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# Indirect Compensation and its impact on Employees' Job Performance in Anambra State Civil Service

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**Abstract**
*This study was carried out to examine the relationship between indirect compensation and employees' job performance within the Anambra State civil service. The study concentrated on the employees of the Anambra state civil service which comprised of several ministries. The study employed the correlational survey research design and the rationale for adopting this design was to examine whether indirect compensation relates to employees' job performance in Anambra State civil services. Pearson Product Moment Correlation was used for the study and the hypotheses were tested at 0.05 level of significance. The findings for this study revealed that payment of salaries positively relate to employees' task performance; that work environment positively relate to employees' conceptual performance; that fringe benefits positively relate to employees' task performance in Anambra State civil services to a high extent. Based on the findings, it was concluded that indirect compensation in civil service positively and significantly related to employees' job performance in Anambra State, because indirect compensation are strong factors that motivate the employees to perform their assigned duties and get them committed to their work activities in the organizations.*

**Keywords:** Bonus Award, Fringe Benefits, Indirect Compensation.



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## 1.1 Introduction

In the landscape of public service, particularly within the Anambra State civil service, the concept of indirect compensation stands out as a vital factor influencing employee performance. Indirect compensation refers to a diverse range of non-monetary benefits and incentives that, while not directly reflected in an employee's paycheck, significantly contribute to overall job satisfaction, motivation, and productivity. These benefits may include comprehensive health insurance plans that provide employees and their families with critical access to medical care (Udodiugwu, Eneremadu, Njoku, Anyaegbunam, & Obiakor, 2024), generous retirement plans that offer peace of mind regarding financial security in later years, and opportunities for ongoing professional development, such as training programs, workshops, and conferences. Additionally, flexible working arrangements, including remote work options and adaptable hours, allow employees to balance personal commitments with their professional responsibilities, enhancing their overall job satisfaction. Ultimately, a motivated workforce is essential for creating and delivering tangible organizational value. A dynamic and forward-thinking organization excels in attracting and retaining the most suitable individuals for the right positions at critical moments. This is achieved through a steadfast commitment to fostering motivation amid evolving circumstances (Udodiugwu, Nwosu, Obiakor, & Nwumeh, 2024).

The impact of these indirect compensation elements on job performance is considerable. Employees who perceive that their organization values their well-being through thoughtful benefits are more likely to exhibit higher levels of engagement, commitment, and job performance. In fact, research indicates that when workers feel supported and appreciated, they tend to demonstrate increased productivity, lower absenteeism rates, and improved morale. In Anambra State, the intentional focus on enhancing indirect compensation signifies a progressive shift in managing human resources within the public sector. This approach recognizes that employee performance cannot be purely attributed to direct financial remuneration; rather, it is intricately linked to the emotional and psychological well-being of civil servants. By investing in a robust package of indirect compensation, the Anambra State government not only aims to cultivate a more dedicated and effective workforce but also strives to establish a workplace culture that values excellence, accountability, and service to the community.

Ultimately, the interplay between indirect compensation and employees' job performance constitutes a critical component of strategic human resource management. This relationship has profound implications for governance and public administration in Anambra State, signaling a commitment to creating a more motivated and capable civil service poised to meet the needs of its citizens effectively. Fringe benefits are crucial for attracting and retaining talent, as well as motivating employees to perform better (Agbo & Okeoma, 2022; Udodiugwu, 2024). These additional compensations, which include legally required benefits like social security and health insurance, as well as optional perks like gym memberships and childcare, provide value beyond salaries (Zulkiflee, 2021). According to Ohide and Mbogo (2018), fringe benefits can be in various forms, including cash or cash equivalents. Employee recognition involves openly acknowledging and praising achievements to motivate and reinforce desired behaviors (Egbewole et al., 2021). High-esteem from peers and management is a significant motivator, and while some may associate recognition with monetary rewards, it can also be as simple as a genuine compliment or a 'thank you' (Niar & Andayani, 2019). Thus, there is a need to examine how indirect compensation affects job performance in Anambra State's civil service.

## 1.2 Statement of the Statement

The inadequate performance observed among certain employees within organizations is frequently attributed to a series of interconnected issues. These include a stagnant salary structure and an ineffective promotion system, lackluster fringe benefits that fail to inspire, insufficient recognition of employee contributions, and minimal involvement of staff in decision-making processes (Obiakor, Anah, Udodiugwu, & Obiakor, 2024). Furthermore, the absence of comprehensive retirement plans exacerbates employee discontent, while the prevalence of poor teamwork and a subpar working environment contribute significantly to declining morale. Moreover, the ineffective implementation of service conditions and the reliance on indirect compensation have led to alarming rates of absenteeism, as employees increasingly seek alternative sources of income rather than solely depending on a single employer. Qualified professionals are leaving the workforce, making way for less competent individuals to occupy pivotal roles. This skill gap is further widened by the lack of opportunities for employee training and development, which hinders the acquisition of essential skills and knowledge.

Within the context of developing nations, Nigerian working conditions and indirect compensation stand out as some of the most challenging globally (Sunoma et al., 2022). Situated on the West African continent, Nigeria is renowned as the most populous nation of Black people worldwide, surpassing even the population figures found across Africa (Ali et al., 2022). Unfortunately, the overall motivation of the Nigerian workforce is severely undermined by the myriad environmental and physical challenges they encounter daily. While some facilities are available, they often fall short of being well-maintained, denying employees the comfort and convenience necessary for optimal productivity.

Regrettably, organizations in Nigeria, particularly within the civil service sector in Anambra State, have not adequately recognized the importance of cultivating a conducive working environment, nor the role that effective indirect compensation plays in enhancing employee motivation and performance. Consequently, the researcher has undertaken this study to fill this knowledge gap and explore the extent to which indirect compensation influences job performance among civil service employees in Anambra State.

