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Bonus Payment and Employee Output in Cement Manufacturing Companies in South-South, Nigeria

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***Abstract*---**The study examines the extent to which bonus payments influence employee output in cement manufacturing companies in South-South, Nigeria. The questionnaire was the instrument used to obtain the relevant information for the study and a random sampling technique was adopted in this study. A total of 1,381 staff. The sample size of 310 was scientifically determined using the Taro Yamane sampling determination formula. The statistical tool used for analysis was the Pearson Product Moment Correlation Coefficient. Findings revealed that bonus payment has no significant relationship with employee output in Cement Manufacturing Companies in SouthSouth, Nigeria. The satisfaction and dissatisfaction of employees are driven by different factors; motivation and hygiene factors and employee motivation and commitment to work are proportional to employee satisfaction. ln order words, as employees receive bonuses that do not affect their output, the employer becomes dissatisfied. It was recommended that the management of Cement Manufacturing firms in South-South, Nigeria should know that non-payment of bonuses to performing employees is a constant source of frustration to employees' output. Therefore, a bonus scheme should be established to help improve employees' output.

***Keywords*---**bonus payment, employee output, compensation package.

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Introduction

Bonuses are other monetary incentives that can be used to motivate the employees. Bonuses are cash awards given to employees who had achieve specific performance targets. Employee bonus schemes are generally a positive strategy and can provide real motivation to workers. Employers with well-developed performance management systems often connect compensation to performance appraisal ratings to determine the number of businesses for employees who meet the company's performance expectations. Bonuses for whatever reason affect employee output in several ways. The importance of giving bonuses for achieving targets on exceptional work makes employees satisfied with the organization and this increases the employee's sense of loyalty toward the organization and becomes a custodian of the organization's secret.

Bonus payment is one of the important features of an organization's practice. They amount to more than twenty per cent of the annual wage of an average worker. Just like wages, the amount of the bonus at unionized companies is determined by the annual collective bargaining agreements. The decisive factor in collective bargaining to determine the number of bonuses is the company's economic performance. It is obvious that most organizations pay bonuses and a certain portion of the bonus is assessed by the employee's evaluation during the period in which it's applied, and even if employees receive the same wage, the number of their bonuses is generally different (Yuping, 2004).

Bonuses schemes are looked at by employers as means to change employee behaviour. The use of bonuses as a monetary incentive to improve output in the organization is quite beneficial to the growth of an organization. However, the use of bonus payment to motivate employees is found as an easy and seemingly straightforward way to influence specific behaviours; it is a way to give extra compensation to the top performer; and it helps to achieve the short-term goals of an organization (Miller, 2015).

The strategic purpose of bonus payment in the organization is that it is considered a pertinent tool to attract and retain talent (Gomez-Mejia et al, 2011). Bonus payment helps to attract workers as organizations are engaged in designing bonus schemes with competitive terms and conditions. An organization's compensation package to employees has been a key resource for success or failure to achieve an optimal output. Employees' willingness to stay on the job depends on the compensation package of the organization (Osibanjo et. al., 2014; Armstrong, 2003). Many organizations are extending their bonus schemes to cover a wide range of factors, reflecting a broader set of business objectives. This has often helped to avoid the potentially distorting effect of focusing too much on a single measure. In addition to financial and output considerations, bonus schemes increasingly take into account factors such as team and individual performance or various HR-related measures. However, many profit-driven organizations are now operating successful schemes that focus on productivity as a key objective. Many organizations with multiple business objectives tie bonuses to achieve positive results in different ways. This has become a straightforward approach to operating bonus schemes and providing appropriate incentives for different employee groups, while also operating corporate-level schemes to reward all employees for the 'overall performance of the organization (www.ashworthblack.co).

Bonus as a means of rewarding employees has been developed as a strategic framework for organizations' survival in the competitive and challenging marketplace. In addition, designing effective reward policies has contributed to clearly defined goals. The challenges in developing these policies lie in determining what rewards are effective agents 254 of change, what behaviour can be changed and what the cost and benefit of eliciting change are (Njanja. et al., 2013; Wilson, 2003). The use of a good reward system to reward employee and their team has served as a driving force for an employee to have higher performance and this leads to accomplishing the organizational goals and objectives. Management in most organizations ensures that rewards are not only applied to individual employees within in organization but also to the entire team that performs excellently. Hence, an incentive given to the employee with good behaviour has significantly improved the relationship between the employees and the management because the employee feels that they are being appreciated for their efforts and good work. This leads to increase employee morale, better customer care as well as increased productivity (Njanja, et al., 2013).

