FINANCIAL INCENTIVES AND STAFF PRODUCTIVITY IN UNIFIED LOCAL GOVERNMENT SERVICE OF RIVERS STATE, NIGERIA

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Abstract
The main focus of this study is to examine the relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State, Nigeria. The unified service implies the uniformity in the condition of service of the workers of the 23 local government councils in Rivers State, where a staff can be transferred from one council to another and the staff enjoys the same condition of service. The study reviewed the concepts of financial incentives and staff productivity. The study adopted expectancy theory as its theoretical framework of analysis to explain the role of financial incentives as motivational strategy to positively enhance staff productivity in unified local government service of the state. The study used survey method and purposive sampling technique as the research design and sampling technique respectively. Primary and secondary data were generated for the study. The primary data generated from questionnaires items were presented in tables and analysed with the 4-point Likert scale with a 2.50 criterion mean as the standard. The study findings proved that payment of overtime, compensation, staff insurance, increase in basic salary, staff training allowances among others are some of the financial incentive packages adopted by the unified local government service of Rivers State to boost staff productivity. Also, the study as part of its findings noted that there is a significant relationship between payment of financial incentives and staff productivity in the 23 local government service of Rivers State, particular such financial incentives are paid promptly and accurately to the staff. Conclusively, the study recommends that various councils should improve its financial incentive packages and pay such financial incentives as at when due to enhance and sustain staff productivity in the 23 local governments.

Keywords: Financial incentives, local government service, motivation, staff productivity.

Introduction
The goal of every organisation is to maximize productivity, using the available resources of the organisation, including the available staff. The staff appears to be the critical asset of the organisation, hence, the need to manage them adequately, using the necessary instrumentalities of financial incentives to encourage their participation in the activities of the organisation. The incentives, particularly the financial aspect of it, serve as motivational force and propels the staff, when administered to them to be effectively productive. Mueller (2011)
adds that the reward system of the organisation to the staff affects the staff level of cooperation in the organisation, reaction to the organisational directives and productivity in the organisation.

The productivity of any organisation is usually dependent on the commitment of its staff to get job done; it is therefore logical to understand how these staff can be motivated. As far as staff productivity is concerned, staff motivation through financial incentives have been found to be the most commonly adopted technique used in enhancing productivity and service delivery at work place (Ogohi, 2019:p.48). Also, Zaman, Nadia, Shah, & Jamsheed (2011:p.328) stated that staff members are seen as the most important assets of any organisation; therefore to get efficient and effective result from them, financial reward as a motivation is necessary. Financial incentives play critical roles in the daily activities and responses of the staff in achievement of the organisational goals, especially in a very competitive and ever-changing economic environment, including the local government service. To Banjoko (1996:p.34), the most important issue to any staff is his/her financial and non-financial incentives, and could affect the management-employee relations, when not adequately managed and possibly lead to industrial dispute when neglected. This implies that organisations, including the local governments have to consider financial incentives for the staff as paramount in the organisation in order to motivate the staff for efficient productivity.

To Mundhra (2010) cited in Ogohi, (2019:p.41-48), motivation is significant and divided into two categories, namely intrinsic and extrinsic motivation. It is extrinsic, when it comes from external factors such as financial rewards and needs to be regular as to sustain the staff commitment and productivity. It is intrinsic, when it comes from the staff as a commitment and willingness to satisfy themselves and the organisation. Mundhra (2010) further stated that in today’s competitive and global workplace, financial incentive is one of the significant and strategic measures that successful companies adopt so as to attract many qualified candidates, retain highly skilled manpower, and maintain highly motivated workforce to get the best staff to help them execute the targets of the organisation, including local governments’ service.

To Milton (2013) cited in Ogohi (2019:p.42), incentives are rewards granted according to variations in the attainment of specific output. Financial incentive is a stimulus to activities of the staff in every organisation, be it private or public. Thus, financial incentive is any financial payment to staff in addition to wages. Financial incentives are therefore motivations for extra work, and when given to staff, they become more zealous and motivated to put in more efforts in making sure the organisation gets the best of productivity. Financial incentive as a reward system in local government service is to make the staff be more proactive and productive.

