

Employee Benefits and Employee Performance: Evidence from the Nigeria Social Insurance Trust Fund (NSITF)

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ABSTRACT

Employee benefits play an important role in shaping workforce motivation, productivity, and organizational commitment in public-sector institutions. This study examines the relationship between employee benefits and employee performance at the Nigeria Social Insurance Trust Fund (NSITF), Katsina Branch, using a cross-sectional survey research design. Data were collected from all 25 employees through structured questionnaires and analyzed using descriptive statistics, chi-square goodness-of-fit, Spearman correlation, and simple linear regression. The findings showed that NSITF provides benefits including allowances (32%), performance bonuses (24%), paid education leave (24%), and Christmas bonuses (16%), primarily to permanent staff. The benefit system received average ratings ($M=3.12$, $SD=0.78$), with major challenges including delays (44%), lack of uniformity (32%), and inadequate levels (24%). All respondents (100%) confirmed benefits positively affect productivity, with 96% reporting high/very high impact. Composite analysis showed strong positive correlation ($r=0.68$, $p<0.001$) between benefit satisfaction and performance impact. Regression confirmed predictive effects ($\beta=0.79$, $p<0.001$; $R^2=0.46$), indicating each 1 unit-point increase in benefit satisfaction predicts 0.79-point performance improvement. It was therefore concluded that employee benefits have a significant positive effect on employee performance at NSITF, Katsina Branch. The study recommends broadening coverage to non-permanent staff, eliminating implementation delays, and performance-linked rewards. These findings underscore strategic benefit management as essential for enhancing employee performance in Nigerian public institutions.

Keywords: Correlation; Employee Benefits; Katsina State; NSITF; Performance; Productivity; Regression.

1. INTRODUCTION

Maintaining healthy employee relations is a prerequisite for sustainable organizational success. One of the most effective ways to foster positive employee-employer relations is through the design and implementation of attractive and fair employee benefits that complement basic wages and salaries. Employee benefits, understood as the range of non-wage compensations provided to employees in addition to regular pay, play a central role in motivating employees, supporting their well-being, and enhancing their commitment to organizational goals (Armstrong & Taylor, 2020; Dessler, 2020). In an increasingly competitive environment, organizations across sectors face growing challenges in retaining competent employees and sustaining high levels of performance. To respond to these pressures, organizations must build and sustain strong relationships with their workforce, partly by offering benefit packages that recognize employees' needs and contributions (Robbins & Judge, 2019).

When employees perceive that their organization values their welfare and provides meaningful benefits such as performance bonuses, allowances, insurance cover, and educational support, they are more related to exhibit higher levels of job satisfaction, loyalty, and productivity (Milkovich, Newman, & Gerhart, 2020). Conversely, when employees feel inadequately rewarded or unsupported, they may reduce their effort, disengage from organizational goals, or seek employment elsewhere (Noe, Hollenbeck, Gerhart, & Wright, 2020). The loss of high-performing employees can be especially costly, as it may weaken institutional memory, reduce service quality, and strengthen competitors.

Employee benefits gained prominence with the evolution of modern employment relationships and the recognition that wages alone are insufficient to address employees' economic and social needs. Over time, organizations and policymakers have increasingly acknowledged that benefits such as health insurance, pension contributions, paid leave, and other welfare schemes are essential instruments for attracting, motivating, and retaining employees, while also promoting social protection and stability (Armstrong & Taylor, 2020; WorldatWork, 2021).

In Nigeria, the importance of employee benefits is particularly evident in the context of social insurance and labour protection. The Nigeria Social Insurance Trust Fund (NSITF) is a federal institution mandated to provide social security services, especially through schemes that compensate employees for work-related injuries, disabilities, or death, and to promote the welfare and security of workers in both the public and private sectors. The NSITF Katsina Branch operates within this national framework, implementing employee compensation and related programmes at the state level. As a public-sector organization with a social protection mandate, NSITF's ability to deliver efficient and effective services depends significantly on the performance, motivation, and commitment of its employees.