Cement manufacturing companies in South-South, Nigeria adopts bonus payment to increase output for strategic reasons. Reward through bonus is used to improve performance by setting a target for work given. In this human organization, appreciation and praise have helped to improve performance on regular basis. Employees' performance has also improved through personalizing rewards to the employee. This has been achieved through appraisal and promotion of employees who have performed significantly with a good track record in the organization.

The problem

Organizations aimed at achieving set goals based on the use of bonus payments for improving the output of employees. However, seeking employee performance is a function of ability were skills. resources and training are important for task performance and motivation where employees are expected to drive higher output with a commitment to the attainment of strategic objectives. These are sometimes unachieved due to an ill environment for the application of bonus payment as a motivational tool to optimize the productivity of the organization to meet the competitive and volatile nature of the market environment with a high return on investment. It is against this backdrop that prompts the researcher to examine the influence of bonus payment on employee output in cement manufacturing companies in South-South, Nigeria.

Objective of the study

The objective of this study was to examine the extent to which bonus payment influences employee output in cement manufacturing companies in South-South Nigeria.

Research hypothesis

HO Bonus payment does not relate to employee output in cement manufacturing companies in South-South Nigeria.
H1 Bonus payment relates to employee output in cement manufacturing companies in South-South Nigeria.

Review of Related Literature

Bonus as a compensation tool

Bonus schemes for employees are noted as a positive strategy which is capable of producing real motivation and it can help to elevate employee identification with a company and align them with its operational objectives, thus giving them interest. Today, it is common that most companies in Nigeria to extend their bonus scheme to cover a wide range of factors to reflect a broader set of business objectives.

A cash bonus is widely accepted as a form of reward that companies or organizations could use to reward an employee for exemplary performance or output. That is if they have performed higher or exceeded their set targets, this makes them eligible (Njanja, Maina, Kibet & Njagi, 2013; Finkle, 2011). The amount of cash is determined by how high the employee has over exceeded the set targets or they can also be based on ranks or job groups. Nowadays, companies are rewarding performance bonuses to Junior employees to increase output, unlike in the past when they used to be a privilege for top executives. Performance bonuses are now on the rise in many organizations because managers want to link performance to reward (Block & Lagasse, 1997).

Njanja et al. (2013) supported that companies use cash bonuses to reward their employees' performance during the year under appraisal. But there is also the unspoken expectation that these bonuses will be a factor in motivating employees' performance next year as well. Employees who receive a large bonus will likely want to get it next year too. On the other hand, employees who receive a miserly bonus and it reflects how the company assessed their performance, might consider improving next year (Finkle, 2011). The use of bonuses to increase output is important and managers need to use bonus pay to improve employee performance by incorporating appraisal or promotion for an employee who has a good record of performance. It is justifiable to stress that in both large and small companies, the anticipation of a bonus is motivating and purposeful when there is a routine task and is processed with a simple rule, setting of clear-cut objectives, and the means of attaining the objectives are clearly defined and understood. Hence, employees who are self-motivated and have the purpose of their work clearly understood are needed to drive the anticipated goals and targets of the organization.

An investigation by Hoole (2014) showed that payment of bonuses in isolation is not sufficient to keep employees motivated in an organization. From an employee perspective, the key to bonus payment is to structure compensation optimally to get maximum productivity from staff, acknowledging that talented employees must be rewarded and retained in competitive job markets. Various types of bonuses that affect employee performance output are traced to the year-end bonus. In this type of bonus, an employer does not provide connect performance rating to the amount of the bonus. It is accepted that this type of bonus does not affect performance because it is customary at the same time each year. Employees anticipate it and there is no reason to work harder or put in extra hours to qualify for it (Hoole, 2014). A performance bonus is one that employers pay a bonus to employees who achieve satisfactorily. or high ratings during an annual performance appraisal. A performance bonus links the amount of the payment both to the level of performance and to the individual's salary. Hoole (2014) emphasized that the built-in incentive for an employee is to strive for high performance during evaluation. This implies that performance must be consistent for 12 months for the company to conduct a performance appraisal. The effect of this bonus for workers is that it serves as a conscientious reminder to workers that month after month their efforts will be rewarded through appraisal at the end of the year. A production bonus is another type of bonus that involved an employer paying production bonuses based on meeting targets and quality of production. This implies that team members in a company have to meet the specified target for the company to pay such a bonus. The strategic importance of a performance bonus is that it helps workers or teams to know how their contribution enhances the success of the company. it serves as a connection between them in their responsibilities as an integral part of the business operation to better performance for the bonus (Hoole, 2014).