## 1.3 Objective of the study

The primary objective of the study was to analyze the relationship between indirect compensation and employees' job performance within the Anambra State civil service. The study specifically aimed to determine the following:

i. The extent to which bonus awards are associated with employees' task performance in the Anambra State civil service.
ii. The level to which the work environment is related to employees' conceptual performance in the Anambra State civil service.
iii. The degree to which fringe benefits are connected to employees' task performance in the Anambra State civil service.

## 1.4 Research Questions

The following research questions guided the study:

i. To what degree does bonus award relate to employees’ task performance in Anambra State civil service?
ii. To what magnitude does work environment relate to employees’ conceptual performance in manufacturing firms in Anambra State civil service?

iii. To what degree does fringe benefits relate to employees' task performance in Anambra State civil service?

### 1.5 Hypotheses

The following null hypotheses were tested at 0.05 level of significant:

**$H_{01}$:** Bonus award does not significantly relate to employees' task performance in Anambra State civil service.

**$H_{02}$:** Work environment does not significantly relate to employees' conceptual performance in Anambra State civil service.

**$H_{03}$:** Fringe benefits does not significantly relate to employees' task performance in Anambra State.

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## 2.0 Review of Related Literature

### 2.1 Conceptual framework

#### 2.1.1 Indirect Compensation

Understanding indirect compensation is crucial for human resource leaders as it plays a significant role in shaping employee satisfaction and organizational culture. During the hiring process, candidates often seek clarity on the components of the indirect compensation package, which may include a variety of benefits such as health insurance, retirement savings plans, paid time off, flexible working arrangements, professional development opportunities, and wellness programs (Obiakor, Okeke, Udodiugwu, & Obiakor, 2023). It's important for employers to clearly communicate how these benefits will be delivered and accessed, as this transparency can greatly influence a candidate's decision to join the organization. Moreover, during salary and performance reviews, employees commonly expect to ensure that they are receiving their full spectrum of indirect compensation and that these benefits are easily accessible and user-friendly. A well-structured indirect compensation framework is integral not only for attracting top talent but also for driving employee engagement and retention. It contributes significantly to building a positive company brand that reflects the organization's commitment to valuing its workforce. According to Obikwelu and Nwasor (2021), indirect compensation is a foundational element of an overall compensation strategy. By offering a diverse range of attractive and relevant indirect compensation options, companies can cultivate a workplace culture that genuinely values its employees. When individuals feel appreciated and supported through a focus on their wellbeing, they are more likely to exhibit increased dedication, loyalty, and enthusiasm within their work community.

#### 2.1.2 Task performance

Task performance fundamentally encapsulates the essential job responsibilities expected of an employee, often referred to as "in-role prescribed behavior" (Kalia & Bhardwaj, 2019). This concept represents a dynamic working process that unfolds when an individual, or a collective workgroup, diligently implements a devised plan to accomplish a specific task. It encompasses the methods and strategies employed to actualize the objectives of that task (Okoye et al., 2018).

Every task is inherently linked to its primary components, which include clearly defined goals, a strategic plan of action designed to achieve those goals efficiently, and established success measures that assess the effectiveness of the efforts made. To ensure optimal task performance, it is crucial to appoint individuals who possess the requisite skills and capabilities to carry out the practical work involved.

The successful execution of a task hinges on several critical factors that must be addressed for performers to be effective in their endeavors. These include:

i. Specification of Task Actions:
   Developing a detailed and methodical plan outlining the best approaches to accomplish the task.
ii. Specification of Task Constraints:
   Identifying the requirements concerning the duration, quality, and budgetary constraints associated with the task.
iii. Specification of Results:
   Clearly articulating the expected outputs and outcomes that should be achieved upon the completion of the work.
iv. Specification of Roles:
   Defining the specific duties and responsibilities assigned to each individual at the task performance site, ensuring clarity and efficiency in collaboration.

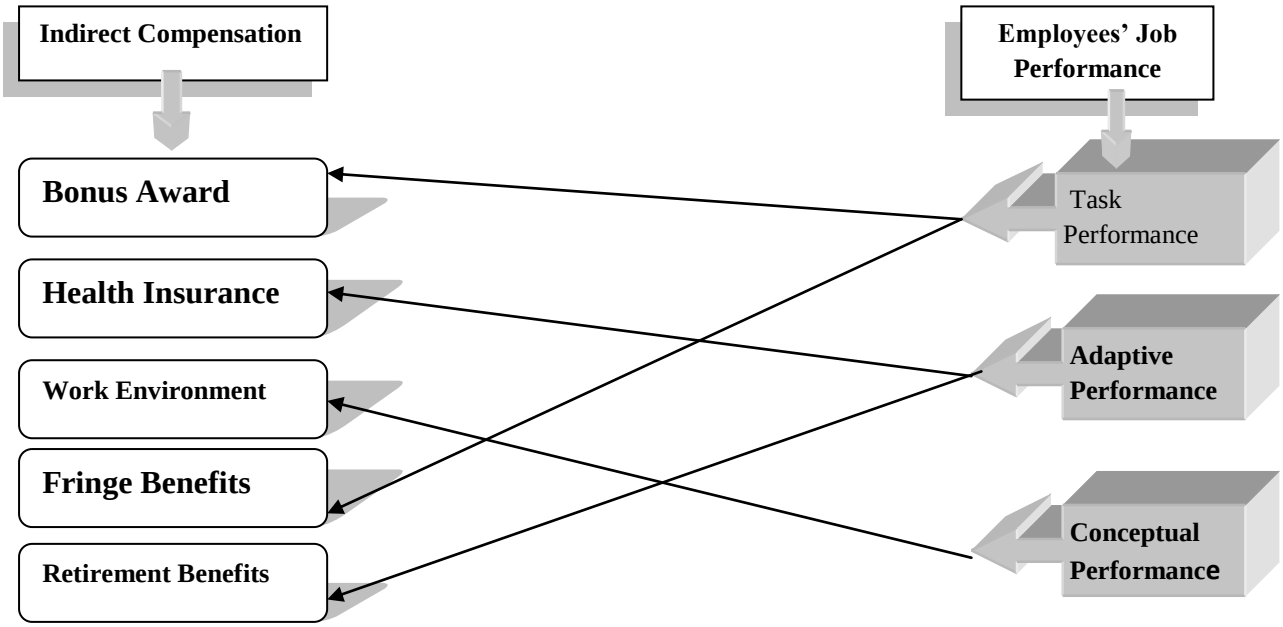
Through careful attention to these elements, organizations can foster an environment where task performance is not only effective but also drives overall success and productivity.

