

Social Dynamics of Compensation and Job Satisfaction Among Employees of Selected Banks in Abeokuta, Ogun State, Nigeria

*Samuel Ayodeji OMOLAWAL (PhD) & Sherifat Temitope AYILARA

Department of Sociology, Faculty of the Social Sciences, University of Ibadan, Ibadan, Nigeria

shomolawal@gmail.com

Abstract

This paper focusses on social dynamics of compensation and job satisfaction among employees of selected banks in Abeokuta, Ogun State, Nigeria. Cross-sectional survey design was adopted, primary data were collected using questionnaire administered on 310 respondents using total enumeration sampling. Data were analysed using statistical techniques including T-test, Chi-square. Findings revealed that there was a strong positive correlation between reward and job satisfaction ($r = .439$, $n = 155$, $p < .0005$); male bank workers were more satisfied with their reward system than the female ($M = 42.91$, $SD = 8.619$); [$M = 36.88$, $SD = 9.022$; $t(153) = 3.771$, $p = .000$]; workers above 30 years of age were more satisfied with their reward systems than workers below age 30 group ($M = 101.571$, $SD = 12.613$); [$M = 93.625$, $SD = 9.974$; $t(73) = 3.044$, $p = .003$]. Workers earning above 100,000 naira monthly had higher job satisfaction ($M = 101.571$, $SD = 12.613$) than those earning below 100,000 naira [$M = 93.625$, $SD = 9.974$; $t(73) = 3.044$, $p = .046$]. The paper concludes that it is very essential for organizations to provide good compensation system for their workers to enhance their job satisfaction.

Key words: Compensation, Job Satisfaction, Work, Employees, Organizations

Introduction

Workers remain the most significant assets in any workplace. The achievement or catastrophe of the workplace is determined by the establishments' capability to attract, retain and reward appropriate skilled employees. Workers' enthusiasm towards work mainly rests on compensation or reward packages of an organization. Armstrong (2006) regarded reward as an essential fragment of human resource method to enhance organizational productivity. The aforementioned deals with the design, implementation and maintenance that are vital to the improvement of organizational, team and individual's job satisfaction. It remains very vital to operate a well-packaged compensation structure in an organization. If the energy reward exchange is a basic one in our modern society, the organization's reward system or compensation is the device for the administration of that exchange. In agreeing to work for an organization, an individual is committing himself to exchange his effort for reward. Banjoko (1996), argued that compensation stays as a vital factor for retaining employees for the reason that if the workers sense a feeling of un-equal treatment as regards compensation in their work and other employees they get unfulfilled by their job. Compensation is used in an organization to attract and retain people of the right quality needed to attain the goals of the organization. In some other organizations, compensations are used to build employees loyalty and commitment, increase job satisfaction and reduce labour turnover, absenteeism, truancy, complaints and grievances which could arise if pay level is inadequate (Solaja & Badejo, 2020). The concept of compensation has gathered noticeable interest in recent years due to the influence it has on employers and employees. An employee that is adequately compensated will feel important and valued by his employer and therefore, be motivated to work better and harder in order to attain the objectives fixed by the organization. The accomplishment of organizations arises from the readiness of employees towards the usage of their creative skills as well as experience in the company's favour; so it is the organization's responsibility to put an effective compensation system in place to encourage positive input from the workers (Ihenetu, 2017). Sajuyigbe, Olaoye & Adeyemi (2013) concluded that employees that are highly motivated and satisfied will give their organization competitive edge over other competitors because their performance will help the organization in

accomplishing their set goals and objectives. On the other hand, employees that are not satisfied with their compensations have the tendency of engaging in negative attitudes such as absenteeism, lateness to work, complaints, labour turnover, low commitment and the like, all of which have negative implications for organizational performance (David, 2019).

Banking sector in Nigeria began during the colonial period through the creation of expatriate banks, with the prime purpose of meeting needs of the colonial Government. The financial transactions scheme in Nigeria is controlled through the Central Bank of Nigeria (CBN). In 2010, CBN re-modified the existing universal banking model which now allows the commercial banking license holders to run in other non-direct banking, either directly or indirectly through designated subsidiaries. The introduction of this system categorizes banking authorizations into commercial, merchant and specialized. Compensation among workers in the banking sector is very essential in order to obtain maximum productivity, and create satisfaction without the thought or tendency to deep hands into the customers' deposits in the bank. As a matter of fact, the banking sector in Nigeria is regarded as one of the sectors operating the highest level of compensation to its employees and that is why many applicants struggle to get employment into the sector. They are well educated and trained for banking operations and most times, recruitment strategy into the banks often take into consideration some personal socio-demographic characteristics. The Bank workers are provided with fair wages, healthy working environment as well as safety because they work extra time and sometimes forfeit their weekends in order to provide maximum services to their customers. Unfortunately, despite the high pay, work in Nigerian banks is seen as highly insecure and very tedious and demanding. Bank workers in Nigeria often complain of excess work, occupational stress, little or no time to take care of the family and general job dissatisfaction even with their reward system. Consequently there arise the questions on the job satisfaction among bank workers in Nigeria despite their high level of compensation and how the dynamics of socio-demographic variables interact to provide further analysis in the issues of rewards and job satisfaction. Many studies have been conducted across the globe and in Nigeria, but none of them took into consideration the socio-demographic characteristics of respondents in the analysis of the relationship between rewards and job satisfaction. This is the gap in knowledge which this paper addressed. Given the above context, the objectives of this paper were to investigate the relationship between rewards and job satisfaction of selected bank employees; and to investigate the dynamics of the relationship between rewards and job satisfaction controlling for sex, educational qualifications, age groups, income classification group and nature of employment of staff of the selected banks.