In light of today’s working conditions, especially in unified local government service of Rivers State, motivating people to give their best has become more crucial than ever before. To achieve its goal and objective, the local governments use the staff to develop strategies to compete among others in the state. Unified local government service implies the umbrella service covering all local government workers in Rivers State. The service is unified based on the principle that staff from one local government can work in another local government freely upon transfer of such staff, and such staff renders the required services and enjoy the same benefits when paid. Also, the conditions of service of staff are the same in all local
governments of Rivers State. The staff is noted as the main resource of the unified local government service, who are capable of making the unified local government service viable and more productive, succeed or fail if not properly managed, and therefore need proper financial incentive packages that are needed to enhance their productivity. This is because financial incentives often times determines the attitude of many workers at the work place, and also help in building cordial relationship between employees and management, which translates to organisational productivity.

Statement of the Problem
Local government service all over the world, and the unified local government service of Rivers State in particular is aimed at rendering services that will transform the rural areas. In Nigeria, local government service has received several reforms at different times, aimed at empowering the local government service to achieve effective service delivery to the people, using the local government staff. The staff remain the basic resource of the local government to transform other resources of the local government to a goal. Hence, the need to adequately motivate the staff for effective productivity and service delivery in local governments of Rivers State. However, it appears the unified local government service is not achieving its service delivery goal on account of poor staff productivity and low staff commitment to work. Considerably, it appears the low staff commitment and productivity could be attributed to either inadequate financial incentives packages for the staff or there are poor financial incentives to the staff of the unified local government service of Rivers State. Then, for the unified local government service to attain its goals in the state, it requires the unified local government service to understand the needs of the staff and work out modalities to provide them as to avoid lock down in the service (Mueller, 2011). Payment or nonpayment of financial incentives, no doubt could cause people to act in different positive or negative ways respectively, and could lead to industrial conflict when not attended to in the local government service, as note in recent industrial crisis in such councils as Emohua, Ahaoda West, Abua/Odual, Khana, Okirika Local Government Councils, etc of Rivers State, thereby accounting for low productivity, disruption of work process, poor commitment to work, low staff morale, and poor staff productivity in the service.

Research Questions
i. What are the financial incentive packages adopted by unified local government service of Rivers State for staff productivity?
ii. What is the relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State?

Objectives of the study
i. To identify the financial incentive packages adopted by unified local government service of Rivers State for staff productivity.
ii. To examine the relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State.
Conceptual Issues
Financial Incentives
Incentives have been found to be one of the means through which organisations can motivate and increase their staff productivity. Incentives can be used to incite or tend to incite greater effort because of the expected reward offered for increased productivity. Incentives are therefore motivations for work to achieve a particular objective. Incentives can also be described as any compensation with the exception of basic wages or salaries that vary based on the capacity of the workforce to attain certain standards, such as pre-determined procedures and stated organisational goals and objectives (Martocchio, 2006:p.67).

Meridith (2015) cited in Ogohi (2019:p.42) sees incentives as any factor which increases the zeal and commitment of an employee or group of employee’s to perform better and to exert more effort beyond expectations. Hartman, Kurtz & Moser (1994:p.35) state that incentives are one technique by which employee’s carry out their end of the employment contract, that is, compensating employee’s for their efforts in bringing about productivity. In general, an incentive scheme (payment or programme) is any compensation that has been designed to recognize some specific accomplishment on the part of an employee. It is expected that the prospect of the incentive payment will trigger the desired productivity from the staff.

To Condy, Richard, & Harold (2003:p.46), incentives are instrumental drive towards employee motivation and performance and it has great benefits and high potentials to motivate workers to put in their best in any given task. Incentive is a force that causes employees to behave in certain ways as a result of what they expect to gain afterwards, and is grouped into financial and non financial incentives.

Non-financial incentives focus mainly on the fulfillment of these needs and thus cannot be measured in terms of money. Examples of non financial incentives are: career advancement opportunities, job enrichment, job security, employee recognition programme, employee participation in decision making process and employee empowerment. To this study, non-financial incentives comprises of the motivational benefits given to the workers who work for any organization that helps them achieve their psychological needs.

