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Organizational Reward Strategy and Employee Performance in Pharmaceutical Companies in Rivers State, Nigeria.

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Abstract: *This study investigated organizational reward strategy and employee performance in pharmaceutical companies in Rivers State. The study employed the survey research design. The target population is the two hundred and forty-four (244) pharmaceutical companies in Rivers State as contained in the official latest edition of Rivers State Yellow Pages Directory (2013/2014 ed.). However, due to convenience, proximity and time frame for this study, the researcher was only able to reach out to ninety-seven (97) pharmaceutical companies. From the researcher's field work, the ninety-seven pharmaceutical companies had a combined total of two hundred and nine-one (291) sales representatives, which constituted the population size for the study. The sample size was obtained via Krejcie and Morgan's sample size determination table, which gave a minimum sample size of a one hundred and sixty-five (165) from a population size of two hundred and ninety-one (291). The simple random sampling technique was employed to allow every employee a fair chance of possible selection. The Spearman Rank Order Correlation Coefficient was also applied to test the stated hypotheses at 0.05 level of significance. The outcome of the study revealed that a significant positive relations exist between reward strategy and employee performance in pharmaceutical companies in Rivers State. Given the results and discussion, the study establishes that a robust reward strategy will lead to improved performances of sales representatives of pharmaceutical companies in Rivers state. Consequently, the study recommended that pharmaceutical firms should: periodically train and acquaint their sales representatives with new knowledge of their products, for effective communication of product benefits to customers; and target incentives programmes to all workers, not only to management or employees who are the best performers.*

Keywords: Reward Strategy, Employee's Product Knowledge, Sales Volume, Employee Performance

Introduction

In the present world, where globalization has blurred national boundaries and employees are protected by international laws and engagement, reward systems and the management thereof is fast becoming a competitive differentiator of firms. The advent of globalization has brought about greater pressure on business managers to be proactive, creative and innovative, in order to survive the ever-turbulent business environment from which no nation is immune (Ezigbo, 2011). Business management has gone beyond routine processes of mass production with the aim of benefiting from economies of scale. Consumer needs, taste and fashion not only vary from one society to the other but constantly change with time and season. Consumers are in constant demand for new products, new and better product features and higher satisfaction and value for their money. Different consumer groups, based on health, age and needs emerge on a daily basis. This scenario calls for a better management of resources and prompt response to consumer needs and complaints for organisations that value short-term success and long-term survival (Hill, 2004).

Maximizing the performance of organizations is the main issue for all organizations, irrespective of age, size, industry, geography (Candy, 1997). Machineries, money, equipment and other "partial agents" or actors of production, with relatively limited capacities must combine with and be controlled by the human resource to produce desirable levels of productivity and performance. Hence, the need to give a critical look at the issue of employee performance. The word "employee performance" refers to an individual's work accomplishment after putting in the necessary effort on the job, which is linked to having meaningful work, an engaged profile, and sympathetic coworkers/employers (Karakas, 2010). An excellent employee performance management system is required for a company organization to completely utilize HR and augment organizational achievement. The performance-driven goal should be aligned with organizational rules so that the entire process moves away from being event-driven and toward being strategic and people-centric (Jena & Pradhan, 2014). Employee performance refers to how well an employee performs the tasks that are expected of them.

Employee performance is typically measured in terms of outcomes, but it can also be measured in terms of behavior, according to Armstrong (2002). Quality of production, amount of output, timeliness of output, presence at work, and cooperativeness are all factors in an employee's performance, according to him. Employee performance is a multifaceted topic with numerous measurements, but given the focus of this research, the work of Kesari (2014), who identified qualitative and quantitative underpinnings for measuring employee performance, is of particular importance. Sales volume and employee product knowledge were chosen and used as measures of employee performance in this study as part of the qualitative and quantitative evaluations.

