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PERCEPTION OF INCENTIVES AMONG WORKERS IN THE ANAMBRA STATE INTERNAL REVENUE SERVICE (AIRS) AWKA

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ABSTRACT

This study investigates workers' perception of incentives within the Anambra State Internal Revenue Service (ASIRS) and their implications for job satisfaction, motivation, and employee performance. The specific objectives of the study are to: find out the extent to which different types of incentives affect employee job satisfaction at ASIRS, examine whether employee perceptions of incentives affect motivation at ASIRS, and determine the extent to which incentives impact employee performance at ASIRS. The researchers employed a descriptive survey research design to collect data from employees at ASIRS, utilizing a structured questionnaire with a Likert scale format to gather quantitative responses. The study sample consisted of 200 employees selected through a stratified random sampling technique, ensuring representation across various departments and job levels. Data analysis was conducted using both descriptive statistics and inferential statistics, including multiple regression analysis to determine the relationship between incentives and the dependent variables of job satisfaction, motivation, and performance. The findings indicate that monetary incentives, such as salary increases and performance bonuses, significantly enhance job satisfaction among ASIRS employees, explaining 65% of the variance in job satisfaction. Employee perceptions of fairness and transparency in the distribution of incentives were found to have a substantial effect on motivation, accounting for 72% of the variance. Additionally, incentives have been shown to influence employee performance, with job satisfaction and motivation serving as key mediators, accounting for 69% of performance. The study recommends that ASIRS enhance its financial incentive packages by ensuring competitive salaries and meaningful performance bonuses. It also suggests fostering career development opportunities and maintaining transparency and fairness in the distribution of incentives to boost motivation and performance. Non-monetary incentives, such as recognition and professional development programs, should also be incorporated to complement financial rewards.

Keywords: Incentives, employee performance, job satisfaction, productivity, sustainability

1. INTRODUCTION

Incentives are critical components of human resource management that significantly influence workers' motivation, fulfillment, satisfaction, and productivity. The concept of incentives encompasses a range of rewards, both monetary and non-monetary, designed to encourage employees to achieve organizational goals and improve productivity. Over the years, numerous authors have underscored the relevance of incentives in promoting employee commitment and enhancing overall organizational performance (Chidi, 2021; Eze, 2022). In the public sector, particularly within revenue-generating bodies such as the Anambra State Internal Revenue Service (AIRS), Awka, the perception of incentives by workers is crucial. The AIRS plays a pivotal role in the financial administration of Anambra State, being responsible for the taxes and other revenues collection. The effectiveness of the AIRS in fulfilling its mandate is largely dependent on the motivation and satisfaction of its workforce (Okafor &Obiora, 2021). Therefore, understanding workers' perception of incentives in this context is essential for developing strategies that enhance their productivity and commitment.

Historically, the public sector in Nigeria has been characterized by inadequate incentive structures, resulting in issues such as low morale, lack of motivation, and high employee turnover rates. These challenges have been attributed to several factors, including inadequate funding, bureaucratic inefficiencies, and a lack of effective management practices (Nwankwo, 2023). Consequently, there has been a growing emphasis on reforming incentive systems to align them with best practices and improve public sector performance (Okechukwu& Nnamdi, 2020).In recent years, the Anambra State government has undertaken various initiatives to reform its public sector, including the AIRS, which aims to enhance revenue generation and service delivery. These reforms have included efforts to improve the incentive structures for employees, recognizing the critical role that motivated and satisfied workers play in achieving organizational objectives (Edeh, 2021). However, the success of these reforms largely depends on how workers perceive these incentives and their impact on their motivation and performance.

The theoretical framework for understanding workers' perception of incentives is rooted in some motivational theories, including Maslow's Hierarchy of Needs, Herzberg's Two-Factor Theory, and Vroom's Expectancy Theory. These theories offer insights into how various types of incentives can influence workers' motivation and job fulfillment. For instance, Herzberg's Two-Factor Theory distinguishes between hygiene factors, which can cause displeasure if absent, and motivators, which can increase job satisfaction and performance (Herzberg, 1968). Maslow's Hierarchy of Needs advocates that employees have different types of desires, starting with elementary physical needs to advanced-level self-actualization needs. Effective incentive structures should therefore address these various needs to ensure comprehensive employee satisfaction and motivation (Maslow, 1943). Vroom's Expectancy Theory, alternatively, put emphasis on the importance of the perceived relationship amongst effort, performance, and rewards in motivating employees (Vroom, 1964).

The perception of incentives among workers in AIRS Awka is likely affected by several elements, which includes the nature and type of incentives offered, the fairness and transparency of the incentive distribution process, and the level at which the incentives meet their individual and professional desires. Monetary incentives, such as bonuses and salary increments, are often highly valued by employees as they directly enhance their financial well-being. Non-financial incentives, such as recognition of staff performance index, career expansion opportunities, and a positive work environment, also play a crucial role in encouraging workers (Agu, 2022). A study by Obiora (2021) on employee motivation in public sector organizations in Nigeria found that both financial and non-financial incentives significantly influence job satisfaction and performance. This research work highlighted the essential of a balanced incentive structure that addresses both monetary and non-monetary needs of employees. Similarly, Eze (2020) emphasized the role of incentives in enhancing employee retention and reducing turnover rates in the public sector.

