



## Impact of personnel management on organizational productivity on non-profit organization a case of red cross society Enugu state

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### Abstract

This study was designed to determine the impact of Personnel Management on the productivity on non-profit organization with particular reference to the red cross Society of Nigeria, Enugu South L.G.A. The research is a descriptive survey research made up of questionnaires to elicit responses. The population was made up 120 staffs from five red cross Society in Enugu South L G. Simple random sampling techniques was used to select the sample size, made up 100 staffs. Primary and secondary sources of data were used to generate the data. Based on the study, the following findings were made: Personnel Management plays a big role in the Production level on non-profit organization. Personnel Management equally helps to make the production easier. Personnel Management reduces the stress involved in the production. The researcher recommends that for the non-profit making Organization realize their objective, they should work in random with Personnel management.

**Keywords:** red cross society, non-profit organization, productivity

### Introduction

Personnel Management is the function within an organization that focuses on recruitment of, management of, and providing direction for the people who work in the organization. Personnel Management can also be performed by line managers.

Management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training.

Personnel Management is also a strategic and comprehensive approach to managing people and the workplace culture and environment. Effective personnel management enables employees to contribute effectively and productively to the overall company direction and the accomplishment of the organization's goals and objectives. Personnel Management is moving away from traditional personnel, administration, and transactional roles, which are increasingly outsourced. Personnel management is now expected to add value to the strategic utilization of employees and that employee programs impact the business in measurable ways. One of the roles of an effective personnel management involves strategic direction, metrics and measurements to demonstrate. Michaels (2010).

Personnel Management covers a wide range of activities. The main area of study we will focus on will be work organization. By work organization we mean the distribution of decision rights (autonomy/decentralization) between managers and workers, job design (example. flexibility of working, job rotation), team-working (example who works with whom) and information provision.

Personnel management encompasses the traditional personnel functions of recruitment, selection, training,

motivation, compensation, evaluation, discipline, and termination of employees. Each of those tasks demands particular skills. Increasingly, personnel management is being recognized for its strategic importance to organizations and jurisdictions, and is moving beyond its traditional position as a monitor of compliance. This course is designed to provide you with an understanding of the evolution of personnel management. Smith (2004)

Management policies and practices, and how changes over time reflect shifting societal values and environmental circumstances.

Management must work with people. The proper use of people in an enterprise undoubtedly has a direct and significant bearing on the productive efficiency of the enterprise.

The issues in personnel management are major factors of the human problems affecting organization. These issues include:

1. Recruitment and Selection Process,
2. Organization structure of personnel departments.

The recruitment and selection processes are to ensure the engagement of reliable, competent and qualified workers. Fatiregun (2002:131) defines recruitment as the process of accessing a job, announcing vacancy, arousing interest and stimulating people to apply while selection is the process of choosing, for excellence, through process of rejection or matching the applicants.

Co-ordination in the organization chart, including the hierarchies of the officers, functions and authorities. Human factors or participants will be engaged to fit into this abstract framework for the purpose of accomplishing predetermined results. The structure is a fundamental design for the effective performance of people who work together

in groups to achieve their purpose. The working party (1977:16) warns that if the structure is wrong or inadequate, not even the ingenuity and cleverness of those who operate it will give it the desired correctness or satisfactory function. Personnel relation at work can be a factor of personnel management problems in an organization, which according to Fillopo (2013:57) <sup>[11]</sup> is a formal relationship that exists among personnel and employees in working place. The timely and positive effort in handling human problems at the executive level will make for good human relations or reconciliation of the organizational and employee goals. Poor communication network, abuse of the principles of line and staff relation, blind recruitment and selection process, incompetent employees and personnel, and Indifference attitudes to work are major human problems in managing human relation at work in an organization.

The result of this poor attitude to work in a non-profit organization is the reason for constant dwindling of management in non-profit organization (Onodugo, 2008) <sup>[20]</sup>.

Research findings from Nwachukwu (2005) <sup>[18]</sup>, Korman (2007) <sup>[15]</sup> have shown that the productivity of an employee is determined by three major factors:

1. The ability of the employee
2. The will to work, and
3. Situational factors.

### Statement of the Problem

A nonprofit making organization is faced with problems which often hampers the attainment of its set goals. The productivity of any non-profit making organization depends largely on the performance of its people (the management and subordinates) for this success to be achieved, the personnel in the organization needs to be addressed and managed.

There have problems of Work motivation and compensation, Ethics and Values, Work Attitude, Recruitment and Selection Process

In the activities of non-profit making Organization and this made it hard or difficult for them to run their activities smoothly. For this fact the researcher deemed it necessary to do more study on this research or work to see if he could find anyway remedy the issues.

### Objective of the Study

Main objective of this study is to find out the impact of personnel management on organizational productivity in a non-profit organization.

The specific objective of this study includes;

1. To determine the impact of work motivation and compensation on the productivity of non-profit organization.
2. To determine the impact of Ethics and Values on the productivity of non-profit organization.
3. To examine the impact of work attitude of workers' on the productivity of non-profit organizations.
4. To examine the impact of recruitment and selection process of workers on Productivity of non-profit organization

### Research Questions

For the purpose of this research, the following research questions were formulated to guide this study:

1. What are the impact of work motivation and compensation on the productivity of non-profit Organization.
2. What are the impact of Ethics and Values on the productivity of non-Profit Organization.
3. What are the impact of work attitude of workers' on the productivity of non-profit Organizations.
4. What are the impact of recruitment and selection process of workers on Productivity of non-profit organization

### Hypotheses

The following hypothesis will guide this study:

1. Work motivation and compensation has no significant impact on productivity on Non-profit making Organization.
2. Ethics and value has no significant impact on productivity on Non-profit making Organization.
3. Work attitudes have no significant impact on productivity on Non-profit making Organization.
4. Recruitment and selection process of workers has no significant impact on productivity on Non-profit making Organization.