Brief Literature Review

Compensation often means the following; payments, rewards reimbursement, inducement schemes, and returns (Moniz, 2010). It is the mixture of entirely the pay, non-pay and mental payment provided by an organization to her workers in return for their contributions. Compensations constitute every aspect of benefits, from good working state made available for workers by their organizations to cash payments. These descriptions imply that employees are likely to do well once they are certain they will be compensated appropriately as regards to their input toward the organization. It is because of this purpose different managers frequently strengthen the way employee behaves through numerous compensation programmes which meet their needs. Compensation is all types of payments going to employees and it comprises direct and indirect compensation, monetary and non-monetary reward (Omolawal and Bawalla, 2017). However, compensation is a strategy used by organizations to attract and keep employees by means of the required skills, experience and knowledge to achieve organizational aims and objectives. Generally, employees do not work for free so the practice of compensating workers meant for jobs done well has been in existence since the emergence of paid employment where workers are compensated based on their output levels, this method is known as the piece-work systems (Brosz & Morgan, 2003) This system later evolved into the traditional merit programmes where employees are rewarded according to performance appraisals. In the 90's both private and public employers lost faith in traditional merit programme which led to the emergence of performance-based employee. Compensation in organization has proven to be very vital to employees because it brings helpful related approaches such as; increase in employee productivity and performance, high

retention of experienced staff, improved employee's commitment, low turnover and absenteeism (Sutherland, 2011).

Compensations are not the same in every organizations, persons and society at large but it is central to all. To people, compensations is not only seen as returns of benefit but likewise as an image of workers' achievements and competences in the company which give them fulfillment. To organizations, compensation is seen as an expenditure or cost, and also a very significant system that influences work behaviour and attitude in employee that helps the organization in gaining competitive advantages over other competitors. In the society, compensation influences fortune circulation as well as represents societal justice and equity (Lai, 2011). Hence, the diversification and effects of compensation system still remains a very vital concept in human resource management and organizational behavior. On the other hand, there is no consensus on what job satisfaction really means in spite of different extensive scientific and academic research carried out on it. Different writers and scholars have defined job satisfaction differently in their own standings which depends on the context used. Spector (1997) describes job satisfaction as the way employees perceive their jobs and different aspect of their jobs which simply is, the manner employees love or hate their jobs. Others see it in terms of the extent at which people enjoy doing their jobs, being at work and getting compensated for their productivity. These definitions see jobs satisfaction as the way employees sense their job and its numerous aspect as well as the magnitude at which employees like or dislike their jobs. However, what people consider to be satisfaction varies from employee to another: some workers get the highest level of satisfaction from the relationships they have with their colleagues, promotion, recognition, pay packages, fringe benefits. Job security might be the main reason some employees still retain their work even though they consider the work less meaningful and get larger compensation and satisfaction from another job elsewhere. Employees' with greater job satisfaction may possibly have a positive approach towards their job, therefore showing more obligations to the organization. Similarly, employees with job dissatisfaction will show low commitment towards their job and search for a job with better satisfaction (Wright & Bonett, 2007; Okafor, Imhonopi, & Obor, 2020). For several years, several studies have tried to classify and discover the aspects that affect job satisfaction. Abdullah et al, (2013) discovered pay as the key influence for job satisfaction, nonetheless additional factors like; promotion, acknowledgment at work, and workers' devotion are likewise considered. Ali, (2009) concludes that as a result of the variations in compensation, there will be a consequent alteration in work motivation and satisfaction, suggesting that if there is a bigger concentration on rewards, this can have a positive effect on motivation and therefore results to greater level of job performance. Besides, positive and significant relationship has been found between job satisfaction and organizational practices like group work, independence and leadership positions. Grobler et al (2002), argue that if organizations make encouraging policies and guidelines for the employees related to wage scales, policies development, staff input, as well as work environment, may perhaps lead to employees' engagement, fulfillment and improved employees' devotion to the organization for the reason that satisfied employees' are more to be expected to be friendly and focused which entices clients and the employees' not pleased by their jobs can lead to client unhappiness. Previous research examined the link between compensation and job satisfaction. Research has shown that, employees fulfilment is commonly affected through different forms of compensation (reward) provided by the employers/Managers or in most cases, organizations. Also further studies showed that both intrinsic and extrinsic compensations received by a worker for carrying out his duties are a major reason for job satisfaction. The relationship job satisfaction has with compensation is in abundance (Ramman 2011; Ali & Ahmed 2009). Financial and non-financial compensations remain vital as well as enhancing levels of employees' job satisfaction in an organization. Also, mere recognition can go a long way in making an employee satisfied with his/her job. This creates a state of belonging to the worker and that he/she actually matters in decision making. Recognition is a type of intrinsic reward that has been found to be related to job satisfaction. When a worker is being paid and also given fringe benefits and promotions may likely raise the level of satisfaction as regards their jobs. (Ali & Ahmed, 2009). Studies by numerous scholars also show that job satisfaction can be influenced by pay as well as non-pay compensation. According to Gregory (2009), once employees' attain their needs and expectations they develop a sense of satisfaction. These, have however been noted by researchers as a key factor in increasing and also improving employees satisfaction and also to raise the level of output and sustain competitive advantage. However, there exist few studies on the level of satisfaction in terms of the