Every organization's long-term success will be determined by the quality and availability of people resources with the appropriate motives and dedication (Pratheepkanth, 2011). This viewpoint supports Ahindo's (2008) earlier observation that success in an increasingly competitive environment is to a greater extent a function of the corporate organization's ability to effectively and efficiently manage human resources. This necessitates the creation of a work force that is driven to provide the firm with the best possible performance and productivity in order to achieve its organizational goals and objectives.

Having the finest strategy and organizational architecture in place does not guarantee that an organization will be successful. Only when organizational members are driven to perform at a high level can this be enhanced. Humans, unlike machines and robots, cannot be programmed or controlled to continuously provide the same amount of output, update to perform better, or be replaced if they are not performing properly. Their productivity is determined by their level of motivation (Bayon, 2013). Employees are obligated to the company under the terms of a contract, labor union statutes, and state and federal human rights laws. As a result, personnel cannot be replaced like machines, nor can they be forced to provide under duress. When a company goes out of its way to meet the demands of its employees, however, the employee feels compelled to repay the favor with hard work and dedication. As a result, understanding and meeting the needs of employees is the most basic method that any business can take to win their commitment to the firm's aims and objectives (Chughtai, 2008).

Individuals are often motivated when they believe their company is committed to meeting their personal and societal requirements. In the management and organizational behavior literature, incentive strategy and perceived fairness of an organization's reward system have been highlighted as major motivators (Ajalie, 2017; Hamidi et al., 2014; Robins et al., 2013).

"Reward strategy" is defined by Armstrong (2010: 268) as "the interrelated processes and practices that combine to ensure that reward management is carried out successfully to the advantage of the firm and its employees." According to Svensson (2001), a reward plan aligns employees' true self-interests with the organization's goals and provides three types of management control benefits: informative, motivational, and personnel-related. A monetary or non-monetary reward system could be used. An yearly or semi-annual bonus is the most prevalent sort of monetary compensation system. These mid-year and end-of-year incentives are excellent for motivating staff to compete in terms of performance and productivity. Cash prizes, profit sharing agreements, and stock options are all examples of monetary incentives. In many businesses, monetary incentives are sufficient to motivate staff to achieve maximum output. Employees who are driven by cold, hard cash benefit the most from this type of compensation system. A non-monetary reward system, on the other hand, could be as basic as a "top performance" or "employee of the month" award. This form of incentive satisfies an employee's psychological need to be acknowledged for their work. Extra time off, flexible work hours, corporate discounts (such as a gym subscription), and free parking are among non-monetary options to consider. This study, on the other hand, focuses on commissions and bonuses.

Any organization's performance and long-term viability are dependent on effective reward programs (Maund, 2001). Though reward systems have the capacity to recruit the ideal employee, maintain them, and continuously push them to produce desired performance (Otieno, 2006), a poorly organized reward system can lead to high labor turnover, low productivity, and a general laissez-faire attitude at work. As a result, it is critical for management to design a compensation system that provides positive consequences for employee contributions to desired performance. This will instill in employees a burning desire to be creative, innovative, and performance-oriented, resulting in high production and giving the company a competitive advantage in the global market.

Various authors' studies combine the concept of incentive plan and employee performance with a variety of other independent and dependent variables, as well as across industries. Several studies were undertaken, for example, in the Pakistan cement sector (Quresh, Zaman & Shah, 2010), Nigerian manufacturing industry (Sajuyigbe, Bosede & Adeyemi, 2013), Bangladesh commercial banks (Aktar, Sachu & Ali, 2012), and Malaysian universities (Sajuyigbe, Bosede & Adeyemi, 2013). (Jalaini et al., 2013). Ngwa et al (2019) looked at how profit sharing affects employee commitment in manufacturing firms, how flat-rate systems affect employee work values in manufacturing firms, and how collective bargaining compensation systems affect employee performance in manufacturing firms. But they did not examine in detail the impact of different extrinsic and intrinsic reward strategies on employee performance. This depicts a lacuna in literature. Consequently, this study stands out from other studies because it examines how employee performance in terms of sales volume and Employee’s Product Knowledge, can be improved by reward strategy in pharmaceutical companies in Rivers State, Nigeria.

