



Incentive Program and Employee Engagement of Port Harcourt Electricity Distribution Company

Ozigi Tunde Ohiare and Edwina Amah

Department of Management, University of Port Harcourt, Port Harcourt, Nigeria

Abstract: *This study examined the relationship between incentive program and employee engagement of Port Harcourt electricity distribution company. The cross-sectional survey was adopted and the total of nine hundred and eighty nine (989) employees of the Port Harcourt electricity distribution company was covered. However, a sample size of 278 employees were drawn from the population. The data was collected using copies of questionnaire and the simple random sampling technique was utilized. The bivariate hypothesis was analysed using Spearman Rank Order Correlation in order to ascertain the relationship between incentive programs and employee engagement. The result revealed that there is a significant positive relationship between the dimensions of incentive programs (monetary and nonmonetary) with the measures of employee engagement (vigour and dedication). It was concluded that enhancing both monetary and nonmonetary incentive programs is vital to boost the vigour and dedication of employees in the Port Harcourt electricity distribution company. The study recommended that the management of the Port Harcourt electricity distribution company should consistently make sure that the basic salary of the employees is sufficient to meet their basic needs as such will help enhance their vigour in the organization.*

Key Words: *Incentive Programs, Employee Engagement, Monetary Incentive, Nonmonetary Incentive, Vigour, Dedication.*

1.0 Introduction

There has been an increasing congruence among scholars over the years which has recognized the employees of the organization as the key resources of the organization. Considering the paramount role played by employees in the workplace in ensuring the total accomplishment of the organizational goals, it is thus important to devise means to ensure their engagement. Engagement of employees enhances their vested interest in ensuring that the operations of the organization is carried out effectively. Engagement of employee is important because workers who are engaged give their company a competitive edge and help enhance productivity in the workplace (Vance, 2006). Ensuring the engagement of employees, help in reducing the high turnover rate in the workplace.

In alignment with the above assertion, Satata (2021) stated that it is important to build and maintain employee engagement in order to reduce burnout. Farndale and Murrer (2015) define

employee engagement as the emotional, behavioural and cognitive condition of the workers or individual which is geared towards the organizational goals. Employee engagement is an individual positive attachment, and loyalty towards the organization. An employee with high level of engagement, is both physically and psychological attached to the organization. This thus suggest that, an engaged employee is ever willing to go extra mile or put in more effort to ensure the wellbeing and sustainability of the organization. Satara (2021) noted that employee engagement help enhance the quality of work and total performance of the organization. Specifically, engagement of employees is important in the electricity distribution company because it help enhance effectiveness and efficiency in the operation of the company.

Reissova and Papay (2021) argued that an engaged individual is more motivated to work earnestly towards achieving the firms goal and such individual motivates co-workers to enhance the fortune of the organization. Similarly, Bakker, Demerouti and Sanz-Vergel (2014) asserted that an individual who is engaged is emotionally connected with the organization. The authors further remarked that engagement of employees is positively liked with performance, high quality of work organizational citizenship behavior, retention and loyalty. De-la-Calle-Duran and Rodriguez-Sanchez (2021) opined that employee is positive fulfilling work-related state of mind which is characterized by dedication, vigour and absorption. The authors remarked that compensation and effective communication are some of the drivers of engagement in organization.

The importance of enhancing an engaged employee in organization and specifically in the electricity distribution company cannot be overemphasized. Employee engagement leads to high productivity, reduced turnover, stronger financial health, better customer retention and high satisfaction of employees (People Element, 2021). Having a well-planned engagement strategy will go a long way in boosting the operational and financial fortune of the organization. Irrespective of the nature, size and purpose of the organization, no organization can operate at its peak without the engagement of the employees. Chiwawa and Wissink (2021) stated that the recent turnover in many organizations have made the need to ensure engagement more necessary than ever. The measures of employee engagement as identified in De-La-Calle-Duran and Rodriguez-Sanchez (2021) are vigour, dedication and absorption. According to Khalid, Butt and Satti (2021), employee engagement is the ability and willingness of the worker to give sustainable discretionary effort in helping their firm to succeed. The authors identified vigour, dedication and absorption as the measures of employee engagement.

Employees are rational and calculative being and their action, attitude and behaviours are influences by the incentive they received in the organization. In alignment with the assertion above, Satata (2021) maintained that employee's engagement is influenced by various factor like wages, consistent communication, conducive work environment and good quality of worklife. The importance of incentive programs cannot be overemphasized in the workplace because it helps in enhancing positive work behavior. Ude and Coker (2012) opined that incentive programme in the organization help enhance performance of workers and help in ensuring organization success. The authors remarked that incentive programs are used by

organization to attract best talent, retain the employees and further help enhance their positive work attitude. Incentive program can be seen as any compensation arrangement which are designed to recognize some specific achievement or accomplishment of the employees (Ude & Coker, 2012). Griffin and Ebert (1993) defined incentive program as the specific pay programs that are designed to motivate high performance. Employees in the workplace may not get highly engaged when the incentive is not satisfactory or when the incentive received from the organization cannot satisfy their basic needs. Alfandi and Alkawsaneh (2014), argued that incentives are vital in encouraging employees and it help motivate them to put in their very best in order to increase efficiency.

Several attempts have been made by scholars over the years in an attempt to enhance employee engagement. Farndale and Murrer (2015) investigated how job resources relates with employee engagement. Clement and Eketu (2019) did a study were they examined how the engagement of workers in the deposit money banks is been influenced by organizational climate. Bakker, Demerouti and Sanz-Vergel (2014) examined how burnout relates with work engagement. There are however no sufficient studies on how incentive program relates with employee's engagement of Port Harcourt electricity distribution company. There is also a dearth of the moderating influence of employee satisfaction on the relationship between incentive program and employee engagement. This study seeks to bridge this observed gap.

