# EMPLOYEE WELFARE PRACTICES AND WORK PERFORMANCE OF THE OIL & GAS INDUSTRY IN SOUTH NIGERIA

## Okeoghene Avwerosuo Ekere<sup>1</sup>, B. Chima Onuoha<sup>2</sup>

<sup>1</sup>Doctoral Student, Department of Management, University of Port Harcourt, Nigeria <sup>2</sup>Professor of Management, University of Port Harcourt, Nigeria.

### **ABSTRACT**

Employee welfare includes the assessment and monitoring of the working condition of the employees which can affect the physical and mental health of the employees. If the success of any business is measured by the productivity and profitability of the business then the businesses cannot succeed if they do not ensure that their employees have things like good working environment, healthcare, adequate food, and paid holidays. It has been indicated that these are employee welfare benefits that helped to enhance the engagement of the employees in the different organizations and improve on motivation and performance of the employees. This study attempts to explain the role of some of these employee welfare practices (medical insurance and compensation) in improving work performance (productivity and goal attainment). This buttresses the fact that employees need certain benefits and psychological needs such as autonomy, purpose-driven satisfaction to increase their level of productivity. Employee welfare is an essential element in creating a sense of recognition and satisfaction which will enevidently boost productivity and reduce frequent employee turnover. Hence, the study concludes that employee welfare practices have a positive relationship with work performance and thus recommends that Oil and Gas companies should give more attention to employee welfare to facilitate work performance.

KEYWORDS: Compensation, Employee Welfare, Goal Attainment, Medical Insurance, Productivity, Work Performance.

## INTRODUCTION

The welfare practices of employees refer to the organizational activity aimed at employees' comfort. It is also referred to the number of social and intellectual practices or policies made by the organization for the improvement of the employees (Van De Voorde & Beijer, 2015). These are the benefits that helped to enhance the engagement of the employees in the different organizations and hence enhanced the motivation and performance of the employees. These can be associated with the health care benefits and advantages that serve as a bonus for the employees. In the oil and gas industry in south Nigeria, there are different facilities, services and amenities found that serve for the betterment of the employees (Sandhya & Kumar, 2011). It was observed that the welfare practices create industrial relations as well as insurance for the workers that help them to work in the particular environment and protect them against diseases, unemployment, and accidents (Sandhya & Kumar, 2011). These welfare policies were found to benefit the families of the employees and provide them with better financial services despite the low wages.

The financial benefits were also provided by the oil and gas sector companies to the employees in which the financial benefits after the retirement of the employees were also given (Robescu & Iancu, 2016). This helps the employees to work for a long time in these companies and their engagement was found to be increased. The study showed that the companies that provided fewer benefits to the employees with regards to pension and other health care services were found with less engagement of the employees and more absenteeism rate was observed among these employees. Workers need certain rights or benefits to be considered for their job without their psychological needs such as autonomy, purpose-driven satisfaction and mastery neglected to increase the level of productivity.

Corporate productivity, as well as performance, is referred to the aggregate of units of inputs from the employees and after the organizations achieve the engagement of the employees for various capacities. The combination of these units results in national and



economic development. In advanced countries, these factors serve as a driving force and are used for the productive use of the workers. The regular employees were found with the more working benefits, therefore, the impacts on the performance were high in comparison with the contract employees. The contract employees in the oil and gas sector of most of the developed and developing countries do not mostly receive these benefits and advantages therefore, this impacts the engagement and performance of the employees (Bedarkar & Pandita, 2014). This study reviewed the welfare practices for the employees as well as the work performed in the oil and gas sector, particularly in southern Nigeria.

## STATEMENT OF PROBLEM

Employee welfare is a dynamic concept that can increase an organization's productiveness (Gemba 2017). The modern concept of employee welfare entails all those activities of the employers, which are directed towards providing the employees with certain facilities and services in addition to wages and salaries. Welfare facilities are essential for the health of the organization since they bear a close connection with the productivities of the labor force. Several scholars found that welfare practice enhances employee performance with results in organizational growth (Wainaina, 2011; Kuria, 2012).