### Conceptual Framework Non-Profit Organization

A nonprofit organization (NPO), also known as a non-business entity, not-for-profit organization, or nonprofit institution, is an organization traditionally dedicated to furthering a particular social cause or advocating for a shared point of view. In economic terms, it is an organization using its surplus of the revenues to further achieve its ultimate objective, rather than distributing its income to the organization's shareholders, leaders, or members. Being public extensions of a nation's revenue department, nonprofits are tax-exempt or charitable, meaning they do not pay income tax on the money that they receive for their organization. They can operate in religious, scientific, research, or educational settings.

The key aspects of nonprofits are accountability, trustworthiness, honesty and openness to every person who has invented time, money, and faith into the organization. Nonprofit organization are accountable to the donors, founders, volunteers, program recipients, and the public community. Public confidence is a factor in the amount of money that a nonprofit organization is able to raise. The more nonprofits focus on their mission, the more public confidence they will have, and as a result, more money for the organization. The activities a nonprofit is partaking in can help build the public's confidence in nonprofits, as well as how ethical the standards and practices.

According to the National Center for Charitable Statistics (NCCS), there are more than 1.5 million non-profit organizations registered in the United States, including public charities, private foundations, and other nonprofit organizations. Private charitable contributions increased for the fourth consecutive year in 2017 (since 2014), at an estimated \$410.02 billion. Out of these contributions, religious organizations received 30.9%, education organizations received 14.3%, and human services organizations received 12.1%. Between September 2010 and September 2014, approximately 25.3% of Americans over the age of 16 volunteered for a nonprofit.

### **Mechanism of Money-Raising**

Nonprofits are not driven by generating profit, but they must bring in enough income to pursue their social goals. Nonprofits are able to raise money in different ways. This includes income from donations from individual donors or foundations; sponsorship from corporations; government funding; programs, services or merchandise sales; and investments. Each NPO is unique in which source of income works best for them. With an increase in NPO's within the last decade, organizations have adopted competitive advantages to create revenue for themselves to remain financially stable. Donations from private individuals or organizations can change each year and government grants have diminished. With changes in funding from year to year, many nonprofit organizations have been moving toward increasing the diversity of their funding sources. For example, many nonprofits that have relied on government grants have started fundraising efforts to appeal to individual donors.

### **Challenges**

NPO's challenges primarily stem from lack of funding. Funding can either come from within the organization, fundraising, donations, or from the federal government. When cutbacks are made from the federal government, the organization suffers from devolution. This term describes when there is a shift of responsibility from a central government to a local, sub-national authority. The shift is due to the loss of funds; therefore, resulting in changes of responsibilities in running programs. Because of this frequent challenge, management must be innovative and effective in the pursuit of success.

### **Nonprofit vs. not-for-profit**

Nonprofit and not-for-profit are terms that are used similarly, but do not mean the same thing. Both are organizations that do not make a profit, but may receive an income to sustain their missions. The income that nonprofit and not-for-profit organizations generate is used differently. Nonprofit organizations return any extra income to the organization. Not-for-profits use their excess money to pay their members who do work for them. Another difference between nonprofit organizations and not-for-profit organizations is their membership. Nonprofits have volunteers or employees who do not receive any money from the organization's fundraising efforts. They may earn a salary for their work that is independent from the money the organization has fundraised. Not-for-profit members have the opportunity to benefit from the organization's fundraising efforts.

In the United States, both nonprofits and not-for-profits are tax-exempt under IRS publication 557. Although they are both tax-exempt, each organization faces different tax code requirements. A nonprofit is tax-exempt under 501(c) (3) requirements if it is either a religious, charitable, or educational based organization that does not influence state and federal legislation. Not-for-profits are tax-exempt under 501(c) (7) requirements if they are an organization for pleasure, recreation or another nonprofit purpose.

Nonprofits are either member-serving or community-serving. Member-serving nonprofit organizations create a benefit for the members of their organization and can include but are not limited to credit unions, sports clubs, and

advocacy groups. Community-serving nonprofit organizations focus on providing services to the community either globally or locally. Community-serving nonprofits include organizations that deliver aid and development programs, medical research, education, and health services. It is possible for a nonprofit to be both member-serving and community-serving.

### **Management**

A common misconception about nonprofits is that they are run completely by volunteers. Most nonprofits have staff that work for the company, possibly using volunteers to perform the nonprofit's services under the direction of the paid staff. Nonprofits must be careful to balance the salaries paid to staff against the money paid to provide services to the nonprofit's beneficiaries. Organizations whose salary expenses are too high relative to their program expenses may face regulatory scrutiny.

A second misconception is that nonprofit organizations may not make a profit. Although the goal of nonprofits isn't specifically to maximize profits, they still have to operate as a fiscally responsible business. They must manage their income (both grants and donations and income from services) and expenses so as to remain a fiscally viable entity. Nonprofits have the responsibility of focusing on being professional, financially responsible, replacing self-interest and profit motive with mission motive.