Employee benefits within NSITF are therefore not only a matter of internal human resource policy but also a strategic mechanism for strengthening institutional performance, service delivery, and public trust. Despite the recognized importance of employee benefits in enhancing employee attitudes and behaviour, there is limited empirical evidence examining the relationship between employee benefit packages and employee performance within specific public-sector institutions in Nigeria, particularly at the branch level. In the context of the Nigeria Social Insurance Trust Fund Katsina Branch, this gap creates uncertainty for management in designing and implementing benefit policies that effectively align with employee needs and organizational objectives. Without context-specific evidence, decisions regarding employee benefits may rely on generalized assumptions that may not accurately reflect the realities of the workforce. Therefore, this study is motivated by the need to provide empirical insight into the relationship between employee benefits and employee performance within the NSITF Katsina Branch, with a view to informing more effective and evidence-based human resource practices.

1.1 Problem Statement

Designing and implementing effective employee benefit packages remains a major challenge for many organizations in Nigeria. In practice, benefit schemes are often poorly structured, weakly communicated, or inconsistently implemented, which undermines their motivational value. When benefit plans do not align with employees' needs and expectations, employees may perceive them as inadequate or unfair, resulting in low morale and limited commitment to organizational goals (Armstrong & Taylor, 2020; Milkovich, Newman, & Gerhart, 2020).

In many organizations, including public institutions, benefit entitlements are sometimes delayed, reduced, or suspended due to cost-cutting measures or administrative bottlenecks. Such practices can contribute to dissatisfaction, absenteeism, high employee turnover, and reduced productivity (Noe, Hollenbeck, Gerhart, & Wright, 2020). Employees in the Nigerian context often place significant value on both the level and reliability of benefits they receive, viewing them as a key indicator of how much their organization values their contribution (Robbins & Judge, 2019). Where benefit packages are perceived as uncompetitive or poorly managed, employees may feel less motivated to exert discretionary effort or remain with the organization.

For Nigeria Social Insurance Trust Fund (NSITF), whose mandate is closely tied to social protection and compensation, the design and delivery of internal employee benefits is particularly sensitive. If employees of the NSITF Katsina Branch perceive that their own benefits are inadequate or unfairly administered, it may adversely affect their performance, their attitude toward clients, and ultimately the quality of service provided to beneficiaries. Despite the recognized importance of employee benefits, there is limited empirical evidence on how specific benefit packages affect employee performance within NSITF at the branch level. This study therefore addresses the problem of whether, and to what extent, employee benefits influence employee performance in the NSITF Katsina Branch.

1.2 Research Objectives

The main objective of this study is to examine the relationship between employee benefits and employee performance in the Nigeria Social Insurance Trust Fund (NSITF), Katsina Branch.

The specific objectives are to:

1. Identify the employee benefit packages offered to employees of NSITF, Katsina Branch.
2. Evaluate the design and implementation of employee benefit plans and policies in NSITF, Katsina Branch.
3. Examine the relationship between identified employee benefit packages and the overall performance of employees in NSITF, Katsina Branch.
4. Propose recommendations for improving employee benefit packages and plans to enhance employee performance in NSITF, Katsina Branch.

1.3 Research Questions

In line with the objectives, the study seeks to answer the following research questions:

1. What employee benefit packages currently exist in NSITF, Katsina Branch?
2. What processes are involved in designing employee benefit policies, and what factors are considered when planning and implementing these policies?
3. What relationship exists between the existing employee benefit packages and employees' job performance in NSITF, Katsina Branch?
4. In view of contemporary human resource practices and evolving work realities, what additional or improved employee benefit packages do employees believe would enhance their performance?

1.4 Research Hypotheses

The study is guided by the following hypotheses:

- H1: There is no significant relationship between employee benefit packages and employee productivity in NSITF, Katsina Branch.
- H2: There is a significant relationship between employee benefit packages and employee productivity in NSITF, Katsina Branch.

1.5 Significance of the Study

This study is significant for several reasons. First, it provides empirical insight into the employee benefit practices of NSITF, Katsina Branch, and their relationship with employee performance. The findings inform the branch and the wider NSITF management about the strengths and weaknesses of current benefit packages and their effect on staff motivation, commitment, and productivity.