Dean (2015) observed that there is a growing joy when it comes to receiving a bonus in the workplace. Bonuses exist as a reward to recondition human thought processes and behaviour. It exists as external stimuli to encourage responses that will contribute to the development of normalized behaviours such as increased productivity, enhanced motivation, and a stronger work ethic. In the area of sales. Suff and Reilly (2006) emphasized that incentives in the form of bonus payments have proved popular with employees as a way of encouraging a high level of performance among employees without permanently increasing the pay bill. Bonus pay is seen to be effective in proving higher employee output because of flexibility in tying rewards to performance. This arrangement in an organization helps to direct the efforts of employees toward specific organizational objectives. Rees (2006) opined that direct bonus plans can work extremely well in organizations, where clear objectives and measurable targets can be designed and achieved. It is worth noting that rewards such as bonuses can be used to define expectations and also modify behaviour by highlighting the key result areas of the employee's job and indicating priorities in terms of what should be done in terms of activities in an organization. The use of bonus to reward employees provides flexibility in determining the basis of reward and enable management to change territory structure and output target easily while preserving the adequate level of incentive.

Strategic thinking is found to be an important tool for structuring a plan that pays employees bonuses based on Some measurement of the company's performance. Careful thought of what is to be achieved with the bonus plan must be established in order not to waste the opportunity to motivate employees to work toward the achievement of the company goals (Rothberg, 2013). According to

Rothberg (2013), a bonus plan will motivate employees to focus their efforts and energy on activities that will help achieve specific company goals. A manager has to structure a bonus plan around the achievement of specific individual goals by each employee. This gives employees more control over whether they will receive a bonus and how much. Hence, effective structuring employee bonus plan requires the following consideration (Rothberg, 2013): formalize the details of the bonus plan in writing and make sure they are communicated to all employees so there is no confusion or misunderstanding about the plan; financial reward should be contingent upon the achievement of specific and measurable standards. It is preferred that employees should be able to exert some degree of influence on this standard; a bonus plan should be structured to provide the employee with financial incentives to help meet company goals, whether financial or otherwise; financial reward should be large enough to be a strong incentive; and bonus plan structure should be used to engender employee loyalty to the company.

The employee incentives are designed to obtain the maximum performance from staff and help retain an employee that is productive (Root, 2016). Employee bonus schemes are generally a positive strategy and can provide real motivation to workers. In an organization, employers with well-developed performance management systems often connect compensation to performance appraisal ratings to determine the number of bonuses for payees who meet the company's performance expectations. Bonuses for whatever reason affect employee output in several ways. The importance of giving bonuses for achieving targets on exceptional work makes employees satisfied with the organization and this increases the employee's sense of loyalty toward the organization. become a custodian of the organization's secret. According to Miller (2015), most employers seek ways to maximize employee productivity and efficiency through employees, and one of the primary means that employers turn to in their efforts to improve employee motivation to be productive and efficient involves money. Therefore, bonus schemes are looked at by employers as means to change employee behaviour. The use of bonuses as a monetary incentive to improve output in the organization is quite beneficial to the growth of an organization. However, the use of bonus payment to motivate employees is found as an easy and seemingly straightforward way to influence specific behaviours; it is a way to give extra compensation to the top performer; and it helps to achieve the short-term goals of an organization (Miller, 2015).

A study by Han and Shan (2006) indicates a positive performance effect of bonuses in an organization to include: one, bonuses tend to induce employees to exert a greater effort to develop innovative ways to improve operational efficiency. This is found to enhance not only the individual but also the organizational performance. It must be noted that the rationale behind this is the prospect of high future cash and stock bonuses which help to motivate the employees to work harder and smarter. Two, employee bonuses link to company profitability and this makes cash and bonus attenuate the company problem inherent in a fixed-wage employment contract and reduce the impact of any conflict of interests between the owner and employees. The alignment of interest would ensure that employees are committed to the objectives of the firm and strive to accomplish the set goals of the organization. This however will result in higher profitability leading to higher cash and stock bonuses (Chen & Wang, 2001). Three, where payment of cash and stock bonuses become an 'add-on' portion of the overall remuneration of an employee, this portion may have an "efficiency-wage" effect that can reduce employee decreasing turnover problems, attract better-qualified job applicants and foster increased reciprocity in social exchanges between the firm and the employee. Based on this, Ben-Ner et al. (2000) stressed that in an organization, this collective interest will- the accumulation of the firm-specific human capital and organizational competencies thereby enhancing the overall performance of the firm. Four, the provision of cash and stock bonuses can create peer group pressure and motivate employee to monitor their co-workers to ensure that high-performance standards across the firm are the rule. This shows a state of interdependent nature of group incentives which encourages cooperation among employees.