Statement of the Problem

Pharmaceutical businesses spend a lot of money on tracking their sales results. Sales are crucial to companies because they indicate a company's potential to create income, and as a result, sales activities must be closely monitored. The pharmaceutical sector in Nigeria, on the other hand, is characterized by a high level of dynamism and unpredictability. According to Martins (2016), the industry's high volatility is due to a number of factors, including: many competitors vying for market share; companies marketing both generic and brand products; the market is highly price sensitive; sales teams are constantly changing; the market is highly regulated, and new legislation can have a significant impact; and the market is highly regulated.

In many pharmaceutical contexts, instead of incentive systems harmonizing employee and employer interests by fine-tuning employee interest toward performance, the systems have gradually made employee and employer interests parallel. Many businesses will continue to struggle with low employee performance, high manufacturing costs, and low profit margins unless research is conducted to provide a solution. Employees and employers will have competing interests, leading in high labor turnover and its accompanying costs.

Organizations are increasingly required to comprehend proper compensation systems that inspire their staff to achieve higher organizational performance (Vance, 2012). In Nigeria, a variety of incentive packages are employed, including monetary (extrinsic) and non-monetary (intrinsic) incentives. For instance, in the context of monetary compensation, a wage increase is considered to be extremely important for employee happiness (URT, 2010). It is on this premise that this research work is designed to investigate the effect of reward strategy on employee performance using selected pharmaceutical companies in Rivers State, Nigeria.

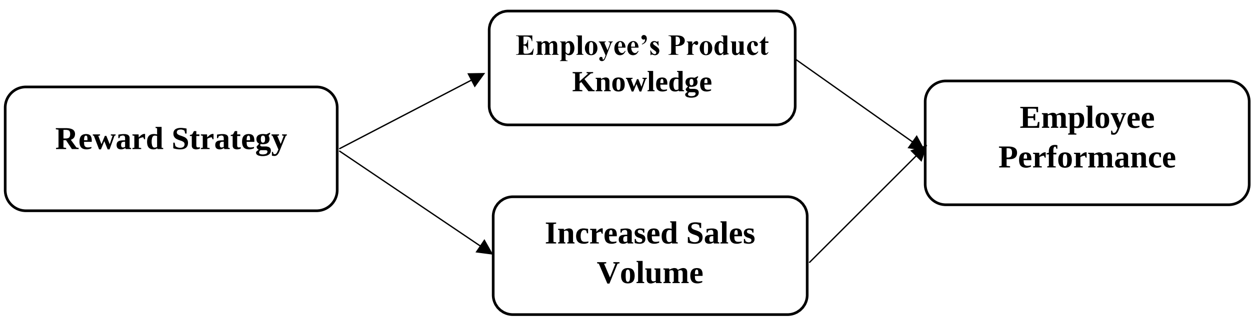

Figure 1: A Model of the Relationship between Reward Strategy and employee Performance

Source: Reward Strategy was measured with items from the work of Cannon (2015); while the measures of Employee Performance were obtained from the work of Kesari (2014).

Hypotheses

H_{01}: Reward strategy does not have any connection with Employee's Product Knowledge.

H_{02}: Increased sales volume is not associated with reward strategy.

Literature Review

Reward Strategy

A reward plan, according to Gomez-Mejia and Balkin (1992), is the intentional use of the pay system as a crucial integrating mechanism for directing the efforts of various sub-units and individuals toward the fulfillment of an organization's strategic goals. The company's reward strategy is determined to give explicit instructions on how to build its various reward programs. According to Armstrong (2000), a reward strategy is a policy that directs an organization's development and design of programs to guarantee that it rewards performance outcomes that promote the attainment of its business goals.