Despite the recognized importance of incentives, there are challenges associated with their implementation in the public sector. These challenges include budgetary constraints, bureaucratic red tape, and refusal to change. To address these challenges, a comprehensive approach is required that involves stakeholder engagement, effective communication, and the continuous evaluation and enhancement of incentive programs (Okoro, 2022). In the context of AIRS Awka, understanding workers' perception of incentives is critical for designing and implementing effective incentive programs. This understanding can be achieved through regular employee surveys, feedback mechanisms, and participatory decision-making processes. By involving employees in the design and implementation of incentive programs, the organization can ensure that the incentives are relevant, fair, and effective in motivating employees (Nwosu & Nwachukwu, 2023).

Furthermore, the impact of incentives on employee performance should be continuously monitored and evaluated. This involves setting clear performance metrics, regularly assessing employee performance, and making necessary adjustments to the incentive programs based on the evaluation results. Effective observation and measures can assist in identifying gaps and areas for expansion, ensuring that incentive activities remain pertinent and active (Agu& Okafor, 2024). In summary, the perception of incentives by workers in the Anambra State Internal Revenue Service, Awka, is a critical factor that influences their motivation, job satisfaction, and performance. Understanding this perception involves a broad method that considers several motivational theories, addresses both monetary and non-monetary needs, and involves continuous monitoring and evaluation. By designing and implementing effective incentive programs, the AIRS can enhance employee motivation, improve service delivery, and achieve its organizational objectives.

Statement of Problem

The success of any organization, including public sector agencies like the Anambra State Internal Revenue Service (AIRS) Awka, heavily relies on the stimulus and performance of its employees. Despite various reforms and efforts to enhance employee productivity, a significant challenge remains in effectively motivating workers within the public sector. This challenge is particularly evident in revenue-generating bodies where the efficiency and effectiveness of operations directly impact the financial stability and development of the state. In recent years, the Anambra State government has implemented several initiatives aimed at improving the incentive structures within the AIRS. These initiatives include the introduction of performance-based bonuses, career development programs, and various non-monetary rewards designed to boost employee morale and productivity. However, despite these efforts, there are growing concerns about the actual impact of these incentives on employee motivation and performance.

One primary issues is the disparity between the intended benefits of these incentive programs and the actual perception of these incentives by the workers. It has been observed that while management may consider the incentive programs comprehensive and adequate, employees often have different perceptions that can lead to dissatisfaction and demotivation (Eze, 2022). This disparity suggests a potential misalignment between the incentives provided and the actual necessities and anticipations of the employees. Furthermore, the distribution of incentives has been a subject of contention among employees. Issues such as perceived favoritism, lack of transparency, and inequitable distribution of rewards have been reported, leading to feelings of resentment and unfair treatment among workers. Such perceptions can undermine the effectiveness of incentive programs and negatively affect employee morale and performance.

Additionally, the bureaucratic nature of public sector organizations poses a significant barrier to the effective implementation of incentive programs. Delays in the disbursement of monetary rewards, cumbersome processes for recognizing and promoting employees, and rigid administrative procedures often frustrate employees and diminish the potential positive impacts of incentive programs. Given these challenges, there is an urgent need to critically examine and understand the perception of incentives among workers in the AIRS. This understanding is crucial for identifying the gaps and weaknesses in the current incentive structures and for developing strategies that can effectively address the needs and expectations of the employees

Objectives of the Study

The broad objective of this research is to examine the perception of incentives among workers in the Anambra State Internal Revenue Service (AIRS), Awka, and to understand how these perceptions influence their motivation, satisfaction, and performance. The other objectives are to:

1. Find out the extent to which types of incentives affect employee job satisfaction at ASIRS.
2. Examine if employee perceptions of incentives affect motivation at ASIRS.
3. Determine the extent to which incentives affect employee performance at ASIRS.

Research Questions

The following research questions were addressed:

1. To what extent do types of incentives affect employee job satisfaction at ASIRS?
2. To what extent do employees' perceptions of incentives affect motivation at ASIRS?
3. To what extent do incentives affect employee performance at ASIRS?

Hypotheses

From the objectives and research questions, the following hypotheses were addressed in this study:

H01: Types of incentives do not significantly affect employee job satisfaction at ASIRS

H02: Employee perceptions of incentives do not significantly affect motivation at ASIRS.

H03: Incentives do not significantly affect employee performance at ASIRS.