Second, the study assists managers and policymakers in designing and implementing more effective employee benefit schemes that enhance performance and service delivery in public-sector organizations. By identifying the benefit packages that employees value and linking them to performance outcomes, the study offers practical guidance on using benefits as a strategic human resource tool.

Third, the study contributes to the broader literature on employee benefits and performance in the Nigerian context, particularly within social insurance institutions. It serves as a useful reference for researchers, students, and practitioners interested in employee welfare, human resource management, and public-sector performance.

1.6 Scope of the Study

The study focuses on the relationship between employee benefits and employee performance at the Nigeria Social Insurance Trust Fund (NSITF), Katsina Branch. The analysis is restricted to employees of this branch, and data will be obtained primarily from primary sources such as staff responses, as well as relevant secondary materials including organizational records and documented reports. The study does not extend to other NSITF branches or institutions outside the organization.

1.7 Limitations of the Study

The study is subject to certain limitations. Access to some organizational documents and detailed benefit-related information is observed to be restricted due to confidentiality and institutional policies. In addition, it may not be possible to reach all targeted respondents, for instance, employees on leave or on external assignments, which could affect the sample size. Constraints related to time and financial resources may also limit the extent of data collection and analysis. These limitations will be acknowledged when interpreting the findings.

2. LITERATURE REVIEW

2.1 Introduction

This section reviews literature on employee benefits and their relationship with employee performance, with particular attention to public-sector organizations. It clarifies key concepts, examines how employee benefits are associated with employee attitudes and behavior, and outlines the theoretical perspectives that underpin the expected relationship between benefits and performance in the Nigeria Social Insurance Trust Fund (NSITF), Katsina Branch.

2.2 Conceptual Clarifications

2.2.1 Employee

In contemporary employment relations, an employee is understood as an individual who performs specified tasks under the direction and control of an employer in exchange for compensation (Oladipupo&Onuoha, 2023). Recent shifts in the Nigerian labor market emphasize that the "employee" is no longer just a labor input but a strategic partner whose commitment is vital for institutional survival (Adeleye, 2024). This relationship entails mutual rights and

obligations: the employer provides work, pay, and conditions of service, while the employee contributes labor, skills, and commitment.

2.2.2 Employee Benefits

Employee benefits, often referred to as fringe benefits or indirect compensation, comprise all forms of non-wage rewards that employees receive in addition to their basic salary. According to Musa and Ibrahim (2022), benefits in the public sector serve as a critical buffer against economic volatility, directly impacting the psychological contract between the worker and the state.

Benefits can be broadly grouped into two categories:

- **Mandatory benefits:** Required by law, such as the Pension Reform Act in Nigeria or statutory social insurance contributions (Olowo, 2025).
- **Discretionary benefits:** Voluntarily provided by employers, such as performance bonuses, health wellness programs, or flexible work arrangements, which have gained prominence post-pandemic (Chukwu& Benson, 2023).

2.2.3 Employee Performance

Employee performance refers to the extent to which an employee successfully carries out assigned tasks. Tan and Lee (2023) argue that in the digital age, performance is increasingly measured by "discretionary effort" the willingness of an employee to go above and beyond the basic job description. Productivity, while often a quantitative ratio of output to input, is heavily influenced in the public sector by the "Motivation-Hygiene" factors provided by the employer (Nguyen et al., 2024).

2.3 Theoretical Framework

2.3.1 Organizational Goals Perspective

This perspective views compensation and benefits as strategic tools aligned with the organization's objectives. Recent studies by Hamilton (2023) suggest that when benefit packages are tailored to specific organizational KPIs, they act as a steering mechanism for employee behavior, ensuring that individual efforts aggregate into collective goal attainment.

2.3.2 Reinforcement Theory

According to B. F. Skinner's work, this theory posits that behavior is a function of its consequences. In the current Nigerian workplace context, Umar (2022) notes that the "positive reinforcement" of timely paid allowances and bonuses creates a repetitive cycle of high performance, whereas delayed benefits act as "extinction" events that diminish employee drive.

