

Rewards System and Employees' Job Satisfaction in Akwa Ibom State University

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Abstract

The study investigated the relationship between reward systems and employee job satisfaction in Akwa Ibom State University. More specifically, this research aimed to determine how promotions, as a variable within reward systems, affect job satisfaction levels of academic staff in the university. A random sample of 454 respondents, representative of the population, was selected using a cross-sectional survey design to conduct the investigation. Primary data were mainly obtained from a structured questionnaire. Hypotheses were tested through the Pearson Product-Moment Correlation (PPMC) method. The study found that promotions are significantly related to employees' job satisfaction at Akwa Ibom State University. The implication of the finding is that competition and timely promotions significantly impact job satisfaction. On the flipside, with less reward and no promotions, dissatisfaction arises. The study concluded that implementing a viable reward system will offer motivation and job satisfaction, to which employees respond by improving organisational performance. Other recommendations are the development of a major reward scheme that satisfies employee needs and the organisation's objectives.

Keywords: Reward system, employees, job, satisfaction, Akwa Ibom State University, Nigeria.

Introduction

Employee job satisfaction refers to the extent to which employees feel content with their work, and satisfied employees tend to deliver better performance (Ngwa et al., 2019). This is basically the case across all institutions worldwide, including universities. In this highly competitive labour market, universities face the challenges of competition and employee retention, making reward systems critical for attracting and retaining their best performers. It is, therefore, this system that sets universities in competition to deliver on their purpose, vision, and objectives.

The Nigerian context, especially that of Akwa Ibom State University, makes it all-important for any account of organisational outcomes to appreciate how the reward system might have affected job satisfaction. This study analysed promotion as one factor. Attempting

to find out how reward systems, promotional rewards in particular, relate to job satisfaction at Akwa Ibom State University is the focus of this study.

A promotion is basically an acknowledgement of an employee's hard work, skills, and contribution to the organisation. An acknowledgement of that sort increases the self-worth of an employee and might act as one channel through which job satisfaction could be enhanced. Ibanga & Uwah (2023) state that promotion contributes the most to job satisfaction. It comes with more responsibilities and more challenging tasks. The employees who are looking to their own professional development will, through these tasks, be motivated and fulfilled, and that becomes a plus factor in job satisfaction.

The merit of career opportunities to job satisfaction is emphasised by Iqbal (2019). According to him, promotions bring not only status in social circles and in an association but also recognition from the superiors themselves, which could lead to the feeling of achievement and pride in results, thus being conducive to job satisfaction.

It is stated in Escardibul & Afcha (2015) that with promotions, higher salaries come and additional financial benefits such as bonuses and stock options. Such financial incentives increase the standard of living for the employees and provide them with a feeling of financial independence and thus job satisfaction (Ikhenoba et al., 2023).

According to Shafi et al. (2018), wages and promotional opportunities make employees feel that their efforts are being acknowledged and rewarded. A promotion is a means of an employee moving along their career path. Opportunities for growth and development to achieve their long-term career goals may go a long way in sustaining the present level of job satisfaction. Clarity and transparency in the promotion procedure can bolster employee pride and motivation. Conversely, if promotions are considered unfair and the criteria are unclear, these will not form into effective rewards (Shafi et al., 2018).

When promotions are not well handled, workers are sure to become dissatisfied and hostile. If a promotion gave the impression it was based on nepotism, staff morale would go down immediately, along with every other employee's job satisfaction.

A promotion usually brings with it higher responsibilities coupled with higher-level tasks. Employees view these challenges as training grounds for their career growth and hence, increase their job satisfaction (Zakaria et al., 2020). Promotion increases the employees' social status as well as their influence in the organisation. Recognition, when coupled with power and authority, can often make people feel accomplished and proud of their profession, leading to job satisfaction. Besides that, promotions usually bring with them a pay increment and other financial benefits like bonuses and stock options. These monetary rewards imply better living conditions, which, in turn, provide a sense of security, enhancing job satisfaction (Shafi et al., 2018).