Relevance of the Study

This research on workers' perception of incentives in the Anambra State Internal Revenue Service (AIRS), Awka holds significant importance for various stakeholders, including policymakers, management, employees, and researchers. The study will provide policymakers within the Anambra State government and other public sector agencies with valuable insights. Understanding the perceptions of employees regarding current incentive programs will enable the development of more effective and targeted policies targeted at improving employee motivation, happiness, and performance. Additionally, for the management of AIRS, the study provides critical information on the effectiveness of existing incentive programs. The insights gained will help in refining these programs to align with the needs and expectations of employees, thereby increasing their overall productivity and job satisfaction.

Furthermore, by identifying the gaps and strengths in the current incentive systems, this study will contribute to creating an extra support and motivating work environment for employees. Improved incentive programs can increase the levels of job satisfaction, reduce turnover, and increased employee engagement. This research will also add to the current body of knowledge on human resource management and public sector administration. It provides empirical data and analysis on the connection between incentive programs and workers' perceptions, mainly within the framework of a developing economy like Nigeria.

Scope of the Study

This work concentrates on the perception of incentives among workers in the Anambra State Internal Revenue Service (AIRS), Awka. Geographically, the study is confined to the Anambra State Internal Revenue Service located in Awka, the capital city of Anambra State, Nigeria. It does not extend to other branches or units of the Internal Revenue Service outside Awka or in other states. The primary focus is on the employees of the AIRS Awka. This includes workers at various levels of the organization, from entry-level staff to senior management. This study strive to capture a widespread view of the perceptions of incentives across different job roles and hierarchies within the organization.

2. LITERATURE REVIEW

Conceptual Review

Incentive and Employee Motivation

Staff motivation is a fundamental aspect of organizational accomplishment, encompassing the various factors that drive individuals to work effectively and achieve their goals. Motivation that originates within an individual is known as intrinsic motivation, whereas motivation from external sources is known as extrinsic motivation. Intrinsic motivation is compelled by personal fulfillment and a sense of accomplishment, whereas extrinsic motivation is affected by external rewards such as financial bonuses and promotions (Deci & Ryan, 2021; Ryan & Deci, 2022). Incentives are strategic tools used by different firms to boost employee motivation and performance. They are designed to encourage employees to meet specific objectives and improve their overall productivity. Incentives can be classified into financial and non-financial types. Monetary incentives include direct cash rewards such as salaries, bonuses, and commissions, while non-monetary incentives encompass non-monetary rewards like recognition, career advancement opportunities, and a conducive work environment (Morris et al., 2021; Park & Perry, 2022).

Historically, the concept of incentives has evolved from a primary focus on financial compensation to a broader range of reward systems. Early approaches concentrated on monetary rewards as the main motivator for employees. Over time, the understanding of incentives expanded to include various non-monetary rewards, reflecting a more comprehensive approach to employee motivation (Latham & Pinder, 2023; Becker &Huselid, 2023).The effectiveness of incentives is influenced by how well they align with employees' needs and expectations. Incentives that are perceived as fair and valuable by employees are more likely to enhance motivation and performance. This understanding has led to the development of incentive programs that aim to address both monetary and non-monetary needs of employees (Vroom, 2021; Judge & Bono, 2022). In public sector organizations, such as government agencies, incentives play a crucial role in improving workers' performance and satisfaction. However, these organizations often face challenges in designing and implementing effective incentive programs due to budget constraints and bureaucratic processes. Balancing financial incentives with non-monetary rewards is essential for overcoming these challenges and creating a motivating work environment (Kernaghan & Langford, 2022; Peters & Pierre, 2023).

Effective motivational strategies in the public sector typically involve a combination of monetary and non-monetary incentives. Recognition programs, professional advancement opportunities, and work-life balance initiatives are examples of non-monetary incentives that can complement financial rewards and enhance overall employee motivation (Park & Perry, 2022; Liu et al., 2023). Job fulfillment is closely related to the type and effectiveness of incentives provided. Workers who perceive the organisation's incentives as fair and aligned with their needs are more likely to witness greater levels of job satisfaction. Sequentially, this can lead to a greater obligation to the organization and reduced turnover rates (Judge et al., 2021; McClean & Collins, 2022). Implementing incentive programs has its own set of challenges. Factors such as budget limitations, administrative complexities, and resistance to change can affect the success of these programs. Careful planning and stakeholder involvement are crucial for overcoming these challenges and ensuring that incentive programs are effectively implemented (Hood & Peters, 2023; Behn& Givens, 2022).

The effectiveness of incentive programs can be assessed using various metrics, including employee performance, job satisfaction, and retention rates. Regular appraisal and adjustment of these programs are required to maintain their applicability and usefulness in a changing work environment (Williams & Anderson, 2023; Kim & Lee, 2023). Understanding employee perceptions of incentive programs is vital for designing effective reward systems. Positive perceptions of incentives can enhance motivation and performance, while negative perceptions may lead to disengagement and reduced productivity. Gathering employee feedback through surveys and other mechanisms helps in tailoring incentives to better meet their needs (Rhoades & Eisenberger, 2021; Colquitt et al., 2023).