However, this cooperation helps to promote the evolution of group norm which enhances performance and also facilitate the flow of information within the firm thereby increasing flexibility in management and contributing to an improvement in firm performance output. Various purposes for offering bonuses in the organization are critical to be noted. Though Pink (2009) differentiate how bonuses are being paid in the organization, the methods of rewarding employee through bonus consist of contingent rewards which promise an up-front reward if a given level of performance is met, and reward based on evaluated performance. The strategic purpose of bonus payment in the organization is that it is considered a pertinent tool to attract and retain talent (Gomez-Mejia et al. 2011). Though bonus payment is accepted as being an industrial standard, it helps to attract workers as organizations are engaged in designing bonus schemes with competitive terms and conditions. Lazear and Gibb (2009) noted that bonus payment is a flexible option for the organization as an employer is not making a permanent financial commitment, and the risk of using bonus payment as part of the compensation package is deemed lower than increasing the base pay. This provides the firm with certain cost flexibility. Gomez-Mejia et al. (2011) admit the use of bonuses as motivational tools to increase work effort. Lazear and Gibb (2009) supported that the most pertinent reason to tie pay to performance is to increase employee work effort. Hence, this shows that extrinsic incentive enhances higher performance output, and motivate employee through bonus is to align their interest with the organization.

The existence of bonuses in an organization is of different types. The application of bonuses to workers may be carried out based on the types of bonus systems in an organization such as one, individual bonuses which are the most common pay-for-performance. Gomez-Mejia et al. (2011) stressed that of the individual payment plans, merit pay is far the most common where employees receive an annual raise in their base pay. Individual bonuses are somewhat Similar to merit pay programmes but are rather given as one-time payments. One important advantage of individual bonuses could be the fact that higher pay leads to higher performance as employees tend to do those things that are rewarded. Individual bonuses have a link between performance and pay which aid individual to increase their performance through increased effort. Two, the group bases bonuses are based on a team-based approach to the compensation system and this provides vital support for effective team arrangement. According to Gomez-Mejia et al. (2011) team members are rewarded based on the performance and outcome of the group. The merit in the use of group bonuses is that it fosters group cohesiveness and having set goals and targets encourages and motivates group members to act in unity. Three, corporate-wide bonuses is a performance plans or bonuses employees are rewarded based on the entire corporation's performance and incentive plans. through profit-sharing (Gomez-Mejia et al., 2011). A corporate-wide plan offers financial flexibility to the firm as the cost is automatically adjusted downward during the economic downturn. Thus, corporate-wide bonuses are effective when used together with another incentive to motivate employees.

In the words of Yuping (2004) bonuses are one of the important features of an organization's practice. They amount to more than twenty per cent of the annual wage of an average worker. Just like wages. the amount of the bonus at unionized companies is determined by the annual collective bargaining agreements. The decisive factor in collective bargaining to determine the number of bonuses is the company's economic performance. It is obvious that most organizations pay bonuses and a certain portion of the bonus is assessed by the employee's evaluation during the period in which it's applied, and even if employees receive the same wage, the number of their bonuses is generally different.

Employee output

Productivity is an output ratio within a period with due consideration for quality. productivity is the state of efficiency in production where output is achieved from a given set of inputs. Syverson (2011) expressed that single-factor productivity measures a unit of a particular input though labour productivity is the most common measure of this productivity. productivity is measured in terms of output per labour hour. However, this measurement does not ensure that firm will make money. To test whether productivity has increased, the following questions should be asked; has the action taken increased output or has it decreased inventory?" *has the action taken decreased that operational expense?' this would then lead to a new definition which states that productivity is all the actions that bring a company closer to its goals. Mathis and Johnson (2000) see productivity as a measure of the quantity of work done considering the cost of the resources it took to do the work. Okoye and Ezejiofor (2013) add that organizational productivity measures how well an organization functions and also an indication of efficiency and competition of an organization function and also an indication of efficiency competition of a single department. Hence, productivity is a measure of how well resources are brought together in an organization and utilised for accomplishing a set of results. Hence, productivity is at the highest with the least expenditure or resources.