Similarly, Armstrong and Stephens (2005) defined reward strategy as a management declaration of intent that expresses the organization's long-term goals for developing and implementing reward policies, practices, and processes that will help it achieve its business goals and meet the needs of its stakeholders. They claimed that reward strategy gives employees a feeling of purpose and direction, as well as a framework for designing incentive systems, practices, and procedures that are based on an understanding of the organization's and employees' needs and how they can be effectively met.

The goal of a reward plan is to create policies and procedures that will attract, retain, and encourage high-quality employees, as well as assist the attainment of organizational goals and offer fair and equitable pay for all employees (Armstrong, 2012). This is due to the fact that employees want their work to be recognized, and providing appropriate rewards and benefits packages is an efficient way to not only achieve organizational goals but also to maintain relationships with outstanding personnel (Saba, 2011).

Financial and Non-Financial Compensation

Employees are rewarded both financially and non-financially by their employers. Based pay, merit pay, pay for performance or variable pay or incentive pay, performance-related pay, and employee benefits are all examples of financial rewards. Base pay, often known as time pay, is money paid to an individual employee for a specific period of time worked. It can be expressed as an hourly, weekly, monthly, or annual rate (Adrian et al., 2010). Merit-based pay is a merit-based pay system that companies use to grant their employees annual compensation increases. According to Adrian et al (2010), merit-based remuneration has become a more popular technique of motivating staff who do not necessarily have targets to meet or who create uncountable volumes of work Pay for performance, also known as variable pay or incentive compensation, is a money incentive concept that links some amount of a paycheck directly to results or accomplishments; that is, pay based on the notion that individuals who are motivated by money will work harder because they will be paid more (Kreitner & Kincki, 2010; Rao, 2010). Performance-related pay is a type of pay based on performance that usually accounts for a portion of an employee's pay; for example, a salesperson receiving a bonus payment for exceeding their sales target (Adrian et al., 2010). Employer-provided benefits are arrangements established by employers for their employees to improve their well-being. They are provided in addition to pay and form important parts of the total rewards package; and include personal security, financial assistance, personal needs, flexible benefits and voluntary benefits (Armstrong, 2012).

Non-financial rewards, on the other hand, are those provided by organizations that do not entail any direct money payments and are often derived from the labor itself (Armstrong, 2012). Relational rewards, which are intangible rewards related to the work environment, are included in non-financial rewards (Armstrong, 2012). Achievement, autonomy, recognition, scope to use and develop talents, training, career development chances, and high-quality leadership are some of the possible benefits. The fundamental point of non-monetary incentives is that it has been suggested that money will motivate certain people all of the time and, maybe, all of the time. Money, on the other hand, cannot be relied on to motivate everyone all of the time, thus non-monetary rewards, particularly those that generate intrinsic drive, must be supplemented (Armstrong, 2012). This serves as a reminder to businesses to align their compensation schemes with the demands of the company and its employees.

Employee Performance

Employee performance has been defined by researchers, who have also emphasized aspects that influence employee performance, as shown below. According to Anitha (2013), an individual's or an organization's performance is greatly influenced by all organizational activities, policies, procedures, knowledge management practices, and employee engagement. These factors play an important role in developing high levels of employee performance. While Islami, Mulolli, and Mustafa (2018) recognize performance management as a deliberate process involving agreement, measurement, support, feedback, and positive reinforcement, which set performance expectations. Bataineh (2017) defines employee performance as a mix of the efficiency and effectiveness of the employee's everyday responsibilities in order to achieve the stakeholders' expectations.

Employee performance includes the outcomes of their actions depending on their expertise and talents. Employee performance in organizational contexts is the sum of all of the employees' talents, efforts, and abilities that led to the organization's increased productivity and attainment of its goals. Improved organizational performance denotes efforts toward goal achievement, whereas improved employee performance necessitates even more effort. Employee performance is one of the most important aspects in determining the success of a firm. Learning organizations play a critical role in improving employee performance by providing training and development opportunities for their staff (Gitongu et al., 2016). Furthermore, management standards for evaluating employee performance are important in enhancing employee performance since they show actual performance and how it compares to benchmarks. If differences are discovered, these criteria assist in bringing the outputs back to the required levels. Employee performance is also influenced by their internal job happiness. Employees are more motivated to perform effectively in order to attain organizational goals if they are content with their jobs and the organization.