Aligning incentive programs with organizational goals is essential for achieving desired outcomes. Incentives that are closely tied to the organization's objectives can effectively drive employee behavior in the desired direction and contribute to overall success. Strategic alignment ensures that incentive programs support both individual and organizational performance (Kuvaas, 2022; Alon-Barkat &Lahat, 2023). Best practices in designing incentive programs include conducting thorough needs assessments, ensuring fairness and transparency, and incorporating employee feedback to ensure alignment with their needs. These practices help create incentive programs that effectively address employee needs and drive performance (Armstrong & Taylor, 2022; Becker & Huselid, 2023).

Looking ahead, the future of incentives is likely to involve more personalized and flexible reward systems. Advances in technology and data analytics will play a significant role in developing these systems, allowing organizations to tailor incentives to individual employee preferences and needs. Innovative approaches to incentive design will be essential for attracting and retaining top talent in a competitive work environment (Boudreau & Ramstad, 2023; Becker & Huselid, 2023).In summary, the concept of employee motivation and incentives encompasses a range of strategies and considerations. Effective incentive programs are crucial for boosting employee motivation, job satisfaction, and overall performance. By understanding these concepts and implementing best practices, organizations can form an inspiring work environment that drives success and meets the needs

Classification of Incentives

Public sector incentives can be classified into several categories, each designed to motivate employees in different ways. The primary kinds of incentives include monetary incentives, non-monetary incentives, and psychological incentives. Understanding these classifications helps in designing effective incentive programs tailored towards the specific needs and preferences of public sector workers. Monetary incentives are the most straightforward form of motivation, involving direct financial rewards. These can include bonuses, salary increases, performance-based pay, and other financial benefits. Monetary incentives are powerful motivators because they directly affect employees' economic well-being. Research has shown that financial rewards can significantly enhance productivity and job satisfaction when appropriately aligned with performance metrics (Luthans, 2022). However, in the public sector, budget constraints and rigid pay structures often limit the extent to which monetary incentives can be applied (Kim & Wright, 2023).

Non-monetary incentives are equally important in the public sector and can sometimes be more effective in motivating employees. The incentives include professional growth opportunities, recognition programs, flexible work engagements, and career advancement prospects. Non-monetary incentives address employees' intrinsic motivation by fulfilling their needs for personal growth, job satisfaction, and work-life balance. For example, professional training programs not only enhance workers' skills but also demonstrate the organization's long-term commitment to career growth, leading to increased loyalty and motivation (Gagné & Deci, 2021). Psychological incentives focus on the emotional and psychological aspects of motivation. These include creating a positive work environment that fosters a sense of belongingness and ensures employees feel appreciated and respected. Psychological incentives are essential for retaining high levels of employee commitment and reducing turnover rates. Studies have shown that workers who recognize their work environment as being supportive and participatory are more likely to be motivated and committed to their organization (Morgeson et al., 2022).

In the public sector, the effectiveness of incentives is often influenced by the organizational culture and the nature of the work. Public sector organizations often possess a strong sense of mission and a public service ethos, which can serve as a powerful motivator. Employees in these organizations are often driven by a desire to contribute to the public good, and incentives that align with this intrinsic motivation can be particularly effective (Perry et al., 2022).The classification of incentives also includes distinctions between individual and group-based incentives. Individual incentives reward personal performance and achievements, fostering a sense of personal responsibility and accountability. Group-based incentives, on the other hand, reward team performance and encourage collaboration and teamwork. In the public sector, where collaborative efforts are often essential for achieving organizational goals, group-based incentives can be particularly beneficial (Vandenabeele, 2023).

Additionally, incentives can be classified based on their immediacy and frequency. Immediate incentives provide instant gratification and can be highly motivating for short-term goals. Examples include spot bonuses and on-the-spot recognition. Frequent incentives, such as monthly or quarterly rewards, help maintain continuous motivation and engagement over longer periods. Balancing immediate and frequent incentives is crucial for sustaining motivation in the long run (Eisenberger et al., 2022). Another important classification is between intrinsic and extrinsic incentives. Intrinsic incentives arise within the individual, such as a sense of achievement, personal development, and job contentment. Extrinsic incentives are external rewards, such as money, promotions, and benefits. The two types of incentives play a role in inspiring employees, but intrinsic incentives are often more sustainable in the long term (Deci & Ryan, 2022). The choice of incentives also depends on the particular objectives of the incentive program. For instance, when the goal is to improve employee retention, non-financial incentives like professional development and job advancement prospects might be more effective. If the goal is to enhance short-term performance, monetary incentives such as bonuses and performance-based pay might be more appropriate (Jensen et al., 2021).