dynamics of the various socio-demographic characteristics of the workers. For example, Abdullah et al, (2013) observe the relationship concerning job satisfaction, environmental and socio-demographic factors and discovered that environmental issues (salary, supervision, promotion etc) are better predictors of job satisfaction when compared to socio-demographic factors (age, educational attainment, sex, age, work experience such as job level, shift work, and years spent at work). Ihenetu (2017) argued that the level of job satisfaction is not the same between permanent employees and the outsourced staff. David (2019) argues that there is significant difference in the reward system and job satisfaction between male and female employees, with the male being more satisfied. Rumman in 2011 concluded that there is no statistically substantial relationship concerning demographic factors, and their working environment in travel and tourism companies in Amman and a statistically significant correlation was found between the nature of the employee's job and job satisfaction in this same sector in Amman. From literature, there appears to be no conclusion on the relationship between reward system and job satisfaction in terms of how the relationship is affected by the socio-demographic variables of the employees. Therefore, this present study intends to contribute to the scanty findings and debate on the relationship between the reward system and job satisfaction controlling for various variables such as the nature of employment of staff, the qualification, the sex, the age and other variables of the staff.

Theoretical Framework

Two-Factor Model (F. Herzberg)

This paper is anchored on Herzberg's two-factor model (satisfiers and dissatisfiers) which explains that there are more or less job factors that can result to fulfilment as well as those which can stop dissatisfaction. To him, the contrast of "satisfaction" is "No satisfaction" and the contrast of "Dissatisfaction" is "No dissatisfaction". Herzberg categorized the factors as follows:

Hygiene factors: these are job features that stay vital for presence of motivation at the place of work. These job features do not lead to positive satisfaction. Nonetheless when not provided they possibly will lead to dissatisfaction. These factors represent the physiological needs the individual worker wants as well as expects like; money, organization's policy, fringe benefits, good work conditions, decent social relationships, job security etc.

Motivational Factors: these factors boost an optimistic satisfaction. These cause motivation to the workers for a better performance and they are referred to as satisfiers. Employees perceive these factors to be intrinsically or naturally rewarding. The factors (motivational) comprise acknowledgement, feeling of accomplishment, development as well as elevation opportunities, responsibilities, relevance at work. Although the two factor theory was subjected to critics but never the less, it ensured huge effect on job improvement which tried towards designing jobs in a way that will get the most out of the opportunities to achieve basic satisfaction from work and increase the value of working life.

Methodology

The study adopted a cross-sectional survey design and utilized the questionnaire instrument. The rationale behind using cross-sectional survey design was to enable the researcher to give every member of the population equal chance of being selected, while the major benefit of the questionnaire to enable the research to involve as many as possible members of the population in the study. Two banks were purposively selected in Abeokuta, the capital city and administrative headquarters of Ogun state and all the branches of the banks in the city were involved in the study. Study respondents were all categories of staff, both male and female working in the banks and total enumeration sampling technique was adopted for selection of the study respondents. The questionnaire, designed in both open and close formats, was administered on all the workers and a total of 310 duly completed were analyzed for the study. Data were analysed using statistical techniques which included table of percentages, T-test, Chi-square. The researcher observed all relevant

ethical issues to protect the study respondents as well as the information they provided. In particular, for ethical reasons, the two banks are named Organization A and Organization B in this paper.

Findings and Discussions

Brief Socio-demographic characteristics of Respondents

The sex distribution of the respondents is indicated where males were represented by 74.2% as the majority while females were in the minority (25.8%). Result displayed that a well over average of the bank workers were married (53.6%) while others were singles. The majority of the employees were earning over #100, 000 on monthly basis, while about 20% of them earned below #100,000. This suggests high level of compensation compared with other sectors in the Nigerian economy. Furthermore most (46.3%) of the respondents (representing the majority) were below 30 years in age suggesting that many workers in the banking sector are young, vibrant and in their youthful age with lots of energy in them. The bulk of the employees were working as permanent staff, but with reasonable others as contract staff in the banks. This reflects the trend in the employment practices where most companies now contract part of their production and service functions which are non-core areas. The first degree holders formed the majority (46.7%) of the workers in the banks under study, while as many as 10% had post graduate qualifications. Most of the workers were junior workers with 67.7% population, those at the intermediate level were about 25.7%, while the senior officers constituted only 6.5%. In terms of daily duration at work, result showed that most of the bank officers (69%) have been working for more than 10 hours on a daily basis every week while others spend less than or 10 hours at work daily. In terms of length at work, majority of them (56.7%) were in their first five years at work, while about 43.3% had spent more than five years working as bank staff. This suggests that most of the workers were less than 30 years of age, were well educated and were relatively new at work.

Findings

a. Relationship between Reward and Job satisfaction

This section presents data analysis on the relationship between reward and job satisfaction among respondents of the study.