Employee performance is determined by their willingness and openness to do their jobs (Naharuddin & Sadegi, 2013). Furthermore, he noted that having personnel that are willing and open to accomplish their jobs will boost their productivity, which will lead to better performance. Employees, equipment, and materials, on the other hand, must be provided with the required resources to perform, independent of their talents and expertise. Employees must be given the opportunity to contribute to the firm's performance, as well as the tools and incentives to do so, according to Foot and Hook (2008). They went on to say that management should use engagement and partnership strategies to work in cooperation with its employees for ongoing and enhanced production. They also

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stated that firms should make every effort to optimize their employees' contribution to the attainment of corporate goals, so that individuals can generate value through high-performance work while also benefiting themselves directly.

Employee's Product Knowledge

The value of product expertise in the field of customer service cannot be overstated. It is doubtful that a business will be able to sway a customer's choice to buy or even consider their goods unless they have a thorough understanding of the products and services on offer. Customer service representatives will sound more confident, professional, and efficient if they are knowledgeable about the product (Newman, 2014). When they connect with customers, their belief in the company's offering will shine through, increasing the chances of a sale and increasing customer happiness. Knowing everything there is to know about the company's services will make it easier to recommend it to customers and provide tailored solutions depending on their requirements.

One of the primary areas of duty for customer care teams is product knowledge. It is the ability to comprehend the company's offerings, hence boosting the customer service role's effectiveness. According to Newman (2014), all employees should have a fundamental awareness of their company's product or service, but the customer support team, as well as the other front end teams, should have a detailed understanding of the product. This is because the more information a person has, the better they will be at providing excellent customer service.

Customer support representatives must be well-trained, and product expertise is one such requirement. Knowledgeable employees are inherently excited, and we are more easily persuaded by happiness and passion as humans (Fernandes, 2015). Customers prefer to interact with workers who are enthusiastic about the items or services they are selling and how they will help the customer's business. This enthusiasm reflects well on the organization as a whole, allowing customers to put their trust in the company. Companies and their executives have become well-known as a result of this, and their customers trust them.

Client service's major goal is to make every customer interaction memorable and positive. Excellent customer service strengthens and improves the client's relationship with the business. Superb customer service is provided by employees that have a positive attitude, an empathic outlook, and are courteous, all of which are bolstered by a thorough understanding of what their firm does and has to offer (Fernandes, 2015). An employee that keeps up to date on all aspects of the product or service will be able to respond to the majority of questions right away. Product knowledge will enable an employee to avoid using jargon and to explain things to customers as clearly and eloquently as feasible. Customers rely on sales professionals to understand the product or service, and they value every bit of information they can get.

Increased Sales Volume

Sales entails interpersonal engagement, which is frequently accomplished through one-on-one meetings, cold calls, and networking. It's anything that brings sales reps closer to the prospect or customer rather than keeping them at a distance (Oxford College of Marketing, 2014). The number of units sold by a corporation within a given reporting period is referred to as sales volume. Sales volume alone does not reveal how much revenue a firm generates from product sales. Understanding sales volume, on the other hand, tells which products are selling and which are not, which is crucial knowledge for business success (Alfred, 2020). Sales are the lifeblood of a company; they fuel expansion, fund new projects, and replenish the coffers from which salaries are paid. As a result, in order to meet sales and growth targets, businesses must continuously increase sales volume.

Theoretical Framework

The current study used the Vroom's expectancy theory and the social exchange theory to explain the concepts of reward system and performance.