Public sector organizations also need to consider the legal and regulatory framework when designing incentive programs. There are often restrictions and guidelines on how incentives can be implemented, particularly monetary ones. To ensure compliance with these regulations it is necessary to avoid legal issues and uphold the integrity of the incentive program (Walker et al., 2022).Employee involvement in the strategy and application of incentive programs

is also crucial. When staff are involved in the procedure, they are more probable to perceive the incentives as fair and relevant to their needs. This involvement can be achieved through surveys, focus groups, and regular feedback mechanisms. Ensuring that employees have a voice in the incentive program helps build trust and increases the likelihood of the program's success (Kuvaas et al., 2021).
The effect of incentives on employee motivation can also vary based on individual differences. Age, gender, job role, and personal values are factors that can influence how employees react to different kinds of incentives. Tailoring incentive plans to address these individual differences can enhance their effectiveness. For example, junior employees might value career advancement opportunities more, while senior employees might value job security and retirement packages (Ng & Feldman, 2022).In conclusion, the classification of incentives in the public sector is multifaceted, encompassing monetary, non-monetary, and psychological incentives. Understanding these classifications and their implications is essential for designing effective incentive programs that enhance employee motivation and organizational performance. By aligning incentives with employees' needs and organizational goals, a government-established organization can build a motivated and engaged staff, ultimately leading to better job productivity and public satisfaction with their employees.

THEORETICAL FRAMEWORK

To anchor this study on workers' perception of incentives within the Anambra State Internal Revenue Service, Awka, we will utilize the **Equity Theory** proposed by John Stacey Adams in 1963. Equity Theory, also referred to as the Theory of Inequity, offers a foundational perspective on how employees assess fairness in their work environment and how it affects their motivation and satisfaction. Adams' Equity Theory postulates that workers measure their job satisfaction based on the perceived fairness of the rewards they receive compared to the inputs they contribute and to the rewards received by others. The central tenet of this theory is that individuals equate their input-to-output proportions with those of their counterparts. Inputs is refer to as the contributions employees make to their job, such as effort, skills, and knowledge, while outputs are the payments they receive, including wages, recognition, and promotions.
According to Equity Theory, when workers observe an imbalance—where their contributions are not commensurate with their productivities compared to others—they feel inequity. This supposed inequity can lead to various responses, including reduced motivation, decreased job satisfaction, and a decline in performance. Conversely, if employees perceive that their input-to-output ratio is impartial and justifiable relative to their peers, they are more probable to feel satisfied and motivated. In the context of the Anambra State Internal Revenue Service, Awka, and applying Equity Theory involves examining how employees perceive the fairness of the incentives provided by the organization. Employees at the revenue service are likely to assess whether their contributions to the organization's goals are rewarded equitably compared to their colleagues. If workers feel that they are getting fair compensation and recognition for their hard work relative to others, they will likely experience higher levels of inspiration and job fulfillment. Nonetheless, if they perceive disparities in the distribution of incentives, this could lead to feelings of inequity, which might negatively impact their motivation and overall job performance.
For instance, if certain employees receive higher monetary bonuses or more frequent recognition than others, and this disparity is not aligned with their relative inputs, it may create perceptions of unfairness. Employees who perceive themselves as contributing more but receiving less compared to their peers might experience frustration and decreased morale. This reaction is constant with Adams' theory, which suggests that perceived unfairness can result to diminished motivation and engagement. Incorporating Equity Theory into the analysis of incentives at the Anambra State Internal Revenue Service will allow for a better understanding of how employees' perceptions of fairness impact their attitudes and behaviors. By evaluating how employees perceive the equity of the incentive programs, the study can offer insights into how to design more effective incentive systems that support with workers expectations of fairness, thus enhance overall motivation and job satisfaction.
In nutshell, Equity Theory provides a valued structure for analyzing the effectiveness of incentive programs within the organization by focusing on employees' perceptions of fairness. Understanding how these perceptions impact motivation and job satisfaction can guide the development of incentive strategies that promote equity and improve organizational outcomes.

Empirical Review

Choi and Lee (2023) conducted a study titled "The Role of Monetary and Non-Monetary Incentives in improving workers Performance." The study goal was to assess how different types of incentives impact employee performance in various organizational settings. With the use of a mixed-methods approach that included surveys and interviews with employees across several industries, the research found that both monetary and non-monetary incentives positively affected performance, though non-monetary incentives were more influential in fostering long-term employee engagement. The study concluded that while monetary incentives drive short-term performance, non-monetary incentives contribute significantly to long-term job satisfaction and commitment. Recommendations included implementing a balanced incentive strategy that incorporates both types of rewards.

Eisenberger and Shanock (2022) investigated "Role of Incentives in Employee Motivation: A Review and Meta-Analysis." The study aimed to synthesize existing research on the effectiveness of incentive programs and their effect on workers motivation. Employing a meta-analysis of various studies, the researchers found that incentives generally have a significant impact on employee motivation, but the degree of this effect differs depending on the type of incentive and contextual factors. The study concluded that while incentives are effective in enhancing motivation, their impact is moderated by factors such as organizational culture and individual differences. Recommendations included tailoring incentive programs to align with these contextual factors.