Though nonprofits are managed differently from for-profit businesses, they have felt pressure to be more business-like. To combat private and public business growth in the public service industry, nonprofits have modeled their business management and mission, shifting their *raison d'être* to establish sustainability and growth.

Setting effective missions is a key for the successful management of nonprofit organizations. There are three important conditions for effective mission: opportunity, competence, and commitment.

One way of managing the sustainability of nonprofit organizations is to establish strong relations with donor groups. This requires a donor marketing strategy, something many nonprofits lack.

### **Functions**

NPOs have a wide diversity of structures and purposes. For legal classification, there are, nevertheless, some elements of importance:

- Management provisions
- Accountability and auditing provisions
- Provisory for the amendment of the statutes or articles of incorporation
- Provisions for the dissolution of the entity
- Tax statuses of corporate and private donors
- Tax status of the founders.

Some of the above must be (in most jurisdictions in the USA at least) expressed in the organization's charter of establishment or constitution. Others may be provided by the supervising authority at each particular jurisdiction.

While affiliations will not affect a legal status, they may be taken into consideration by legal proceedings as an indication of purpose. Most countries have laws that regulate the establishment and management of NPOs and that require compliance with corporate governance regimes. Most larger organizations are required to publish their



financial reports detailing their income and expenditure publicly.

In many aspects, they are similar to corporate business entities though there are often significant differences. Both not-for-profit and for-profit corporate entities must have board members, steering-committee members, or trustees who owe the organization a fiduciary duty of loyalty and trust. A notable exception to this involves churches, which are often not required to disclose finances to anyone, including church members.

### **Formation and structure**

In the United States, nonprofit organizations are formed by filing bylaws or articles of incorporation or both in the state in which they expect to operate. The act of incorporation creates a legal entity enabling the organization to be treated as a distinct body (corporation) by law and to enter into business dealings, form contracts, and own property as individuals or for-profit corporations can.

Nonprofits can have members, but many do not. The nonprofit may also be a trust or association of members. The organization may be controlled by its members who elect the board of directors, board of governors or board of trustees. A nonprofit may have a delegate structure to allow for the representation of groups or corporations as members. Alternatively, it may be a non-membership organization and the board of directors may elect its own successors.

The two major types of nonprofit organization are membership and board-only. A membership organization elects the board and has regular meetings and the power to amend the bylaws. A board-only organization typically has a self-selected board and a membership whose powers are limited to those delegated to it by the board. A board-only organization's bylaws may even state that the organization does not have any membership, although the organization's literature may refer to its donors or service recipients as 'members'; examples of such organizations are Fair Vote and the National Organization for the Reform of Marijuana Laws. The Model Nonprofit Corporation Act imposes many complexities and requirements on membership decision-making. Accordingly, many organizations, such as the Wikimedia Foundation, have formed board-only structures. The National Association of Parliamentarians has generated concerns about the implications of this trend for the future of openness, accountability, and understanding of public concerns in nonprofit organizations. Specifically, they note that nonprofit organizations, unlike business corporations, are not subject to market discipline for products and shareholder discipline of their capital; therefore, without membership control of major decisions such as the election of the board, there are few inherent safeguards against abuse. A rebuttal to this might be that as nonprofit organizations grow and seek larger donations, the degree of scrutiny increases, including expectations of audited financial statements. A further rebuttal might be that NPOs are constrained, by their choice of legal structure, from financial benefit as far as distribution of profit to members and directors is concerned.

### **Tax exemption**

In many countries, nonprofits may apply for tax-exempt status, so that the organization itself may be exempt from income tax and other taxes. In the United States, to be exempt from federal income taxes, the organization must

meet the requirements set forth in the Internal Revenue Code. Granting nonprofit status is done by the state, while granting tax-exempt designation (such as 501(c)(3)) is granted by the federal government via the IRS. This means that not all nonprofits are eligible to be tax-exempt. NPOs use the model of a double bottom line in that furthering their cause is more important than making a profit, though both are needed to ensure the organization's sustainability.

In Australia, nonprofit organizations include trade unions, charitable entities, co-operatives, universities and hospitals, mutual societies, grass-root and support groups, political parties, religious groups, incorporated associations, not-for-profit companies, trusts and more. Furthermore, they operate across a multitude of domains and industries, from health, employment, disability and other human services to local sporting clubs, credit unions, and research institutes. A nonprofit organization in Australia can choose from a number of legal forms depending on the needs and activities of the organization: co-operative, company limited by guarantee, unincorporated association, incorporated association (by the Associations Incorporation Act 1985) or incorporated association or council (by the Commonwealth Aboriginal Councils and Associations Act 1976). From an academic perspective, social enterprise is, for the most part, considered a sub-set of the nonprofit sector as typically they too are concerned with a purpose relating to a public good. However, these are not bound to adhere to a nonprofit legal structure, and many incorporate and operate as for-profit entities.

In Australia, nonprofit organizations are primarily established in one of three ways: companies limited by guarantee, trusts, and incorporated associations. However, the incorporated association form is typically used by organizations intending to operate only within one Australian state jurisdiction. Nonprofit organizations seeking to establish a presence across Australia typically consider incorporating as a company or as a trust.

