable.

From the estimated model equation 1, the coefficient of salaries is 0.0457 which depicts that, a unit increase in salaries will lead to 0.0457 increase in task performance in pharmaceutical firms in Nigeria.

According to table, the results will be valid within the confidence range of 0.0294 and 0.4511 for salaries

95% level of confidence.

Summary of regression result for model 2 (TP*JS)

Variables	Coef.	Std.Er.	**t.value**	**P.value**	**95%**	**Conf.lnt**
Cons	3.4881	0.0377	3.08	0.001	2.4037	4.6792
S*JS	2 .1357	0.0188	3.51	0.001	1.1794	3.2211
F- Stat.						0.000
R. Sq.						0.690

Source: STATA Output

Estimated model equation 4

TP(JS)= 3.4881 + 2.1357(S*JS)

The summary of regression result in table shows F statistic value of 0.000. This is an indication that the model is fit. The R Square value of 0.690 indicates that 69% of the response variable is explained by the explanatory variables in the study. From the estimated model equation 2, the coefficient of the moderated value of salaries(S*JS) is 2.1357 which depicts that, a unit increase in moderated salaries will lead to 1.1357 increase in task performance in pharmaceutical firms in Nigeria. According to the results will be valid within the confidence range of 1.1794 and 3.2211 for moderated salaries, 1.1077 at 95% level of confidence. Suffice to note that, without the moderation of job satisfaction, a unit increase in salaries only led to a corresponding increase of 0.0457 in task performance, however on moderation with job satisfaction (S*JS), the coefficient value rose to 2.1357 showing an increment of 2.0900 in the table.

Test of Hypotheses

Four hypotheses are stated for empirical testing in chapter one; under this section, the hypotheses are re-stated and empirically tested using the p-values associated to each variable. The decision rule is that if the p-value is greater than 0.05, accept the null hypothesis and reject the alternate hypothesis and vice versa.

Hypothesis one: $H0_1$: Monetary reward has no significant effect on task performance of pharmaceutical firms in Nigeria?

The p-values for the test of this hypothesis. The p-value for monetary reward of Salaries was 0.000. This means that, monetary reward has a significant relationship with task performance in pharmaceutical firms in Nigeria at 0.05 alpha level of significance therefore the null hypothesis is rejected.

Hypothesis two; $H0_2$: Job satisfaction has no significant moderating effect on the relationship between monetary reward and employee performance of pharmaceutical firms in Nigeria.

It is instructive to note that, without the moderation of job satisfaction, a unit increase in salaries only led to a corresponding increase of 0.0457 in task performance in table 4.10, however on moderation with job satisfaction (S*JS), the coefficient value rose to 2.1357 showing an increment of 2.0900 the table.

Furthermore, Table showing the p-values for the moderated monetary rewards as follows. The p-values were salaries 0.001. The average value is 0.001 for task performance.

All the p-values of the measures of moderated monetary rewards were significant at 0.05 alpha level of significance. This means that, job satisfaction has a significant moderating effect on the relationship between monetary rewards and employee performance in pharmaceutical firms in Nigeria at 0.05 alpha level of significance. Therefore, the null hypothesis is rejected. The result of the test of this hypothesis implies that, when employees in the pharmaceutical firms in Nigeria are provided with a conducive working environment(Good leadership styles, personnel policies and procedures, employees selection, nature of work, good technology, good pay and compensation, reward packages, sound organizational policies and supervision) to boost their level of job satisfaction, it will greatly encourage and motivate them for higher employee performance in the pharmaceutical firms in Nigeria.

DISCUSSION OF FINDINGS

The study evaluated the moderating role of job satisfaction in the relationship between monetary rewards and employee performance in pharmaceutical firms in Nigeria. With respect to objectives one, the study revealed that monetary reward had witnessed a significant effect on all the dimensions of employee performance. When high salaries are given to employees, it is clearly shown that most of them are well satisfied with their jobs which affect the job performance directly. This satisfaction could be because of their needs or life difficulties which urge them to perform well in return for the monetary rewards which were offered to them.

The study was consistent with the view of Mussie, Kathryn and Abel (2013) who aver that employees increasingly valued monetary benefits as part of their overall compensation package. On the theoretical perspective, this was what management theorist Frederick Hertzberg called the hygiene factor. The idea was that if you do not give people enough hygiene factors they could be de-motivated, but not necessarily motivated. The level of appreciation he/she feels can have a direct impact on his/her overall performance. Expectancy theory by Vroom (1964) was used to underpin the relationship between monetary reward and job performance. The theory advocated that money is an instrument of motivation and postulates that employee will put his effort if he views that his performance will be duly rewarded and that the rewards are achievable. Some research used expectancy theory as underpinning theory to explain the relationship between monetary reward and job performance (Adkins 2004; Viscardi 2014).

