IOSR Journal of Business and Management (IOSR-JBM)
e-ISSN: 2278-487X, p-ISSN: 2319-7668. Volume 20, Issue 10. Ver. I (October. 2018), PP 01-08
www.iosrjournals.org

Salary Increase And Employee Productivity In Cement Manufacturing Companies In South-South, Nigeria

Sunday Isaac Eneh Ph.D[1], Nwekpa Kenneth Chukwuma PhD[2], Udu Gabriel O C PhD[3]

Department of Business Management Faculty of Management Sciences
University of Calabar Calabar –Nigeria
Department of Business Management, Marketing and Entrepreneurship studies
Faculty of Management Sciences Ebonyi State University, Abakaliki
Department of Business Management, Marketing and Entrepreneurship studies
Faculty of Management Sciences Ebonyi State University, Abakaliki
Corresponding Author: Sunday Isaac Eneh Ph.D

Abstract: *The organizational approach on salary increase has been a tool that triggers better employee performance in any given manufacturing organization that operates in a dynamic and competitive environment. The study examined the extent to which salary increase as independent variable (x) influences employee productivity in cement manufacturing firms in South-South, Nigeria. A study adopted survey design and questionnaire were distributed. A sample size of 310 was determined from a population of 1,381 staff, using Taro Yamane sample size determination formula. The questionnaires collated were analyzed using Pearson Product Moment Correlation Coefficient. Findings revealed that salary increase has significant relationship with employee productivity in cement manufacturing firms in South-South, Nigeria. Further findings revealed that employees are motivated by monetary rewards and they are induced to expend greater effort in a task if those efforts are rewarded directly through performance-related pay. It was concluded that employee salary should be determined and increase based on productivity of the employee as this will help to create competition among the employees to attain the set goals of the firm. The study therefore recommended that cement manufacturing firms in South-South, Nigeria should improve in the salary level given to employees and increase employee salary as at when due in order to be more productive.*

Key word: *Salary increase, employee productivity, employee motivation*

Date of Submission: 04-10-2018 Date of acceptance: 19-10-2018

I. Introduction

Salary is conceptually, a fixed amount of money paid to a worker usually measured at monthly and annual basis, not hourly, as opposed to wages. Salary is a fixed amount of money or compensation paid to an employee by an employer in return of work done (Idrees, Xinping, Shafi, Hua & Nazeer, 2015). Salary connotes a set wage based on a set of expected duties performed. A based salary guarantee provides employees with security, knowing they will receive at least a minimum pay for their time. Wildred, Elijah & Muturi (2014) added that basic salary is a fix periodical payment for non-manual employees usually expressed in annual terms, paid per month with generally no addition for productivity. Though, fixed salary in an organization can lead to complacency, with employees knowing they will get paid no matter how they produce the important of job satisfaction and a sense of purpose drive workers productivity.

Therefore, incentive pay based on the quantity of work delivered rather than on the time spent on the job is particularly beneficial for increasing worker productivity (Ray, 2016). Employee productivity describes what an employee receives in exchange for wages or salary paid to an employee. Taylor (2009) noted that productivity relates to profit earned for a company, but productivity need not be a monetary measurement. It is evident that people are easily motivated by money, for instance, the salary an employee received from his employer has influence on his productivity. A worker is seemingly happy with the salary he earns and will perform to his potential. This is because when a worker earns a high salary he feels motivated to do a job to maintain his position (Woods, 2016).

Hence, his feeling gives him a sense of security and accomplishment as he enjoys high status ranking in the organization because an employee when satisfied with his salary become more productive and motivated. It is worthy to stressed that monetary incentive such as salary is used by employers of labours to retain their best brains and as well compensate them for a job well done and excellence of job performance through monetary form (Olubusayo, Stephen & Maxwell, 2014; Nelson, 2003). Salary as a monetary incentive describes incentive payment plans which ties incentive directly to productive standard (Alaba & Owodunni, 2007). Sheridan (2005) opined that well-paid employees are the key to better productivity and ultimately a better performing organization. For instance, managers are mistaken if they believe tinkering with one aspect of compensation such as health-care benefits is going to have a meaningful impact on workers overall pay satisfaction and enhance the company productivity. It is the salary that counts. This implies that when it comes to choice, the most important incentive to employee is the salary. In addition, a happier employee is known by the overall pay, that is, the more satisfied employees are with their job the better the company performance.