In the case of Akwa Ibom State University, the study of the impact of promotions as a reward system on employee job satisfaction can bring about useful insights that can be adopted to enhance organisational performance as well as improve retention strategies.

Statement of the Problem

Promotion is one of the most important variables, augmenting employee aspiration for career development and responsibilities. When duly promoted in an organisation like Akwa Ibom State University, the employees are bound to become loyal to it and be more efficient and satisfied with their work. Promotion is considered by employees to be beneficial for several reasons, like increases in salaries, authority, responsibility, and the freedom to make important organisational decisions, as highlighted in studies conducted over the years by Heath Field (2005). Musa (2021) is of the view that promoting employees in the right way creates an atmosphere/conduciveness where employees become loyal and committed and thus deliver quality service. Aguh (2020) showed a positive correlation between promotion and increased

employee productivity. Likewise, Mustapha (2020) showed the positive effects of promotion on the job performance and retention of employees.

In Akwa Ibom State University, challenges are related to the absence of financial incentive schemes, such as leave grant, domestic allowance, 13th-month salary, and other benefits that regular public servants and other employees of tertiary institutions in Akwa Ibom State enjoy. Since promotion is a very important avenue for rewarding staff, the non-existence of financial benefits can therefore cause worries about employee satisfaction and morale.

Additional issues in the promotion policy are that it is based on academic criteria, whereby citations, h-index, and i10-index play a role in faculty member promotions. As a result, some academic staff oscillate in ranks for too long; over time, very few professional growth opportunities go their way. Promotion delays may irritate and discourage individuals who would, in the absence of promotions, find alternative avenues for better job offers. Herein lies the importance of this study that seeks to assess the link between reward systems and job satisfaction of employees in Akwa Ibom State University.

Objectives of the Study

The main objective of this research is to examine the relationship between the reward system and employees' job satisfaction in Akwa Ibom State University. Specifically, the research examines the influence of promotion on employees' job satisfaction in Akwa Ibom State University.

Research Question

What is the extent of the influence of promotion on employees' job satisfaction in Akwa Ibom State University?

Research Hypothesis

There is no significant influence of promotion on employees' job satisfaction in Akwa Ibom State University.

Empirical Review

The study by Amehojo et al. (2022) centred on rewards and promotions as motivators among Nigerian civil servants. Data regarding government wages, promotions, and recognition prizes were gathered through documentary analysis. Based on John Stacey Adams's Equity Theory, the data supported a positive and significant relationship between motivation on the one side and rewards and promotion on the other. In other words, an employee's motivation increases with rewards and chances for promotion. The study recommended that compensation packages for civil servants be reviewed from time to time by and on behalf of government agencies to keep pace with inflation.

Abdulummini (2021) studied how equity promotion opportunities affected academic staff development in public higher education institutions. The study consisted of 938 academic staff members selected from four State higher learning institutions out of a total population of 1410. Using the Chi-square statistical method, the research established that since 2015, the State government had promoted teachers without increasing their salaries. Hence, the direct finding relates promotions to academic staff development. Promotion was concluded by the study to be a major factor in academic staff development, and it urged the State government to consider remuneration for it as a way to motivate staff toward improved performance.

Mahyudi et al. (2019) researched the factors affecting the promotion of public servants in the North Buton District Government. Using surveys and analysing the data with SEM, it was found that seniority, loyalty, and nepotism directly influenced promoting decisions, whereas good job performance, higher education level, and training seemed to have lesser

effects. The research indicated that nepotism is the main consideration behind civil servant promotions in the North Buton District Government. At the conclusion, the study presented some insights into the method and results behind these findings.

Rashid et al. (2018) investigated the impacts of promotion, rewards, and supervisor support on academic employee performance in Malaysian universities. The study, involving 200 employees from the University of Malaya and the National University of Malaysia, indicated a positive effect of promotion, rewards, and supervisor support on employee performance in these universities. The findings were established through regression techniques, which showed that these factors significantly improved employee performance.