Table 1: Correlation Result on Reward and Job Satisfaction

Variable	Statistics	Total Reward Satisfaction score	Total Job Satisfaction excluding rewards
Reward	Pearson Correlation	1	.439**
	Sig. (2-tailed)		.000
	N	310	310
Job Satisfaction	Pearson Correlation	.439**	1
	Sig. (2-tailed)	.000	
	N	310	310

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

As shown on the above table, the relationship between reward and job satisfaction was examined using Pearson correlation coefficient. Result shows that there was a strong positive correlation between the duo ($r = .439$, $n = 310$, $p < .0005$).

Therefore, high level of reward is associated with high level of job satisfaction. In other words, the satisfaction derived from the reward system in the banking sector drives general satisfaction with the job. Using coefficient of determination, the amount of variance shared by the two variables is .192. When this is converted to percentage of variance, what is obtained is 19%.

b. Comparison between Male and Female in terms of Reward and Job satisfaction

The following table presents the result obtained after examining the correlation between reward and job satisfaction controlling for sex.

Table 2: Table of Correlations Result on Reward and Job Satisfaction for Male and Female Groups

Statistic	Sex	Dependent Variable	Reward Satisfaction score	Job Satisfaction Score
Spearman's rho	Male	Reward Satisfaction score	1.000	.625**
		Correlation Coefficient		
		Sig. (2-tailed)	.000	
		N	230	230
	Female	Job Satisfaction score	.625**	1.000
Correlation Coefficient				
		Sig. (2-tailed)	.000	
		N	230	230
	Female	Reward Satisfaction score	1.000	.190
		Correlation Coefficient		
		Sig. (2-tailed)	.239	
		N	80	80
	Female	Job Satisfaction score	.190	1.000
		Correlation Coefficient		
		Sig. (2-tailed)	.239	
		N	80	80

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

From the above table, the correlation between reward satisfaction and job satisfaction for male was $r = .625$, while for females, it was largely lower, $r = .190$. To test the statistical significance of the difference between the coefficients for Male and Female on Reward and Job Satisfaction, the calculation is presented as follows.

Using the Formula below:

$$Z_{obs} = \frac{Z_1 - Z_2}{\sqrt{\frac{1}{N_1} + \frac{1}{N_2}}}$$

$Z_{obs} =$ _____



Male: $r_1 = .625$, c corresponding z value = $.733$, $N_1 = 230$

Female: $r_2 = .190$, corresponding z value = $.192$, $N_2 = 80$

The result obtained after applying the formula is $Z_{obs} = -6.280$

Interpretation:

- If $-1.96 < Z_{obs} < 1.96$: correlation coefficients are not statistically significantly different.
- If $Z_{obs} \leq -1.96$ or $Z_{obs} \geq 1.96$ correlation coefficients are statistically significantly different.

Based on the above result, the $Z_{obs} (-6.280) <$ (is less) than -1.96 . For this to be outside the bound, it is concluded that there is a statistically significant difference in the strength of the correlation between reward satisfaction and job satisfaction for the male and the female bank workers.

Table 3: Independent T-test Result of Respondents' Scores on Reward and Job Satisfaction for Male and Female categories.

Group Statistics										
Dependent Variables		Sex	N	Mean	Std. Deviation	Std. Error Mean				
Reward Satisfaction score	Male		230	42.91	8.619	.804				
	Female		80	36.88	9.022	1.426				
Job Satisfaction	Male		230	103.6087	15.57590	1.45246				
	Female		80	95.8750	12.35622	1.95369				
Independent Samples T-test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
R.S score	Equal variances assumed	1.005	.318	3.771	153	.000	6.038	1.601	2.874	9.202
	Equal variances not assumed			3.688	65.437	.000	6.038	1.637	2.768	9.308
J.S score	Equal variances assumed	4.636	.033	2.842	153	.005	7.73370	2.72074	2.35863	13.10876
	Equal variances not assumed			3.177	85.129	.002	7.73370	2.43445	2.89346	12.57393

The table above compares the reward satisfaction and job satisfaction scores between males and females using the Independent sample t-test statistical tool. At the reward satisfaction level, there was a significant difference in the scores of the two groups with males having ($M = 42.91$, $SD = 8.619$) and females [$M = 36.88$, $SD = 9.022$; $t(153) = 3.771$, $p = .000$]. Calculating the effect size for independent sample t-test with its value interpretation, the magnitude of the difference in the means of males and females was a bit large (eta squared = $.09$). Comparing job satisfaction for the two groups, males had ($M = 103.61$, $SD = 15.58$) and females [$M =$



95.88, SD = 12.36; $t(153) = 2.842, p = .005$. There was a significant difference in the score for the two groups. The size of the difference in the means was medium (eta squared = .05). Since the reward and job satisfaction means for males are greater than for females, the indication is that male bank workers are more satisfied with reward system and job satisfaction than the female counterparts.

c. Reward and Job Satisfaction controlling for educational qualifications

Table 4: Independent T-test Result of Respondents' Scores on Reward and Job Satisfaction for Qualification Classification Groups.