Kinicki and Williams (2008) stated that pay for performance is one of the popular monetary incentives, also known as merit pay. Different salaried employees might get different pay raises and other financial rewards depending on their overall job performance. Abosede & Adekunle (2012) reminded that salary increase has a motivational value but that the direct relationship between salary increase and employee productivity is contingent on the facts that: Increase salary is tied to higher performance and that workers are able to see direct relationship between increased salary and higher performance such that only the highest performers get the highest rewards, the workers perceive adequate degree of fairness between their salary and their work efforts, the employees firmly believe that better performance will always result in better performance and hence better salary, and the employees also believe that their efforts will always result in better performance and hence better salary. Until these aforementioned conditions are present, the direct relationship between increase salary and enhanced employee productivity cannot exist or be real.

Employees are valuable resource of any organization. labour productivity nowadays has been the main concern of modern organizations. It is accepted that employees discover valuable sources of competitive edge for firms (Aslam, Ghaffer, Talha & Mushtaq, 2015). The fact that employees are motivated by monetary reward can be induced to expend greater effort in a task if those efforts are rewarded directly through performance-related pay. The importance of salaried employment has minimizes fluctuations in pay, and thus give workers some degree of certainty about their income into the future as the reach performance threshold necessary to retain job and remain in business (Bryson, 2010). Most workers are salaried contract and they have their incentive effects on the workers productivity.

Motivation has been considered as a critical factor for sustainable productivity. Motivation becomes the amount of effort an employee expends on the activities or task associated with the job. Monetary rewards are the primary motivator of workers (Idrees, et al, 2015). The importance of motivation in fulfillment of need is determined by the extent to which a job with its specified characteristics and duties, allow an individual workers to meet his/her personal need (Kinicki & Kreitner, 2007). In the same way, employees who perceive their needs as unmet are demotivated and become increasingly attracted to competing places of employment (Tziner, 2006). However, what motivates an employee is not limited to the nature of the job, but it also depends upon the individual perceptions of, attitudes to, and expectation from the job itself (Hong, White & Barriball, 2005).

Financial remuneration has been considered as the sole of motivation. Herman, Harry and Ryan (2012) add that financial remuneration will be successful in terms of enhancing employee performance. It is one of the most important factor leading employees to accept job offer (Felman & Arnold, 1978). Financial remuneration includes the basic pay, cost-of-living adjustment, short-term incentives, and long-term incentive. Fay & Thompson (2001) affirm that extrinsic rewards have a critical role in determining the organization’s ability to attract high potential employee to retain high performing employees, and to achieve greater levels of quality and performance.

Indeed, transformation may fail to deliver expected result if the underlying factors that extrinsically drive employee performance are not addressed properly.

The modest but continuous growth in the Nigerian economy is a prospect for cement manufacturing firms in the South-South geopolitical zone to increase local production in order to meet the high demand for cement. However, the extent to which they can do so effectively depends on the proper application of staff remuneration that could trigger better employee productivity. The level of salary an employee receives could determine the level of the employees’ motivation. Therefore, it is believed in theory that an increase in salary will influence employee productivity. The truth or falsity of this theory as it applies to cement manufacturing firms in the South-South, Nigeria remains to be determined.

Over the years the cement industry has grown but has not been able to fully meet the demands of Nigeria cement consumers. The gap between the demand for cement and local production has always been met by importation of the product. Due to external shocks such as importation and the inability of cement manufacturing firms to fully integrate backward towards ownership of factors of cement production and forward toward control of large markets, at least in Nigeria, it may be difficult to know how salary increase influence employee productivity in these cement producing firms. It is due to this uncertainty that this study has become necessary in the stated cement producing firms in South-South, Nigeria. The objective of this study was to determine the extent to which salary increase influence employee productivity in cement manufacturing companies, South-South, Nigeria.