Statement of Problem

The need to sustain employee engagement cannot be overemphasized. However, the unending quest for "greener pasture" have made many employees to pay less attention to their present place of work. The problem of employee engagement in the Port Harcourt distribution company has intensified over the years. One of the biggest issues that businesses will face in the nearest future will be their capacity to engage people and get them to work with a certain company for a long period. This problem of low employee engagement has manifested in tardiness among the employees and it has also led to nonchalant attitude among the workers. Low engagement has resulted in a bad attitude at work, a high attrition rate, low productivity, and an increase in turnover (Akhigbe & Osita-Ejikeme, 2021).

The problem of employee engagement in the Port Harcourt distribution company has become more worrisome owing to the fact that most of the employees pay little or no concern about the security of the company's property. The low level of engagement has affected the zeal of the employees and this could affect the financial stand of the entire organization. From personal experience in the company for almost two decades, there has been a very frequent high turnover rate in the company as a result of low engagement of the employees and base on the quest to get a better job. According to Umoh, Amah, and Wokocha (2013), organizations are now dealing with the issue of skilled worker disengagement. Furthermore, the observed poor involvement results in cynical behavior in the company, which has an impact on the

organization's fortune. The continuous turnover of employee as a result of low engagement of the workers in the Port Harcourt distribution company has negatively affected the effectiveness of operations and this has resulted in accident at various points in time. Osbourne and Hammoud (2017) observed that the problem of low engagement of employee has also affected the profitability of the organization and reduce the productivity of the workers. Thus, handling the challenges of low engagement of employee is vital to ensure effective work flow. Mishia, Boyton, and Mishia (2014) also remarked that the challenges of employee engagement will persist continuously even in the future. Hence, organization must strive to enhance the workers engagement so as boost the vitality and survival of the organization. More specifically, the poor source delivery of the Port Harcourt distribution company can be traced to the disengagement of the employees and has resulted in low satisfaction of the customers and also intensify conflict between the workers and customers who are the consumers of the company's services. The need to tackle the challenges of low engagement has made many scholars to search for ways to enhance employee engagement (Akhigbe & Osita-Ejikeme, 2021). It is believed that when the employees are satisfied with the incentives they received in the organization, such could help enhance their attitude in terms of engagement. It is on this premise that this study examined how incentive programs relate with employee engagement of Port Harcourt electricity distribution company.

Aim and objectives

The aim of this study is to examine the relationship between incentive program and employee engagement of Port Harcourt electricity distribution company. The specific objectives are to;

- i. Examine the relationship between monetary incentives and vigour of Port Harcourt electricity distribution company.
- ii. Investigate the relationship between monetary incentives and dedication of Port Harcourt electricity distribution company.
- iii. Examine the relationship between nonmonetary incentives and vigour of Port Harcourt electricity distribution company.
- iv. Investigate the relationship between nonmonetary incentives and dedication of Port Harcourt electricity distribution company.

Research Questions

The following research questions were formulated to serve as a guide in this study;

- i. What is the relationship between monetary incentives and vigour of Port Harcourt electricity distribution company?
- ii. How does monetary incentives relate with dedication of Port Harcourt electricity distribution company?

- iii. What is the relationship between nonmonetary incentives and vigour of Port Harcourt electricity distribution company?
- iv. How does nonmonetary incentives relate with dedication of Port Harcourt electricity distribution company?

Research Hypotheses

The following null hypotheses served as tentative answers to the research questions which will be tested in this study;

Ho1: There is no significant relationship between monetary incentives and vigour of Port Harcourt electricity distribution company.

Ho2: There is no significant relationship between monetary incentives and dedication of Port Harcourt electricity distribution company.

Ho3: There is no significant relationship between nonmonetary incentives and vigour of Port Harcourt electricity distribution company.

Ho4: There is no significant relationship between nonmonetary incentives and dedication of Port Harcourt electricity distribution company.

2.0 Literature Review

This study is anchored on social exchange theory. One of the most famous theories related to employee engagement is social exchange theory (SET). SET explains responsibilities are created through interactions and between parties who are in state of collective interdependence. Basic principle of SET is relationship develop overtime into expectation, trustworthy and mutual commitment if both parties accepted by some rules of exchange. The rules of exchange involve mutuality rules so that the movements of one party would lead to reaction by the second party. Let's suppose, when employees are given by economic and other resources from their employers, they feel appreciative to respond in kind and recompense employers (Cropanzano, Anthony, Daniels & Hall, 2017).

This recognises employee engagement of two-way relationship between employee and employers. One way is from the side of employees to repay their employers through level of job engagement. That is employees will engage in their jobs according to organization objectives and in response they will get benefits or resources from employers. Organizations should bring employees fully into their job characters or roles and allocate higher amount of physical, cognition and emotional resources. It is a philosophical method for employees to reply to employer actions. It is most difficult for employees to change their level of performance; therefore, employees would exchange their engagement for benefits and resources given by organization.

According to the theory of social exchange because each employee interacts overtime, the need for support and assistance from other employees is important. Blau (1983) described this as a reciprocal norm. When the reciprocity standard is met, a trustful and loyal relationship between employees develops (Cropanzano & Mitchell, 2005). As a result, individual workers are more motivated than the beneficiaries could predict to reciprocate (Flynn, 2003; McGuire, 2003). The theory of social exchange proposes that the other party's action in a quid pro quo manner be similarly reciprocated by one party. However, it is not always possible to trade tit-for-tat (Cropanzano, Anthony, Daniels & Hall, 2017). SET was used extensively to explain the relationship between members of an organization. This theory concerns understanding workplace behaviour and the interaction between employees and employers (Biron & Boon, 2013; Smith, 2005). Blau (1983) reports that when a commitment between members occurs, successful exchanges appear. This theory is relevant to this study because when employees perceive that the social exchange with the organization is fair, such will help enhance their engagement.