### 2.1.3 Conceptual Performance

Often it is not sufficient to comply with the formal job requirements; one need to go beyond what is formally required. Contextual performance consists of behaviour that does not directly contribute to organizational performance but supports the organizational, social and psychological environment. Contextual performance is different from task performance as it includes activities that are not formally part of the job description. It indirectly contributes to an organization's performance by facilitating task performance. Borman and Motowidlo (2011) enumerate five categories of contextual performance:

(a) Volunteering for activities beyond a person's formal job requirements.
(b) Persistence of enthusiasm and application when needed to complete important task requirements.
(c) Assistance to others.
(d) Following rules and prescribed procedures even when it is inconvenient.
(e) Openly defending organization objectives.

**Fig. 1: Summary of Conceptual Framework for the Study**




**Source:** Anekwe, (2024)

### 2.1.4 Bonus Award

A bonus award represents a financial incentive that surpasses the standard compensation package of an employee, serving as a tangible acknowledgment of exceptional performance**.** As highlighted by Novakovic (2024), organizations often deploy bonuses as strategic motivators to stimulate productivity and recognize outstanding contributions from their workforce. These financial rewards can take various forms, including signing bonuses, referral bonuses, and retention bonuses, each designed to encourage specific behaviors or achievements among employees. Mbukwana and Ayandibu (2023) underscore the importance of understanding the nuanced factors that contribute to the success of any bonus or incentive program. They point out that individual responses to the same incentive can differ widely, suggesting that a one-size-fits-all approach may not yield the desired outcomes. Consequently, organizations are selective in their allocation of bonuses, as this practice must align with overarching goals to foster a motivated and engaged workforce. In essence, the distribution of employee bonuses is not merely a financial transaction; it is a strategic tool aimed at enhancing motivation among employees to drive them towards achieving company objectives, which in turn leads to increased profitability for the organization (Madhani, 2020). As articulated by Saraih, Mariadass, Abashah, and Mutalib (2021), bonus programs carry a multitude of benefits for employers, reinforcing the notion that when executed thoughtfully, they can significantly contribute to a thriving workplace environment.

### 2.1.5 Work Environment

The work environment encompasses the myriad demands, conditions, and terms associated with a job that significantly impact employee performance and well-being. When workers encounter stagnation in their roles, it often leads to a state of demoralization, frustration, and deep-seated dissatisfaction, prompting them to seek opportunities that promise greater fulfillment and purpose (Udodiugwu, Obiakor, Onyia, & Ilonze, 2022). This sense of discontent may manifest in various ways, including diminished commitment to their duties,

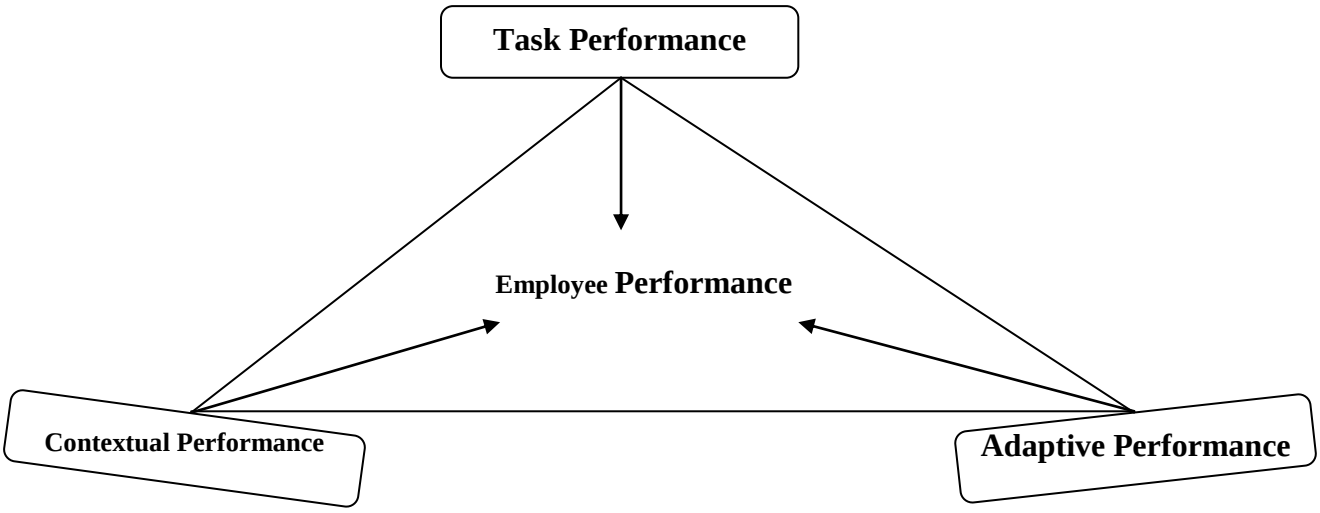
considering early retirement, or outright resignation. The quality of the work environment is a crucial factor that can profoundly influence job satisfaction, particularly in the context of organizational projects. According to Izuchukwu (2020), an inspired workplace fosters inspired workers, highlighting the critical importance of the surrounding atmosphere on performance levels. Elements such as comfortable temperature, appropriate humidity, effective ventilation, ample lighting, and overall cleanliness of the workspace play pivotal roles in creating a conducive environment. Additionally, the availability of essential tools and equipment ranging from public address systems and computers to comprehensive resource materials and well-designed office spaces—are integral to enhancing job performance. A thoughtfully curated work environment not only uplifts morale but also empowers employees to thrive in their roles.