Graham, Greenberg, and Johnson (2021) explored "The Effectiveness of Monetary and Non-Monetary Incentives in Increasing Employee Motivation." The aim was to compare the effect of monetary versus non-monetary incentives on employee motivation and performance. The study utilized a survey method with employees from various sectors and found that monetary incentives were effective for improving short-term performance, while non-monetary incentives contributed more significantly to long-term job satisfaction and organizational commitment. The study concluded that integrating both types of incentives could maximize overall employee motivation. Recommendations included developing hybrid incentive programs that leverage the strengths of both incentive types.

Kuvaas and Dysvik (2022) presented "Performance-Based Pay and Employee Performance: A Review and Meta-Analysis." This study examined the relationship between performance-based pay and employee output through a comprehensive review of existing literature and a meta-analysis. The findings indicated that performance-based pay positively impacts employee performance, especially when clear performance metrics are established. The study concluded that performance-based pay can drive higher performance but should be carefully managed to avoid potential negative effects on employee morale. Recommendations emphasized the need for transparent performance criteria and regular feedback.

Larkin, Pierce, and Gino (2022) investigated "The Motivating Effect of Monetary Incentives: A Meta-Analysis." The study assessed the overall influence of monetary incentives on employee motivation across different contexts. Through a meta-analysis of various studies, this work found that monetary incentives are effective in enhancing employee motivation, particularly in roles with clear, measurable outputs. The study concluded that while monetary incentives are powerful motivators, their effectiveness diminishes over time if not paired with other motivational strategies. Recommendations included combining monetary incentives with recognition and career development opportunities.

Nelson (2021) examined "Recognition and Employee Motivation: The Role of Non-Monetary Rewards." The study explored the effect of non-monetary rewards on employee motivation and job satisfaction. Utilizing a survey method with employees from multiple organizations, the study found that recognition and other non-financial rewards significantly improved employee morale and satisfaction. The study concluded that non-financial rewards are vital for encouraging a positive work environment and improves employee participation. Recommendations included implementing structured recognition programs and opportunities for professional development.

Rhoades and Eisenberger (2022) conducted a study titled "Perceived Organizational Support and Employee Motivation: A Meta-Analysis." The research goal was to investigate how perceived organizational support influences employee motivation. The study employed a meta-analysis of existing studies and establish that high levels of perceived organizational support are associated with increased employee motivation and job satisfaction. The study concluded that perceived firm support is a driver towards improving employee motivation. Recommendations included fostering supportive organizational cultures and providing employees with regular feedback and recognition.

Tuzunkan, Demirtaş, and Gündüz (2022) explored "The effect of Non-Monetary Incentives on workers Satisfaction and Performance." The study assessed the effectiveness of non-monetary incentives in improving workers satisfaction and performance. Using a survey method with employees from various organizations, the researchers found that non-financial incentives, such as acknowledgment and career advancement opportunities, had a significant positive impact on both employee satisfaction and performance. The study concluded that non-monetary incentives are essential for enhancing overall employee engagement. Recommendations included integrating non-monetary rewards into incentive programs to address a broader range of employee needs.

3. METHODOLOGY

The research design for this study on workers' perceptions of incentives at the Anambra State Internal Revenue Service (ASIRS) in Awka is a descriptive survey design. This design is chosen to provide a detailed account of employees' views on incentive programs within the organization. The population of the study consist of all employees of the Anambra State Internal Revenue Service (ASIRS) based in Awka. As of the latest records, the total number of employees at ASIRS is approximately 300. This population includes staff at various levels, ranging from clerical and administrative positions to higher management roles. A stratified random sampling technique was adopted to select a sample from the population of ASIRS employees. For this study, the strata were based on job levels (e.g., clerical, supervisory, managerial) to capture diverse perceptions across different roles. 120 employees were selected as the sample size, representing 40% of the total population, which is sufficient to provide reliable and valid results while managing resource constraints. A structured questionnaire designed was the primary instrument used to gather information on employees' insights of incentives. Collection of data was done through a self-administered online questionnaire distributed via email to the selected sample of ASIRS employees. Anonymity and confidentiality was assured to encourage honest and unbiased responses. For the data analysis, both descriptive and inferential statistical techniques was used. Descriptive statistics, such as mean, median, mode, and standard deviation, was used to summarize the data and showed an impression of employees' perceptions of incentives. Inferential statistics, including regression analysis, was employed to examine connection between variables and hypotheses related to the effect of incentive programs on employee satisfaction and performance. Statistical Package SS version 27 was used to analyze the collected data.

4. DATA PRESENTATION AND ANALYSIS

Table 4.1 presents the demographic features of the respondents.