II. Literature

Salary increase and employee productivity

Salary is defined as fixed amount of money paid to a worker usually measured a worker measured as monthly and annual basis, not hourly, as opposed to wages. Wilfred, Elijah and Muturi (2014) support that salary is a fixed periodical payment for non-manual employees usually expressed in annual terms, paid per month with generally no additions for productivity. Similarly, salary is fixed amount of money or compensation paid to an employee by an employer in return of work done (Idrees et al., 2015). This implies that salary is the most obvious reward employee receives at work. Attractive salaries or pays are valuable tool and play an important role to increase employee's performance and also increase the productivity of an organization (Muogbo, 2013). The payment of good salaries and wages is fundamental to the prerequisite for effective performance. In order to motivate people to put maximum efforts, it is essential that their various needs, especially as it concern their wages and other fringe benefits as far as practicable. It is worthy to note that, employee are often motivated by money and the salary a worker is paid has great influence on his productivity in the organization. Employees see salary as the value of his employer place on him as a worker. Therefore, the level of appreciation a worker feel can have a direct impact on his overall motivation (Woods, 2017). A worker is likely to perform to his potential if he is happy with the salary he earns. A person earning a higher salary feels motivated to do a job in order to please his employer to retain his position. This implies that salary give an employee the feelings of security and accomplishment.

Bohan (2004) notes that traditional pay systems were based on the three factors such as; the job, maintaining the level of equality in standard pay among employees in the organization, and paying competitive salaries. In traditional pay systems, employees were not encouraged to acquire new skills and were not rewarded if they did. Increase of an employee pay depended on change on the cost of living and employees regarded the increase in pay as entitlement without accounting for their performance, or that of the organization. This meant on one hand that an employee's salary increase did not in any way change his or her attitude to work such that he or she could put more effort to influence output in order to cater for the increase, and on the other hand increase the organization's volume of production. It also meant that a worker was likely to increase his skills of the job but the skills accumulated slowly and skills to be acquired were limited thereby leading to redundancy and monotony of work thus reducing an organization's volume of output. Swanepoel (2003) described that employee were rewarded according to the position held without considering their performance. The increments in basic pay depended on internal and external assessment of jobs.

Shield (2007) views basic pay as an important part of total pays that is fixed and mainly time-based, rather than performance-based. Basis pay is the largest fraction of the total pay for non-executive employees. It also acts as a benchmark for other cash incentives such as profit sharing, which is expressed as a percentage of basic pay helps to attract and retain employees. Employees use basic pay to compare their job offers instead of using intrinsic rewards and other rewards not captured in the formal organizational framework up to including job security. In competitive market, organizations pay above the market rates to retain their employees. Lynch (2000) agrees that basic salary is the vital payment made by the employer to the employee for work done pay indicates the value that the employer put on the work performed by its employees.

Employees are paid depending on the skills and competencies that they posses, and not what the job is worth. It is employees who have market value, and not job (Shield, 2007). Skills based pay is a payment method in which pay progression is linked to the number and depth of skills that individuals develop and use. It is paying for horizontal acquisition of skills and the vertical development of skills needed to operate at a higher level by undertaking a wider range of tasks. The emphasis on skill development is necessitated by rapid developments in technology and changing manufacturing methods that require flexibility (Stuart, 2011). According to Armstrong (2003), good practice requires employers to keep pace with inflation by rewarding employees with salaries that are market related to avoid strike and poor performance by workers. Organizations are under financial strain with salaries continually rising and becoming a major fixed expense. According to Livingstone (2009), regardless of basic pay inefficiencies, it remains a rule that employees should be paid at, or above market rates as negotiated by the labour unions who are concerned with the welfare of employees. In a competitive market, higher basic pay is used for attracting and retaining employees. Otherwise contradicting this rule has negative consequences on the part of the organization. Hence, basic pay communicates commitment to employees and is used as the baseline for assessing other pay systems such as skills and competency pay. Below is the model for salary increase:

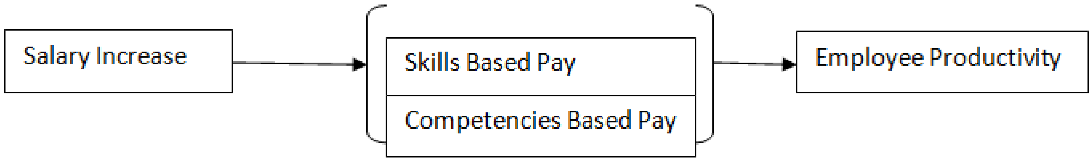

Figure 1: Model for Salary Increase

The need for high productivity is critical for realization of set goal of an organization. Productivity entails an output-input ratio within a time 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 the 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 Jackson (2000) sees 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) added that organizational productivity measures how well an organization function and also an indication of efficiency and competition of a single department. Hence, productivity is a measure of how well resources are brought together in an organization and utilizes for accomplishing a set of set result. Productivity is at the highest level with least expenditure or resources.

The need to attain and maintain high level of productivity is generally accepted in all organizations, employers, etc because it is through such product increase the return to enterprises, investment can be maximized (Okoye and Ezejiofor, 2013). Some of the pre-conditions for high productivity in organization consists of production targets 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 term of forwarded and backwards linkages should be well planned to ensure the of 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 increase the productivity of an employee in an organization; job allocation which entails allocating work between employees in an organization and should be seen 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 (Okoye and Ezejiofor, 2013).

Role of motivation in employee productivity

Motivation acts on behaviour, is at the heart of an individual actions and reactions. A well motivated individual used his energy in order to make the best out of his potential, according to his aspirations and expectations. It is therefore necessary to know the individual, as well as the requirements he needs to meet in order to establish the motivational policy and measures that enable motivate the individual (Murray, 1970). Understanding human behaviour and some of the things that impact individual actions is imperative. Motivation refers to the amount of effort being applied to the job, the willingness of the individual to stay with a task until it is completed, and the job individual effort directed towards the achievement of pre-determine goals (individual/organizational).

Human behaviour is largely influenced by the system of reward and punishment that are present in an environment. Motivation is a condition that energizes individual behaviour and directs a goal. It is a drive that impels an individual to work. A motivated person is one who has a desire to work. Employers are very much interested to know how best to motivate their employee in order to be more efficient and productive. If we know what drive people then we are able to make them to do what we want (Owens, 2004). Motivation is one of the main factors that determine the performance of employee and highly motivated employees are crucial to an organization's success. Though motivation may be considered as human engineering approach being triggered by the individual needs, it is an act targeted to getting people work willingly, and an act of inducing one to behave in a particular manner to achieve a task. According to Flippo (1982), individuals are driven to satisfy their aims and goals. In doing so, they develop a goal driven behaviour. This desire to satisfy one's desire is based on a psychological process called motivation. to achieve increased output in workers, motivation is necessary ingredient. Motivation is sustained by an individual desire to meet a need and search for an objective to satisfy one's self.

Motivation is the most pertinent matter for every organization be it public or private sector. For the success of any organization motivation plays an important role (Chintallo & Mahadeo, 2013). Motivation is crucial for organization to operate and without it employee will not put up their best and the company performance would be inefficient. A study by Omollo (2015) expressed motivation as key to organizations' survival and performance. Motivating employees in organization helps to broaden their skill to meet the organizational demands. Therefore, all managers in organization must be saddled with the responsibility of working with employee to find out their individual needs and put them side by side to the organization needs. Motivating employee effectively is not the basic duties of a manager. Mullins (2005) revealed that through the environment that organizations thrive it appears to be unstable, thus affecting an organization's ability to retain and attract employee due to an aggressive labour market and inadequate opportunities. High labour turnover will have a major impact on customers. When an organization losses its employees' a large gap of knowledge, experience and skills are created. Employee retention has a positive impact on employee motivation. Motivation is therefore a strategic tool for giving employee the right mixture of guidance, direction, resources and rewards to make inspired and keen to work in that the organization want them to work. Motivated employees are highly probable to continue with and help put together a successful organization.