## **Non-Profit Organizations**

### **Major Characteristic and Features**

Traditionally, strategic Personnel management researchers have adopted three different perspectives to explain the relationship between Personnel Management systems and organizational performance Delery (2006). One particularly influential perspective is the universalistic approach, which prescribes a set of "best practices" that should be applied uniformly to all organizations for high performance Brudney (2015). These practices include incentive pay, certain methods of recruitment and selection Rozell (2003), comprehensive training and performance appraisal. Another major theoretical perspective that has been emphasized in Personnel Management research is the contingency approach, where theorists contend that the relationship between the personnel resource system and organizational performance is contingent on a third variable, such as organizational context.

As such, this perspective denies the existence of "best human resource practices" that are expected to lead to superior performance under any circumstances. For example, many contingency theorists propose that the fit between personnel resource practices and business strategy is critical for superior organizational performance. The third perspective, the configurational approach, conceptualizes personnel resource systems as a set of multidimensional

elements that can be combined in different ways to enable an organization to achieve its goals. Several configural theorists have attempted to develop a priori typologies that represent different ideal possibilities for managing personnel resources. Arthur (2002) suggested that the closer an organization's personnel resource practices resemble the correct prototypical system for its business strategy, the greater the performance gains. Again, this approach rejects the "best practice" paradigm and advocates for personnel resource systems that are tailored to specific organizational contexts. The universalistic approach dominates volunteer management in NPOs, where a variety of models have been advanced, all of which prescribe a core set of "best practices" including recruitment, selection, placement, orientation, training, supervision, recognition and evaluation. However, several scholars (e.g., Hager & Brudney, 2015; Rehnberg, 2005; Studer & Von Schnurbein, 2013) have criticized the assumptions underlying these widely endorsed "best practices", arguing that they may or may not apply to all organizations, and as such may not translate into strategic outcomes for all organizations. Specifically, O'Connor (2009) argue that different social missions generate different organizational contexts that require different personnel resource system. They contend that while "best practices" can be fruitfully applied to 'traditional volunteer programs', which are based on a business-type personnel resource model, this environment only represents a subset of a range of possible Non-Profit Organization contexts. Of particular significance to our study, Macduff *et al.*, (2009) noted the growing trend in episodic, short-term, and event-based volunteerism, which might require fundamentally different personnel resource systems and practices from those advocated as "best practices".

As such, these "best practices" may have little or no meaning in these contexts. For instance, the authors pointed out that in social change volunteer programs, volunteers are conceived more as "activists". Therefore, while their recruitment may resemble more of 'traditional volunteers', selection practices that involve "interviewing" for "positions" do not fit the social change program model. Thus as a "best practice", interviewing may be redundant or irrelevant for this kind of volunteer program. Indeed, based on the same reasoning, McCurley and Ellis (2003) questioned the validity of current personnel management models used in the field. The above arguments served as an impetus for the current exploratory study, where we examined the nature of personnel resource practices that emerged from a Non-Profit Organization context that relies heavily on volunteers that are episodic and short-term.

### **Mission-Driven Strategic Personnel Management and the Ability Motivation-Opportunity Framework**

We draw on the ability-motivation-opportunity framework Bailey, (1993) <sup>[2]</sup> as the theoretical underpinning for our model and for classifying the personnel resource practices that emerged from our study. According to the ability motivation opportunity framework, to maximize employee performance, personnel resource systems should be designed to enhance individuals' ability, motivation and opportunity to contribute.

Drawing on this framework, Lepak and colleagues (2006) outlined a typology to categorize personnel resources practices into three dimensions -

Skill-enhancing personnel resource practices (example, 'comprehensive' recruitment, 'rigorous' selection, and 'extensive' training).

Motivation enhancing personnel resource practices (example, performance management, competitive compensation, incentives and rewards, extensive benefits, promotion, career development and job security).

Opportunity-enhancing personnel resource practices (example, flexible work design, work teams, employee involvement and information sharing).

Practices that is anchored to the organization's mission and especially relevant for volunteers. For example, with regards to skills-enhancing practices, while 'comprehensive' recruitment might be relevant to Non Profit Organizations, the type of recruitment strategies that would be effective in for-profit organizations may be less effective or practical for recruiting volunteers. Similarly, 'rigorous' selection practices may be different or even irrelevant for the selection of some types (example, episodic and or short term) of volunteers.

Finally, training that centers on the organization's mission may be more important in Non Profit Organizations rather than a focus on 'extensive' training. Using an inductive approach for this study enabled us to explore the types and nature of personnel management practices that emerged in the non-profit context we studied. Focusing on volunteers as ambassadors for the organization coupled with the fact ' that impact may be implemented and perceived differently by different employees, also underscores the importance of paying particular attention to volunteers' actual experience of the personnel management practices. Accordingly we examined the mission-driven personnel management practices from the volunteers' perspective.

### **Theoretical Framework**

The theoretical framework of this study is based on the Lawthorne theory as propounded by Elton Mayo. The inadequacy of assumptions of Fredrick Taylor's scientific management principles led to the emergence of this theory. Elton Mayo and his associates carried out three year experiment at the Hawthorne plant at the Chicago between 1924 and 1927 and the result of the experiment is summarized up as follows:

- a. Work is a group activity.
- b. The social world of the adult is patterned primarily about his work activity.
- c. The need for recognition, security and sense of belonging is more crucial in influencing workers' morale and productivity than the mere physical conditions under which is performed.
- d. The worker is an individual whose attitudes and behaviours are conditional or affected by social demands both within and outside the work place.
- e. Informal groups in a work place exercise enormous control over the people's work habits and attitudes.
- f. Group collaborations does not and cannot occur by accident, it has to be planned.