For business operations to run smoothly, it is essential to take employee welfare into consideration. When employees are happy and contribute to the productivity of the business, this will positively impact the bottom line of the company. When an employee has a good working environment and good health and safety provisions, they are likely to enjoy working in that organization (Abu, 2016). A happy and productive team member is usually committed and focused on their job. And is glad when they see their co-workers enjoy the same benefits and privileges they are enjoying (Itodo, & Abang, 2018). Employees must understand that they are covered by social welfare and are legally entitled to receive some form of social assistance. There should not be any racial discrimination or injustice when it comes to these benefits (Agusioma, Nyakwara, & Mwiti, 2019).

Employee welfare measures increase the productivity of the organization and promote motivation, healthy organizational relations thereby maintaining industrial peace and retain the employees for a longer duration (Mathis, & Jackson, 2015). Therefore, the lack of evidence and literature in this regard indicates a gap in the literature. The researcher will attempt to address this gap by evaluating the impacts of welfare practices on the work performance

and engagement of the employees in the oil and gas industry in South Nigeria.

#### **OBJECTIVES OF THE STUDY**

- i. Examine the relationship between medical insurance and productivity.
- ii. Ascertain the relationship between compensation and goal attainment.

### LITERATURE REVIEW

The concept of welfare is described as the effort employer of Labor puts in place with a target of providing a better living condition of its employees( Abu 2016). The term refers to a predetermine comprehensive list of service, benefits and facilities (Itodo & Abang 2018) that support this plan to provide a more comfortable work environment. Social norms guide team member welfare practices in Nigeria, and therefore, some policies and procedures are followed. It is essential because an organized and controlled workforce helps businesses achieve their objectivesemployees who are adequately motivated do adhere to company policies and procedures to help businesses run smoothly. When employees are happy and contribute to the productivity of the business, this will positively impact the bottom line of the company.

When an employee has a good working environment and good health and safety provisions, they are likely to enjoy working in that organization. A happy and productive team member is committed and focused on their job. Itodo & Abang (2018) cited Armstrong (2006) who opined that close attention given to individual which translates to incentives and rewards remains the best form of motivation. Employees are happy to see their co-workers enjoy the same benefits and privileges they are enjoying. Employees must understand that they are covered by social welfare and are legally entitled to receive some form of social assistance. Without any racial discrimination or injustice when it comes to these benefits.

The legal system in Nigeria is relatively weak, so employers must have a solid system in place to protect their workers. These laws were implemented in 2021 when a labor law was enacted. This law stipulates the rights of the workers and other employees of a company. These rights include the right to join any trade union of their choice and also right to strike when there are problems at work. These laws help protect the interests of the employees and the company as a whole. Employees who are scared of losing their job or being charged with graft are more likely to remain loyal to their company. Therefore, the lack of evidence and literature in this regard indicates a gap in literature. The researcher will attempt to address this



gap by evaluating the impacts of the welfare practices on the work performance and engagement of the employees in the oil and gas industry in Southern Nigeria.

### **Theoretical Framework**

The study adopted the functional theory and organizational support theory. These theories are adopted in the study since welfare services affect performance of any labour force and the labour force is important if the oil and gas companies is to implement welfare programs for its employees. It is apparent that if the companies take good care of its staff, they will tend to become more effective. According to these theories, the employer has a responsibility or obligation towards its workers to look after their welfare.

### The Functional Theory

It has been reflected by the study of Yamwamu et al., (2012) that the Functional theory of labour, also known as the Efficiency Theory, is often known as the theory of efficiency for labour welfare which emphasizes the idea of the welfare of employees to develop a sense of value and belonging with the organization. According to the functionality theory every aspect of the organization connected and thus depends on one another for efficiency, stability and organizational effectiveness. Moreover, the respective theory asserts that welfare practices have been adopted by the organizations to render the productivity of the workers. The study of Harika, (2010) depicted the notion that the employees tend to work efficiently if they are treated correctly, equipped appropriately, and addressed with respect, as well as if their work environment is comfortable. Furthermore, organizations that foster the employee welfare practices remained efficacious in ensuring, sustaining, and improving worker productivity.