Operational Framework

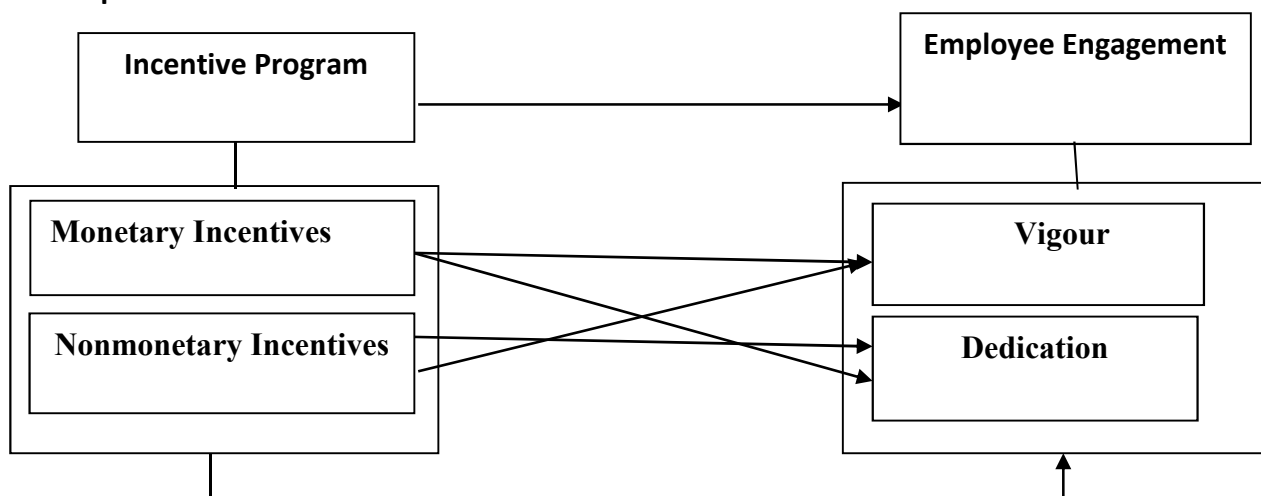


Figure 1: A conceptual framework showing the relationship between incentive program, employee performance and employee satisfaction.

Sources: The dimensions of incentive program were adapted from Deperi, Tortia, & Capita (2010) while the measures of employee engagement were adapted from De-La-Calle-Duran and Rodriguez-Sanchez (2021).

Concept of Incentive Program

An incentive is a reward given to an individual to arouse his or her actions to a desired course. Incentives have motivational powers and are widely used by individuals and large organizations to motivate employees. They can either be monetary or non-monetary. An incentive program is

a formal scheme used to promote specific actions or behaviour by a specific group of people during a defined period. Incentive programs are particularly used in business management to motivate employees and in sales to attract and retain customers. Employee incentive programs are programs used to increase overall employee performance.

Herbert (2019) defines incentive programs as a structured use of rewards and recognition to motivate desired behaviour from a specific group of people. Although employees approve of incentive programs, only few companies have such programs in place to reduce turnover, boost morale and loyalty, improve safety and wellness, increase retention, and drive daily employee performance. Companies use incentive programs to align behaviour with the goals of their business.

In any organization, it is important to put in place an effective incentive system that would motivate the employees. There are several incentives that can be used to improve employee engagement and the incentive programs offered in different companies may come in various forms. These may either be monetary or non-monetary, physical or psychological, tangible, or intangible, and are offered to the employees as compensation for the productive work. But these incentives are summarised into two major types, namely financial, or monetary and nonfinancial or non-monetary. This main classification has also been identified by Buchan, Thompson and O'May (2000). as either positive, or negative. Condly, Clark & Stolovitch (2003) also expand this classification by identifying three types namely: monetary incentive, non-monetary tangible incentive (coupons or vouchers for foods, vacation trip or others), and non-monetary intangible (employee recognition, praise or appreciation on job accomplishment, positive evaluation, and feedback).

Generally, the essence of incentives is to establish linkage with desired behaviour and the outcome that makes the employees feel appreciated (Whetten & Cameron, 2007). Incentives, in summary, involve all economic benefits supplied by the organization: pay, promotion, verbal recognition and responsibilities (Deperi, Tortia, & Capita, 2010)). Both monetary and non-monetary incentive programs are used as the dimensions of incentive programs.

Monetary incentives

Monetary incentives are used to reward employees for excellent job performance through money and it can be in the form of profit sharing, project bonuses, stock options and warrants, scheduled bonuses (e.g., Christmas and performance-linked), and additional paid vacation time. The main, financial incentives involve granting of monetary rewards. Financial benefits, Kreisman (2002) and Joiner and Bakalis (2006), argued potentially enhance employees' loyalty and organisational commitment. In the same vein, the Development and Learning Organisation (Harrison, 2011) submitted that monetary rewards ensure continuation of the employment relationship, thereby assuring management of solid foundation for succession plan (De Cenzo and Stephen, 1996; Buchan et al., 2000).

Monetary rewards are among the most powerful incentives for motivating employee at work. The monetary rewards meet a variety of basic needs and higher-level needs. as 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, satisfying their higher-level need to belong in a group. Employees can also use monetary rewards to purchase status symbols, training and development, and advance education. 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)

Monetary incentives serve as reward for employees because of their creditable performance at work through money. They include salary, wages, allowance, project bonus, scheduled bonus, profit sharing, stock options, and insurance program (Cole, 1997). Monetary incentive, by its nature, is related to the satisfaction of various needs hence it can lead to motivating people at work. The physical value of money may not be valuable, but the perceived value of money, so called as valence (Vroom, 1964), is what makes it acquire motivating power. Condly et al. (2003) in their study revealed that money was found to result in higher performance than nonmonetary tangible incentives (gifts, travel).