### 2.1.6 Fringe Benefits

Fringe benefits encompass a variety of non-wage compensations offered by employers to their employees, enhancing the overall value of organizational membership. Unlike performance-based incentives, which are granted only to exceptional performers, fringe benefits are universally accessible to all employees, reflecting their affiliation with the organization. These benefits, categorized as indirect compensation, serve as important conditions of employment, independent of individual performance metrics (Sharma & Jaiswal, 2018). Effectively managing all facets of human resources is crucial, particularly in the context of employee retention—a pivotal Human Resource Management (HRM) activity that significantly contributes to organizations' achievement of their strategic goals and objectives (Kwenin, Muathe & Nzulwa, 2016). Furthermore, the structure of compensation plays a critical role in HRM, as a well-designed compensation system not only influences employee satisfaction but also has a profound impact on commitment levels. This, in turn, plays a vital role in retaining talent within the organization (Terera & Ngirande, 2017).

### 2.1.7 Conceptual Framework

**Fig. 2:** The Triarchy Model of Employee Performance




**Source:** Pradhan and Jena (2017)

## 2.2 Theoretical Review

### 2.2.1 Total Reward Model

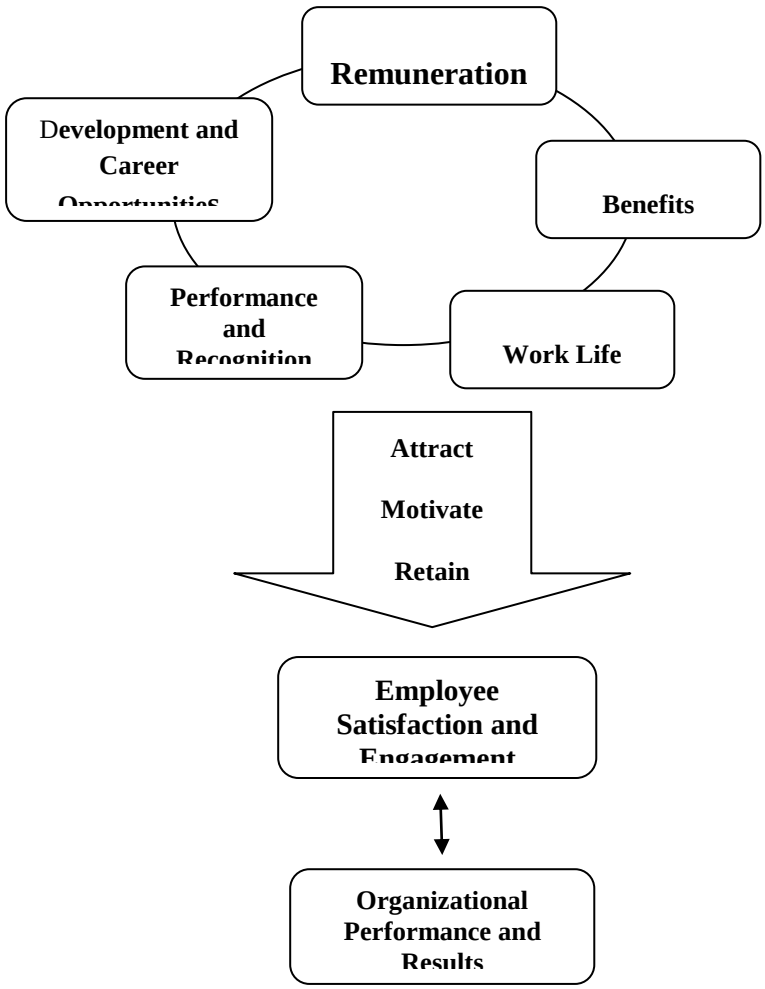
The Total Reward Model was propounded by Michael Armstrong in 2006. The theory demonstrated the dynamic relationship between employers and employees. It has evolved to

depict the strategic elements of the employer-employee exchange as well as to reflect how external influences and an increasingly global business environment affect attraction, motivation, retention and engagement. It encompasses six components: compensation, benefits, work-life effectiveness, recognition, performance management and talent development. These components collectively define an organization's strategy to attract, motivate, retain and engage employees. The components represent the tool kit from which an organization chooses to offer and align a value proposition that results in satisfied, engaged and productive employees who, in turn, create desired business performance and results (Udodiugwu, Eneremadu, Njoku, Obiakor, & Ilonze, U. 2025).

Total reward model is the term adopted to describe a reward strategy bringing together all the investments an organisation makes in its workforce such as pay, pensions and learning development, with everything employees value in working for an organisation, such as flexible working and career opportunities. It goes beyond basic pay by highlighting the range of benefits within the employment package that underpins the organisation's culture and organisational objectives. It promotes and encourages employee engagement, which in turn improves organisational performance. Its aim is to give all employees a voice and choice on the total reward offerings, and enhance the psychological contract between employer and employee. Total reward model has a long-term approach, which does not need to be theoretically complex. It can be based on incremental rather than on radical change. It does not have to include all the monetary values of the employment package from the outset for it to be of benefit to both employer and employee. It can be introduced in a gradual and relatively inexpensive way, by understanding what employees' reward preferences are and effectively communicating what is already in place. Total reward describes a range of monetary and non-monetary rewards, which can assist organisations in promoting and enhancing their reputation as a great place to work. Organisations already have a great deal to offer and total reward helps ensure employees fully value the totality of their employment package.