1. The study also revealed that there is indirect positive correlation between job satisfaction and employee performance. This finding affirms the writing as it demonstrated that pay advantages are keys for job satisfaction. Consequently, it bolstered the speculation that the specialist recommended for the relationship between both. This outcome is likewise upheld (Bozeman & Gaughan, 2021). Nevertheless, Locke and Braver (2018) review uncovered that money reward, for example, pay advantages are fundamentally identified with job satisfaction. Also, it is considered as basic variables to job performance. Here comes the significance of financial rewards, whereby it is considered as the principle factor that increases the level of performance.
2. The local studies conducted in Nigeria that have similar findings include: Charity and Timinepere (2021); Chijioke and Chinedu (2015) and Wasiu and Adebajo (2014). The findings are justified because in Nigeria people have higher recognition for money as a means for satisfying their basic needs (food, shelter, health). In addition, more than 53% of Kano State citizens, where this study is conducted, are core poor (National Bureau of Statistics, 2010). These statistics justify the reasons why teachers in Kano state public secondary schools greatly need monetary rewards in terms of salary, allowances and benefit to be motivated. Moreover, the overseas studies with similar findings include Lavy (2021) conducted in Israel; Narsee (2012) in South Africa; Uzonna (2013) in Cyprus; Wekesa and Nyaroo (2013) in Kenya; Yamoah (2013) in Ghana; Chepkwony (2014) in Kenya and finally Negussie (2014) which was conducted in Ethiopia. The reason for this similarity of findings can be due to the fact that Nigeria, like many of the foregoing mentioned countries, Nigeria is also a developing country with 41% of its citizens living in extreme poverty (World Pharmaceutical firm, 2015).This finding implies that highly satisfied work force may be an ingredient for achieving higher

employee performance for an organization. Job satisfaction can be as a result of many reward factors such as nature of work itself, achievement, salary, promotion etc. Therefore, organizations should be able to identify the reward system(s) that best bring job satisfaction to their employees so that they can contribute more towards achieving the ultimate goal of the organization.

With regards to objective two, moderated values of the explanatory variables showed significant improvement with respect to task performances. This implies that, when employees are well paid, in terms of salaries coupled with a conducive working environment (Good leadership styles, personnel policies and procedures, employees selection, nature of work, good technology, good pay and compensation, reward packages, sound organizational policies and supervision), this increases the level of job satisfaction. Employees are motivated to be more committed and dedicated to the aims and objectives of the organization. This positively affects the performance of the organization. This is in tandem with the study of Locke (2016), Michelle (2015), Narjirk (2018) who submitted that, Job satisfaction is actually an enjoyable and exciting emotional condition which someone derives from his/her work. Job satisfaction is important for reducing turnover rate and increasing motivation. Consequently, job satisfaction is considered to be one of the most important elements in the organization

CONCLUSION

Monetary incentive stigma is seen as one of the most important strategies in the human resource management function as it influences the employee performance of the organization. This is believed to shape a work force focused performance. This research work was about monetary reward and employee performance with the role of job satisfaction as moderating effect. The study concluded that fair and just treatment are major factors that motivate employees in organizations. When organizations take cognizance of these factors to be done and actions to be taken to motivate employees, by giving them the best possible rewards they expect, it will lead to high job satisfaction and then employee performance.

There is a clear link between employee performance and job satisfaction through monetary reward, it is possible to recognize the existence of a trend that suggest that monetary reward, when both concept have properly designed and manage, these can influence the employees to demonstrate better performance. Convincingly, the significance of effective monetary reward cannot be overemphasized in a bid to attracting and motivating employees for improved job performance. A major task from a human resource management and industrial relations perspective is to understand how to design and administer monetary reward policies that best meet the goals of employers and employees in the employment exchange. In this sense both the employers and the employees benefit and in general positively and significantly influence the overall corporate performance.

RECOMMENDATION

Therefore, the study recommended that the management of pharmaceutical firms should work to ensure that monetary rewards of pharmaceutical firms is fair and equitable, there should be fairness and equity in the pharmaceutical firm's monetary rewards practices.

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