Non-monetary Incentives

Non-monetary incentives are the tangible rewards, social practices or job-related factors that are used in an organization to motivate employees without direct payment of cash. The incentives do not involve any payments or benefits and it mostly relates to psychological and emotional fulfilment (Buchan et al., 2000). Pattanayak (2005) classify non-monetary incentives into tangible non-monetary incentives and intangible nonmonetary incentives. Tangible non-monetary incentives can be in the form of treats, awards, knick-knacks, and tokens. Intangible non-monetary incentives may take the form of informal recognition, friendly greetings, more responsibility, meaningful work, job rotation, performance feedback, special assignments, and training. Contrived rewards are tangible incentives that are external to the work, generally involving costs for the organization and generating extrinsic motivation; on the other hand, natural rewards are job related and social incentives that exist in the natural occurrence of events leading to intrinsic motivation. Nonmonetary incentives are used to reward associates for excellent job performance through opportunities. Nonmonetary incentives include flexible work hours, training and education, a pleasant work environment, and sabbatical etc, Jeffrey and Shaffer (2007) states that tangible nonmonetary incentives can motivate employees as it has higher perceived values when emotional evaluation by employees occurred. Tangible non-monetary incentives like a vacation trip or an award will be remembered longer compared to a cash bonus as this type of incentives creates fond memories. Wiscombe (2002) suggests that recognition and praise are among the strongest motivators as what people really want is to be recognized for making contribution. In addition, according to Urichuck (2008), recognition is “the number one motivating factor” which enhances the employees’ belief and self-esteem, causing them to believe that they can do better. A study conducted by Dewhurst (2009) from McKinsey Quarterly revealed that non-monetary incentives are effective motivators than

monetary incentive since employees show greater enthusiasm and appreciation towards non-monetary incentives. These incentives leave a better and greater impression on employees and make employees feel more recognized and engaged. Besides, several cognitive psychology principles suggest that people perceive non-monetary incentives to be more valuable than the retail value of that award in cash.

Employee Engagement

Engagement is employees' felt connection to the firm, as shown through employees' commitment to the mission, investment of themselves in the workplace, and enthusiasm that engenders extra effort (Rossheim, 2021). Employee engagement refers to an employee's psychological investment in their organization and drive to yield astonishing results (Ken Oehler, Aon's Global Culture & Engagement Practice Leader). It's an emotional commitment that the workers have for work, the team's goals, and the firm's mission and relates to the level of an employee's commitment and connection to an organization.

Employee engagement has emerged as a critical driver of business success in today's competitive marketplace. High levels of engagement promote retention of talent, foster customer loyalty and improve organizational performance and stakeholder value. Highly engaged employees have extremely favourable perceptions of their workplaces and lead with discretionary effort and tend to be among the more productive employees in your workforce.

Engagement is not a matter of how the employees like their workplace, but how they are acting in the workplace because an engaged workforce generates valuable business results for an organization. Employees are the backbone of a company and are valuable assets that play a significant role in the success of a business, hence the importance of focussing on improving employee engagement. A highly engaged employees have extremely favourable perceptions of their workplaces. They are advocates and intend to stay long-term. They lead with discretionary effort and tend to be among the more productive employees in your workforce, while disengaged employees are negative toward the workplace and can be disruptive with their concerns. Their critiques go beyond healthy feedback and are not intended to build a better workplace. These employees can negatively affect the productivity of those around them

Employee engagement has become a great challenge in today's workplace and complexities and stringent regulations makes employee engagement a continuous challenge to organizations in the future (Mishra, Boynton, & Mishra, 2014). Engagement is a vital component in maintaining the organization's vitality, survival, and profitability (Albercht, Bakker, Gruman, Macey, & Saks, 2015).

De-la-Calle-Duran and Rodriguez-Sanchez (2021) states that engagement has three components: vigor, dedication, and absorption. Vigour refers to the energies expended at work, and the persistence to continue tasks. Dedication is likened to involvement in that it entails a pride and enthusiasm in one's work. Finally, absorption refers to total concentration and being fully encapsulated in one's work.

Vigour

When an employee has high level of energy and mental peace, the employee possesses vigour to perform. An employee with vigour attribute is an engaged and proactive person with the willingness and physical energy to go the extra mile. The key element here is vitality, or energy available to the self (Ryan, 2021). Employee with vigour has interest and aliveness, and feel the well-being that triggers positive affect, a magnetic force that can propel them and others beyond obstacles. They are always willing to draw on that energy to go beyond the normal level of effort. It is the opposite of burnout as energy and vitality can't be burned out because there are energetic resources to replace those that are used. Retaining physical through strategies that help brains and bodies recharge on a regular basis, is an automatic hedge against fatigue and resource overload.

Dedication

The employee working for the organization and accepting challenges at work is marked as a dedicated employee. An employee having pride, inspiration and enthusiasm has the quality of dedication. Dedication is the commitment piece of employee engagement. Where employee want to do more because they are inspired about the organization, its mission, and their ability to contribute to the team and goal. It is the opposite of the cynicism that comes from burnout, which sees any self-initiative as futile and naive. Burnout can't coexist with the passion and loyalty of dedication. Being effective is vital to self-worth, as a dedicated employee feel valued, because they have opportunities to contribute and make a difference. They feel a sense of significance, and derive meaning from what they do, and that intrinsic reward makes them want to do more (Mishra, Boynton, & Mishra, 2014). This counters lack of efficacy. Employees who are committed to what they're doing will keep at it, even if it's challenging. They have internalized the importance of the product or service and find satisfaction in handling difficult assignments.