Financial incentives are seen as any programme designed to motivate staff to improve their productivity – to increase effort and output and by producing better results. The primary aim of incentive packages is to increase staff productivity service delivery. This paper also sees incentives as any positive motivational influence given to staff in an organisation which in turn encourages such a staff or group of staff to improve their performance. Financial incentives have become crucial in today’s socio-economic world, as money has become a critical demand in life of every staff, including those of local governments. Staff need money to satisfy their needs as it has purchasing power. Financial incentives refer to those incentives which are in direct monetary forms, namely money or can be measured in monetary terms. Pattanayak (2005:p.45) posits that financial incentives can come in different forms such as; increase in basic salary, payment of compensation, insurance, profit sharing, retirement plans, employee stock, overtime pay, attendance incentives, competition and contests, output-oriented merit increases, performance bonuses, piecework, safety incentives, suggestion awards to the staff, etc. This study notes financial incentives to mean all those monetary
packages which can be given to staff members in unified local government service of Rivers State so as to bring out the best in them and get them more committed to their work, thereby enhancing the staff productivity in the service. Financial incentives provide monetary and future economic security needs of the staff, and therefore are considered paramount in staff scale of demands from the management. Hence, its payment and nonpayment affect the staff attitude to work.

Staff Productivity

Productivity is the quantitative relation between what is produced and what is used as resources to produce them. To Rathnam (1990:p.189), productivity is the transformation of inputs which include the available raw materials into something meaningful. Productivity is frequently lauded by the business community, media commentators and politicians as the solution to improving living standards, yet there is little agreement on what productivity actually means (Rathnam, 1990:p.189). To economists, productivity is the efficiency with which organisations, and the economy as a whole, convert inputs (labour, capital, and raw materials) into output (Faraday, 1971). Bhatti & Qureshi (2007:p. 54) are of the view that productivity can be seen as a measure of performance that encompasses both efficiency and effectiveness. More precisely, productivity is a measure that indicates how well essential resources are used to accomplish specified objectives in terms of quantity and quality within a given time frame. It is suitable when measuring the actual output produced compared to the input of resources, taking time into consideration. It can also be referred to as the ratio of output or production capacity of the workers in an organisation. Bhatti & Qureshi (2007:p.55) further stated that productivity is the correlation that exists between the quantity of inputs and outputs from a clearly defined process. The performance of a business which determines its continued existence and development is largely dependent on the degree of productivity of its workers (Zama, 2011:p.327). Productivity is noted when output reflects a higher percentage of what is invested.

To Udo-Aka (1983) cited in Ogohi (2019:p.48), productivity is a measure of overall production efficiency, effectiveness and employee’s productivity of the individual organization. This study again assumes that productivity is effectiveness, efficiency, employee’s productivity and growth. For any organisation to become productive there must be adequate financial incentives into the human factors that work for such organisation and they in turn maximize available material to increase productivity. Productivity over time has become a global concern, which every organization is concerned about because it determines the longevity of organisation (Arraya & Pellissier, 2013:p.99). Indeed, productivity is the key for the survival of any organisation.

Lawler (2003:p.35) stated that the longevity of any organisation is determined by the way the staff who work in such organisation are rewarded and motivated at any given time. This is because the performance of any organisation is dependent on the commitment of the working staff. We can therefore say that financial incentives determine the level of staff productivity and their attitude to work. When organisation carries out recruitment process in the search for new hands, they go for the best and capable hands to do the job. This is because they expect high productivity from such group of persons. When such staff is employed, they are assigned to different functions within the organisation which they are expected to perform in order to
help grow the organisation. This study sees staff productivity to mean the level of productivity and commitment exhibited by the staff who work in unified local government service of Rivers State. Also, it is the total number of staff output measurable to their inputs.

Dixit and Bhati (2012) noted that poor incentives packages have been a major factor affecting staff productivity. However, for any organization to achieve its objectives and set out goals in any competitive organisation, employers of labour must have a thorough understanding of what drives the staff to perform efficiently and reward them accordingly (Mueller, 2011). Besides, when a staff is motivated through financial incentives and other reward systems, he or she becomes encouraged to be more proactive at work place which will in turn help the organisation to increase productivity (Armstrong, 2007). Bernardin (2007:p.45) posits that worker’s level of productivity is dependent on the extent at which workers believe that certain motivational desires will be fulfilled. This means that workers become demoralized and less productive once they perceive that their desires can’t be met. Staff productivity is dependent on the level of motivation or reward attached to the task.