In terms of these findings from the studies of Elton Mayo and his associates, Roethlisberger, it is important for all those in management/leadership positions to always bear in mind that all formal organizations are social system whose most important elements is the worker, be he a clerk or messenger and that this worker is not a simple tool but

indeed a complex organism. According to Roethlisberger, on best way in which to motivate subordinates is by recognizing their social needs to belongingness instead of thinking that all they need is money or other forms of economic returns which the scientific management approach advocates.

### Impact of Personnel Management on Productivity on Non-Profit Organization

Productivity is an index which is used to measure the ratio of output per unit of input (Imaga, 2009). It simply tells whether or not factors of production are contributing more or less to total output.

Production means application of processes. (Technology) to the raw material to add the use and economic values to arrive at desired product by the best method, without sacrificing the desired quality. We have three ways of Production, they are:

1. **Production by Disintegration:** By separating the contents of Crude oil or a mixture the desired products are produced. For example the crude oil is disintegrated into various fuel oils.
2. Similarly salt production is also an example for product produced by disintegrated. We can use Mechanical or Chemical or both technologies to get the desired product, so that it will have desired use value.
3. **Production by Integration:** In this type of Production various Components of the products are assembled together to get the desired product. In this process, Physical and Chemical Properties of the materials used may change. The examples are: Assembly of Two wheelers, Four wheelers and so on.
4. **Production by Service:** Here the Chemical and Mechanical Properties of materials are improved without any physical change. The example for this is Heat. Treatment of metals. In real world, a combination of above methods is used.

In general production is the use of any process or procedure designed to transform a set of input elements into a set of output elements, which have use value and economic value.

Production, in economics, manufacture and processing of goods or merchandise, including their design, treatment at various stages, and financial services contributed by bankers.

Various economic laws, price data, and available resources are among the factors in production that must be considered by both profit and non-profit producers.

Production technology refers to the way capital, technology, natural resources, and labour are combined to create final goods. Businesses choose these inputs depending on the type and quantity of goods they produce. For example, a snack-cake factory and a local bakery will each use different equipment and methods to produce cupcakes. A production technology that requires many workers and relatively few machines is called a labour-intensive technology. A technology that uses many machines and relatively few workers is called a capital-intensive technology. Generally, as industries grow, they become more capital intensive.

### Challenges of Personnel Management in Non-Profit Organization

A number of factors tend to influence the optimum allocation of Personnel Management in non-profit organization. Among them are the policies relating to

recruitment, training, employment conditions, and the deployment of personnel. Equally important are the prevailing management environment, socio-economic conditions, and the traditional work culture. Let us take this one by one.

### Work Motivation and Compensation

It has been commonly assumed that non-profit organizations are more likely to employ individuals whose values and needs are consistent with the public service mission of the organization (Baldwin, 1984; Crewson, 1997; Perry & Wise, 1990; -Perry, 1996, 1997).

Charged with promoting general social welfare, as well as the protection of the society and every individual in it, non-profit organizations often have missions with broader scope and more profound impact than typically found in the private sector (Baldwin, 2004). The composition of the workforce has been expected to reflect the nature of the work in the sector by attracting employees who desire greater opportunities to fulfill higher-order needs and altruistic motives by performing service. It is these individual characteristics that are often touted as the key to motivating behaviour because "understanding the values and reward preferences of managers is essential in structuring organizational environments and incentive systems to satisfy those preferences" (Wittmer, 2001: 369). In fact, it is believed that the importance employees place on the opportunities thought to be more readily available in the sector, such as performing altruistic acts or receiving intrinsic rewards, compensates for the low levels of extrinsic rewards associated with the public sector and explains why no differences have been found between non-profit and profit employee work motivation (Baldwin, 1984, 1987; Emmert & Taher, 1992; Posner & Schmidt, 1982; Rainey, 1979, 1983).

Non-profit organization employees have been found to place a lower value on financial rewards (Cacioppe & Mock, 1984; Houston, 2000; Jurkiewicz et al., 1998; Khojasteh, 1993; Kilpatrick et al., 1964; Lawler, 1971; Newstrom et al., 1976; Rainey, 1982; Rawls et al., 1975; Wittmer, 1991) and a higher value on helping others (Buchanan, 1975; Cacioppe & Mock, 1984; Crewson, 1997; Houston, 2000; Kilpatrick et al., 1964; Rainey, 1983; Wittmer, 1991) than their profit sector counterparts. Empirical support for these differences, however, has not always been consistent. Several studies have failed to find differences in preference for monetary rewards (Crewson, 1997; Gabris & Simo, 1995; Maidani, 1991; Schuster, 1974), while others have found that even if non-profit employees do value monetary rewards less than profit employees, such financial incentives still are highly valued (Newstrom, Reif & Monczka, 1976; Rainey, 1982; Wittmer, 1991). Evidence also has been found to suggest that non-profit employees do not value opportunities to benefit society (Jurkiewicz, Massey & Brown, 1998) or helping (Gabris & Simo, 1995) any more than those in the profit organization. Competing Models for the Effects of non-profit Service Motivation