The need to attain and maintain a high level of performance is generally accepted in all organizations, employees, employers., etc. because it is through such products increase the return to enterprise, investment can be maximized (Okoye & Ezejiofor, 2013). Some of the pre-conditions by Okoye and Ezejiofor (2013)for high productivity in organization consist of production target which implies that each department of an organization must have its objectives and relations with other department well known to employee: planning and workflow of output which entails a situation where workforce in terms of forward and backward linkages should be well planned to ensure the material or competent required by each department and to ensure uninterrupted: physical working conditions which entails the providing the safe and healthy facilities to workers that work: incentive which is a motivation factor that increases the productivity of an employee in an organization ; job allocation which entails allocating work between employee in an organization and should be sent to be fair by all parties; and effective supervision which is the process where adequate trained supervisor increases the performance of an employee in an organization as they attain and maintain high productivity in the organization

Compensation package

Compensation is output and the benefit that employees receive in the form of pay, wages and also, same rewards like the monetary exchange for the employee' to increase the performance (Hameed, et al., 2014). Compensation is the segment of transition between the employee and the owner that the outcomes employee contract. Ivancevch and Glueck (1989) stress that the value of employee training as compensation and benefits packages has increased the performance of human resource outcomes which normally increase performance satisfaction and productivity and attract workers. Organizational pay directly influences employee voluntary turnover employee to compare to the pay available in other Organizations. One of the functions of the human resource management function is compensation. Compensation deals with every type of reward an individual receives in exchange for performing organizational tasks with the desired outcome of an employee who is attracted to the work, satisfied and motivated to do a good job for the employer (lvancevich, 2004). Compensation is the cash and non-cash remuneration provided by an employer for services rendered. It could be a financial reward which refers to any monetary rewards that go above and beyond basic pay. These reward rewards are separate and not added to the basic salary. Compensation can be described as direct and indirect compensation received by an employee in an organization that serves to achieve employee satisfaction as well as improve performance (Adeniji & Osibanjo, 2012).

Direct compensation includes wages, salary, bonuses or commission. Indirect compensation includes incentives. medical benefits, housing allowance, annual leave allowance and training opportunities. Designing a compensation programme is significant in personnel management because of its direct influence on employees' satisfaction in the company. Compensation impacts everyone in the organization to an extent and can prove to be a very valuable and powerful tool either intentional or unintentionally (Osibanjo et al., 2014). This compensation toll can achieve employee satisfaction and employee retention, as it comprises financial and non-financial rewards that attract, motivate and satisfy valuable human capital, retaining effective performers as the compensation system reorganizes desired behaviour towards aiding the competitive advantage of the organization. Hence, any organization's compensation package must be attractive enough to prevent employees from becoming dissatisfied and looking elsewhere for a better salary, career development opportunities, fringe benefits, bonuses and incentives.

Compensation packages entail basic features that tend to make employees satisfied with their job amongst which are salaries, bonuses, incentives, allowances, promotion, and recognition (Werner, 2001). According to Osibanjo et al. (2014), all of these have a significant impact on employee performance. Therefore, the need to effectively communicate the compensation to an employee with measurement is found to drive the much-needed performance in the employee. Good compensation in an organization is identified as one of the boosters of employee output. Organizations that adopt this policy of adequate remuneration have a good chance of increasing organizational productivity. It is visible that employers of labour have to realize the fact that for their organizations to compete favourably, the performance of their employees goes a long way in determining the success of the organization. The performance of employees in the organization is needful not only for the organization but also for the growth of the individual employee. an organization need to understand outstanding workers and those that need additional training and those not significantly contributing to the welfare and efficiency of the organization (Akanbi, 2001). Mougbo (2013) stressed that effective rewards influence workers' performance to motivate them. The performance of workers has been important due to the increasing concern of human resource and personnel experts about the level of output obtained from workers due to poor remuneration. This attitude is also a social concern and very helpful to identify problems that are obtained in industrial settings due to the non-challan of managers to manage their workers by rewarding them well to maximize their output. Hence, all efforts must be geared toward developing workers' interest in their job to make them happy in giving their best work, this will enhance industrial harmony.