Theoretical framework
Expectancy Theory
Expectancy theory of motivation was developed by Victor H. Vroom in 1964 and popularised by Porter and Lawler in 1968. The theory assumes that our behaviour is based on making a conscious choice from a set of possible alternative behaviours. The theory proposes that the behaviour we choose will always be the one that maximizes our pleasure and minimizes our pain (Vroom, 1964). Expectancy theory lays more emphasis on performance variables. The theory believes that a person’s motivation toward an action would be determined by the expectation that the effort would culminate in success (George & Jones, 2012). Basically, to Vroom (1964) expectancy theory posits that staff will be motivated to increase productivity when they believe that efforts will lead to good performance reward or incentive such as bonuses, salary increase, or a promotion that will satisfy the employees’ personal goals. The theory outlines three key elements that determine a worker’s level of motivation: expectancy, instrumentality and valence (Estes & Polnick, 2012:p.5).

The diagram below further illustrates the Expectancy theory;

**Figure 1: Vroom’s Expectancy Theory**

<table>
<thead>
<tr>
<th>Effort</th>
<th>Performance</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expectancy:</strong> Perceived likelihood that effort leads to quality performance</td>
<td><strong>Instrumentality:</strong> Perceived likelihood that quality performance leads to preferred outcomes</td>
<td><strong>Valence:</strong> Value of expected outcomes to the worker</td>
</tr>
</tbody>
</table>

Source: (Vroom, 1964)
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Effort -> Performance relationship (performance expectancy)
Expectancy is the belief that if you work hard (effort) you will be able to hit the targets (performance) that have been set for you by your manager.

Performance -> reward relationship (performance-outcome expectancy)
Employees believe that performing at a particular level will result in desired outcome.

Rewards- personal goals relationship (outcome valence)
Employees believe that organizational rewards (outcome) will satisfy their personal goals.

Expectancy as element of expectancy theory is the momentary belief regarding the possibility that a specific action will be accompanied by a specific outcome. George and Jones (2012) stated that for workers to be motivated and perform at higher levels, all conditions must be satisfied. Thus, the Rivers State local government service administrators must entice the staff with financial and other incentives so as to increase their expectancy, and this will make the staff to work hard to increase their productivity.

Instrumentality, which is the second element associated with the expectancy theory, refers to the worker’s perception and confidence that first level outcome will lead to second level outcome (Vroom, 1964). This is to say that workers will place high valence on performance at higher levels when they believe that such a level of performance is instrumental in gaining other gratifying outcomes, such as additional financial payments.

Valence, Vroom (1964) described valence as a function of the desires, principles, goals, and sources of inspiration guiding workers. Purvis, Zagenczyk & McCray (2015:p.6) defined it as the level of individual attractions of the kind of benefits that accompany the attainment of set organisational objectives. The logic here is that when staff knows that they have a commiserate reward (valence), particularly when such reward is financial, they will be motivated to put in more effort (commitment, dedication, time) to the job, which will help them increase their productivity (instrumentality) so as to meet the targets set out for them after which they can get their reward.

The applicability of the expectancy theory to this study is based on the relevance of motivation, particularly financial incentives to the staff of unified local government of River State. Staff are always, expectant of financial reward in different forms form the management, and when such rewards are paid, it encourages the staff for better productivity, and when such rewards are denied or delayed, it affects negatively the staff attitude to work and results to low staff productivity in the service. In a clear term, expectancy theory is appropriate for this study due to the focus of the study on examining the relationship between financial incentives and staff productivity in unified local government service of River State.

Methodology
The study adopted survey method and the purposive sampling technique respectively as the design and sampling technique for the study. It helps in generating information with the aid of a questionnaire and it also helps the researcher to cover a large population during the study.
The research used primary and secondary sources of data. The primary data were collected from questionnaire items generated on the subject matter to answer the research questions. The study used sixteen (16) questionnaire items and administered 180 copies of research questionnaires to three selected local government councils, with each representing a senatorial district in the state namely; Eleme Local Government Council in Rivers South-East Senatorial District, Ahoada-West Local Government Council in Rivers West Senatorial District, and Obio-Akpor Local Government Council in Rivers East Senatorial District, with the intention that the result of the study will be generalised to the entire local government service of Rivers State. A total of one hundred and fifty (150) copies of the questionnaire were retrieved successfully without error and used for the study. The questionnaire is divided into two parts, namely party one on financial incentive packages, and part two on financial incentives and staff productivity. Each part has 8 questionnaire items on the subject matter. The secondary data were collected from journals, newspapers, online materials, textbooks bothering on the subject matter.