**Theoretical Framework for the study**

**Fig. 3:** Total Reward Mode




**Source:** WorldatWork (2013)

### 2.2.2 Theoretical Exposition

### 2.2.2a Indirect Compensation and Employee Job Performance

Within the intricate framework of public service, particularly in the civil service sector of Anambra State, the notion of indirect compensation emerges as a pivotal element shaping employee performance. Indirect compensation encompasses a myriad of non-monetary benefits and incentives that, while absent from direct paycheck calculations, play a crucial role in enhancing job satisfaction and fostering a productive work environment. These benefits can include extensive health insurance plans that safeguard employees and their families against medical expenses, robust retirement schemes that ensure financial stability during retirement, and abundant opportunities for professional development, such as specialized training courses, educational workshops, and conferences aimed at skill enhancement. Furthermore, flexible work arrangements, including options for remote work and customized schedules, empower employees to harmonize their personal obligations with professional duties, thereby significantly boosting their overall contentment and loyalty to the organization.

The correlation between these forms of indirect compensation and job performance is both profound and multifaceted. Employees who feel valued through comprehensive benefits are

more likely to demonstrate heightened engagement, commitment, and effectiveness in their roles. Studies have shown that when civil servants perceive their work environment as supportive and fulfilling, they often exhibit increased productivity levels, reduced absenteeism, and improved overall morale. In Anambra State, the deliberate emphasis on strengthening indirect compensation illustrates a forward-thinking strategy in public sector management. This approach acknowledges that driving exceptional employee performance goes beyond mere financial incentives; it encompasses a holistic understanding of the emotional and psychological well-being of civil servants. By actively investing in a diverse portfolio of indirect compensation, the Anambra State government strives not only to expand a motivated and competent workforce but also to cultivate a culture of excellence where public servants are encouraged to excel in their commitment to the community. Thus, the dynamic interplay between indirect compensation and employee performance constitutes a foundational aspect of strategic human resource management in the civil service. The implications of this relationship resonate deeply within the realms of governance and public administration in Anambra State, signifying a commitment to creating a civil service that is not only effective and efficient but also profoundly responsive to the needs and aspirations of the citizenry it serves.

## 2.3 Empirical Framework

Agbo and Okeoma (2022) examined the impact of fringe benefit on the performance of workers in the hospitality industry in top rank hotels and Nike Lakes Resort Hotel Enugu. The researchers adopted descriptive survey design. The population of the study comprised forty-nine staff of the organization. Having analyzed the distributed 49 questionnaires to staff and analyzed using linear simple regression. The study showed that fringe benefit has a significant impact on workers performance in the selected hotels in Enugu State.

Zulkiflee *et al.* (2021) examined fringe benefit and job satisfaction in SME in Selangor. This study is aimed to investigate the relationship between fringe benefit and job satisfaction among SME workers in Selangor. Four research questions and four hypotheses guided the study. The study was correlational research design. Data were collected from 200 workers with various backgrounds by distributing questionnaires using a convenient sampling approach. The collected data of 200 were analysed by using the PLS-SEM. The findings indicate a positive correlation between fringe benefit and job satisfaction in SME's employees.

Nzewi *et al.* (2021) ascertained physical work environment and employee performance in selected brewing firms in Anambra State, Nigeria. The work adopted a correlational research design. The population of the study was 550 and sample size was 233 arrived at using Taro Yamane formula while the questionnaire was allocated using Bowley's proportion allocation formula. Pearson's Product Moment Correlation Co-efficient was utilized in data analysis. The finding revealed that there is a significant positive relationship existing between physical work environment and employee performance in selected brewing firms in Anambra State, Nigeria.

Udodiugwu et al (2024) evaluated the impact of indirect compensation on employee job performance in the Enugu State Civil Service Commission. The study employed a cross-sectional survey research design with a population of 280 participants, comprising staff from the Administration, Planning & Budgeting, and Research & Statistic Units, spanning grade levels 2-16 within the Enugu State Civil Service Commission. Data collection was carried out using a questionnaire as the primary tool, and the collected data were rigorously analyzed

using the Pearson correlation coefficient in the Statistical Package for Social Sciences (SPSS) version 23. The findings from the study revealed a positive significant impact of indirect compensation metrics on employee performance of the Enugu State Civil Service Commission.

Seidu *et al.* (2020) explored the impact of compensation taking into consideration elements such as salary, rewards, incentives, and indirect compensations impact on employee's performance in AngloGold Ashanti Obuasi, Ghana. The study adopted the descriptive survey design. Using a simple random sampling approach, a questionnaire was administered to 240 employees in the organization with 222 completing them and same adopted for the study. The study used the SPSS version 26 to process the data after all errors were corrected and data coded. Mean and multiple regression analysis were employed to analyze and give meanings to the output. The results indicated that salary, rewards, incentives, and indirect compensations have a positive and significant impact on employee performance.