2.3.3 Expectancy Theory (Victor Vroom)

Expectancy Theory proposes that motivation depends on three perceptions: Expectancy, Instrumentality, and Valence. Rodriguez and Smith (2025) emphasize that for public servants, "Instrumentality" (the belief that performance leads to reward) is often the weakest link due to perceived bureaucracy. If NSITF employees do not believe their hard work will actually result in the promised benefits, their motivation levels will remain low regardless of the package size.

2.3.4 Equity Theory (John Stacey Adams)

Equity Theory focuses on perceptions of fairness. Employees compare their input-outcome ratio with that of "referent others." Okonkwo (2023) highlights that in the Nigerian public sector, "internal equity" (comparisons within the office) and "external equity" (comparisons with the private sector) are primary drivers of turnover. If NSITF Katsina staff feel their benefit-to-workload ratio is inferior to colleagues in other branches or agencies, "equity tension" arises, leading to reduced productivity.

The adoption of Reinforcement Theory, Expectancy Theory, and Equity Theory is justified because each provides a distinct yet complementary explanation of the relationship between employee benefits and employee performance in the Nigeria Social Insurance Trust Fund Katsina Branch. Reinforcement Theory is particularly relevant in explaining the role of benefit timing, as it posits that behavior is shaped by its consequences. In this context, when employee benefits are provided promptly, consistently, and in alignment with performance, they serve as positive reinforcers that strengthen desirable work behaviours such as increased effort, commitment, and productivity. Conversely, delays or inconsistencies in benefit delivery may weaken this reinforcement mechanism, thereby reducing employees' motivation to perform.

Expectancy Theory further supports the framework by emphasizing the importance of the perceived reward–performance link. It explains that employees are more related to exert effort when they believe that their performance will lead to valued outcomes. Within the NSITF Katsina Branch, this implies that the motivational value of employee benefits depends on the extent to which employees perceive a clear and credible connection between their level of performance and the benefits they receive. If this linkage is weak or unclear, the motivational potential of the benefit system is observed to be diminished.

Equity Theory complements these perspectives by focusing on fairness in benefit distribution. It explains that employees evaluate their benefits by comparing their input–outcome ratios with those of their colleagues or peers in similar organizations. When employees perceive that benefits are distributed equitably, they are tending to maintain positive attitudes and sustain high levels of performance. However, perceived inequities may lead to dissatisfaction, reduced effort, or withdrawal behaviours.

Collectively, these theories provide a comprehensive framework for examining how specific dimensions of employee benefits namely benefit timing, perceived reward–performance linkage, and fairness in distribution are associated with employee performance. This integrated theoretical approach is particularly suitable for a public-sector setting such as the NSITF Katsina Branch, where procedural consistency, transparency, and equity are critical to sustaining employee motivation and organizational effectiveness.

2.4 Empirical Review of Related Literature

Anekwe, Obiezekwem, and Onuigbo (2025) employed a correlational survey design and Pearson Product Moment Correlation to examine the relationship between indirect compensation and employees' job performance in the Anambra State Civil Service. Their findings revealed that fringe benefits, when combined with a supportive work environment, significantly improved task performance. However, the study was limited to a state civil service setting and did not address the branch-level context of a federal social protection institution such as NSITF.

Similarly, the World Bank's review of performance-related pay in the public sector, according to 110 studies, showed that performance-linked rewards tend to improve outcomes where work outputs are measurable, but the evidence is less conclusive in complex civil-service settings where performance is difficult to quantify. This creates a gap for institutions such as NSITF, where service delivery is important but not always easily measurable.

In another Nigerian public-sector study, the examination of expectancy theory in the South-South State Civil Service Commission used a survey approach and random sampling to show that the perceived link between performance and reward influences motivation and output. Despite these contributions, the literature still lacks empirical evidence on how employee benefits affect performance within NSITF Katsina Branch, particularly at the branch level where benefit administration, fairness, and timeliness may shape employee motivation and service quality.

3. RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methodology employed for the study. It covers the research design, study area, population, sampling approach, data collection methods, and enhanced data analysis procedures, including descriptive statistics, correlation analysis, and regression modelling.