Motivation formulates an organization more successful because provoked employees are constantly looking for improved practice to do a work (Muobbo, 2013). Therefore, getting employee to do their best work even in strenuous circumstances is one of the employees most stable and greasy challenges and this can be made possible through motivating them. In contemporary organizations, employees want to learn reasonable salary and payment, and employer desire their workers to feel that is what they are getting. Money is therefore the fundamental inducement; no other incentive or motivational technique comes even close to it with respect to its influential value. It is the supremacy to magnetize, maintain and motivate individual towards higher performance (Muobbo, 2013). It is suggested that reward now cause satisfaction of employee which directly influences performance of the employee.

III. Methodology

Survey research design was adopted for this study. The target population of the study was the staff from the United Cement Company Ltd; Atlas Cement Company Ltd; and Ibeto Cement Company Ltd with a total staff strength of 1,381. The sample size of 310 was scientifically determined using Taro Yamane sampling determination formula. Statistical tool used for analysis was Pearson product Moment Correlation Coefficient. A total of 310 questionnaires were distributed to the respondents in different firms and 308 were returned representing 99.4%. The questionnaire consisted of three parts: The first section relates to personal demographic information, Section two consists of structured questions related to salary increase and employee productivity. Section three was made up of open ended questions. Two data distributions on the variables were generated using two questions (number 5 and 20) in the questionnaire. The study analyzed, interpreted and presented the data which were collected through the instrumentality of questionnaire. This was done with a view to determining if the responses of the respondents significantly supported or contradicted the hypothesized view that salary increase enhances employee productivity in the cement manufacturing companies in South-South, Nigeria.

IV. Results

Rate of Returns of Questionnaires

Three hundred and ten (310) questionnaires containing thirty-nine (39) structured multiple choice questions were distributed to the respondents, three hundred and eight (308) questionnaires were returned and appropriately filled. Table 1 shows the rate of returns of the questionnaires issued during the field survey.

Table 1: Rate of return of questionnaires

Questionnaires	N0. of respondents	Percentage (%)
Returned	308	99.4
Not returned	002	0.6
Total	310	100

Table 1 shows that three hundred and ten (310) respondents representing 100% of the total number of questionnaires distributed were not completely returned. However, three hundred and eight (308) questionnaires representing 99.4% were returned while two(2) questionnaires indicating 0.6% were not returned. The higher response rate achieved in the study was due to high rate of interest attached to the topic by respondents.

Table 2: Response on item 5 (Salary increase)

		Frequency	Percent	Valid	Cumulative
	U	22	7.1	7.1	7.1
	D	38	12.3	12.3	19.5
Valid	A	55	17.9	17.9	37.3
	SA	193	62.7	62.7	100.0

	Total	308	100.0	100.0	

Table 2 assesses whether salary increase in the studied firms influences employee productivity. Out of the three hundred and eight (308) respondents, 193 respondents indicating 62.7% strongly agreed that salary increase influences employee productivity in the studied firms. 55 respondents indicating 17.9% also agreed, 38 respondents representing 12.3% disagreed, while 22 respondents representing 7.12 were undecided.

Table 3: Response on item 20 (Employee productivity)

		Frequency	**Percent**	**Valid**	**Cumulative**
	D	24	7.8	7.8	7.8
Valid	A	68	22.1	22.1	29.9
	SA	216	70.1	70.1	100.0
	Total	308	100.0	100.0	

Table 3 examines whether employee productivity is influenced by salary increase in the studied firms. Out of the three hundred and eight (308) respondents, 216 respondents indicating 70.1% strongly agreed that employee productivity in influenced by salary increase in the studied firms. 68 respondents representing 22.1% also agreed, while 24 respondents 7.8% disagreed.