Empirical Review

Habib, Khalil, Manzoor and Jamal (2017) studied Non-monetary rewards and employee engagement, A study of health sector. This study was conducted to investigate and identify the types of incentives (non-monetary) that leads to employee engagement among employees in the health sector. Non-monetary rewards included training and development, pleasant working environment, preferred lunch hours, business cards and secretary. The study is

conducted on 193 respondents at a private sector hospital. Respondents comprised of doctors, nurses, and paramedical staff. Data was collected using self-administered questionnaire and responses were recorded using 5-points Likert scale. First the overall responses were analyzed and then individual group responses were analyzed by using regression analysis. The result revealed that only a part of respondents shows positive results towards non-monetary rewards and there were differences in the responses towards each subset of non-monetary reward.

Nnubia (2020) studied monetary incentives and employee performance of manufacturing firms in Anambra. This study examined the effect of monetary incentives on employee's performance in manufacturing firms in Anambra State. The objectives of the study were basically to ascertain the relationship between salary, wages, fringe benefits bonuses and commission and workers' performance in manufacturing firms under study. The study formulated four research questions and four hypotheses in line with objective of the study. Related literature was reviewed under conceptual framework, theoretical framework, empirical review. The study adopted survey research design. This study was conducted in the three senatorial zones of Anambra State. Primary and the secondary sources of data were employed. The population of the study consists of the staff of selected manufacturing firms which is 1,019 staff. Taro Yamane's formula was used to determine the sample size of 287 from the manufacturing firms and sampling technique was Stratified sampling technique while the research instrument used for data collection was the questionnaire. The questionnaire was pre-tested with supervisor and specialists in data analysts. The reliability of the instrument was done using spearman rank order correlation coefficient and the sectional coefficients and the average were respectively 0.80, 0.60, 0.80, and 0.70. The Pearson product moment correlation coefficient formula was used for test of hypotheses. The study revealed among others that there is a significant positive relationship between salary and wages and workers performance and there is a significant positive relationship between commission and workers performance. The study concludes that monetary incentive stigma is seen as one of the most important strategies in the human resource management function as it influences the productivity and growth of an organization. Based on the findings, the study recommends among others that monetary incentives like bonuses, performance-based rewards, should be provided to attract, retain, and motivate employees for better performance and Commission to employees should be considered in the distribution of reward types to deserving employees for maximum employee performance.

Gunawan and Febrianto (2014) studied the impact of monetary and non-monetary incentives on employees' motivation IN PT XYZ'S finance function in Surabaya. This research was conducted in PT XYZ's Finance function in Surabaya by distributing questionnaires to 102 employees. The sampling method used was simple random sampling. The data were analyzed using Multiple Linear Regression Analysis. The results show that monetary incentives, tangible non-monetary incentives, and intangible non-monetary incentives have significant impact on employees' motivation. When analyzed individually, tangible non-monetary incentives are the only factors having no significant impact on employees' motivation. In addition, the result

indicates that intangible non-monetary incentives are the most influential factors affecting employees' motivation in PT XYZ's Finance function.

Mokhniuk, and Yushchyshyna, (2018) studied the impact of monetary and non-monetary factors of motivation on employee productivity. The primary objective was to investigate the effectiveness of different methods for enhancing employee motivation in an organization. they devised a definition for factors that improve performance not because they involve some specific benefits that may be obtained, but because they make it possible to avoid some unpleasant circumstances that could develop if performance is not improved and refer to these factors as «adverse consequence avoidance factors. A survey was conducted to devise a ranking of the various factors in terms of their influence on personnel productivity. The results of the study demonstrate that the employees' fear of being discharged or of receiving a sharp criticism from their superior are important factors, that increase productivity of Ukrainian workers. Moreover, the results of the survey indicated that there are three factors which influence labour productivity more than any others – having a satisfactory basic salary, obtaining bonuses, and receiving verbal or written recognition. Having access to free parking or feeling that one's job provides a personal challenge are less influential factors. However, there are significant differences between the groups with respect to some specific factors. The combinations of monetary and non-monetary incentives that have the highest influence on employee performance are suggested for different staff groups: top, middle, and low-level managers, and professional and supporting staff.

Kerdasi and Azam (2021) studied the impact of non-monetary incentive on employee's commitment in telecommunication sector in Libya: Literature review. The study investigates the effect of non-monetary incentives such as career advancement opportunities, development opportunities, employee recognition, and open communication on the commitment of workers in the telecommunications companies in Libya. This study was anchored on the Expectancy Theory and Equity Theory to help the proposed structure of the examination. Secondary data and literature review to form the conceptual framework explains the variance of employee commitment by measuring the impact of career advancement opportunities, development opportunities, employee recognition and open communication on employee commitment. Managing the workforce effectively through increased motivation with non-monetary rewards. The study concludes that happy and satisfied employees are a great notion to drive both individual and organization.

Kefay and Kero (2019) studied the effect of non-financial incentive scheme on employees' motivation. The purpose of this study was to investigate the effect of non-financial incentive scheme on employees' motivation. Therefore, the study was descriptive as well as explanatory which used primary source of data. By that 162 questionnaires were distribute and all of them were returned and used for the study and stratified and simple random sampling methods were applied to determine respondent for the study. However, the study tries to examine the perception of employees about the incentives scheme of the bank, motivation level of

employees in the bank and the effect of promotion, recognition, training on employees' motivation. Among the major findings, the overall perception of respondents about current non-financial incentive practices were shown as they are happy and satisfied with promotion and training, but they are neutral on recognition. The result of regression analysis shows that; promotion, recognition, training were a significant predictors of employees' motivation. Also, of that, a significant portion of employees was at good motivation level to perform their job. It is recommended to review the bank's recognition practice to increase the current motivation level of employee.