3.2 Study Area

The study focused on the Nigeria Social Insurance Trust Fund (NSITF), Katsina Branch, located in Katsina State, Nigeria. The selection of this branch is contingent upon its operational significance within the state's social protection framework and the presence of a relatively educated workforce capable of providing reliable responses to structured questionnaires.

3.3 Research Design

A cross-sectional survey research design was adopted to investigate the relationship between employee benefits (independent variable) and employee performance (dependent variable). This

design facilitates the examination of how variations in benefit packages relate to variations in performance outcomes among employees at a single point in time.

3.4 Population of the Study

The target population comprised all 25 employees of NSITF Katsina Branch. Given the small population size, a census approach was deemed appropriate, ensuring comprehensive coverage without sampling error.

3.5 Sample Size and Sampling Technique

A census sampling technique was utilized, with all 25 employees serving as the sample. This approach was selected due to the manageable population size and the need for complete representation of employee perspectives within the branch.

3.6 Data Collection Methods

3.6.1 Primary Data

Primary data were collected through structured questionnaires administered directly to all 25 employees. The instrument included:

- Closed-ended questions measuring awareness, types, and coverage of benefits
- Likert-scale items (5-point: Strongly Disagree to Strongly Agree) assessing satisfaction, effectiveness, and perceived performance impact
- Limited open-ended questions capturing qualitative insights

Questionnaires were preferred over interviews due to respondent concerns about confidentiality and the need for standardized, quantifiable responses suitable for statistical analysis.

3.6.2 Secondary Data

Secondary data were sourced from NSITF policy documents, employee handbooks, academic journals, and institutional reports to contextualize findings and support the literature review.

3.7 Data Analysis

Data analysis proceeded in three stages using SPSS version 25:

1. **Descriptive Statistics:** Frequencies, percentages, means, and standard deviations summarized respondent characteristics, benefit perceptions, and performance indicators. Results were presented in tables and charts.
2. **Inferential Statistics:**
 - **Chi-square goodness-of-fit test** examined whether observed distributions significantly deviated from expected patterns.

- **Spearman rank correlation** assessed the strength and direction of association between composite benefit satisfaction and performance impact scores (suitable for ordinal Likert data).
- **Simple linear regression** tested the predictive relationship: Performance Impact = $\beta_0 + \beta_1$ (Benefit Satisfaction) + ε .

3. Composite Score Construction:

- **Benefit Satisfaction:** Mean score across items measuring awareness, coverage, effectiveness, and implementation challenges.
- **Performance Impact:** Mean score across items measuring productivity effects and behavioral outcomes.

All tests were conducted at $\alpha = 0.05$ significance level. Assumptions of normality, linearity, and independence were assessed where applicable.

3.8 Limitations of the Methodology

The small sample size ($n=25$) limits statistical power and generalizability beyond NSITF Katsina Branch. Reliance on self-reported performance measures introduces potential common method bias. Access to certain internal documents was restricted due to confidentiality policies. These limitations were mitigated through triangulation with secondary data and transparent reporting.

4. DATA ANALYSIS AND RESULTS

4.1 Introduction

This chapter presents the empirical results from the 25 completed questionnaires. Analysis proceeds from descriptive findings to inferential tests, confirming the hypothesized relationship between employee benefits and performance.

4.2 Descriptive Results

4.2.1 Respondent Characteristics and Benefit Awareness

All 25 respondents (100%) confirmed awareness of employee benefits and that NSITF Katsina Branch provides benefits, establishing respondent qualification for subsequent analyses.

4.2.2 Benefit Types and Coverage

Table 4.1: Types of Benefits Provided

Benefit Type	Frequency	Percentage
Allowances	8	32.0%
Performance Bonus	6	24.0%
Paid Education Leave	6	24.0%
Christmas Bonus	4	16.0%
Car Loan	1	4.0%
Total	25	100.0%

All respondents benefited personally, but benefits exclude contract staff (28%), casual workers (12%), and IT students'/corps members (60%).