**Materials and Method**

The design of the study was correlational survey research design. The rationale for adopting this design was to examine the indirect compensation relates to employees' job performance Anambra State civil services. The study was carried out in Anambra State of Nigeria. Anambra State is one of the five states that make up South-East Nigeria. The population for the study consisted of the five layers of civil servants (Administrative class, Professional class, Executive Class, Clerical Class and Messengerial class) working in the eleven (11) ministries under the Anambra state civil service commission as listed in the table below. The sample size for this study was statistically determined using the Borg & Gall (1979) formula for a finite population. This formula was used because it is scientific in nature and it adopts the probabilistic method of determining a sample from a population under survey. Thus, Borg & Gall formula is written as: **$n= [(Zx)^2 (e) (N)]$**

Where:
n= the number of samples (?)
$Zx^2$= confidence level which is constant at $\sqrt{1.960}$ or $1.960^2$
N= the total population (finite) which is given as (8932).
e = level of significance (at 0.05 or 5%)

Therefore: n = $[(1.960)^2 (0.05) (8932)]$
n = $[(3.8416) (0.05) (8932)]$
n = $[3.8416 \times 0.05 \times 8932]$
n = 1715.65 approximately 1716
n = 1716 Thus, the sample size to be considered for this study will be 1716

A probabilistic sampling method known as stratified random sampling was employed in selecting the units of observation. Having determined the sample size and the proportion of each category of the civil servants in the sample, sampling units that could easily be accessed and adequately located were selected using the sampling frame (nominal roll of all the ministries). This method was adopted in preference to random sampling because previous experience in similar studies has shown that civil servants are extremely difficult to track down in their offices.

**Table 3.2 Categories of Staff Class Cadre in the Anambra State Civil Service**

| S/No | Categories of Staff/ Level | Population | Sample Proportion | Per (%) Total |
|---|---|---|---|---|
| 1 | Administrative Class (13-16) | 359 | 68.97 | 4.019 |
| 2 | Professional Class (10-12) | 1098 | 209.2 | 12.19 |
| 3 | Executive Class (07-09) | 2674 | 513.7 | 29.93 |
| 4 | Clerical Class (04-06) | 2586 | 496.8 | 28.95 |
| 5 | Messenger Class (01-03) | 2215 | 425.5 | 24.79 |
| | Total | 8932 | 1716 | 100 |

Source: ASCSC (2024)

**Table 3.3: Population and Sample Proportion for Departments**

| S/No | Departments | Population | Sample Proportion | Per (%) of |
|---|---|---|---|---|
| 1 | Administration Section | 3447 | 101 | 33.7 |
| 2 | Planning & Budget Section | 2588 | 148 | 49.3 |
| 3 | Research & Statistic Section | 2897 | 51 | 17.04. |
| | **Total** | **8932** | **300** | **100.0** |

**Source:** Field Survey, 2025

The instrument for data collection was the structured questionnaire titled: Indirect Compensation Questionnaire (ICQ) and Employees' Job Performance Questionnaire (EJPQ)." The instruments were subjected to face validity by in experts in measurement & evaluation to ensure that the instruments contain all the aspects of the subject matter. The instruments were trial-tested using a single administration in a representative sample of 20 employees randomly selected from Anambra state fire service that was not included in the study in Anambra State. The responses of the employees were collected to determine the internal consistency of the items in each of the instrument. This was done using Cronbach Alpha reliability coefficient. The instruments were administered to the respondents by the researcher with the help of two research assistants that were briefed on how to administer and retrieve the instrument from the sampled respondents. The process was 'on the spot hand delivery' for the administration and collection of the instrument from the respondents whereby the researcher and her assistants waited for the respondents to fill the questionnaire immediately and retrieve them back. Pearson Product Moment Correlation was used for the study and the hypotheses were tested at 0.05 level of significance. The Statistical Package for Social Sciences (SPSS) version 25 was utilized for the study. For the decision rule, Nworgu's (2015) guidelines were used to describe the magnitude and direction of correlation between two variables.

Correlation (r) of +/- 0.00 to 0.19 = Very Low Relationship
Correlation (r) of +/- 0.20 to 0.39 = Low Relationship
Correlation (r) of +/- 0.40 to 0.59 = Moderate Relationship
Correlation (r) of +/- 0.60 to 0.79 = High Relationship
Correlation (r) of +/- 0.80 and Above = Very High Relationship

Where the negative coefficient indicates a negative relationship or correlation between variables, positive coefficient indicates positive relationship or correlation between variables. To ascertain whether the correlation was significant, if probability value (p-value) is equal to or less than 0.05 level of significance, the null hypothesis was rejected which indicates that the relationship was significant. Where it was greater than 0.05 level of significance, the null hypothesis was not rejected.

## 4.1 Data Presentation and Analysis

### 4.1.1 Questionnaire Distribution Analyses

**Table 4.1:** Questionnaire Distribution Analyses

| Category | Participants N | Percentage (%) |
|---|---|---|
| **Questionnaire Returned** | 1699 | 99 |
| **Questionnaire not Returned** | 17 | 1 |
| Total | **1716** | **100** |

**Source:** Field Survey 2025

Analysis in Table 4.1 revealed that, out of the one thousand one hundred and sixteen (1716) questionnaire distributed, one thousand six hundred and ninety nine (1699) were completed and retrieved, thus, showing 99% response rate, while seventeen (17) showing a 1% response rate copies were misplaced and filled wrongly.

### 4.1.2 Analysis of Research Questions

#### 4.1.2(i) Analysis of Research Question One

To what degree does bonus award relate to employees' task performance in Anambra State civil service?