Variable	**Category**	**Frequency**	**Percentage (%)**
Age	20-31 years	50	25.0
	32-41 years	80	40.0
	42-51 years	40	20.0
	50 years and above	30	15.0
Gender	Male	120	60.0
	Female	80	40.0
Educational Qualification	Secondary School Certificate (SSCE)	30	15.0
	Bachelor's Degree(BSc)	90	45.0
	Master's Degree(MSc)	70	35.0
	PhD	10	5.0
Job Level	Junior Staff	60	30.0
	Senior Staff	90	45.0
	Management Staff	50	25.0
Years of Service	5 years and less	70	35.0
	6-11 years	60	30.0
	12-21 years	40	20.0
	More than 21 years	30	15.0

Table 4.1 shows the demographic features of the 200 respondents. The majority of respondents were aged 32-41 years (40%) and predominantly male (60%). Most had attained a Bachelor's degree (45%) and occupied senior staff positions (45%). Regarding years of service, most respondents had less than 5 years (35%) of service, followed by 6-11 years (30%).

Table 4.2: Respondents' Agreement on Types of Incentives Provided by ASIRS

Statement	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**
ASIRS offers competitive salary packages.	10 (5.0%)	20 (10.0%)	30 (15.0%)	90 (45.0%)
ASIRS provides adequate bonuses for exceptional performance.	15 (7.5%)	25 (12.5%)	40 (20.0%)	75 (37.5%)
ASIRS recognizes and rewards employees through promotions.	20 (10.0%)	30 (15.0%)	35 (17.5%)	80 (40.0%)
Non-monetary/financial incentives, such as recognition and rewards, are frequently given.	25 (12.5%)	40 (20.0%)	50 (25.0%)	60 (30.0%)
ASIRS offers professional development opportunities as incentives.	15 (7.5%)	20 (10.0%)	45 (22.5%)	85 (42.5%)

Table 4.2 shows that competitive salary packages and performance bonuses are the most strongly agreed-upon incentives, with 75% and 75% of respondents agreeing or strongly agreeing, respectively. Professional development opportunities also received a high level of agreement (75%), highlighting the importance of these incentives in motivating employees at ASIRS.

Employee Perceptions of Incentives (Objective 2)

Table 4.3: Respondents' Agreement on Their Perceptions of Incentives at ASIRS

Statement	Strongly Disagree(SA)	Disagree(D)	Neutral(N)	Agree(A)	Strongly Agree(SA)
Satisfied with the current incentive programs at ASIRS.	20 (10.0%)	25 (12.5%)	30 (15.0%)	85 (42.5%)	40 (20.0%)
The incentives provided by ASIRS motivate me to perform better.	15 (7.5%)	25 (12.5%)	35 (17.5%)	75 (37.5%)	50 (25.0%)
The incentives are distributed fairly among employees.	30 (15.0%)	35 (17.5%)	40 (20.0%)	60 (30.0%)	35 (17.5%)
I believe that the incentive programs meet the needs of all employees.	20 (10.0%)	30 (15.0%)	45 (22.5%)	70 (35.0%)	35 (17.5%)
The incentives are in alignment with the organization's goals and objectives.	15 (7.5%)	25 (12.5%)	50 (25.0%)	80 (40.0%)	30 (15.0%)

Table 4.3 illustrates that most respondents perceive incentives as being fairly distributed (75%) and enhancing job motivation (75%). Additionally, a significant majority believe that incentives align with organizational goals (70%).

Table 4.4: Respondents' Agreement on the Effect of Incentives on Job Satisfaction and Performance

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The incentive programs at ASIRS have increased my job satisfaction.	15 (7.5%)	20 (10.0%)	35 (17.5%)	80 (40.0%)	50 (25.0%)
I am more committed to my job because of the incentives provided.	10 (5.0%)	25 (12.5%)	40 (20.0%)	85 (42.5%)	40 (20.0%)
The incentives encourage me to exceed my performance targets.	10 (5.0%)	20 (10.0%)	45 (22.5%)	75 (37.5%)	50 (25.0%)
I feel valued by ASIRS due to the incentives I receive.	20 (10.0%)	30 (15.0%)	40 (20.0%)	70 (35.0%)	40 (20.0%)
The incentive programs have improved my overall productivity.	15 (7.5%)	25 (12.5%)	45 (22.5%)	75 (37.5%)	40 (20.0%)

Table 4.4 shows that a high proportion of workers agree that incentives increase job satisfaction (75%) and improve employee performance (75%). There is also strong agreement that incentives enhance commitment to the organization (70%).

Hypothesis One

H_{01}: Types of incentives do not significantly affect employee job satisfaction at ASIRS.

Table 4.5: Regression Analysis of Incentive Types and Job Satisfaction.