This theory states that a fully mentally and physically satisfied worker is the most efficient. Employee welfare program is a means to keep industrial employees happy so they may work efficiently. In this theory, welfare program is used as a means to secure, preserve and develop the efficiency and throughput of labour (Manju, & Mishra, 2007). The theory implies that if a firm takes good care of his staff, they will tend to be extra effective by improving output and that welfare programs for housing, education, training, provision of balanced diet and family planning measures are significant for labour welfare as they increase the efficiency of employees in developing countries. The theory is important to understand the characteristics of labour force as reflected on the modern support for labour and it worked well if the company and his staffs have similar goals to achieve higher productivity through improved welfare programs.

H0<sub>1</sub>: There is no significant relationship between medical insurance and productivity.

## ORGANIZATIONAL SUPPORT THEORY

According to organizational support theory, the development of organizational support is encouraged by employees' tendency to assign the organization humanlike characteristics (Eisenberger, et al., 1986). Levinson (1965) noted that actions taken by agents of the organization are often viewed as indications of the organization's intent rather than attributed solely to the agents' personal motives. This personification of the organization, suggested by Levinson, is abetted by the organization's legal, moral, and financial responsibility for the actions of its agents; by organizational policies, norms, and culture that provide continuity and prescribe role behaviors; and by the power the organization's agents exert over individual employees. On the basis of the organization's personification, employees view their favorable or unfavorable treatment as an indication that the organization favors or disfavors them.

Organizational support theory holds that in order to meet socio-emotional needs and to assess the benefits of increased work effort, employees form a general perception concerning the extent to which the organization values their contributions and cares about well-being (Krishhan & Mary, Organizational support theory also addresses the psychological processes underlying consequences of organizational support. First, on the basis of the reciprocity norm, organizational support should produce a felt obligation to care about the organization's welfare and to help the organization reach its objectives. Second, the caring, approval, and respect connoted by organizational support should fulfill socioemotional needs, leading workers to incorporate organizational membership and role status into their social identity. Third, organizational support should strengthen employees' beliefs that the organization recognizes and rewards increased performance (i.e., performance-reward expectancies). These processes should have favorable outcomes both for employees (e.g., increased job satisfaction and heightened positive mood) and for the organization (e.g., increased affective commitment and performance, reduced turnover).

Armeli, Eisenberger, Fasolo and Lynch, (1998), comment that meeting social emotional needs of employees can bring positive changes in employees and they feel that they are supported by organization. Along with meeting social emotional needs, organizational support works for affiliation, emotional,

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self-esteem and social needs. Eisenberger, Armeli, Rexwinkel, et al., (2001) also comment that organizational support shows commitment organization towards employees in fulfilling their needs and this commitment from organization creates an obligation on employees which is depicted by their commitment.

### EMPLOYEE WELFARE POLICIES

Employee welfare is crucial as it facilitates the process of getting work done and encourages employees to put in their best in achieving organizational goals. Considering that employees are the pivot for work performance, there is a need to look out for every individual's welfare (William & Judith 2015). Employee welfare practice could be seen as a motivator as it is the intention of achieving a goal. Employee welfare practice is a mechanism for achieving the organizational goal while satisfying employees' needs. There are satisfactory components that motivate employees to perform better, welfare packages are seen as a great motivator for an increase in performance. It could be in form of additional compensation to employees (Nzelibe, 2011).

Employee welfare is a process of identifying and acknowledging employees' place in the society and putting measures in place to motivate and retain employees, Rao (2017). Historically the essence of employee welfare services was to reduce absenteeism and time off due to illness; but in today's workplace employee welfare is expanded to include all aspects of employee wellness, personal and professional development (Manzini, & Gwandure, 2011). It now takes into account other extra-moral activities such as social insurance, gratuity, pension, rehabilitation, family planning, employee child welfare, housing, etc. (Ankita, 2010)

Employee welfare encompasses monitoring working conditions, providing health infrastructure, ensuring industrial harmony, providing insurance packages, etc. This includes working together on various services, facilities, and amenities for the betterment of employees (Varadaraj, & Charumathi, 2019). Welfare is differentiated from employees' regular wages, legal economic benefits, and collective bargaining. The essence of employee welfare is to improve and make good and productive employees. It is an important part of social welfare that involves a balance between work-life, family-life, and social life (Yashik, 2014; Bhagat, Vyas, & Singh 2015).