Group Statistics										
Dependent Variables		Educational qualification	N	Mean	Std. Deviation	Std. Error Mean				
Reward Satisfaction score		HND and below	130	44.85	9.386	1.164				
		BSC and above	170	38.24	7.849	.851				
Job Satisfaction		HND and below	130	106.77	16.901	2.096				
		BSC and above	170	96.88	12.237	1.327				
Independent Samples T-test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
R.S score	Equal variances assumed	2.243	.136	4.694	148	.000	6.611	1.408	3.828	9.394
	Equal variances not assumed			4.584	123.78	.000	6.611	1.442	3.756	9.466
J.S score	Equal variances assumed	27.801	.000	4.155	148	.000	9.887	2.379	5.185	14.589
	Equal variances not assumed			3.985	111.89	.000	9.887	2.481	4.971	14.803

As shown on the table above, the reward satisfaction and job satisfaction scores were compared between workers with HND and below qualifications and First degrees and above, using the Independent sample t-test statistical tool. At the reward satisfaction level, there was a significant difference in the scores of the two groups with HND and below group having (M = 44.85, SD = 9.386) and First degrees and above [M = 38.24, SD = 7.848; $t(148) = 4.694, p = .000$]. Calculating the effect size for independent sample t-test with its value interpretation, (Cohen, 1988), the magnitude of the difference in the means of workers with HND and below qualification and First degrees and above, was a very large (eta squared = .13).

Comparing job satisfaction for the two groups, HND and below group had (M = 106.77, SD = 16.901) and degree holders [M = 96.88, SD = 12.237; $t(148) = 3.985, p = .000$]. There was a significant difference in the score for the two groups. The size of the difference in the means was a bit large (eta squared = .09). Because the means for workers with HND and below are higher, the implication is that workers with qualifications



below First degrees are more satisfied with the banking job and its reward than graduates with first degrees and above.

d. Reward and Job Satisfaction controlling for Age groups

Table 5: Independent T-test Result of Respondents’ Scores on Reward and Job Satisfaction for Age Groups.

Group Statistics										
Dependent Variables		Age groups	N	Mean	Std. Deviation	Std. Error Mean				
Reward Satisfaction score	Young (<= 30)		35	39.43	8.469	1.432				
	Old (31+)		40	38.38	5.546	.877				
Job Satisfaction	Young (<= 30)		35	101.5714	12.61252	2.13190				
	Old (31+)		40	93.6250	9.97352	1.57695				
Independent Samples T-test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
R.S score	Equal variances assumed	5.361	.023	.645	73	.521	1.054	1.634	-2.203	4.310
	Equal variances not assumed			.628	57.27	.533	1.054	1.679	-2.308	4.415
J.S score	Equal variances assumed	5.169	.026	3.044	73	.003	7.9464	2.6107	2.7432	13.149
	Equal variances not assumed			2.997	64.54	.004	7.9464	2.6517	2.6498	13.243

The table above shows the comparison of the reward satisfaction and job satisfaction scores between workers below 30 years of age and others above 30 years, using the Independent sample t-test statistical tool. At the reward satisfaction level, there was no significant difference in the scores of the two groups. The younger workers (< = 30) had (M = 39.43, SD = 8.469) and workers above (>30) [M = 38.38, SD = 5.546; t (73) = .645, p = .521].

The magnitude of the difference was very small (eta squared = .006). However, in examining job satisfaction scores for the two groups, workers below 30 years had (M = 101.571, SD = 12.613) others above 30 years [M = 93.625, SD = 9.974; t (73) = 3.044, p = .003]. There was a significant difference in the score for the two groups. The size of the difference in the means was very large (eta squared = .12). This suggests that workers who were above 30 years of age in the banking sector were more satisfied with the work than their younger colleagues at work.



e. Reward and Job satisfaction controlling for income groups

Table 6: Independent T-test Result of Respondents' Scores on Reward and Job Satisfaction for Income Classification Groups.

Group Statistics										
Dependent Variables		Income groups	N	Mean	Std. Deviation	Std. Error Mean				
Reward Satisfaction score	> = 100,000		250	41.64	9.435	.844				
	<100,000		60	40.17	7.507	1.371				
Job Satisfaction	>= 100,000		250	102.8000	15.50494	1.38680				
	< 100,000		60	96.6667	12.68541	2.31603				
Independent Samples T-test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
R.S score	Equal variances assumed	1.309	.254	.796	153	.427	1.473	1.850	-2.182	5.129
	Equal variances not assumed			.915	53.366	.364	1.473	1.610	-1.754	4.701
J.S score	Equal variances assumed	3.636	.058	2.010	153	.046	6.1333	3.0518	.10407	12.163
	Equal variances not assumed			2.272	51.961	.027	6.1333	2.6994	.71633	11.550



As shown the table above, the reward satisfaction and job satisfaction scores were compared between workers that were earning more than #100,000 and others earning less than #100,000 per month, using the Independent sample t-test statistical tool. At the reward satisfaction level, there was no significant difference in the scores of the two groups as the group earning below #100,000 had (M = 41.64, SD = 9.435) and workers above (>30) [M = 40.17, SD = 7.507; t (153) = .796, p = .427]. The magnitude of the difference was very small (eta squared = .004). By contrast, in examining job satisfaction scores for the two groups, workers earning above #100,000 had (M = 101.571, SD = 12.613) while others earning below #100,000 had [M = 93.625, SD = 9.974; t (73) = 3.044, p = .046) showing a significant difference in the scores for the two groups. The size of the difference in the means was very large (eta squared = .1). Having those that earn above #100,000 with a greater mean, implies that this group of workers was more satisfied with the job than those earning less. This supports that higher level of earning has implications for higher level of satisfaction at work.

f. Reward and Job satisfaction controlling for nature of employment

Table 7: Independent T-test Result of Respondents’ Scores on Reward and Job Satisfaction for Permanent and Contract Workers Groups.