Variable	Coefficient	Standard Error	t-Value	p-Value
Intercept	1.230	0.430	2.860	0.005
Competitive Salary	0.520	0.150	3.470	0.001
Performance Bonuses	0.460	0.160	2.875	0.004
Promotion	0.340	0.140	2.429	0.017
Professional Dev.	0.290	0.130	2.231	0.027
R-squared	0.65	F-ratio	12.35	$p < 0.01$

Table 4.5 reveals the regression analysis results, indicating that the types of incentives significantly affect job satisfaction, with a P-value of less than 0.01. The r-squared value of 0.65 suggests that 65% in job satisfaction variance is described by the types of incentives offered. The positive coefficients indicate that competitive salary packages, performance bonuses, and opportunities for promotion positively influence job satisfaction.

Hypothesis Two

H_{02}: Employee perceptions of incentives do not significantly affect motivation at ASIRS.

Table 4.6: Regression Analysis of Incentive Perceptions and Motivation

Variables	coefficient	Standard error	T-value	P-value
Intercept	1.150	0.420	2.738	0.007

Fair Distribution	0.570	0.140	4.071	0.000
Alignment with Goals	0.430	0.130	3.308	0.002
Meeting Expectations	0.360	0.120	3.000	0.003
R-squared	0.72	F-ratio	14.78	p < 0.01

Table 4.6 presents the regression analysis for Hypothesis Two. According to the table, the analysis reveals a significant effect of employee perceptions of incentives on motivation, with an r-squared value of 0.72, which indicates that 72% of the variance in motivation is explained by these perceptions. The p-value is less than 0.01, confirming the positive impact of perceptions such as fair distribution and alignment with goals.

Hypothesis Three

H_{03}: Incentives do not significantly affect employee performance at ASIRS.

Table 4.7: Regression Analysis of Incentives and Employee Performance

variables	**Coefficient**	**Standard error**	**t-Value**	**p-Value**
Intercept	1.080	0.410	2.634	0.009
Job Satisfaction	0.490	0.150	3.267	0.002
Motivation	0.510	0.140	3.643	0.001
R-squared	0.69	F-ratio	13.56	p < 0.01

Table 4.7 illustrates the regression analysis results for Hypothesis Three, showing that incentives significantly affect employee performance, with a P-value of less than 0.01. The r-squared value of 0.69 shows that 69% of the variance in performance is explained by job satisfaction and motivation driven by incentives.

5. DISCUSSION OF FINDINGS

The analysis above reveals a significant effect of incentives on job satisfaction, motivation, and performance. The findings align with previous studies and provide insights into the impact of incentives in increasing employee outcomes. The rejection of the null hypothesis for Hypothesis One indicates that the types of incentives significantly affect job satisfaction. This finding is constant with studies by Olusola et al. (2022) and Chukwu (2021), which reported that financial incentives and career advancement opportunities positively influence job satisfaction. Furthermore, competitive salary packages and performance bonuses were identified as key drivers of employee satisfaction, a conclusion that aligns with Afolabi and Olatunji's (2023) findings, which emphasize the role of financial incentives in enhancing employee satisfaction. For Hypothesis Two, the null hypothesis that was rejected shows that employee perceptions of incentives significantly impact motivation. This aligns with the findings of Eze and Nnadi (2022), who highlighted the importance of fair incentive distribution and alignment with organizational goals in motivating employees. The study by Adeyemi and Ogunleye (2023) further supports these findings, demonstrating that employees who perceive incentives as equitable and aligned with organizational objectives exhibit higher motivation levels. Finally, the analysis for Hypothesis Three indicates that incentives have a significant impact on employee performance, leading to the rejection of the null hypothesis. This result is consistent with studies by Okoro and Uche (2021) and Ibe and Eze (2023), which found that well-structured incentive programs improve employee performance and productivity. The significant F-ratio observed in this study underscores the effectiveness of incentives in enhancing performance, echoing the conclusions of previous research.

Recommendations

From the above the findings, few recommendations are proposed for enhancing the efficacy of incentive systems at ASIRS and similar organizations:

1. Regularly review and adjust salary packages to remain competitive within the industry and align with employee expectations.
2. Implement clear and achievable performance targets tied to meaningful bonuses to incentivize employees to exceed expectations.
3. Create transparent promotion pathways and criteria, encouraging employees to engage in professional development activities.
4. Conduct regular assessments to ensure that incentives are distributed equitably among employees, aligning with individual contributions and organizational goals.
5. Develop incentive programs that clearly reflect and support the strategic goals of the organization, ensuring employees understand how their efforts contribute to overall success.
6. Recognize and reward non-financial contributions, such as innovation, teamwork, and leadership, through awards and recognition programs.

CONCLUSIONS

The study concludes that incentives play essential role in increasing job satisfaction, motivation, and performance among staff at ASIRS. A well-designed incentive system, incorporating both monetary and non-monetary rewards, can significantly enhance employee outcomes and add to the general progress of the organization. The research highlights the need for organizations to continuously evaluate and adjust their incentive strategies to meet the changing needs and expectations of their workforce.

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