3.0 Methodology

The cross-section survey which is a form of the quasi-experimental research design was used in this study. The population of this study covered 989 employees of the seven branches of Port Harcourt electricity distribution company. The Krejcie and Morgan (1970) table was used to determine the sample size of 278. The simple random sampling technique will be employed. The simple random sampling is a form of probability sampling techniques which give the entire population an equal chance of been selected. The primary data for this study was collected mainly through a structured questionnaire, and the questionnaires were personally administered to respondent. The independent variable of this study which is incentive program was measured using two dimensions which are monetary incentives and nonmonetary incentives as given in Deperi, Tortia, and Capita (2010). 9 items were used in measuring monetary incentives (e.g in my organization, the amount of salary for the work I do is very satisfactory) and 6 items was used in measuring nonmonetary incentives (e.g. My organization uses non-monetary reward like recognition to motivate the employees). Employee engagement (dependent variable) was operationalized in vigour and dedication as given in De-La-Calle-Duran and Rodriguez-Sanchez (2021). 5 items were used in measuring vigour (e.g. In my work, I feel bursting with energy) and 5 items were used in measuring dedication (e.g. I am enthusiastic about my job). The response to these items were measured on a 4 point likert, scales ranging from 1 – 4. Where 1 = Strongly disagree, 2 = Disagree 3 = Agree and 4 = Strongly agree. The Spearman Rank Order Correlation Co-efficient statistical analysis was employed in analyzing the hypothesis in order to ascertain the relationship between incentive programs and employee engagement through the use of Statistical Package for Social Sciences (SPSS) version 21.

4.0 Result

A total of 278 questionnaires were distributed to respondent, 260 (94%) were retrieved and used for the study. The hypotheses test was undertaken at a 95% confidence interval implying a 0.05 level of significance. The decision rule is set at a critical region of $p > 0.05$ for acceptance of the null hypothesis and $p < 0.05$ for rejection of the null hypothesis.

Table 1: Correlations of Monetary Incentives and Vigour

			Monetary Incentives	Vigour
Spearman's rho	Monetary Incentives	Correlation	1.000	.661**
		Coefficient		
		Sig. (2-tailed)	.	.000
		N	260	260
	Vigour	Correlation	.661**	1.000
		Coefficient		
		Sig. (2-tailed)	.000	.
		N	260	260

** . Correlation is significant at the 0.05 level (2-tailed).

The result of the analysis in Table 1 shows a significant level $p < 0.05$ ($0.000 < 0.05$), this means that there is a significant relationship between monetary incentives and vigour. A correlation value of $r = 0.661$. suggest that there is a strong positive relationship between monetary incentives and vigour. The study therefore rejects the null hypothesis and accept the alternate hypothesis that there is a significant relationship between monetary incentives and vigour.

Table 2: Correlations of Monetary Incentives and Dedication

			Monetary Incentives	Dedication
Spearman's rho	Monetary Incentives	Correlation	1.000	.692**
		Coefficient		
		Sig. (2-tailed)	.	.000
		N	260	260
	Dedication	Correlation	.692**	1.000
		Coefficient		
		Sig. (2-tailed)	.000	.
		N	260	260

** . Correlation is significant at the 0.05 level (2-tailed).

The result of the analysis in Table 2 shows a significant level $p < 0.05$ ($0.000 < 0.05$), this means that there is a significant relationship between monetary incentives and dedication. A correlation value of $r = 0.692$. suggest that there is a strong positive relationship between monetary incentive and dedication. The study therefore rejects the null hypothesis and accept the alternate hypothesis that there is a significant relationship between monetary incentives and dedication.

Table 3: Correlations of Non-Monetary Incentives and Vigour

			Non-Monetary Incentives	Vigour
Spearman's rho	Non-Monetary Incentives	Correlation Coefficient	1.000	.522**
		Sig. (2-tailed)	.	.000
		N	260	260
	Vigour	Correlation Coefficient	.522**	1.000
		Sig. (2-tailed)	.000	.
		N	260	260

**. Correlation is significant at the 0.05 level (2-tailed).

The result of the analysis in Table 3 shows a significant level $p < 0.05$ ($0.000 < 0.05$), this means that there is a significant relationship between non-monetary incentives and vigour. A correlation value of $r = 0.522$. suggest that there is a moderate positive relationship between non-monetary incentives and vigour. The study therefore rejects the null hypothesis and accept the alternate hypothesis that there is a significant relationship between monetary incentives and vigour.

Table 4 Correlations of Non-Monetary Incentives and Dedication

			Non-Monetary Incentives	Dedication
Spearman's rho	Non-Monetary Incentives	Correlation Coefficient	1.000	.527**
		Sig. (2-tailed)	.	.000
		N	260	260
	Dedication	Correlation Coefficient	.527**	1.000
		Sig. (2-tailed)	.000	.
		N	260	260

**. Correlation is significant at the 0.05 level (2-tailed).

Source: SPSS Output, 2022.

The result of the analysis in Table 4 shows a significant level $p < 0.05$ ($0.000 < 0.05$), this means that there is a significant relationship between non-monetary incentives and dedication A correlation value of $r = 0.527$. suggest that there is a moderate positive relationship between

non-monetary incentives and dedication. The study therefore rejects the null hypothesis and accept the alternate hypothesis that there is a significant relationship between monetary incentives and dedication.