Table 4: Correlation Result

		Salary Increase	Employee productivity
Salary Increase	Pearson Correlation Sig. (2-tailed) N	1 308	.243* .000 308
Employee Productivity	Pearson Correlation Sig. (2-tailed) N	.243* .000 308	1 308

The correlation coefficient was used in determining if there is correlation existing between employee productivity (dependent variable) and salary increase (independent variable). Using Person correlation, the coefficient is 0.243. Thus, there is a positive correlation between employee productivity (Y) and Salary increase (X) but very weak positive relationship. By interpretation, salary increase and employee productivity are directly related suggesting that an increase (decrease) in salary will result in the significant increase (decrease) in employee productivity. 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, $r = 0.243$, $r^2 = 0.059049$ or 0.06 (Approx.). This means that 6 percent of total variation in employee productivity is explained by salary increase.

Table 5: Testing Employee Productivity (Y) and Salary increase (X)

Model		**Unstandardized Coefficients** **B**	**Std. Error**	**Standardized Coefficients Beta**	**t**	**Sig.**
1	(Constant)	4.054	.134		30.154	.000
	Salary increase	.113	.030	.243	4.382	.000

a. Dependent Variable: Employee Productivity

T-test was employed in testing hypothesis. This test helps to capture the individual significance of the parameter estimate. The t-calculated value is 4.382 while its P-value is 0.000. At 5% level of significance using two-tailed test, the t- tabulated value is 1.960.

Decision Rule

If the t-calculated value > t-tabulated value (1.960), reject the null hypothesis, otherwise accept the null hypothesis. Using 5% level of significance, t-calculated value (4.382) > t-tabulated value (1.960). Therefore, the null hypothesis was rejected and it was concluded that salary increase has significant positive relationship with employee productivity in cement manufacturing firms in South-South, Nigeria.

V. Discussion

The high response rate indicated that salary increase has a positive or significant relationship with employee productivity. This was also justified by the salary increase and employee productivity correlation coefficient of 0.243.

In consensus with this finding, Bryson, Buraimo & Simmons (2010) revealed that employees are motivated by monetary rewards and they are induced to expend greater effort in a task if those efforts are rewarded directly through performance-related pay. This is a fact because through performance related pay workers are able to receive an annual salary which has a beneficial impact on their well being. The importance of salaried employment on productivity is that it minimizes fluctuations in pay which give workers some degree of certainty about their income into the future as they strive to reach the performance threshold necessary to retain their job and ensure the employer remains in business. Freeman & Kleiner (2005) added that a worker that is paid fixed salary in a given period is likely to exert effort because good performance will improve future contract or job. This reputational concern by workers would make them to exert more effort for performance. Though salary in organization may be long term or short based on effective productivity. In long-term salary, a good performance will come in form of defer payment or benefit. While the reward for short-term salary contract comes in form of contract renewal.

Consequently, Bryson et al, (2010) affirmed salaries smoothened income fluctuations for workers, offering income security which may be absent among those on shorter-term performance-oriented contract. In cement manufacturing firms in South-South, Nigeria, salaries are rationed based on productivity of the workers and this help to create competition among the workers to reach the set goals of the company. In the studied cement manufacturing firms in South-South Nigeria, the salary structure of the companies are based on the quantity of work delivered and it is particularly beneficial for increasing workers productivity. Employee performance in the companies is described based on what the employee receives in exchange as salary. This is because employee productivity relates to the profits realized by the companies. It must be noted that well-paid employees in organizations are the key to better organizational productivity. However, the overall pay satisfaction of employees and the company productivity is significantly tied to improved salary of the workers. Abosede & Adekunle (2012) reminded that salary increase has a motivational value but that the direct relationship between salary increase and employee productivity is contingent on the facts that: Increase salary is tied to higher performance and that workers are able to see direct relationship between increased salary and higher performance such that only the highest performers get the highest rewards, the workers perceive adequate degree of fairness between their salary and their work efforts, the employees firmly believe that better performance will always result in better performance and hence better salary, and the employees also believe that their efforts will always result in better performance and hence better salary. Until these aforementioned conditions are present, the direct relationship between increase salary and enhanced employee productivity cannot exist or be real. Significant number of respondents admits this fact to affirm that the most important incentive to employee is the salary because happy employees are known by the overall pay they receives due to their contributions to the productivity level of the company. Payment of salaries to employees in the organization serves as motivation to maintain their positions and encourage their performance in the organization. The use of salary increase to motivate an employee to better performance is an organizational practice which serves as a strategic tool for retaining best brains, to enhance the productivity of the organization.