4.2.3 Benefit System Evaluation

Table 4.2: Effectiveness Ratings and Challenges

Item	Mean	SD
Overall effectiveness (1-5)	3.12	0.78
Frequency of benefits	2.88	1.02
Challenges: Delay	44%	-
Challenges: Uniformity	32%	-
Challenges: Adequacy	24%	-

The benefit system received an average rating (M=3.12), with infrequent delivery (44% "every 2 years") and implementation challenges prominent.

4.2.4 Perceived Performance Impact

Table 4.3: Performance Impact Perceptions

Item	Agree/Strongly Agree (%)
Benefits affect productivity	100%
Benefits affect my performance	100%
More pay → work harder	96%
More benefits → efficiency	96%
Tend to leave for a higher-paying opportunity	88%

Composite Scores:

- Benefit Satisfaction: M = 3.08, SD = 0.72 (moderate)
- Performance Impact: M = 4.32, SD = 0.65 (high)

4.3 Inferential Analysis

4.3.1 Chi-Square Goodness-of-Fit Test

H₀: No significant relationship between benefits and productivity.

Table 21 responses tested against equal expected frequencies (E=5):

Response	O	E	O-E	(O-E) ²	(O-E) ² /E
Strongly Agree	15	5	10	100	20.00
Agree	9	5	4	16	3.20
Undecided	1	5	-4	16	3.20
Disagree	0	5	-5	25	5.00
Strongly Disagree	0	5	-5	25	5.00

$\chi^2(df=4) = 36.40$

$\chi^2(df=4) = 36.40$

$\chi^2(\text{critical}, \alpha=0.05, df=4) = 9.49$

Since $\chi^2_{\text{calculated}} (36.40) > \chi^2_{\text{critical}} (9.49)$, reject H₀ (p < 0.001).

4.3.2 Spearman Correlation Analysis

Table 4.4: Correlation Matrix

Variables	Benefit Satisfaction	Performance Impact
Benefit Satisfaction	1.00	
Performance Impact	0.68*	1.00

*Note: ** $p < 0.001$ (2-tailed), $n=25$

Moderate-to-strong positive correlation confirms benefits relate to performance perceptions.

4.3.3 Simple Linear Regression

Model: Performance Impact = $\beta_0 + \beta_1(\text{Benefit Satisfaction}) + \varepsilon$

Table 4.5: Regression Results

Variables	Benefit Satisfaction	Performance Impact
Benefit Satisfaction	1.00	
Performance Impact	0.68*	1.00

*Note: ** $p < 0.001$ (2-tailed), $n=25$

Model Summary: $R^2 = 0.46$, $F(1,23) = 36.98$, $p < 0.001$

Each 1-point increase in benefit satisfaction predicts a **0.79-point increase** in performance impact.

4.4 Discussion of findings

The findings of this study provide strong empirical support for the proposition that employee benefits significantly are associated with employee performance within the NSITF Katsina Branch. Descriptive results revealed universal awareness and participation in the benefit system among respondents, indicating that benefits are a well-established component of the organizational structure. However, despite this widespread access, the benefit system was only rated moderately effective ($M = 3.12$), with notable concerns regarding irregularity, delays, and perceived inadequacy. These challenges suggest that while benefits exist, their strategic implementation remains suboptimal, potentially limiting their full motivational potential.

More importantly, the perception-based measures demonstrated overwhelming agreement that employee benefits directly enhance productivity and individual performance, with a high composite mean score ($M = 4.32$). This perception is statistically reinforced by the inferential analyses. The chi-square test confirmed a significant deviation from neutrality, indicating that positive perceptions of benefits and performance are not due to chance. Furthermore, the Spearman correlation ($r = 0.68$, $p < 0.001$) revealed a moderate-to-strong positive relationship between benefit satisfaction and performance impact, suggesting that improvements in benefit satisfaction are related to yield meaningful gains in employee output and efficiency.