5.0 Discussion of Findings

In an attempt to explore the relationship between incentive programs and employee engagement, four bivariate hypotheses were formulated for the study. the outcome of the first hypotheses revealed that there is a positive and significant relationship between monetary incentives and vigour of Port Harcourt electricity distribution company. The result on monetary incentives and vigour shows that $r = 0.661$, $p = 0.000$, $r^2 = 0.437$. This implies that a positive, strong and significant relationship exist between the two variables. A coefficient of determination of 0.437 denotes that a unit change in monetary incentive will account for up to 43.7% total variation in vigour. Hence, monetary incentives significantly relate with vigour. Thus, the finding was in consonance with Anderson et al., (2008) that examines the impact of financial incentives, communications strategy, and worksite culture on health risk assessment (HRA) participation rates. The findings revealed that incentive value, incentive type, supportive worksite culture, and comprehensive communications strategy play a role in increasing HRA participation. It also agrees with the study of Adaeze, et al., (2019) that studied the effect of monetary incentives on workers performance in organization. The findings revealed that monetary incentives have significant effect on the performance of organizations. The result on monetary incentives and dedication which is the second hypothesis shows that $r = 0.692$, $p = 0.000$, $r^2 = 0.479$. This implies that a positive, strong and significant relationship exist between the two variables. A coefficient of determination of 0.479 denotes that a unit change in monetary incentive will account for up to 47.9% total variation in dedication. Hence, monetary incentives significantly relate with dedication. The study conforms with the study of Gunawan and Febrianto (2014) which studied the impact of monetary and non-monetary incentives on employees' motivation in PT XYZ'S finance function in Surabaya. The results show that monetary incentives, tangible non-monetary incentives, and intangible non-monetary incentives have significant impact on employees' motivation.

Furthermore, the result of the second hypothesis on how non-monetary incentives relates with vigour of Port Harcourt electricity distribution company, showed that non-monetary incentives have a positive relationship with vigour. This is evident based on the $r = 0.522$, $p = 0.000$, $r^2 = 0.272$. This implies that a positive and significant relationship exist between the two variables. A coefficient of determination of 0.272 denotes that a unit change in monetary incentive will account for up to 27.2% total variation in vigour. Hence, Non-monetary incentives moderately and significantly relate with vigour. Thus, the finding was in consonance with Kerdasi and Azam (2021) that investigates the effect of non-monetary incentives such as career advancement opportunities, development opportunities, employee recognition, and open communication on the commitment of workers in the telecommunications companies in Libya. The findings revealed a significant relationship between non-monetary incentives and employee

commitment. It also agrees with the study of the study agrees with the study of Habib, et al. (2017) that studied non-monetary rewards and employee engagement. The findings revealed a significant relationship between incentives (non-monetary) and employee engagement among employees in the health sector. The last hypothesis revealed a significant relationship between non-monetary incentives and dedication with $r = 0.527$, $p = 0.000$, $r^2 = 0.277$. This implies that a moderate, positive and significant relationship exist between the two variables. A coefficient of determination of 0.277 denotes that a unit change in monetary incentive will account for up to 27.7% total variation in dedication. Hence, non-monetary incentives significantly relate with dedication. The study conforms with the study of Kefay and Kero (2019) that studied the effect of non-financial incentive scheme on employees' motivation. The findings revealed a significant relationship between non-financial incentive scheme and employees' motivation.

6.0 Conclusion and Recommendations

The engagement of employees in organization are vital because it enhances the effectiveness among employees and it increases the firm's success prospect. Ensuring monetary incentives is vital in enhancing the vigour of employees in the Port Harcourt electricity distribution company. When employees receive a motivating monetary incentive, such make them feel bursting with energy and then invest their very best in the organization. This implies that when financial incentive increases, such influences the level of vigour displayed by the employees in the workplace. when employees are well satisfies with the level of monetary incentives received in the workplace, they fell a strong and vigorous zest in carrying out their duty in the organization. Furthermore, the higher the monetary incentives received by employees, the higher their engagement in the organization. By implication, employee's engagement is most likely to reduce if there is lack of motivational incentive programs.

On the other hand, nonmonetary incentives in the organization help to also increase the engagement of the employees in the Port Harcourt electricity distribution company. Employees in the organization are always longing to grow in the ladder of the organization. When employees put in their best and they are not well promoted, such would reduce their level of engagement. This indicate that even nonmonetary incentives play a vital role in enhancing the engagement of the employees in the organization. Neglecting nonmonetary incentives in the Port Harcourt electricity distribution company will result in low engagement of the employees. In conclusion, enhancing both monetary and nonmonetary incentive programs is vital in boost the vigour and dedication of employees in the Port Harcourt electricity distribution company. Based on the outcome and conclusion, the study recommended that;

- i. The management of the Port Harcourt electricity distribution company should consistently make sure that the basic salary of the employees is sufficient to meet their basic needs as such will help enhance their vigour in the organization.
- ii. Employees who stay over time beyond the normal period should be given additional incentives in order to enhance their dedication in the workplace.

- iii. The management of the Port Harcourt electricity distribution company should provide some insurance packages for its employees as such could help boost their absorption in the organization.
- iv. Promotion of employees should be based on merit and avoid of prejudice as such will help increase the workers engagement.

References

- Akhigbe, E. A., & Osita-Ejikeme, U.E.N. (2021). Coporate culture and employee engagement of insurance firms in rives sate, *Nigeria. Research Journal of Management Practice*, 1(8), 60-71
- Albercht, S. L., Bakker, A. B., Gruman, J. A., Macey, W. H., & Saks, A. M. (2015). Employee engagement, human resource management practices and competitive advantage: An integrated approach. *Journal of Organizational Effectiveness: People and Performance*, 2, 7– 35.
- Anderson, D. & Grossmeier, J. & Seaverson, E. & Snyder, C. (2008). The Role of Financial Incentives in Driving Employee Engagement in Health Management. *ACSM's Health & Fitness Journal*. 12. 18-22.
- Bakker, A. B., Demerouti, E. & Sanz-Vergel, A. I. (2014). Burnout and work engagement: the JD-R approach. *Annual Review of Organizational Psychology and Organisational Behaviour*, 1(1), 389 – 411.
- Biron, M. & Boon, C. (2013). Performance and Turnover Intentions: A Social Exchange Perspective. *Journal of Managerial Psychology*, 28 (5), 511-531.
- Blau, P. M. (1983). *Exchange and power in social life*. New York: John Wiley
- Buchan, J., Thompson, M., & O'May F. (2000). *Incentives and remuneration strategies. Health workforce incentive and remuneration*. A research review (No. 4). Discussion paper.
- Chiwawa, N. & Wissink, H. (2021). Determinants of employee engagement in the South African hospitality industry during COVID-19 lockdown epoch: Employee perception. *African Journal of Hospitality, Tourism and Leisure*, 10(2), 487 – 499.
- Clement, O. I. & Eketu, C. A. (2019). Organizational climate and employee engagement in banks in Rivers State, Nigeria. *International Journal of Advanced Academic Research*, 5(3), 57 – 84.
- Cole, G.A. (1997). *Personnel management*. London: Letts Educational.