**Table 1:** Summary of Pearson Product Moment Correlation on the extent bonus award relate to employees' task performance in Anambra State civil service

| Variables | N | r | $r^2$ | Remark |
|---|---|---|---|---|
| **Bonus Award** | 1699 | | | |
| | | 0.552 | 0.747 | High Positive Relationship |
| **Employees' Task Performance** | 1699 | | | |

***Significant at p < 0.05*

The summary result of Pearson Product-Moment Correlation Coefficient in Table 1 showed that bonus award is positively related to employees' task performance in Anambra State civil service with: r = 0.552, $r^2$ = 0.747 and N = 1699. The Pearson 'r' revealed a positive correlation coefficient value of 0.552 which implied that a unit increase in the bonus award leads to 0.552 (55%) increase in employees' task performance in Anambra State civil service and vice versa. The coefficient of determination ($r^2$) which was valued at 0.747 showed that the explanatory power of the variable was highly strong. This implies that 75% of the variations in employees' task performance in Anambra State civil service were accounted for by the variations in the bonus award.

#### 4.1.2(ii) Analysis of Research Question Two

To what magnitude does work environment relate to employees' conceptual performance in Anambra State civil service?

**Table 2:** Summary of Pearson Product Moment Correlation on the extent work environment relate to Conceptual performance in Anambra State civil service

| Variables | N | r | $r^2$ | Remark |
|---|---|---|---|---|
| **Work Environment** | 1699 | | | |
| | | 0.453 | 0.536 | Moderate Positive Relationship |
| **Conceptual Performance** | 1699 | | | |

***Significant at p < 0.05*

The summary result of Pearson Product-Moment Correlation Coefficient in Table 2 showed that work environment is positively related to employees' task performance in Anambra State civil service with: r = 0.453, $r^2$ = 0.536 and N = 1699. The Pearson 'r' revealed a positive correlation coefficient value of 0.453 which implied that a unit improvement in employees' work environment leads to 0.453(45%) improvement in employees' conceptual performance in Anambra State civil service and vice versa. The coefficient of determination ($r^2$) which was valued at 0.536 showed that the explanatory power of the variable was moderately strong. This implies that 54% of the variations in employees' task performance in Anambra State civil service were accounted for by the variations in employees' work environment.

### 4.1.2 (iii) Analysis of Research Question Three

To what degree does fringe benefits relate to employees' task performance in Anambra State civil service?

**Table 3:** Summary of Pearson Product Moment Correlation on the extent fringe benefits relate to employees' task performance in Anambra State civil service

| Variables | N | r | $r^2$ | Remark |
|---|---|---|---|---|
| **Fringe Benefits** | 1699 | | | |
| | | 0.523 | 0.634 | High Positive Relationship |
| **Employees' Task Performance** | 1699 | | | |

***Significant at p < 0.05*

The summary result of Pearson Product-Moment Correlation Coefficient in Table 3 showed that fringe benefits is positively related to employees' adaptive performance in Anambra State civil service with: r = 0.523, $r^2$ = 0.634 and N = 1699. The Pearson 'r' revealed a positive correlation coefficient value of 0.523 which implied that a unit increase in the fringe benefits to employees leads to 0.523(52%) increase in employees' task performance in Anambra State civil service and vice versa. The coefficient of determination ($r^2$) which was valued at 0.634 showed that the explanatory power of the variable was highly strong. This implies that 63% of the variations in employees' task performance in Anambra State civil service were accounted for by the variations in the fringe benefits to employees.

## 4.2 Test of Hypotheses

### 4.2.1 Test of Hypothesis One

**$H_{01}$:** Bonus award does not significantly relate to employees' task performance in Anambra State civil service.

**Table 4:** Summary of Pearson Product Moment Correlation on the significant correlation between payment of salaries and employees' task performance in Anambra State civil service.

| Variables | N | r | $r^2$ | p-value | Remark |
|---|---|---|---|---|---|
| Bonus Award | 1699 | | | | |
| | | 0.552 | 0.747 | 0.000 | Significant |
| Employees' Task Performance | 1699 | | | | |

***Significant at p < 0.05*

The summary result of Pearson Product Moment Correlation Coefficient in Table 4 showed the significant relationship between bonus award and employees' task performance in Anambra State civil service with p-value = 0.000. Since p-value (0.000) is less than 0.05, the

study rejected the null hypothesis that bonus award does not significantly relate to employees' task performance in Anambra State civil service and accepted the alternative hypothesis that bonus award significantly relates to employees' task performance in Anambra State civil service.

### 4.2.2 Test of Hypothesis Two

**$H_{02}$:** Work environment does not significantly relate to employees' conceptual performance in Anambra State civil service.

**Table 5:** Summary of Pearson Product Moment Correlation on the significant correlation between work environment and employees' conceptual performance in Anambra State civil service

| Variables | N | r | $r^2$ | p-value | Remark |
|---|---|---|---|---|---|
| Work Environment | 1699 | | | | |
| | | 0.453 | 0.536 | 0.000 | Significant |
| Conceptual Performance | 1699 | | | | |

***Significant at p < 0.05*

The summary result of Pearson Product Moment Correlation Coefficient in Table 5 showed the significant relationship between work environment and employees' conceptual performance in Anambra State civil service with p-value = 0.000. Since p-value (0.000) is less than 0.05, the study rejected the null hypothesis that work environment does not significantly relate to conceptual performance in Anambra State civil service and accepted the alternative hypothesis that work environment significantly relates to employees' task performance in Anambra State civil service.

### 4.2.3 Test of Hypothesis Three

**$H_{03}$:** Fringe benefits does not significantly relate to employees' task performance in Anambra State civil service.

**Table 6:** Summary of Pearson Product Moment Correlation on the significant correlation between fringe benefits and employees' task performance in Anambra State civil service

| Variables | N | r | $r^2$ | p-value | Remark |
|---|---|---|---|---|---|
| Fringe Benefits | 1699 | | | | |
| | | 0.523 | 0.634 | 0.000 | Significant |
| Employees' Task Performance | 1699 | | | | |

***Significant at p < 0.05*

The summary result of Pearson Product Moment Correlation Coefficient in Table 6 showed the significant relationship between fringe benefits and employees' task performance in Anambra State civil service with p-value = 0.000. Since p-value (0.000) is less than 0.05, the study rejected the null hypothesis that fringe benefits does not significantly relate to employees' task performance in Anambra State civil service and accepted the alternative hypothesis that fringe benefits significantly relates to employees' task performance in Anambra State civil service.