## **MEDICAL INSURANCE**

Employees' health is significantly linked to work performance and organizational productivity. It becomes important for employers to seek and endeavor to improve employees' health by making provisions for health protection, medical benefit programs, etc. Baase (2009). Employees should be entitled to paid sick leave which could be accumulated and used in case of a catastrophic illness. While some organizations allow this, others provide alternate benefits for unused sick leave, like rewarding employees who do not use sick leaves, provide extra pay for not taking sick leave, etc (Mathis, & Jackson, 2015).

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Several scholars found a connection between employees' health and workplace productivity. For every dime spent on employees' health, double of that is spent on productivity cost (Gemba, 2017; William, & Judith, 2015; Adebayo, 2014). Accidents, overexertion, or injuries caused by excessive lifting, carrying, or pushing, adds significantly to employer costs with a great impact on organizational productivity (Waititu, Kihara, & Senaji, 2017).

Medical insurance seeks to assist employees who are absent from work due to illness-related issues. it aims to facilitate the recovery of employee's recovery so they can return to work, Armstrong (2006). This medical service can also include routine sick visits aimed at catering to employee welfare by showing that the firm is concerned about the employee's wellbeing. Medical insurance also helps to reduce the cost incurred on sick employees Pearce, 2007; Manzini & Gwandure, 2011)

H<sub>02</sub>: There is no significant relationship between medical insurance and goal attainment

## Compensation

Compensation is a welfare practice that seeks to attract, hold and make employees more productive, Stevenson (2002). Employee compensation is a way of rewarding people rather than throwing money at them. It seeks to encourage employees to work harder and also help in building a competitive work atmosphere. Compensation management seeks to establish and maintain an equitable wage, salary, and cost structure. It entails profit sharing, control of pay costs, salary survey, etc. Mulis & Watson (2001). Both the monetary and non-monetary value of an organization's compensation plan is important in motivating employees thus organizations must make adequate compensation plans to cater to employee welfare.

Having an appropriate compensation plan is key for rewarding employees for work done, it is an integral part of human resource management as it addresses long-term issues on how employees should be valued and treated, (Armstrong & Brown Compensation is mainly concerned with the indirect pay employees receive for services rendered. Compensation encompasses all forms of tangible services and benefits gotten as part of an employment

relationship, it includes incentive payments, bonuses, commissions, all forms of pay, insurance, etc (Akter & Moazzam 2016; Snell & Bohlander, 2010; Dessler 2011).

Compensation is used to attract and retain employees and it includes all forms of payment that are due for an employee as part of the employee-employer agreement. It is a complex process that requires accuracy and precision. Compensation is aimed at motivating employees to be more determined to work. Compensation helps an organization cater to employees efficiency while providing growth opportunities to its employees (Khan, Aslam, & Lodhi, 2011).

H<sub>03</sub>: There is no significant relationship between compensation and productivity

## WORK PERFORMANCE

Work performance implies efficiency, results, or return (profits) on investment, it defines how an organization (team and employees) can get work done and is measured by the output of a job function over a given time (Summermatter & Siegel, 2009; Armstrong, 2003). Work performance is the level to which organizational goals are achieved and it comprises both behavior and outcomes (Feng, Zheng, & Huang 2010; Armstrong, 2003). It is the outcome of workers' collective actions.

Work performance is a dynamic concept that varies across geographical space, time, and school of thought, this makes it difficult to measure. Performance differs and changes over time, space, work atmosphere, and this are sometimes dependent on the relation between input, output, and effect, (Summermatter & Siegel 2009). Performance is a multi-dimensional concept that is mostly measured with the outcome, output, efficiency, requirements, input, effectiveness, quality, etc.