The primary data generated from the respondents were analyzed with the use of statistical tables and criterion mean based on the four-point Likert rating scale, while content analysis was used as a tool to analyse the secondary data. Also, likert scale method (on 4-point scale) was used to generate the mean and the standard deviation. The results of the analysis were used to agree or disagree with the questionnaire items, and answer the research questions of the study.

A criterion mean is determined as follows: SA = 4; A = 3; D =2; SD = 1

Hence; criterion mean Weighted total

\[
\text{Sample size}
\]

and;

This \[
\frac{4 + 3 + 2 + 1}{4} = \frac{10}{4} = 2.5
\]

Hence, the sum of the scores divided by the total number of options, thus 2.5 becomes the criterion mean. Any item that has a mean score which is below 2.5 is regarded as negative and therefore disagreed and rejected, while any mean from 2.5 and above is regard as positive and therefore agreed and accepted.
Data Presentation and Discussion of Findings

Table 1: Questionnaire Distribution Table

<table>
<thead>
<tr>
<th>S/N</th>
<th>Local Government Councils (LGC) and Senatorial District (SD)</th>
<th>Number of questionnaires administered</th>
<th>Number of questionnaires retrieved without error and used</th>
<th>Invalid questionnaires</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Eleme LGC (Rivers East SD)</td>
<td>60</td>
<td>53</td>
<td>7</td>
</tr>
<tr>
<td>2.</td>
<td>Ahoada-West LGC (Rivers West SD)</td>
<td>60</td>
<td>46</td>
<td>14</td>
</tr>
<tr>
<td>3.</td>
<td>Obio-Akpor LGC (Rivers South East SD)</td>
<td>60</td>
<td>51</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>180</td>
<td>150</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: Field work, 2020

Table 1 above show the rate of questionnaire distributions and retrieval among the three selected local government councils of Rivers State, namely Eleme LGC, Ahoada-West LGC and Obio-Akpor LGC. Sixty (60) copies of the questionnaires were evenly administered totaling 180 copies. Although the total number of questionnaires retrieved varied, 53 copies were retrieved from Eleme LGC, 46 copies from Ahoada-West LGC, and 51 copies was retrieved from Obio-Akpor LGC, totaling 150 copies successfully retrieved and validity used for the study, while 30 copies of the questionnaires were invalid with Eleme LGC having 7 copies, Ahoada-West LGC having 14 copies, and Obio-Akpor LGC having 9 copies. These invalid copies were not used for the study.

Research Question One: What are the financial incentive packages adopted in unified local government service of Rivers State for staff productivity?

Table 2: Respondents’ perceptions on the types of financial incentive packages that could motivate staff productivity in unified local government service of Rivers State