Razak et al. (2018) studied how promotions and job satisfaction affect worker performance in Makassar Regency Government. Using a descriptive and explanatory design survey with a sample size of 50, the study found out that the promotions were in line with the employees' field of expertise in the district. Job satisfaction was considered high among employees, and promotions and job satisfaction positively affected employee performance. The study further revealed that promotion had the strongest influence over the performance of workers in the district.

A study with the purpose of evaluating promotion processes was conducted concerning the Igunga Local Government Authority. The sample size was 34 from different departments, and the study was qualitative in nature, using the case-study design. Results revealed that there are very big delays in the payment on promotion and the actual process of promotion. The delays were attributed to budgetary constraints, inefficiencies from within the human resource department, system failures, and a lack of effective communication between the departments. The study indicated the non-prioritisation of public servants for promotion, thus reducing the regard for public service jobs.

Reward System

According to ACCA Global (2023), reward systems comprise all monetary, non-monetary, and psychological incentives provided to employees in consideration of their inputs. Armstrong (2010) defines reward systems as a series of interrelated processes and practices designed to ensure the management of rewards so that they benefit both the organisation and its employees. According to Armstrong (2010), reward systems are based on strategies for rewards that coordinate the design and implementation of reward practices and processes. These strategies are a framework for the design of reward policies, which, in turn, impact the reward practices, processes, and procedures.

Solanki (2022) explains an employee reward system as all integrated company policies, processes, and practices employed to pay the employees based on their contribution, skills, competence, and market value. The systems are influenced by the reward philosophy, strategy, and policies of an organisation and may encompass a range of practices, procedures, and structures to ensure that the right amount of pay, benefits, and rewards are provided and maintained.

According to Armstrong (2006), a reward system refers to all policies and procedures through which employees' efforts are recognised and rewarded. However, the major emphasis of such systems is to motivate employees to accomplish organisational goals, enhance their performance, and gain satisfaction from their jobs (Lawler, 2000).

Job Satisfaction

Job satisfaction is a multidimensional concept, encompassing various details depending on individual perspectives. Victor Vroom defined it as "affective orientations on the part of individuals toward work roles which they are presently occupying" (Vroom, 1964). Locke (1976) held that job satisfaction is "a pleasurable or positive emotional state resulting from the

appraisal of one's job or job experiences". Spector (1997) summed it up that job satisfaction is "simply how people feel about their jobs and different aspects of their jobs," indicating it as a reflection of how much an individual likes (satisfaction) or dislikes (dissatisfaction) his/her work. According to Statt (2004), "job satisfaction is the extent to which a worker is content with the rewards they derive from their job, particularly in terms of intrinsic motivation." Armstrong (2006) reinforced that job satisfaction means "the attitudes and feelings people have about their work." Very often some positive feelings or attitudes represent job satisfaction and sometimes negative feelings or attitudes are expressions of what we call dissatisfaction. Finally, Newstorm (2017) defined job satisfaction as "a set of favourable or unfavourable feelings and emotions with which employees view their work."

Reward System in Akwa Ibom State University

Akwa Ibom State University has two campuses: the main campus is at Ikot Akpaden in Mkpatt Enin LGA, while the Obio Akpa Campus is in Oruk Anam LGA (Ukpe, 2015). The university commenced its academic programs on November 1, 2010, with just 300 students in its four faculties. It, however, has grown swiftly and now caters to over 8,000 students in 38 departments and 9 faculties, including the Faculty of General Studies and the Library. The university offers programs at the undergraduate and postgraduate levels, and as of August 2022, the institution had 454 academic staff (Ndaeyo et al., 2025).

The academic staff of Akwa Ibom State University includes those who teach and run the library. The teaching staff are structured into seven ranks, starting with Graduate Assistant, through Assistant Lecturer, Lecturer II, Lecturer I, Senior Lecturer, Associate Professor, and then Professor. On the other hand, they have the library setting organised into seven levels, beginning with Graduate Library Assistant and ending with the University Librarian. The professing career in the university requires candidates to possess a minimum of a Bachelor's Degree to join the system; beyond this, promotion requirements can be based on further qualifications (Akwa Ibom State University, 2018).