Work performance reflects scalable actions and outcomes that employees are engaged with, it measures how employees' behavior contributes to organizational goals. Work performance is influence by several characteristics such as experience, outcomes, feedback, job security, work environment, etc (Pavalache-Ilie, 2014; Bercu, & Onofrei, 2017). Several intrinsic factors contribute to increased work performance, resulting in employees feeling appreciated and consequently pursuing the organization's objectives, leading to an increase in job involvement, a decrease in absenteeism, and a boost in self-confidence leading to fewer fluctuations regarding the job (Lefter, Casuneanu, & Enache, 2018).

### **PRODUCTIVITY**

Productivity is the assessment of organizational efficiency; it is evaluated in terms of output over a specific period. Productivity is an organization output obtained as compared to set goals and objectives (Farlex, 2012). Workplace productivity can be measured based on an employee's performance relative to average. Productivity is assessed according to the number of units of a product or service that an individual employee handles in a defined time frame (Piana, 2001).

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As the success of an organization relies mainly on the productivity of its employees, therefore, employee productivity has become an important objective for businesses (Cato & Gordon, 2009; Sharma & Sharma, 2014). Many studies have focused on one or two ways to measure productivity and since many different approaches are taken, it can be challenging to compare the results (Nollman, 2013). Overall, there is a lack of an effective and standardized way to assess productivity.

It is only by increasing productivity, employees can obtain better wages/ salaries, working conditions, and larger employment opportunities. Cato and Gordon (2009) also demonstrated that the alignment of the strategic vision to employee productivity is a key contributor to the success of an organization. This would motivate employee creativity and improve effectiveness in accomplishing organizational goals and objectives (Morales, Cory, & Bozell, 2001; Obdulio, 2014). Higher productivity reduces cost and improves the quality of output

H<sub>04</sub>: There is no significant relationship between compensation and goal attainment

## **GOAL ATTAINMENT**

Goal attainment requires the contributions of all team members, their determination to reach these goals would lead them to support each other so that everyone in the work team contributes to task accomplishment. Goal attainment is also known as goal accomplishment and is the ability to identify and prioritize activities to maximize output and meet set objectives (Zaccaro, & Lowe 2015). Employees can execute plans to get desired results as goal attainment is the result of employees' performance. Work performance is measured in terms of accomplishment thus, employee effectiveness is seen in the degree to which they can achieve organizational goals.

Information elaboration could likewise assist with beating the vulnerability that goes with goal ambiguity, or an absence of goal clarity, as team communication assists with making a mutual understanding of the group objectives and to focus

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efforts toward goal attainment, (Marieke, Sandra, & Ben, 2018). Team members could acquire a superior hold on their work following this explanation, which helps center around the street to arrive at the destinations and improves the odds of achievement.

Clearness of proposed objectives is vital in teams goal attainment. To accomplish the significant level of performance, it is fundamental that team members have objectives that are explicit, quantifiable, conceded to, genuine, and time-bounded, and that there is a management system for monitoring, evaluating, controlling, and giving feedback. Team goals were found to be positively related to team performance on business goal achievement, schedule performance, and team potency (Le Blanc, González-Romá & Wang, 2020; Hu, & Liden 2011).

## **METHODOLOGY**

## **Research Design and Population of the Study**

The target population comprises of Oil and Gas companies in Southern Nigeria while the accessible population is made up of 165 employees from 5 major Oil and Gas companies in southern Nigeria. The choice of these company is influenced bythe fact that these companies have been established for over 3 decades and have structured policies that support their brand. The accessible population was selected using purposive and sampling techniques. Purposive sampling is a non-probability sampling technique that is based on the characteristics of a population and the objective of the study. Copies of the questionnaire were administered to the respondents via email and personal contacts out of which 143 copies representing 86.4% were correctly filled and used for further analyses.