Group Statistics										
Dependent Variables		Type of staff	N	Mean	Std. Deviation	Std. Error Mean				
Reward Satisfaction score	Contract		50	40.20	8.251	1.650				
	Permanent		250	41.28	9.318	.833				
Job Satisfaction	Contract		50	95.8000	13.77498	2.75500				
	Permanent		250	102.2400	15.30412	1.36884				
Independent Samples T-test										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	T	Df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
R.S score	Equal variances assumed	.012	.914	-.539	148	.591	-1.080	2.005	-5.043	2.883
	Equal variances not assumed			-.584	37.332	.563	-1.080	1.849	-4.825	2.665
J.S score	Equal variances assumed	.381	.538	-1.95	148	.053	-6.4400	3.3009	-12.96	.08308
	Equal variances not assumed			-2.09	36.877	.043	-6.4400	3.0763	-12.67	-.2061

From the table above, the reward satisfaction and job satisfaction scores were compared between workers that were appointed on permanent basis and contract workers, using the Independent sample t-test statistical tool. At the reward satisfaction level, there was no significant difference in the scores of the two groups as the group on temporary employment had (M = 40.20, SD = 8.251) and workers on permanent employment had [M = 41.28, SD = 9.318; t (148) = -.539, p = .591]. The magnitude of the difference was very small (eta squared



= .002). By contrast, in examining job satisfaction scores for the two groups, temporary workers had ($M = 95.800$, $SD = 13.775$) while permanent workers had [$M = 102.240$, $SD = 15.304$; $t(148) = -1.95$, $p = .053$]. There was a significant difference in the score for the two groups. The size of the difference in the means was small ($\eta^2 = .02$). What can be suggested here is that permanent workers were a bit more satisfied with the job than the temporary workers.

Discussion of findings

From the study, we found that there was a strong positive correlation between the reward system and job satisfaction among employees of the two selected banks ($r = .439$, $n = 310$, $p < .0005$). Using coefficient of determination, the amount of variance shared by the two variables is .192. What this means is that high level of reward is associated with high level of job satisfaction. In other words, the satisfaction workers derived from the reward system in the banking sector drives the general satisfaction they have on the job. This finding is consistent with the findings of Sarwar & Abugre, (2013) and Myint et al, (2016; Adenugba, 2018). An employee that is adequately compensated will feel important and valued by his employer and therefore, feel motivated to work harder and better so as to attain the objectives put forward by the organization. Achievements of organization arise as a result of readiness of employees to use their creative abilities and experience in the company's favour, so it is the duty of the organization to put an effective compensation system in place to encourage the employees. An individual is likely to perform well at his/her job when he is certain he will be compensated appropriately according to his input into the organization. This outcome shows that organizations need to strengthen the way employees perform by using many compensation programmes to meet their needs. The compensation factors comprise direct and indirect compensation, monetary and non-monetary compensation (Popoola and Ayeni, 2007; Ramman, 2011; Myinth et al, 2016; Omolawal et al, 2017). More so, to buttress this point, financial incentives are considered as an adequate means to reward employees as well as to boost their satisfaction at work (Sarwar et al, 2013). Also, Fredrick Herzberg stated that the hygiene factors refer to job factors which are necessary at work place and may lead to positive satisfaction for a longer period, however, when not made available can result in job dissatisfaction. The hygiene factors symbolize physiological needs such as; pay, company policies, fringe benefits etc. and the findings of this study confirm this theoretical position. The study also examined the level of relationship between compensation and job satisfaction using Pearson correlation coefficient. There was a strong positive correlation which implies that high level of satisfaction with the reward system is associated with high level of job satisfaction. In other words, the satisfaction derived from reward system in the banking sector drives general satisfaction with their jobs. Compensations are suitable instruments used by managers to add to the organizational efficiency as well as to influence positively towards the performance and output of employees'. It regulates the desirability as well as maintenance of employees to reach organizational goals, it remains the main influence in enticing as well as retention of employees. Agba and Ushie (2013) specified that hostile work environments as well as distasteful compensation systems have resulted to skill migration in many organizations. Khan, Shahid, Nawab, & Wali, S. (2013) stated that compensations inspire effective employees to continue in a work for longer period. Compensation therefore according to the outcome of various research works including the present study is a very solid determinant of job satisfaction.