The regression analysis further strengthens this conclusion by demonstrating that benefit satisfaction accounts for 46% of the variance in employee performance ($R^2 = 0.46$), with a substantial predictive coefficient ($\beta = 0.79$). This implies that enhancements in benefit structures can significantly be linked to higher performance outcomes. Nonetheless, the exclusion of non-permanent staff from benefit coverage highlights an important equity gap that may undermine overall organizational commitment and cohesion. Therefore, while the results affirm the strategic importance of employee benefits as a driver of performance, they also underscore the need for more inclusive, consistent, and effectively managed benefit systems to maximize organizational productivity.

Overall, the findings provide strong empirical evidence of a significant and positive relationship between employee benefits and employee performance within the Nigeria Social Insurance Trust Fund Katsina Branch. While benefits are widely available and well institutionalized, their moderate effectiveness highlights important implementation challenges, particularly regarding timeliness, consistency, and adequacy. The results further reveal that higher levels of benefit satisfaction are associated with improved employee performance, with benefit satisfaction accounting for a substantial proportion of performance variation. Importantly, the study uncovers a critical equity gap in the exclusion of non-permanent staff from benefit coverage, which may have implications for organizational commitment and cohesion. These findings extend existing literature by providing context-specific evidence from a public-sector branch-level setting and by demonstrating that the effectiveness of employee benefits depends not only on their availability but also on their perceived fairness and quality of implementation.

4.5 Summary of Results

1. NSITF provides benefits but coverage excludes non-permanent staff.
2. Benefit system rated average ($M=3.12$) with implementation challenges.
3. 100% agreement that benefits affect performance ($M=4.32$).
4. χ^2 , correlation ($r=0.68$), and regression ($\beta=0.79$, $R^2=0.46$) confirm significant positive relationship.

5. SUMMARY, CONCLUSION, RECOMMENDATIONS

5.1 Summary of Findings

This study systematically examined the relationship between employee benefits and employee performance at NSITF Katsina Branch using enhanced statistical methods. Key findings include:

1. **Benefit Structure and Coverage:** NSITF provides structured benefits including allowances (32%), performance bonuses (24%), paid education leave (24%), Christmas bonuses (16%), and car loans (4%). However, coverage excludes non-permanent staff (contract: 28%, casual: 12%, IT students'/corps members: 60%), creating uniformity challenges.
2. **System Effectiveness:** The benefit system received average ratings ($M=3.12$, $SD=0.78$). Major implementation issues include delays (44% of responses), lack of uniformity (32%), and perceived inadequacy (24%). Benefits are infrequently provided (44% every 2 years).
3. **Performance Impact:** All respondents (100%) confirmed benefits affect productivity, with 96% rating impact as high/very high ($M=4.32$, $SD=0.65$). Benefits specifically enhance efficiency (20%), productivity (28%), extra-role behavior (36%), and work effort (12%).
4. **Statistical Relationships:**
 - **Chi-square:** $\chi^2(36.40) >$ critical value (9.49), confirming significant relationship ($p<0.001$).
 - **Correlation:** Strong positive Spearman correlation ($r=0.68$, $p<0.001$) between benefit satisfaction and performance impact.
 - **Regression:** Benefit satisfaction significantly predicts performance ($\beta=0.79$, $p<0.001$; $R^2=0.46$), explaining 46% of performance variance.
5. **Retention Risks:** 88% would leave for better pay/benefits elsewhere; 96% confirmed more pay increases effort and efficiency.

These findings demonstrate that while benefits exist and are valued, implementation gaps limit their full motivational potential.

5.2 Conclusion

Employee benefits exert a statistically significant and practically meaningful influence on employee performance at NSITF Katsina Branch. The comprehensive analysis—combining descriptive statistics, chi-square testing, correlation ($r=0.68$), and regression ($R^2=0.46$)—confirms that higher benefit satisfaction directly predicts enhanced performance outcomes.

Three critical insights emerge:

1. **Benefits Matter:** Universal employee agreement (100%) and strong statistical relationships validate benefits as strategic motivators, aligning with human capital and expectancy theories.
2. **Implementation Critical:** Average ratings and identified challenges (delays, uniformity, adequacy) indicate that benefit *existence* alone is insufficient effective design and delivery determine motivational impact.
3. **Retention Imperative:** High turnover intentions (88%) underscore benefits' role in talent retention, particularly in competitive public-sector labor markets.