Thus, analysing job satisfaction, promotion, and reward systems is very instrumental in the improvement of organisational performance and the retention of employees. First, for the employee, while this satisfaction may come from being part of a university that focuses on human capital development, it would diminish if social and economic needs are lacking. Theories of reward and motivation, when implemented properly, can bring about the improvement of efficiency and culture within the organization. Some reward programs implemented in Akwa Ibom State University include mentorship programs, where more senior academic staff serve as mentors to junior academic staff. There are performance-based bonuses of N50,000, N30,000, and N20,000 to the best three departments for submitting results on time.

Table 1: Promotion of Lecturer in Akwa Ibom State University

S/N	YEAR	RANK	NO. PROMOTED					
1	2024	Professors	7	2	10	4	2	4
2	2023	Associate Professors	26	6	27	5	6	2
3	2022	Senior Lecturers	24	19	39	22	17	19
4	2021	Lecturers I	9	26	31	24	28	38
5	2020	Lecturers II	10	4	6	7	2	28
			76	57	113	62	55	91
Total			454					

Source: Human Resources Department, AKSU 2024

Theoretical Framework

The study builds on the basics of Blau's (1964) Social Exchange Theory. This theory suggests that employees tend to respond to how they are treated by their organisations or managers through their behaviours. If an employee receives good treatment, he or she is motivated to reciprocate with behaviours consistent with organisational values. Blau assumes a reciprocal relationship exists between the two parties, with the mutual benefits of each being contingent on the contributions of the other. The same goes for social contract employment relations, where services are exchanged for agreed remuneration or compensation for a specified period. The second part of the theory states that engaged employees in their work could feel an internal need to return favourably, thus committing themselves to the objectives of the organisation. Blau's theory is founded on the notion of reciprocity in an employment relationship, where both parties have to fulfil their obligations in a manner beneficial to the other. The three main ideas of the theory - stimuli, response, and outcome - provide a conceptual perspective to understanding how motivation works. By applying the theory correctly, management would know how to ensure that positive stimuli invariably evoke positive responses and positive outcomes, thereby improving performance.

The study of extrinsic reward management within such an organisation is aligned with this theory. Reciprocity is an important consideration in industrial relations' social contract theory. Basically, an efficient reward system encourages employees in favourable behaviour such as becoming satisfied with their jobs, commitment and loyalty to the organisation. Such rewards might be remuneration, promotion, training, or mere benefits.

Methodology

For the research design, cross-sectional survey research was chosen as it is appropriate for obtaining opinion data. Information was gathered through self-assessment by the respondents, who happened to be the research subjects. The area of study was the academic staff of Akwa Ibom State University, selected from eight faculties within the University. A descriptive survey research design was utilised. The targets of the study were the 454 faculty members of the University spanning across the eight various faculties. Using the Taro Yamane formula, a sample size of 213 was arrived at. A simple random sampling technique was used in selecting the sample for the study. A self-structured questionnaire, 'Reward Systems and Employee Job Satisfaction (RSEJSQ)', was used for data collection, comprising three sections. Section A reported the personal data of the respondents, while Section B contained eight items to gather

information on the independent variable 'Promotion'. Section C was on 'Employee Job Satisfaction', in which respondents rated their opinions on a five-point scale as Very High Extent (VHE) – 5 points, High Extent (HE) – 4 points, Moderate Extent (ME) – 3 points, Low Extent (LE) – 2 points, Very Low Extent (VLE) – 1 point. Mean and standard deviation were used to analyse the research question(s), whereas the null hypothesis was tested using a dependent t-test at a 0.05 level of significance.

Research Question

What is the extent of the influence of promotion on employees' job satisfaction in Akwa Ibom State University?