## 4.3 Discussion of findings

### 4.3.1 Bonus award and Employees' Task Performance in Anambra State Civil Service

Findings on the degree to which bonus award relates to employees' task performance in Anambra State civil services revealed that payment of salaries positively relate to employees' task performance in Anambra State civil services to a high extent. This means that high improvement in bonus award result to high improvement in employees' task performance in Anambra State civil service and vice versa. The study also showed that bonus award significantly related to employees' task performance in Anambra State civil service. The result of the study support the views of Ileka and Muogbo (2020) who observed that civil servants can be effectively motivated collectively for improved performance through implementation of bonus award whenever it occurs. Also, the result of the study finds relevance and support in the work of Seidu *et al*. (2020) who found that employees perceive increase in wages as a form of confidence that management places on them and therefore motivates them to perform better. This corroborates the findings of Sunoma et al. (2022) that indirect compensation in the form of bonus award, salaries and wages improve performances of the employees in an organization. They asserted that bonus award serve as motivational tool and have significant relationship with workers' performance in Nigerian organisation.

### 4.3.2 Work Environment and Employees' Conceptual Performance in Anambra State Civil Service

Findings on the magnitude work environment relates to conceptual performance in Anambra State civil services revealed that work environment positively relate to employees' conceptual performance in Anambra State civil services to a moderate extent. This means that improvement in work environment of employees leads to improvement in employees' conceptual performance in Anambra State civil services and vice versa. The study also showed that work environment significantly related to employees' conceptual performance in Anambra State civil services. The finding is in agreement with the findings of Dashwep and Macha (2022) that almost 50% of employees agreed that there exist a strong relationship between physical working environment and motivation for them to perform. This shows that it is the responsibilities of the organization to provide friendly working environment which will influence employees to work comfortable and perform their job. Ukpong and Okon (2021) argued that, by having a good environment, the employees could apply their energy and their full attention to perform work. Onwunyi and Mba (2021) indicated that the workplace environment had a significant impact on shaping the performance of employees. Nzewi *et al.* (2021) asserted that if environment of workplace is suitable then it could lead to wellbeing of employees which in turn improves commitment to work by the employees.

### 4.3.3 Fringe Benefits and Employees' Task Performance in Anambra State Civil Service

Findings on the extent fringe benefits relate to employees' task performance in Anambra State civil services revealed that fringe benefits positively relate to employees' task performance in Anambra State civil services to a high extent. This means that increase in fringe benefits giving to employees leads to increase in employees' task performance in Anambra State civil services and vice versa. The study also showed that fringe benefits significantly related to employees' task performance in Anambra State civil services. It was evident from the study that fringe benefits motivated, engaged, get employees committed and satisfied with their job which in turn impact on their performance to the organization. It is therefore important for an organization to understand the current and future, workforce composition and offer the right package of fringe benefits and other programmes to attract, retain and engage the people. The findings are in congruent with the findings of Agbo and

Okeoma (2022) that fringe benefits have a positive and significant effect on employee performance. This also agrees with the findings of Zirra *et al.* (2019) that a positive correlation between employee benefits and organization performance. This also agrees with the findings of Toropova et al. (2021) that financial as well as non-financial reward, fringe benefits and recognition are strategic in the promoting and getting employees to perform or put in their best in the organizations. Zulkiflee *et al.* (2021) established that employees are committed to their work without compromise in whatever form with appropriate fringe benefits as motivators. It is also obvious that proper workplace environment helps in reducing the rate of absentees, while appropriate fringe benefits lead to job commitment and eventual facilitation of productivity.

### 5.1 Conclusion

Maintaining healthy employees' relations in an organization is a pre-requisite for organizational success. One way of maintaining good and healthy employees relations in an organization is by attaching good conditions of service and benefits to every job and task carried out by every employee in that organization. The study therefore concluded that indirect compensation in civil service positively and significantly related to employees' job performance in Anambra State, because indirect compensation are strong factors that motivate the employees to perform their assigned duties and get them committed to their work activities in the organizations

Based on the findings, the following recommendations were made:

i. Anambra State civil service commission should always implement the indirect compensation policies for effective civil service delivery. These polices will contribute immensely to enhancing and promoting professionalism, and ethical values of honesty, integrity, confidentiality, political neutrality, accountability, discipline and transparency in the conduct of government business.
ii. Anambra State civil service commission should continue treating their employees fairly concerning promotion to increase productivity. In addition, they should sustain their policies on promotions and career development. Thus, recruitment and promotion or advancement on the employees' remuneration should be strictly based on meritocracy, performance and achievement.
iii. Anambra State civil service commission should try as much as possible to build a work environment that attracts, retain and motivate its employees so as to help them work comfortable, boost their morale and increase organizational productivity.
iv. Anambra State civil service commission should enhance fringe benefits to attract, retain and motivate qualified, competent employees. Employers who provide more attractive benefits package have an advantage over other employers in hiring and retaining qualified employees. When strategies on fringe benefits are increased, employees are happy and it will help create a sense of loyalty and encourage their productivity in the organization.

### Contributions to knowledge

This study has contributed to knowledge by expanding the frontiers of literature in human resources management, underpinning the essence of embracing indirect compensation in the civil service. It has further proffered strategies on how better the head of the state civil service in Anambra State, and beyond can foster an effective work ethics and improved performance, through the implementation of bonus award, fringe benefits and conducive environment.

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