## **Operational Measures of Variables**

The independent variable virtual employee welfare practice was studied using 8 item scale which was carefully selected to reflect the dimensions (medical insurance and compensation). The items include "Perception about the utilization of welfare

schemes saving for future; reduction in absenteeism is highly related to good health". These items were adopted extracted from literature (Waititu, et. al.,2017; Agha, 2014). The dependent variable is work performance which was measured using an 8-item scale that was carefully selected to reflect the measures (productivity and goal attainment). Among the items include "Carefulness in carrying out tasks or duties with proper attention; Willingness to act as a member of a group rather than as an individual; the measure of how well resources is brought together in the organizations and utilized for accomplishing of a set of results; productivity entails an effective integration of resources, physical and human to yield higher output". The items for team effectiveness were adopted from Anosa, (2021); and Danjuma, and Akinpelu (2016).

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## RESULTS AND DISCUSSIONS

Table 1 below shows the descriptive statistics of the correspondents. Gender indicates that there are more male respondents 102 (71.3%) than female respondents 41(28.7%). Marital status shows that 48(34.1%) of the study respondents are single while 66(46.3%) are married, followed by those who are divorced or widowed 16(11.2%) and 12(8.5%)respectively. The age distribution shows that 49(34.5%) respondents are between the ages of 20 - 35 years, 55(38.5%) respondents are between 36 – 50 years while 39(27%) respondents are equal to or greater than 51 years of age. Years of experience indicates that most of the respondents have spent between 6-10 years 60 (41.8%) with their organization, followed by respondents who have spent 0 - 5 years 54 (37.5%) and lastly those who have worked for 11 years and above 29(20.7%). Educational qualification distribution shows that 60 (42.1%) have obtained B.Sc., 51(35.6%) have obtained M.Sc. while 32 (22.3%) have obtained Ph.D. Thus, it could be concluded that the study respondents are highly educated.

**Table 1: Analysis of Demographic Profiles of Respondents** 

Variable	Item	Frequency	Percent (%)
Gender	Male	102	71.3
	Female	41	28.7
Marital Status	Single	48	34.1
	Married	66	46.3
	Divorced	16	11.2
	Widowed	12	8.5
Age	20 – 35 Years	49	34.5
	36 – 50 Years	55	38.5
	51 Years & Above	39	27.0

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Years of experience	0 – 5 Years	54	37.5
	6 – 10 Years	60	41.8
	11 Years & Above	29	20.7
Educational Qualification	HND / BSC	60	42.1
	MSC	51	35.6
	PhD	32	22.3

Source: Field Data, 2021.

### STATISTICS DATA ANALYSIS

Spearman's rank-order correlation coefficient was used in testing hypotheses in the study. This was carried out through SPSS 26 software. The decision rule: reject the null hypothesis if the p-value obtained is less than the alpha value of 0.05 and accept the null hypothesis when the p-value is greater than the alpha value (0.05).

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Ho<sub>1</sub>: There is no significant relationship between medical insurance and productivity.

### **Correlations**

			Medical Insurance	
Spearman's rho Medical Insurance		Correlation Coefficient	1.000	.699**
		Sig. (2-tailed)	•	.000
		N	143	143
	Productivity	Correlation Coefficient	.699**	1.000
		Sig. (2-tailed)	.000	
		N	143	143

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

SPSS output, Version 26

Results showed the relationship between medical insurance and productivity. The result revealed that there is a strong positive relationship between the two variables (rho= 0.699, p = 0.000). The coefficient of  $(r^2)$ = 49) indicates that 49% change in productivity can be attributed to the level at which the organization caters to employee welling via the provision of medical insurance. Thus, the null hypothesis was rejected, while the alternative hypothesis which states that, there is a positive and significant relationship between medical insurance and productivity was accepted.

Ho<sub>2</sub>: There is no significant relationship between medical insurance and goal attainment.

### Correlations

		Medical Insurance	Goal Attainment
Spearman's rho Medical Insurance Correlation Coefficient		1.000	.594**
	Sig. (2-tailed)		.000
	N	143	143
Goal Attainment	Correlation Coefficient	.594**	1.000
	Sig. (2-tailed)	.000	
	N	143	143

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

SPSS output, Version 26

Results show the relationship between medical insurance and goal attainment. The output revealed that there is a strong positive relationship between the two variables (rho= 0.594, p= 0.000). The coefficient of (r<sup>2</sup> = 35) indicates that a 35% change in goal attainment impact can be attributed to medical insurance providers

within the organization. Thus, the null hypothesis was rejected, while the alternative hypothesis which states that, there is a positive and significant relationship between medical insurance and goal attainment was accepted.