- Condly, S. J., Clark, R. E., & Stolovitch, H. D. (2003). The effects of incentives on workplace performance: A meta-analytic review of research studies. *Performance Improvement Quarterly* 16(3):46-63
- Cropanzano, R., Anthony, E., Daniels, S., & Hall, A. (2017). Social exchange theory: A critical review with theoretical remedies. *Academy of Management Annals*, 11(1), 1-38.
- De-la-Calle-Duran, M. & Rodriguez-Sanchez, J. (2021). Employee engagement and wellbeing in terms of COVID-19: A proposal of the 5Cs model. *International Journal of Environmental Research and Public Health*, 18, 1 – 15.
- Deperi S, Tortia E, Capita M (2010). Incentives, job satisfaction and performance: Empirical evidence in Italian social enterprises. European Research Institute on Cooperatives and Social Enterprises Working Papers. <https://papers.ssrn.com/sol3/papers>.
- Dewhurst, M., Guthridge, M. & Mohr, E (2009). Motivating people: Getting beyond money. *McKinsey Quarterly*, <http://www.mckinsey.com/insights/organizatio>
- Farndale, E., & Murrer, I. (2015). Job resources and employee engagement: A cross-national study. *Journal of Managerial Psychology*, 30, 610–626.
- Griffin, R. W. & Ebert, R. J. (1993). Business (3rd edition), Englewood Cliffs: Prentice Hall.
- Gunawan, R. G & Febrianto, H. (2014). The impact of monetary and non-monetary incentives on employees' motivation in PT XYZ'S finance function in Surabaya. *iBuss Management* 2(20), 60 -69.
- Habib, M. & Khalil, U., Manzoor, H. & Jamal, Waseef. (2017). Non-monetary rewards and employee engagement; A study of health sector. *Sarhad Journal of Management Sciences*. 3. 208-222.
- Habib, M. N. (2013). Understanding critical success and failure factors of business process reengineering. *International Review of Management and Business Research*, 2(1), 1-15.
- Jeffrey, S. A. & Shaffer V. (2007). *The motivational properties of tangible incentives*. Sage Publications.
- Joiner, T. A, Bakalis S. (2006). The antecedents of organizational commitment: The case of Australian casual academics. *International Journal of Educational Management*, 20(6), 439-452.
- Kefay, K. & Kero C. A. (2019). The effect of non-financial incentive scheme on employees' motivation. *International Journal of Commerce and Finance*, 5(2), 76-86.

- Kerdasi, A. A. A. & Azam, S. M. Z (2021). The impact of non-monetary incentive on employee's commitment in telecommunication sector in Libya: Literature review," *International Journal of Multidisciplinary Research and Publications (IJMRAP)*, 3(7), 69-75.
- Kreisman, B. J. (2002). Insights into employee motivation, commitment, and retention. *Business Training Experts: Leadership Journal*, 6, 1-24.
- Mishra, K., Boynton, L., & Mishra, A. (2014). Driving employee engagement: The expanded role of internal communications. *International Journal of Business Communications*, 51, 183–202.
- Mokhniuk, Anna & Yushchyshyna, Larysa. (2018). The Impact of Monetary and Non-Monetary Factors of Motivation on Employee Productivity. *Economic journal of Lesia Ukrainka Eastern European National University*. 13. 94-101.
- Nnubia, A. L. (2020). Monetary incentives and employee performance of manufacturing firms in Anambra State. *International Journal of Innovative Finance and Economics Research* 8(1):10-22.
- Osbourne, S., & Hammond, M.S (2017). Effective employee engagement In the workplace. *International Journal Of Applied Management And Technology*, 16(1),50-67
- Reissova, A. & Papay, M. (2021). Relationship between employee engagement, job satisfaction and potential turnover. *TEM Journal*, 10(2), 847 – 852.
- [Rynes S. L.](#), [Gerhart](#), B. [Minette](#), K. A. (2004). *The importance of pay in employee motivation: Discrepancies between what people say and what they do*. Willey online Library, <https://doi.org/10.1002/hrm.20031>
- Satata, D. B. M. (2021). Employee engagement as an effort to improve work performance: literature review. *Ilomata International Journal of Social Science*, 2(1), 41 – 49.
- Ude, V. & Coker, M. A. (2012). Incentive schemes, employee motivation and productivity in organisations in Nigeria: Analytical linkages. *Journal of Business and Management*, 1(4), 32 – 39.
- Umoh, G. I., Wokocha, I. H. & Amah, E. (2013). Production planning and corporate productivity performance in the Nigerian manufacturing industry. *Journal of Business and Management*, 14(2), 1 – 7.
- Urichuck, B. (2008). Employee motivation – Does it improve performance, productivity, keep them motivated and loyal? *Ezine Articles. Com*, <http://ezinearticles.com/?EmployeeMotivation---Does-It-Improve-Performance,->

Whetten DA, Cameron KS (2007). *Developing management skills*. New York: Pearson Education.

Wiscombe, J. (2002). Rewards get results: Put away your cash. *Workforce*, 8(1), 42-47.