<table>
<thead>
<tr>
<th>S/N</th>
<th>Types of financial incentives that could motivate staff to increase productivity</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>Mean</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Overtime pay/performance bonuses</td>
<td>42</td>
<td>40</td>
<td>29</td>
<td>39</td>
<td>150</td>
<td>2.56</td>
<td>Accepted</td>
</tr>
<tr>
<td>2.</td>
<td>Honorary staff awards</td>
<td>21</td>
<td>40</td>
<td>39</td>
<td>50</td>
<td>150</td>
<td>2.21</td>
<td>Rejected</td>
</tr>
<tr>
<td>3.</td>
<td>Payment of compensation/staff insurance</td>
<td>46</td>
<td>48</td>
<td>30</td>
<td>26</td>
<td>150</td>
<td>2.76</td>
<td>Accepted</td>
</tr>
<tr>
<td>4.</td>
<td>Prompt payment of staff retirement benefits</td>
<td>40</td>
<td>46</td>
<td>30</td>
<td>34</td>
<td>150</td>
<td>2.61</td>
<td>Accepted</td>
</tr>
<tr>
<td>5.</td>
<td>Increase in Basic salary</td>
<td>50</td>
<td>40</td>
<td>38</td>
<td>22</td>
<td>150</td>
<td>2.78</td>
<td>Accepted</td>
</tr>
<tr>
<td>6.</td>
<td>Regular payment of leave bonuses/allowances</td>
<td>52</td>
<td>39</td>
<td>39</td>
<td>20</td>
<td>150</td>
<td>2.82</td>
<td>Accepted</td>
</tr>
</tbody>
</table>
Table 2 above has 8 research questionnaire items on the subject of types of financial incentives packages that could motivate staff to increase productivity. The result from table 2 above shows that research questionnaire item number 1 was accepted with 2.56 mean, which implies that the payment of overtime and performance bonuses to staff of the unified local government service of Rivers State was identified as a financial incentive package to the staff. However, respondents’ responses proves that research questionnaire item number 2 on table 2 above was rejected with a mean of 2.21, meaning that the honorary awards to staff without financial backup was not noted as financial incentive package and therefore does not motivate staff adequately. The research questionnaire item number 3 on table 2 above was accepted with a mean of 2.76, meaning that the payment of compensation and implantation of staff insurance policy for the staff was identified as one of the financial incentive packages for the staff of the unified local government service of Rivers State. The research questionnaire item number 4 on table 2 was accepted with a mean of 2.61, representing the fact that prompt payment of retirement benefits to retired staff of the unified local government service of Rivers State was noted as financial incentive package in the service. The research questionnaire item number 5 on table 2 was accepted with a mean of 2.78, proving that regular increase in basic salary of the staff was noted as a financial incentive package in the service. The research questionnaire item number 6 on table 2 was accepted, showing that regular payment of leave bonuses and allowances to the staff was identified as one of the financial incentive packages for the staff of the service. Respondents’ responses on research questionnaire item number 7 on table 2 above proved that payment of staff training allowance was accepted with a mean of 2.74 as a financial incentive package for the staff of the unified local government service of Rivers State. Finally, research questionnaire item number 8 on table 2 above proves that payment of Christmas bonuses and allowances to the staff was accepted with a mean of 2.90, as one of the financial incentive packages that motivates staff in the service.

The above findings imply that the respondents established that the payment of performance bonuses, compensation, insurance, Christmas bonus, training allowances, increase in basic salary, retirement benefits and other financial benefits are noted as various financial incentive packages staff enjoy in unified local government service of Rivers State Rivers State. And when the financial packages are adequately implemented, the staff are motivated and in turn increase their productivity. This is in line with the view of Pattanayak (2005), which says that financial incentive packages can come in different forms such as; compensation, insurance, profit sharing, retirement plans, employee stock, overtime pay, attendance incentives, competition and contests, output-oriented merit increases, performance bonuses, piecework, safety incentives, etc., and when applied, it motivates the organisational staff for higher productivity. The above findings provided answers to the research question one of the study, based on the respondents’ responses to the research questionnaire items in table 2 above. This therefore proves that that are significant financial incentive packages adopted in unified local government service of Rivers State for staff productivity.
Research Question two: What is the relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State?

Table 3: Relationship between payment of financial incentive and staff productivity in unified local government service of Rivers State