The study concludes that strategic, inclusive, and reliably implemented benefit systems are essential for optimizing employee performance and organizational effectiveness in Nigerian public institutions like NSITF.

5.3 Recommendations

According to the empirical findings, a set of prioritized and actionable recommendations is proposed to enhance organizational effectiveness and employee satisfaction at the Nigeria Social Insurance Trust Fund Katsina Branch. The Branch Manager, in collaboration with the Human Resource (HR) Officer, should give immediate attention to eliminating delays in benefit disbursement, which was identified as a major concern among employees. This can be achieved through the introduction of automated disbursement timelines, supported by internal monitoring mechanisms and periodic audit checks to ensure consistency, transparency, and accountability. While the Branch Manager provides strategic oversight and enforces compliance, the HR Officer should manage the operational processes, including the development and communication of clearly defined and standardized eligibility criteria to ensure fairness in benefit access across all staff categories.

In addition, the NSITF Katsina Branch Management, through the HR Unit, should implement a more inclusive and performance-oriented benefit structure. This involves extending selected benefits, such as transport and health allowances, to contract staff while maintaining reasonable differentiation for permanent employees. A tiered benefit system according to tenure and length of service should be introduced to reward loyalty and encourage retention across all employment categories. Furthermore, a performance-linked benefit framework should be established, where a defined proportion (e.g., 20–30%) of benefits is tied to measurable key performance indicators such as case processing efficiency, client satisfaction, and accuracy rates, supported by periodic performance-based incentives to sustain high levels of productivity.

To strengthen continuous motivation and employee engagement, the HR Officer should review and revise the current benefit cycle from infrequent intervals (e.g., every two years) to more regular schedules such as semi-annual or bi-annual disbursements. The introduction of monthly

micro-benefits, including transport or meal allowances, will provide consistent reinforcement and improve employee morale. In addition, the HR Unit should establish a Benefit Review Committee comprising staff representatives and conduct annual employee satisfaction surveys using standardized metrics to ensure that benefit policies remain responsive, inclusive, and aligned with employee needs.

Finally, the Branch Manager should support ongoing capacity building within the HR Unit by facilitating professional development in areas such as total rewards management and data-driven decision-making. This will enable the HR Officer to design, evaluate, and refine benefit systems according to empirical evidence. Regular benchmarking of the branch's benefit structure against comparable public-sector institutions will further ensure competitiveness, sustainability, and alignment with best practices, thereby positioning the organization as an employer of choice while maintaining fiscal responsibility.

5.4 Directions for Future Research

To build upon the current research, several methodological extensions and expanded research scopes are recommended to deepen the understanding of benefit-performance dynamics. Future studies should adopt a multi-branch comparative approach across various NSITF regions to test the generalizability of these findings across different geographical contexts. Transitioning to a longitudinal design tracking changes in benefits and performance over a two-to-three-year period would provide clearer insights into causality. Additionally, incorporating supervisor-rated performance measures alongside employee self-reports will help mitigate common method bias and provide a more objective assessment of productivity.

Expanding the analytical scope of future research is also vital for a more holistic view of organizational health. Future inquiries should include customer satisfaction as a critical downstream outcome of employee performance, exploring how internal benefit structures eventually impact public service delivery. Investigating the moderating effects of leadership styles and organizational justice will further clarify the conditions under which benefits most effectively drive performance. To support these complex inquiries, the use of advanced analytics, such as Structural Equation Modelling (SEM), is recommended to test full theoretical models, while machine learning classification could be employed to predict high-performing employee profiles according to specific benefit packages.

Finally, researchers should explore contextual variations and policy-level implications to refine Nigerian HRM scholarship. Comparative studies between federal and state public institutions, as well as between the public and private sectors, would highlight unique regional and industry-specific dynamics. On a strategic level, conducting a comprehensive cost-benefit analysis of these recommendations is essential for informing NSITF national policy. By evaluating post-implementation effects after 12 to 18 months using the methodology established in this study, the

organization can ensure that its policy shifts remain evidence-based and responsive to the evolving needs of the Nigerian workforce.

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