Compensation often impacts an employee's motivation and job satisfaction, although it is not the only factor. Compensation systems positively impact a large percentage of workers' performance. Many employees feel motivated to help their organization succeed if the employer shares its profits with employees, such as with bonuses or profit-sharing plans. The greatest impact of money on productivity and performance is in jobs where performance is directly related to compensation. For instance, the knowledge of receiving a bonus after achieving a certain sales quota will likely motivate a salesperson to increase productivity (Johnson, 2017). This indicates that compensation offers to employees the organization's retention rate and satisfaction.

Methodology

The target population of the study was the staff from Lafarge Africa Plc, Alas Ltd: Atlas Cement Company Ltd: and the Ibeto Cement Company Ltd with a total of I,381 staff. The sample size of 310 was scientifically determined using the Taro Yamane sampling determination formula. The statistical tool used for analysis was the Pearson Product Moment Correlation Coefficient. A total of 3 10 questionnaires were distributed to the respondents in different firms and 308 were returned representing 99%. A survey research design was adopted for this study and a questionnaire was used to elicit responses from the respondents. The questionnaire consisted of three parts: The first section relates to personal demographic data, Section two consists of structured questions, and section three was made up of open-ended questions.

Results

Table 1: Response to Item 6 (Bonus payment)

		Frequency	Per cent	Valid per cent	Cumulative per cent
Valid	A	206	66.9	66.9	66.9
	D	24	7.8	7.8	74.7
	SA	56	18.2	18.2	92.9
	U	22	7.1	7.1	100.0
	Total	308	100.0	100.0	

Source: Researcher's computation, 2022

Table 1 assesses whether bonus payment in the studied firms enhances employee output. Out of the 308 respondents. 206 respondents indicating 66.9% of the considered population agreed that bonus payment enhances employee output, and 24 respondents representing 7.8% disagreed that bonus payment enhances employee output. However, 56 respondents showing 18.2% of the total sampled population strongly agreed that bonus payment enhances employee output, while 22 respondents representing 7.1% were undecided.

Table 2: Response to Item 9 (Employee Output)

		Frequency	Per cent	Valid per cent	Cumulative per cent
Valid	A	223	72.4	72.4	72.4
	SA	85	27.6	27.6	100.0
	Total	308	100.0	10.0	

Table 2 examines whether employee output is enhanced by bonus payment in the studied firms. Out of the 308 respondents, 223 respondents indicated that 72.4% of the considered strongly agreed that employee output is enhanced by bonus payment, while 85 respondents representing 27.6% strongly agreed that employee output is enhanced by bonus payment.

Table 3: Correlation Result

		Bonus	Employees output
	Pearson Correlation	1	-.113
Bonus payment	Sig. (2-tailed)		.04
	N	308	308
	Pearson Correlation she	-.113	1
Employee output	Sig. (2-tailed)	.049	
	N	308	308

Sources: Researcher's Computation, 2022.

This table shows the correlation coefficient on whether there is a relationship existing between employee output (dependent variable) and bonus payment (independent variable). The correlation coefficient is -0.113. Thus, bonus payment (X) has a negative relationship with employee output (Y). By interpretation, bonus payment and employee output are not directly related suggesting that an increase (decrease) in bonus payment will result in a significant decrease (increase) in employee output. However, the coefficient of correlation cannot be interpreted, only its sign is useful. The correlation coefficient (r) was transformed to r (coefficient of determination) which shows the proportion of total variation in the dependent variable that is explained by the independent variable. Therefore, r-0.113, r = 0.012769 or 0.01. This means that 1(one) per cent of the total variation in employee output is explained by bonus payment.

Table 4: Testing employee output (Y) and Bonus Payment (X)

Model	Unstandardized B	Coefficients Std. error	Standardized coefficients	T	Sig.
1	(Constant)	4.483	.108		41.628
	Bonus payment	-.053	.27	-.113	-1.981

a. Dependent Variable: Employee Output

T-test was employed in testing hypothesis two. This test helps to capture the individual Significance of the parameter estimate. The t-calculated value is -0.981 while its P-value is 0.049. At a 5% level of significance using the two-tailed test, the t-tabulated value is 1.960.

Decision Rule

If the t-calculated value> t-tabulated value (1.980), reject the null hypothesis, otherwise accept the null hypothesis. Using a 5% level of significance, t-calculated value (-0.174) < t-tabulated value (1.980), therefore, bonus payment has no significant relationship with employee output in Ibeto Cement Company Ltd.