Tables 2 and 3 present the correlation results and independent T-Test on respondents' scores on reward and job satisfaction controlling for the sex of the employees. The correlation shows there is a statistically significant difference in the strength of the correlation (male: $r = .625$, while for females, it was largely lower, $r = .190$). Furthermore, the independent T-test revealed that there was a significant difference in the score for the two groups and the size of the difference in the means was medium ($\eta^2 = .05$). By implication, since the reward and job satisfaction means for males are greater than for females, this seems to suggest that male bank workers are more satisfied with reward system and job satisfaction than the female counterparts. This finding supports David (2019) who also argued that male workers tend to be more satisfied with their reward system than female workers. Both male and female workers enjoy similar compensation packages, but the difference in their level of job satisfaction may be due to their responsibilities in the family set up. Women are gradually taking up more responsibilities at the home front as a result of many factors including the

increasing level of unemployment affecting men more, thereby making women to become bread winners for the family. Table 4 presents the results of the T-test conducted on the relationship between rewards and job satisfaction controlling for educational qualifications of the employees. Findings show that there was a significant difference in the scores of employees with Higher National Diploma (HND) and below, and employees with University degree and above. Calculating the effect of size for independent sample t-test with its value interpretation, the magnitude of the difference in the means of workers with HND and below qualification and First degrees and above, was very large (eta squared = .13). Comparing job satisfaction for the two groups, HND and below group had ($M = 106.77$, $SD = 16.901$) and degree holders [$M = 96.88$, $SD = 12.237$; $t(148) = 3.985$, $p = .000$], meaning a significant difference in the score for the two groups. The size of the difference in the means was a bit large (eta squared = .09). Because the means for workers with HND and below are higher, the implication is that staff who possess qualifications below First degrees are more satisfied with the banking job and its reward than graduates with first degrees and above. There is no evidence in literature to confirm or contradict this finding but it is definitely an eye opener for consideration in the question of building an equitable wage structure especially in Nigeria where HND holders receive less privilege than university degree holders, especially in the public service.

Table 5 presents results on the independent T-test conducted on reward and job satisfaction for age groups of employees. At the reward satisfaction level, there was no significant difference in the scores of the two groups. The younger workers were ($< = 30$) had ($M = 39.43$, $SD = 8.469$) and workers above (>30) had [$M = 38.38$, $SD = 5.546$; $t(73) = .645$, $p = .521$] respectively. The magnitude of the difference was very small (eta squared = .006). Examining the job satisfaction scores for the two groups, workers below 30 years had ($M = 101.571$, $SD = 12.613$) while others above 30 years had [$M = 93.625$, $SD = 9.974$; $t(73) = 3.044$, $p = .003$]. There was a significant difference in the score for the two groups: the size of the difference in the means was very large (eta squared = .12), thereby suggesting that workers who were above 30 years of age in the banking sector were more satisfied with the reward system than workers below 30 years of age. This finding is surprising considering the fact that one would expect workers above 30 years to be less satisfied with their pay since they would need more financial resources to take care of their responsibilities possibly as married workers. The finding is however very informative and is an eye opener for managers and human resource practitioners to consider as a dynamic variable in determining their pay structure. Table 6 presents results on the independent T-test conducted to examine rewards and job satisfaction between workers earning more than #100,000 and others earning less than #100,000 per month, using the Independent sample t-test statistical tool. At the reward satisfaction level, there was no significant difference in the scores of the two and the magnitude of the difference was very small (eta squared = .004). However, in contrast, in investigating job satisfaction scores for the two groups, workers earning above #100,000 had ($M = 101.571$, $SD = 12.613$) while others earning below #100,000 per month had [$M = 93.625$, $SD = 9.974$; $t(73) = 3.044$, $p = .046$] showing a significant difference in the scores for the two groups, and the size of the difference in the means was very large (eta squared = .1). The implication of the above findings is that the group of workers earning higher monthly salaries had greater job satisfaction than those earning less. This supports that higher level of earning has implications for higher level of satisfaction in the workplace. It also supports Sajuyigbe, Olaoye & Adeyemi (2013) and Adenugba (2018) that substantial compensation system holds employees as well as leads to job satisfaction, obligation and devotion. According to their studies, positive relationship exists between compensations and job satisfaction, and that the higher the compensation, the greater the job satisfaction. According to Lai (2011), there is significant positive relationship between compensation and job satisfaction and concludes that the partakers in their study viewed compensation as the key contributor to job satisfaction.

Table 7 presents the results of the independent T-test conducted to determine the relationship between rewards and job satisfaction among employees using nature of employment as the controlling variable. At the reward satisfaction level, there was no significant difference in the scores of the temporary and permanent workers, and the magnitude of the difference was very small (eta squared = .002). By contrast, in examining job satisfaction scores for the two groups, temporary workers had ($M = 95.800$, $SD = 13.775$) while permanent workers had [$M = 102.240$, $SD = 15.304$; $t(148) = -1.95$, $p = .053$]. This means that there was a significant difference in the score for the two groups. The size of the difference in the means was small (eta squared =

.02). What can be suggested therefore is that permanent workers were a bit more satisfied with the job than the temporary workers. This finding supports existing literature (Ihenetu, 2017; Solaja et al, 2020) that the nature of employment is capable of determining the level of satisfaction with the job among employees. Generally, workers on permanent appointment feel greater job satisfaction than temporary workers such as contract, casual, outsourced staff and so on (Omolawal et al, 2017). With the increasing adoption of temporary form of employment in the contemporary labour market, job satisfaction among employees may continue to decrease and this has implications for the performance of organizations.