Table 2: Mean rating of respondents on the extent of influence of promotion on employees' job satisfaction **n = 213**

S/N	What is the extent of the Influence of Promotion on:	X	SD	Remark
1	increase in job responsibilities	4.37	0.91	HE
2	salary increment	4.29	0.86	HE
3	creating in-built motivational value	4.47	0.87	HE
4	recognition of good performance	4.43	0.77	HE
5	increment in staff allowances	4.34	0.85	HE
6	improving staff productivity	3.88	1.15	HE
7	enhancing job satisfaction	4.17	1.04	HE
8	enlarge capacities	3.80	1.11	HE
	Cluster mean	4.23	0.95	HE

HE = High Extent, VHE = Very High Extent

Source: Field survey, 2024

Table 1 shows the descriptive statistics of the respondents' ratings on the level of influence promotion has on employees' job satisfaction at Akwa Ibom State University. All eight factors attained a mean rating within the ranks of high influence. The highest mean rating of 4.47 was obtained in in-built motivational value, while the factor concerned with expanding capacities scored the lowest rating of 3.80. Overall, the cluster mean score was 4.23, which suggests that promotion is a very important consideration affecting the job satisfaction of employees at Akwa Ibom State University. The low level of SD value indicates that there was a close alignment of opinions among respondents.

Research Hypothesis

There is no significant influence of promotion on employees' job satisfaction in Akwa Ibom State University.

Table 3: Summary of dependent t-test analysis of influence of promotion on employees' job satisfaction n= 147

Variable	Mean	Standard deviation	t-cal.	df	P-value	Remark
Promotion	33.76	3.21				
			12.08	212	.000	Sig.
Employees' Job Satisfaction	26.38	8.40				

Sig. = Significant

Source: Field Survey, 2024

The data found in Table 2 shows that given 212 degrees of freedom, the P-value of 0.000 is less than the alpha value of 0.05. Thus, the null hypothesis stating that promotion has no significant impact on employees' job satisfaction at Akwa Ibom State University is rejected. This implies that promotion indeed significantly impacts the employees' job satisfaction at the university.

Discussion of Findings

With the above study findings, it would be understood that the relationship between the reward systems and employee job satisfaction has been explored in existing literature. This confirms a positive relationship between the perceptions of the reward system within the university and job satisfaction, emphasising the design and implementation of reward systems in balance with the needs and expectations of the workforce. Other findings from the qualitative review add another level of complexity, suggesting that job satisfaction is a multidimensional concept requiring a balanced approach to reward management.

Apart from money matters like leave grants, domestic allowances, and bonuses, this study also focused on how important other non-financial rewards, especially those related to professional development, recognition, and the working environment, are for the satisfaction of employees. This study's conclusion aligns with Amehojo et al. (2022), who found incentive, promotion, and motivation to be positively and significantly related. So it is an accepted fact that when employees are offered better remuneration with promotions, their motivation is increased. It was advised that state governments and ministries should look into how compensation packages for public servants could be adjusted to meet increased living costs.

In addition, the study identified that areas of improvement for promotion opportunities are vital to enhancing employee morale and thus increasing productivity and commitment. This brings another conclusive note that reward systems in Akwa Ibom State University need to be context-specific to the academic environment and to the needs of the employees themselves.

Conclusion and Recommendations

The findings of the study indicate some key considerations for Akwa Ibom State University and other academic institutions across Nigeria. An important aspect of employee job satisfaction always hinges on how a reward system can be designed to intentionally satisfy people as part of a strategic, more comprehensive approach toward reward management.

University administration should, therefore, work toward enhancing employee job satisfaction by means of an effectively designed reward system, which the employees view as a fair, transparent, and reward structure that recognises performance and contributions. The rewards provided should be both monetary and non-monetary, such as employee development opportunities, recognition, and the presence of a friendly working environment.

Furthermore, the study brings great attention to strengthening the communication flow and providing an avenue for feedback between the management team and workers. Hence, any grievance, perceived or real, of an individual about the issue of promotion must be addressed.

In instituting the above suggestions, it is expected that increased job satisfaction will be recorded at Akwa Ibom State University, as well as in other institutions throughout Nigeria. Such satisfaction is thereby enhanced and translated into oriented performance, good service delivery, and commitment to the university's purposed objectives.

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