#### ▪ Job Mediated Model

Recent reviews of work motivation theories have suggested that any model of work motivation should include the underlying process variables that explain how goals affect work motivation (Kanfer, 1992; Katzell & Thompson, 1990; Mitchell, 1997). Goal theory suggests that employees will



expend greater effort toward achieving performance goals that they believe will result in important outcomes (Locke & Latham, 1990). This emphasis- on the importance of outcomes is consistent with Rainey and Steinbauer (1999) have suggestion that the effectiveness and performance of government agencies may be enhanced by three interrelated levels of intrinsic rewards—task, mission and public service—that are available through the employee's role in the organization. Although goal theory can be used to illustrate how employee work motivation can be influenced by all three levels, it suggests that the effects of mission valence and public service motivation are mediated at the job level. At the job level, goal theory suggests that work motivation requires the employee to believe that performance goals can be attained and will result in important outcomes for themselves or, to the, extent they are committed to organizational goals, for their organization (Klein, 1991). In other words, work motivation is enhanced when employees see their job as not only as doable but also important. These job levels attributes and their implications for explaining the separate contributions of mission on work motivation are depicted in;

#### ▪ **Self-efficacy**

The extent to which goals seem achievable is determined by an individual's sense of self efficacy, the individual's judgment of his or her own "capabilities to organize and execute courses of action required attaining designated types of performances" (Bandura, 1986, p. 391). Self-efficacy influences motivation through its effect on the direction and persistence of behavior. If employees feel more confident in their abilities, they are more likely to see goals as achievable and worthy of their effort. Higher levels of self-efficacy often are associated with better performance, because individuals who believe that they can accomplish a goal are more likely expend the necessary effort and persist in the face of obstacles (Bandura, 1988; Bandura & Cervone, 1983, 1986; Early & Lituchy, 1991). Self-efficacy has been shown to enhance certain types of performance in the public sector. Frayne and Latham (1987; Latham & Frayne, 1989) found that enhancing employee self-efficacy to overcome obstacles affecting the ability to come to work can increase job attendance among non-profit employees.

#### ▪ **Job Importance**

In addition to having achievable goals, employee work motivation also requires that performance objectives be viewed as important. If employees do not perceive their job to be important or meaningful, they have little reason to be motivated to perform their work.

Although self-efficacy is important when understanding motivation at the job level, it is the concept of job importance that is especially salient in understanding the contributions organization mission make toward organization performance.

There are a number of ways in which organizations can affect the employee' s perceptions of goal importance. First, as mentioned above, managers can persuade employees that their jobs are important by providing a convincing rationale for their work tasks (Locke, Latham, & Erez, 1988). One way managers may attempt to do this is by linking the job performance directly to organizational performance. Similar to the concept of task significance, if employees can see how their work contributes to achieving important

organizational goals, then they are more likely to see their work as meaningful (Wright, 2001). In the-non-profit sector, however, this aspect of goal theory may be particularly salient because the link between individual and organization goals may extend beyond the boundaries of the organization (Perry & Porter, 1982; Perry & Wise, 1990; Rainey & Steinbauer, 1999). Public service motivation asserts that non-profit employees may view their performance goals as important because of the congruence between the altruistic or community service nature of non-profit sector goals and the high value that non-profit employees place on work that helps others and benefits society (Crewson, 1997; Perry & Wise, 1990; Wittmer, 1991).

If achieving assigned goals can satisfy personal employee motives, such as performing public- service, then they are more likely to be perceived as important and accepted as personal goals. In addition to the intrinsic rewards provided by the nature of the job or function of the organization, organizations may also make assigned performance goals important to the employee by providing appropriate extrinsic rewards for goal attainment (Klein, 1991; Mowen, Middlemist, & Luther, 1981; Wright, 1989). Not only is the type and amount of reward important, but such extrinsic rewards must contingent on performance if they are to act as performance incentives (Lawler, 1994). If, as evidence suggests, non-profit organization employees value extrinsic rewards less; than their profit organization counterparts (Gacioppe & Mock, 1984; Houston, 2000; Jurkiewicz *et al.*, 1998; Khojasteh, 1993; Kilpatrick *et al.*, 1964; Lawler, 1971; Newstrom *et al.*, 1976; Rainey, 1982; Rawls *et al.*, 1975; Wittmer, 1991) or perceive a weak link between performance and rewards (Porter & Lawler, 1968; Rainey, 1983), then the utility of this method for enhancing goal importance is severely limited.

#### ▪ **Direct Effect Model**

Using the same basic theoretical constructs, the literature on non-profit service motivation may suggest an alternative explanation of contributions mission and job characteristics make toward employee work motivation. Three changes in particular may be implied. First, Rainey and Steinbauer (1999) suggest that, in addition to an effect on job or task level motivation, the organization's mission may increase employee public service motivation by attracting "individuals who will self-select into the organization on the basis of the valence of the mission for them". Second, the research on non-profit service motivation seems to imply that non-profit service motivation would have a direct effect on employee work motivation and performance (Brewer & Seldon, 1998, 2000; Crewson, 1997; Naff & Crum, 1999; Perry & Wise, 1990; Wittmer, 1991) rather than an indirect effect mediated by job level characteristics. A third way that a model suggested by the non-profit service motivation literature, may differ from one implied by goal theory is that it may-assume that extrinsic rewards have a direct effect on employee work motivation. Such an assumption seems to underlie the view that no differences in non-profit and profit employee work motivation exist because the opportunity to fulfill altruistic or service needs in the non-profit service compensates for the higher levels of extrinsic rewards available in the profit organization (Perry & Wise, 1990).