Conclusion

This research is of the conclusion that compensation holds a substantial positive influence on the job satisfaction among workers of particular banks in Abeokuta, Ogun State. The problem of employees' job satisfaction is often times associated with both financial rewards and non-financial rewards. Hence, the managers of organizations are encouraged to be responsible for reasonable compensation packages to their employees as there is a saying that happy workers work harder by exerting their best to reach organizational objectives. It is worth noting that compensations are facilitative service used to construct as well as uphold the drive of workers so as to realize the objectives of the organization. It is very essential for organizations either in the service or manufacturing sector, to provide good compensation system for their workers in order to enhance organizational dreams. This will build an effective, strong, reliable as well as happy labour force. Work organizations in general therefore are enjoined to use good compensation as human resource management tool and strategy for attraction, motivation and retention of the employees without which their organizational goals cannot be achieved. There is also the need to pay attention to socio-demographic characteristics of workers as such variables have implications for the analysis of job satisfaction of workers vis-a-vis the reward system operated in the workplace.

Reference

1. Abdullah, A. A., & Wan, H. L. (2013). Relationships of non-monetary incentives, job satisfaction and employee job performance. *International Review of Management and Business Research*, 2(4), 1085-1091
2. Adenugba, A. A. (2018). Beneath or Beyond the Call of Duty: Income and Employee Commitment in Ibadan North Local Government, Oyo State, Nigeria. *African Journal of Social Issues*. 21 (2)
3. Agba, A. M. O., & Ushie, E. M. (2013). Wage differential and industrial disputes in Nigerian hospitals. *Journal of Business and Management*, 11(5), 89-102.
4. Ali, R., & Ahmed, M. S. (2009). The impact of reward and recognition programmes on employees motivation and satisfaction: An empirical study. *International Review of Business Research Paper*, 5(4), 270-279.
5. Armstrong, M., (2006). *A handbook of Human Resource Management Practice, 11th Ed.* Philadelphia: Kogan Page Limited.
6. Banjoko, S. A., (1996). *Human Resources Management*. Lagos: Saban Publisher.
7. Brosz, A., & Morgan, D. R. (2013). *Improving municipal productivity: A handbook for local officials*. Noonan: Bureau of Government Research.
8. David, B. (2019). Compensation Management: Issues and Challenges. *Journal of Business Strategy*. 6(2), 77-94
9. Gregory, K. (2009). The importance of employee satisfaction. *Journal of Personal Psychology*, 5(5), 2745.

10. Grobler, P.A., Warnich, S., Carrell, Hatfield, R.D., (2002). *Human Resource Management in South Africa (2nd ed.)*. London: Thomson Learning.
11. Ihenetu, T.I. (2017). Outsourcing Process and Wage In-equality: Implications for Employee Engagement in Selected Manufacturing Companies in Ibadan, Nigeria. Unpublished project in University of Ibadan
12. Khan, I., Shahid, M., Nawab, S., & Wali, S. S. (2013). Influence of intrinsic and extrinsic rewards on employee performance: The banking sector of Pakistan. *Academic Research International*, 4(1), 282-292.
13. Lai, H. H. (2011). The influence of compensation system design on employee satisfaction. *African Journal of Business Management*, 5(26), 10718- 10723.
14. Moniz, J. (2010). The basics of building and maintaining incentive plans at smaller firms. *Compensation and Benefits Review*, 42(4), 256-264.
15. Myint, S.S., Leamprecha, N., Pooncharoen, N., & Rurkwararauk, W. (2016). An analysis of Employee Satisfaction of Private Banks in Myanmar, *International Business Management* 10 (2). Pp 101-114 Okafor, E.E, Imhonopi, D. & Obor, D. (2020). Introduction to Industrial Relations and Personnel
16. Management. In Emeka Okafor, Obatunde Adetola, Richard Aborisade, Adebisi Abosedo (Eds.) *Human Resources: Industrial Relations and Management Perspectives*. Ago-Iwoye-Nigeria: OOU Publishing House, pp1-29.
17. Omolawal, S.A. & Bawalla, O.G. (2017), Performance and Reward systems in Organisations. *Human Resource Management Journal*, 9(1), 73-82
18. Popoola, S.O., Ayeni, C.O., (2007). *Work motivation, job satisfaction, and organizational commitment of library personnel in academics and research libraries in Oyo state, Nigeria* Library philosophy and practice
19. Ramman, M. A., (2011). Factors Affecting Job Satisfaction of Employees in Travel and Tourism Companies in Amman. *International Bulletin of business Administration*
20. Sajuyigbe A. S., & Olaoye, B. O. & Adeyemi, M. A. (2013). Impact of reward on employees' performance in selected manufacturing companies in Ibadan, Oyo State, Nigeria. *International Journal of Arts and Commerce*, 2(2) 27-32.
21. Sarwar, S., & Abugre, J. (2013). The influence of rewards and job satisfaction on employees in the service industry. *The Business & Management Review*, 3(2), 22-32
22. Solaja, O.M. & Badejo, B.A. (2020). Insurance and Compensation Management. In Emeka Okafor, Obatunde Adetola, Richard Aborisade, Adebisi Abosedo (Eds.) *Human Resources: Industrial Relations and Management Perspectives*. Ago-Iwoye-Nigeria: OOU Publishing House, pp 449-469.
23. Spector, P.E., (1997). *Job Satisfaction Application, Assessment, Causes and Consequences* .
24. Thousand Oaks, CA., USA: Sega Publication Sutherland, A. (2011). A study of causes of poor attitude to work among workers of both public and private sector organizations in Bauchi state- Nigeria. *International Journal of Academic Research in Business and social Sciences*, 3(7), 143-152.