<table>
<thead>
<tr>
<th>S/N</th>
<th>Relationship between payment of financial incentive and staff productivity in unified local government service of Rivers State</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>Total</th>
<th>Mean</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Financial incentives increases staff productivity</td>
<td>49</td>
<td>37</td>
<td>29</td>
<td>35</td>
<td>150</td>
<td>2.66</td>
<td>Accepted</td>
</tr>
<tr>
<td>2.</td>
<td>Staff becomes more committed to work when giving financial incentives</td>
<td>36</td>
<td>69</td>
<td>20</td>
<td>25</td>
<td>150</td>
<td>2.77</td>
<td>Accepted</td>
</tr>
<tr>
<td>3.</td>
<td>Staff perform better when they receive financial incentives</td>
<td>50</td>
<td>46</td>
<td>26</td>
<td>28</td>
<td>150</td>
<td>2.78</td>
<td>Accepted</td>
</tr>
<tr>
<td>4.</td>
<td>Payment of Financial incentives can lead to prompt attendance to duty</td>
<td>30</td>
<td>60</td>
<td>20</td>
<td>40</td>
<td>150</td>
<td>2.53</td>
<td>Accepted</td>
</tr>
<tr>
<td>5.</td>
<td>Staff productivity has no relationship with financial incentives</td>
<td>30</td>
<td>34</td>
<td>36</td>
<td>50</td>
<td>150</td>
<td>2.29</td>
<td>Rejected</td>
</tr>
<tr>
<td>6.</td>
<td>Staff become highly motivated and active when promised extra financial benefits</td>
<td>46</td>
<td>39</td>
<td>26</td>
<td>39</td>
<td>150</td>
<td>2.61</td>
<td>Accepted</td>
</tr>
<tr>
<td>7.</td>
<td>When motivated, staff become committed and equipped for any work</td>
<td>44</td>
<td>50</td>
<td>26</td>
<td>30</td>
<td>150</td>
<td>2.72</td>
<td>Accepted</td>
</tr>
<tr>
<td>8.</td>
<td>Staff are willing to take on new assignments when they know that they will be financially compensated</td>
<td>43</td>
<td>45</td>
<td>22</td>
<td>40</td>
<td>150</td>
<td>2.60</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Source: Field work, 2020

Table 3 above has eight (8) questionnaire items on subject of the relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State, and was interpreted based on the frequency of the respondents’ responses with different degree of percentages on each as discussed below. The result from research questionnaire item number 1 on table 3 above shows that payment of financial incentive increases staff productivity and was accepted with a mean of 2.66. Research questionnaire item number 2 was accepted with a mean of 2.77, which implies that staff becomes more committed to work when giving financial incentives. The respondents’ responses to research questionnaire item number 3 was accepted with a mean 2.78, meaning that staff perform better in unified local government service of Rivers State when they receive financial incentives. The research
questionnaire item number 4 was accepted with a mean of 2.53, proving that payment of financial incentives to staff can lead to prompt attendance to duty and increase in staff productivity. Research questionnaire item number 5 was rejected with a mean of 2.29, meaning that staff productivity has relationship with financial incentives in unified local government service of Rivers State. Research questionnaire item number 6 was accepted with a mean of 2.61, which implies that staff become highly motivated and active when promised extra financial benefits, thereby increasing their productivity in the service. The respondents’ responses to research questionnaire item number 7 proved that the respondents accepted that when staff are motivated, they become committed and equipped for any work in the unified local government service, thereby enhancing their productivity. Research questionnaire item number 8 on staff are willing to take on new assignments when they know that they will be financially compensated was accepted with a mean of 2.60, proving that financial incentives have influence on the staff willingness to work harder in the organisation.

The above findings provide answers to the research two of the study and clearly indications that there is a significant relationship between payment of financial incentives and staff productivity in unified local government service of Rivers State, and therefore the staff perform better when they are financially motivated. This is in line with the view of Myles (2002), who believes that company that seeks to train and develop its employees well and reward them financially for their performance would make the staff more productive. Furthermore, Vroom (1964) added that when staff are motivated, particularly financially, they put in more efforts to the job with the hope of receiving more. Staff expects to receive a reward after accomplishing a task, and thus will be motivated to do more when financial incentives are given to them. It becomes imperative to state that when organisation adequately pays financial incentives to the organisational staff, the staff improve their productivity and performance, as well as their loyalty to such organisation, including unified local government service of Rivers State.

**Conclusion**

Conclusively, the study noted that there are several financial incentive packages adopted by the unified local government service of Rivers State, among which are the prompt payment of retirement benefits to staff, increase in basic salary of staff, prompt payment of leave and other allowances as at when due, payment of compensation and overtime when necessary, etc. Significantly, the payment of financial incentive has impacts on the staff productivity in the service, as they perform better, when their financial entitlements are paid regularly and promptly or there is hope of payment of such benefits in future. Indeed, there is a significant relationship between payment of financial incentives and staff productivity and performance in unified local government service of Rivers State. Therefore, the study recommends that various local governments in Rivers State and beyond should adopt and implement the necessary financial incentive packages in their local governments, as significant strategy to motivate the staff and maximize their productivity and performance in the service.
References


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