## Methods for Motivating Employees

The purpose of this report is to discuss some of the possibilities in motivating ' employees to be productive in the workplace. The areas to be discussed are Financial Motivation and Non-Financial Motivation. Both are powerful forces in determining the drive, productivity, and effectiveness of every company employee.

### Financial Motivation

Non-profit organization managers find many ways to motivate their employees, so they desire to perform to the best of their abilities. Financial rewards and incentives are common in the business world today; although, most experts agree money is not the best motivator because the motivational effect of most financial rewards does not last. According to Donna Deeprose (1994), "For one thing, while the presence of money may not be a very good motivator, the absence of it is a strong demotivator"

Therefore, financial rewards are an absolutely necessary base to successful motivates a non-profit organization's workers. The most common types of financial rewards that will be discussed in this paper are salary, incentive travel, and paid time-off.

**Salary:** As has been mentioned, the absence of salary or bonuses can be a strong de- motivator, primarily because some people use money as a scorecard to measure their achievement. Money is also an indicator to the person of how important he or she is perceived to be within the organization. The absence of salary or bonuses to some employees would indicate that they are not valued within the organization.

If employees go for more than one year without receiving a raise or a bonus, their productivity is likely to decline, and valuable employees may be tempted to look for other employment, which can be costly in rehiring expenses.

**Incentive travel:** Another effective way to financially motivate employees is with incentive travel. Many times when employees are rewarded with cash bonuses or pay raises, the money is used to pay off debt or everyday types of financial expenses. While money for everyday expenses is good, the added appeal of incentive travel, as a bonus or reward, is that employees would probably never buy something like it for themselves. Incentive travel is a management tool used to motivate and recognize participants for increased levels of performance in support of company objectives. In short, it is almost a way of bribing employees to work harder. And there is evidence it works exceedingly well (Buttner, 2002).

As already mentioned, the nation is experiencing a slow economy, where people immediately cut some of the discretionary expenses in their personal budgets like vacations and personal travel. Again according to Clare Buttner (2002), "Another benefit of incentive travel, according to incentive travel specialists, is that even in times when economies are suffering, incentive travel works" (p. 12). Therefore, even in a slow economy, companies can effectively motivate their employees through incentive travel rewards.

**Paid time-off:** Paid time away-from work is one of the most common types of financial rewards used to motivate employees. The amount of paid time-off can vary from an extended lunch to multiple days off at the same time. Bob

Nelson (1997) suggests how this can be done effectively, "If the job permits it, simply give people a task and a deadline and specify the quality you expect. If they finish before the deadline, the extra time is their reward" (p. 185). Financial rewards are varied according to the situation and money available to a corporation; and as the financial rewards— salary, incentive travel, and paid time-off—suggest, creativity is a major part of employing effective financial motivation.

### Non-Financial Motivation

This report speaks of emotive forces as internal emotional drives for performing a task.

Effective motivation of employees goes beyond the financial compensation for work, and some of the most well-known companies in the world have realized the benefits of appealing to their employees' drive to work intelligently and to be recognized. Most motivators lead directly to the empowerment and enabling of people to perform well. Productivity can be improved when a company focuses on the following: goal setting, communication, autonomy, responsibility, and flexibility.

**Goal-setting:** A prime motivator for people, is the achievement of objectives and the recognition of peers. Achievement is the successful execution of a task to reach a desired end.

Whether employees are working to fasten a bolt to an engine block or developing a competition study, the successful accomplishment of that task represents a piece of the company's mission (Coffman & Gonzalez-Molina, 2002). Worker's that have a clear idea of how their task fits into the larger scheme and profit of a company will feel a sense of belonging and importance because they understand the ultimate end and importance of performing that task (Weinstein, 2002). Setting goals is a good way to define an employees' purpose-in a company and helps to set a standard for them to gauge their success. Managers can then focus on the success of the individual by illustrating his or her performance in comparison to the goal, either with non-profit or profit recognition. In this way, the organization develops an atmosphere of attainment against measurable objectives and becomes energized with each win (Nelson, 1997). The process of defining the roles and objectives of the staff brings an invaluable opportunity for sharing communication between the employee and management.

**Communication:** The flow of information in a company can be a powerful tool in motivating its workforce. Communication of clearly stated goals and paths to achievement is the best way to begin developing employee talent (Nelson 1997).

Registering and acting on the communication of employees also gives a powerful message about their value to the company and management (Nelson 1997). Employees want their company and team to succeed; and when management uses the input to help them be productive, a sense of empowerment and ownership of the process develops. The open communication also gives a measure of control over their work environment and allows for the improvement of each individual working situation.

The reward employees receive for communicating is not always what managers might view as an award. As Matejka (1991) says, "... giving an employee something pleasant is not the only way to reward. You are also rewarding (making life more pleasant) when you take something away that the



employee dislikes". Enhancing the work life, thereby compensating the employee for the communication, is a way to build rapport and loyalty. When the work environment is pleasant, the employee's satisfaction and motivation increase.

Communication also gives rise to trust between the supervisors and their staff. Trust enables management to give autonomy and to encourage independence, and that trust builds a strong sense of community for the employee.

Responsibility Employees place a 'worthwhile job' above every other employment concern, including money (Walters & Fenson, 2000). Responsibility for the success or failure of a project is a large part of creating job worth (Nelson, 1997). When employees are given the tools and autonomy to do a certain project, or work in a particular role, they are motivated to-perform brilliantly because they area accountable for that particular function. Responsibility for a project will also give a good employee the opportunity to display talent and creativity in solving a problem or completing a task.