Ho<sub>3</sub>: There is no significant relationship

## between compensation and productivity.

## **Correlations**

			Compensation	<b>Productivity</b>
Spearman's rho Compensation Correlation Coefficient			1.000	.760**
		Sig. (2-tailed)	•	.000
		N	143	143
	Productivity	Correlation Coefficient	.760**	1.000
		Sig. (2-tailed)	.000	
		N	143	143

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

SPSS output, Version 26

The result shows a significant relationship between compensation and productivity The basis for this interpretation of the outcome is based on the abovementioned probability value (p), within which compensation and productivity (rho= 0.760, P = 0.000). The coefficient of (r2 = 58) indicates that 58% change in productivity can be attributed to employee compensation. Therefore, the null hypothesis was rejected, while the alternative hypothesis which states that, there is a positive and significant relationship between compensation and productivity was accepted.

Ho<sub>4</sub>: There is no significant relationship between compensation and goal attainment.

#### **Correlations**

			Compensation	Goal Attainment
Spearman's rho	Compensation	Correlation Coefficient	1.000	.651**
		Sig. (2-tailed)	•	.000
		N	143	143
	Goal Attainment	Correlation Coefficient	.651**	1.000
		Sig. (2-tailed)	.000	
		N	143	143

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

SPSS output, Version 26

The finding on the correlation between compensation and goal attainment is shown to be large (rho= 0.651, p = 0.000). The analysis shows that goal attainment is significantly correlated with compensation. The coefficient of  $(r^2 = 42)$  indicates that a 42% change in goal attainment can be attributed to employee compensation. Thus, the null hypothesis was rejected, while the alternative hypothesis which states that, there is a positive and significant relationship between compensation and goal attainment was accepted.

## **DISCUSSION OF FINDINGS**

The result from the study revealed a significant relationship between employee welfare practice and work performance. This is in line with the submission of Oludayo (2015), who highlighted that employee welfare packages can enhance employee productivity. The welfare of workers should be of the utmost priority at all times in an organization as this will be an incentive to improve the efficiency and dedication of the employees within the organization (Bharathi & Padmaja, 2018). Without a doubt, a happy and satisfied employee will reciprocate by giving the best performance.

The finding is also in line with that of Matino, (2018), who verified that employees' behavior was associated with their welfare. There was evidence from the study findings that employee welfare was a motivator for work performance Baljoon et al (2018)

Falola, Osibanjo, and Ojo (2014) proposed that employee welfare increases worker's job satisfaction. Providing employees with pensions schemes, gratuity at the end of their employment contract, amongst other welfare packages, would boost employee morale thus improve organizational work performance (Chen, Yang, Shiau, & Wang 2006).

## CONCLUSION AND RECOMMENDATIONS

The study concludes that employee welfare is essential in creating a sense of recognition and satisfaction among the employees which improves their productivity. It is therefore concluded that an unbiased

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and competitive employee welfare framework should be established to evade poor employee turnover as supported by Collings et al. (2013). This is essential in ensuring that all the employee's grievances and demands are well catered for. The study findings and reviewed literature established that employee welfare has a positive and significant influence on the work performance of oil and gas companies in Rivers State.

The study recommends the managers and human resource practitioners highly prioritize employee welfare as a key strategic practice in organizations. Resource Therefore. Human Management recommended to be undertaken as a tool for ensuring employee welfare is well addressed. It will help them in understanding the issues that affect the employees and their productivity. The study recommends that employers should roll out as many employees' welfare programs as possible because they greatly influence work performance among employees. All allowances payable should be communicated and applied in a fair, transparent, and equitable manner for employees to derive satisfaction.

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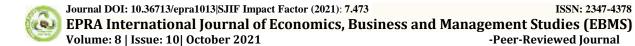
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