VI. Conclusion

The study concluded in line with the findings that salary increase has positive significant relationship with employee productivity in Cement, Manufacturing firms in South-South, Nigeria. This suggest that employee salary should be determined and increase based on productivity of the employee as this will help to create competition among the employees at workplace in order to achieve the set goals of the firm. Employee productivity can be boosted by increasing employee salary. Also, the ability of any firm to attract and retain resourceful employees depends mostly on how much monetary incentive, specifically salary, it is prepared to offer.

Recommendation

The study therefore recommended that cement manufacturing firms in South-South, Nigeria should improve in the various financial incentive packages given to employees especially, salary and always increase employee salary as at when due in order to be more productive.

References

[1]. Abosede, A. J. & Adekunle, O. A. (2012). Reward system as a predictor of workers job performance: A case of health workers in Lagos State, Nigeria. *International Journal of Business and Behaviour Sciences,* 2(1), 7-17.
[2]. Alaba, R. A. & Owodunni, A. (2007). *Personnel testing and selection in organization.* Lagos: Triump publishers.
[3]. Armstrong, M. (2003). *A handbook of human resource management practice* (9th ed.). London: Cambrian Printer Ltd.
[4]. Aslam, A., Ghaffer, A., Talha, T. & Mushtaq, H. (2015). Impact of compensation and reward system on the performance of an organization: Am empirical study on banking sector of Pakistan. *European Journal of Business and Social sciences,* 4(8), 319-325.
[5]. Bohan, F. (2004). Hidden power of productivity: Improving productivity by 30.
[6]. Bryson, A., Buraimo, B., & Simmons, R. (2010). *Do salaries improve workers performance.* National Institute of Economic and Social Research (NIESR). A discussion paper, No 366, 12th October2010. London.
[7]. Chintallo, S. & Mahadeo, J. (2013). Effect OF motivation on employees' work performance at Ireland Blyth Limited. In H. Zameer, S. Ali, W. Nisar, M. Amir (Eds). The impact of the motivation on employee's performance in beverage industry of Pakistan. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 4(1), 293-298.
[8]. Fay, C.H. & Thompson, M. A. (2001). Contextual determinants of reward systems success: An exploratory study. *Human Resource Management,* 40(3), 213-226.
[9]. Felman, D. C. & Arnold, H. J. (1978). Position choice: Comparing the importance of organizational and job factors. *Journal of Applied Psychology,* 63(6), 706-710.
[10]. Flippo, E. B. (1982). *Personnel management* (5th ed.). London: McGraw Hill Inc.
[11]. Freeman, R. B. & Kleiner, M. M. (2005). The last American shoe manufacturing: Decrease productivity and increasing profits in the shift from piece to continuous flow production. *Industrial Relations,* 44. 307-330.
[12]. Herman, A., Harry, J., Ryan, K. G. (2012). *What monetary rewards can and cannot do: How to show employee the money*. Article in press, Kelly School of Business, USA, Indiana University.
[13]. Hong, L. U., White, E., & Barriball, L. (2005). Job satisfaction among nurses: A review of literature. *International Journal of Nursing Studies*, 42, 211-227.
[14]. Idrees, Z., Xinping, X., Shafi, K., Hua, L. & Nazeer, A. (2015). Effect of salary, training and motivation on job performance of employees. *American Journal of Business and Management,* 3(2), 55-58.
[15]. Kinicki, A. & Kreitner, R. (2007). *Organizational behaviour*. New York: McGraw-Hill.