When tasks are clearly outlined to stress individual and group accountability, employees feel that management is putting trust and faith in their abilities to perform. This causes positive effects as illustrated by one of the great hockey players, Phil Esposito, who set an 11-year record for the most goals in a game in 1971. He said that the most

influential coaches in his career were the ones that allowed him to play his own style. The coaches trusted his talent and helped him to develop and play with his own unique style (Coffman & Gonzalez-Molina, 2002).

Flexibility: One of the aims of companies should be - flexibility with employees. During the 1990's, companies realized tremendous productivity gains by demonstrating flexibility in the work environment. Schedule and organizational flexibility allow employees to balance home and work more effectively and cause productivity and morale gains as well (Nelson, 1997). Just as previously illustrated with McCormick and Company, more hours worked and time clock punching do not necessarily make a company profitable or effective.

Flexibility in work scheduling allows work to be arranged according to the individual's need.

Many companies illustrate how the flexible schedule gives tremendous returns in employee loyalty, retention, and compensation. One company could not attract desirable applicants because it could not afford the massive benefit and financial compensation packages of the bigger firms. The company management decided to move towards flex-time, eradicated time clocks, and invented 'management by wandering around'.

**Research Question One:** What is Non-profit organization?

**Table 1:** Mean responses on what is non-profit organization is

S/N	Item Statement	SA	A	SD	D	MW	X	Remark
1	It is an organization that is non-profit oriented body	50	40	5	5	108	3.5	Accepted
2	It is also public interest body	40	40	10	10	176	3.4	Accepted
3	It is people programmed bodies	35	35	15	15	132	2.7	Accepted

Source: Field survey (2020)

Table 1 above show that non-profit organization is an organization that work for the good of the society.

**Research Question Two:** What are the objectives of non-profit organization.

**Table 2:** Mean responses on the objective of non-profit organization (Red Cross Society) in Enugu South Local Government Area.

S/N	Item Statement	SA	A	SD	D	MW	X	Remark
4	One profit of non-profit organization is to develop the society	50	40	10	10	100	3.0	Accepted
5	Another objective is to stabilize the society	40	40	10	10	100	3.0	Accepted
6	Another objective is to bring about group success	45	40	10	5	136	2.7	Accept

Source: Field survey (2020)

Data on table 2 above shows that the respondents agreed with item 4, 5, 6 with mean scores of 3.0, 3.0, 2.7. This implies that the following are the objectives of non-profit organization. One is for group success. The other is for the development of the society.

**Research Question Three:** What are the factors that impact non-profit organization (Red Cross Society) in Enugu South Local Government Area.

**Table 3:** Mean responses on the factors that impact non-profit organization.

S/N	Item Statement	SA	A	SD	D	MW	X	Remark
7	One of such factor is commitment	50	30	10	10	100	3.5	Accepted
8	Another is funding	40	40	10	10	172	3.4	Accepted
9	Another is leadership	40	40	10	10	156	3.3	Accepted

Source: Field survey (2020)

Data on table 3 shows that the factors responsible for non-profit organization include good leadership, funding and commitment among others.

**Research Question Four:** What are the impacts of personnel management on productivity level of non-profit Organization.

**Table 4:** Mean responses on the impact of personnel management on productivity level of non-profit organization.

S/N	Item Statement	SA	A	SD	D	MW	X	Remark
10	One impact is to bring about good leadership	50	30	10	10	148	3.7	Accepted
11	Another impact is to bring about success in the Organization.	40	40	10	10	164	3.3	Accepted
12	It gives the organization a means to grow	45	40	5	10	164	3.3	Accepted

Source: Field survey (2020)

Data on table 4 above shows that the respondents agreed with item 10, 11, and 12 with mean scores of 3.7, 3.3, 3.3. This implies that the impact of personnel management on non-profit organization include among other things for organization growth and development for leadership.

**Summary of Findings**

The finding shows that non-profit organization surplus has to do with an organization that is non-profits outlook. It does not look for gain another at looks for how to satisfy the interest of the masses. The response from the respondents clearly shows that a greater percentage of the respondents believe that the statement above is correct.

The second research question which sought to know the objective of non-profit organizations found one that non-profit organization has objectives elite development of the society stabilization of the society and group success as part of the objectives. The responses from the respondents clearly fall in line with these objectives.

The third research question sought to know the factors that influence non-profit organization. One of such factor is finding. Another is commitment from members, leadership is also an important part of the factors that influence non-profit organization.

The fourth research question sought to know the impact of personnel management on the productivity level of non-profit organization. It was found out that it makes non-profit organization to produce at high level. It also makes non-profit organization to work are quality level. It equally makes them to work at maximized productivity level.

**Conclusion**

Non-profit organizations are meant to work toward the good of the society. As look for gain rather they should be there to makes the society a better place. Again, they are meant to encourage the people to work as a team.

Personnel Management has a lot to do in order to make the organization bear the desired result. This it does by uniting the different people found in an organization to work as a team.

**Recommendations**

The following recommendations are full forward.

1. Non-profit Organization should be encouraged to achieve their set objective.
2. Personnel Management should be allowed to do the needful in the area of non-profit organizations for proper results.
3. Members of non-profit organizations should fund it very well, because every organization need good funding.
4. The right leadership should be advocated for non-profit making organization so as to yield productivity and human development.

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