Discussion

The objective of this study was to determine the extent to which bonus payment relates to employee output in the studied firms. Data distributions on the two variables were generated using two questions (numbers 6 and 9) in the questionnaire. Findings revealed that 206 and 56 respondents representing 66.9% and 18.2% agreed and strongly agreed that bonus payment influences employee output, 24 respondents representing 7.8% disagreed, while 22 respondents representing 7.1% were undecided. Response to item 9 in the questionnaire also revealed that 223 respondents representing 74.4% agreed that employee output is influenced by bonus payment. While 85 respondents representing 27.6% strongly agreed. The response rate indicated that bonus payment has a relationship with employee output. Pearson product-moment correlation coefficient showed a negative relationship of -0.113 existing between employee output (y) and bonus (x). The correlation coefficient (r) was transformed to r (coefficient of determination) which shows the proportion of total variation in the dependent variable that is explained by the independent variable. Therefore, r= 0.012769 or 0.01. This means that 1 per cent of the total variation in employee output is explained by bonus payment. Furthermore, in testing the hypothesis, the covariates (employee output and bonus payment) were subjected to a t-test to determine the significance of the correlation. Using 5% level of significance, t-calculated value (-0.174) t-tabulated value (1.980). Therefore. the significant relationship with employee output in cement manufacturing firms in South-South, Nigeria. This indicates the absence of an effective bonus scheme in cement manufacturing firms in South-South, Nigeria and further suggests that the studied firms should not border about using bonus payments as rewards to enhance employee output. Herztberg (1959) posited that satisfaction and dissatisfaction are driven by different factors; motivation and hygiene factors and employee's motivation and commitment to work are proportional to employees' satisfaction.

In order words, as employees receive bonuses and do not have an effect on their output, the employer becomes dissatisfied. This may be explained by the fact that reward systems are hygiene factors for an organization. According to Waal & Jenson (2011), the use of bonuses or implementation of certain types of reward systems has neither a positive nor a negative effect on organizational performance. If an organization does not have an appropriate reward system (whether or not including bonuses) it will run into trouble with its employees and have difficulty improving its performance. If it does (a situation that employees expect and consider to be normal) it can start experiencing improvement in employees' output. Tying bonuses directly to a strategic performance measurement system increases the feeling of fairness employees have toward the reward system (Burney, Hnele, & Widener 2009). Equity is an important factor to employees, as they will always want to be treated fairly about the fundamental conditions of employment. Holbeche (2005) called this 'a fair employee deal which is important for creating the impression of fair treatment among employees.

Contrary to the widely accepted assertion that a bonus scheme for employees is a positive strategy for real motivation and it helped to elevate employee identification with the company and align them with its operational objectives.

According to Njanja (2013), a Cash bonus is widely accepted as a form of reward that companies could use to reward an employee for exemplary performance or output. This is true because payment of bonuses makes workers perform higher or exceed their set targets. The amount of cash paid as a bonus makes workers perform higher or exceed their set targets. The amount of cash paid as a bonus is determined by how high the employee has over exceeded the set targets in the company. Block & Lagasse (1997) recommended performance bonuses as a means of reward in the organization. Companies now use cash bonuses to reward their employee's performance next year. Consequently, it is argued that a misery bonus received by employees would reflect how the company assessed their performance and might consider improving next year (Finkle, 2011).

Therefore, the use of bonuses to increase output is important and managers need to use bonus pay to improve employee performance by incorporating appraisal or promotion for an employee who has a good record of performance. Suff and Reilly (2006) admitted that the payment of bonuses in an organization would help to direct the effects of sales personnel toward specific organizational objectives, such as promoting new product sales or sales to new customer groups, as well as increasing customer satisfaction and retention.

Conclusion

Bonus payment has no significant relationship with employee output in cement manufacturing companies in South-South, Nigeria. There is a negative correlation between employee output (y) and bonus payment (x) in cement manufacturing firms in South-South, Nigeria. This implied that bonus payment does not significantly boost employee outputs instead, an increase in bonus payment, on average, will contribute negatively to the employee output. Also, the management of Cement Manufacturing firms in South-South, Nigeria should know that non-payment of bonuses to performing employees is a constant source of frustration to employees' output. Therefore, a bonus scheme should be established to help improve employees' output.

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