[16]. Kinicki, A. & Williams, B. K. (2008). *Management: A practical introduction* (3rd Ed.) New York: McGraw-Hill.
[17]. Livingstone, D. (2009). *Education and jobs: Exploring the gaps*. Canada: University of Toronto Press.
[18]. Lynch, P. (2000). Time based pay. In O. N. Wilfred, C. M. Elijah, & W. M Muturi, (ed).Effect of remuneration on employees performance in the ministry of internal security:A case of Kisii. *International Journal of Human Resource Studies.* 4(1), 223-231.
[19]. Mullins, L. J. (2005). *Essential of organizational behaviour*. New York: Prentice Hall.
[20]. Muogbo, U. S. (2013). The impact of employee motivation on organizational performance: A study of some selected firms in Anambra State Nigeria. *The International Journal ofEngineering and Science,* 2(7), 70-80.
[21]. Murray, H. A. (1970). *Explorations in personality.* New York: Harper and Row.
[22]. Nelson, B. (2003). *Dump the cash, load on the praise.* Retrieved from http://www.fed.org/onlinemag/dec 96/motiv.html.
[23]. Olubusayo, G. H., Stephen, I. B., Maxwell, O. (2014). Incentive packages and employees' attitude to work: A study of selected government parastatals in Ogun State, South-West, Nigeria. *International Journal of Research in Business and Social Sciences,* 3(1), 63-74.
[24]. Omollo, P. A. (2015). Effect of motivation on employee performance of commercial banks in Kenya: A case study of Kenya commercial bank in Migori County. *International Journal of Human Resources Studies,* 5(2), 87-103.
[25]. Owens, R. G. (2004). *Organizational behaviour in education*. XXXX: Pearson Education Inc.
[26]. Ray, L. (2016). *How does salary affect a worker's productivity?* Retrieved from www.smallbusiness.chron.com/salary-affect-worker-productivity-38126.html.
[27]. Sheridan, P. (2005). *Show me the money: Salary levels have greatest impact on job satisfaction.* Retrieved from www.news.rice.edu/2005/11/10/show-me-the-money-salary-level-have-greatest-impact-on-job-satisfaction/.
[28]. Shield, J. (2007). *Managing employee performance and reward concepts, practices, strategies*. New York: Cambridge University Press.
[29]. Stuart, M. (2011). *The national skills development handbook2010/11*. South Africa: Rainbow.
[30]. Swanepoel, B. (2003). *Human resource management: Theory and practice* (3rd ed.). Landsdowne: Juta.
[31]. Taylor, C. (2009). *How does productivity influence wages and salary?* Retrieved from www.smallbusiness.chron.chron.com/productivity-influence-factors-wages-salary-39355.html.
[32]. Tziner, A. (2006). A revised model of work adjustment, work behaviour. *Review of Business Research,* 3, 34-40.
[33]. Wilfred, O. N., Elijah, C. M. & Muturi, W. M. (2014). Effect of remuneration on employees performance in the ministry of internal security: A case of Kisii. *International Journal of Human Resource Studies.* 4(1), 223-231.
[34]. Woods, L. (2016). *How can salary influence a worker's performance in an administration.* Retrieved from www.work.com/can-salary-influence-workers-performance-administration-25950.html.
[35]. Woods, L. (2017). *How can salary influence a worker performance in an administration.* Retrieved from www.work.chron/can-salary-influence-workers-performance-administration-25950.html

IOSR Journal of Business and Management (IOSR-JBM) is UGC approved Journal with Sl. No. 4481, Journal no. 46879.

Sunday Isaac Eneh Ph.D." Salary Increase And Employee Productivity In Cement Manufacturing Companies In South-South, Nigeria." IOSR Journal of Business and Management (IOSR-JBM) 20.10 (2018): 01-08.