Vroom's Expectancy Theory

People are motivated to behave in ways that yield desired combinations of expected outcomes, according to expectation theory. Kreitner and Kinicki (Kreitner & Kinicki, 1998). Vroom's Expectancy Theory attempts to explain motivation as goal-oriented behavior. People, he claims, act in a hedonistic manner (Vroom, 1964), seeking acts that will provide the greatest subjective utility. The expectancy theory basically states that the strength of a tendency to act in a certain way is determined by the strength of an expectation that the act will be followed by a specific consequence, as well as the attractiveness of that outcome to the individual (Robbins, 1993). In this scenario, salespeople will perform better if they believe their efforts will result in more commissions and bonuses.

Blau's Social Exchange Theory

Organizations construct systems that offer multiple types of exchange interactions, according to social exchange theory (Homans, 1961; Blau, 1964; Ekeh, 1974) and employee-organization relationship frameworks (Coyle-Shapiro et al., 2004; Tsui et al., 1995). The nature of the return cannot be bargained but must be left to the discretion of the one who makes it in a social exchange relationship with unspecified obligations in which there are "favors that create diffuse future obligations, not precisely defined ones, and the nature of the return cannot be bargained but must be left to the discretion of the one who makes it" (Blau, 1964). The resources transferred can be impersonal (like money) or socio-emotional (like love, respect, and loyalty) (Aselage & Eisenberger, 2003). "Feelings of personal duties, appreciation, and trust" are created by socio-emotional resources (Blau, 1964). The reciprocity standard underpins a social exchange relationship (Gouldner, 1960). The employment relationship is viewed as an exchange in which the employer provides certain returns (such as pay, benefits, and job security) in exchange for employee contributions (such as effort, commitment, productivity, and performance), and the level of exchange is determined by both parties' expectations.

Empirical Review

S/No.	Author/Year	Country	Topic/Objective	Method Used	Findings
1.	San, Theen, & Heng (2012)	Malaysia	The Reward Strategy and Performance Measurement (Evidence from Malaysian Insurance Companies).	The paper used an intensive case study of two selected insurance companies, known as Agency A and Company B. The two companies are different in terms of their size and capital.	The findings suggest that the use of financial and objective measures are the main concern in designing the reward systems of the organization, companies are gradually incorporated non-financial measures in their reward systems. Other remarkable findings include identical rewards are tied to different working nature which is found to be deviate from the normal norms.
2.	Kalaiti & Onuoha (2016)	Nigeria	Reward management strategies and organizational commitment in the banking industry in Bayelsa State, Nigeria	The work made use of the field study under the quasi-experimental design in eliciting data for the work.	The findings revealed a positive relationship between reward management strategies and organizational commitment. Based on the findings, it was concluded that the implementation of pay structures and employee benefits significantly enhances organizational commitment (affective and continuance.) within the Nigerian work environment and the banking industry to be specific.
3.	Ejikeme, Ifedioranma, Onyemaechi, & Donatus (2020)	Enugu State	Reward management and employee performance in selected manufacturing firms in Enugu State.	The data collected from respondents through questionnaire were analyzed with tabular presentation and percentage.	The major finding revealed that extrinsic reward aimed at maintaining and motivating employee performance in the organization.
4.	Diamantidis & Chatzoglou (2019)	Greece	Factors affecting employee performance: An empirical approach	A new research model that examines the relationships between these factors and EP is proposed utilizing the structural equation modeling approach.	The results indicate that job environment and management support have the strongest impacts (direct and indirect) on job performance, while adaptability and intrinsic motivation directly affect job performance.

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Methodology

The study adopted the survey research design as it allows the researcher to collect wide range of data across place and time (Baridam, 2001). The target population is the two hundred and forty-four (244) pharmaceutical companies in Rivers State as contained in the official latest edition of Rivers State Yellow pages Directory (2013/2014 ed.). However, due to convenience, proximity and time frame for this study, the researcher was only able to reach out to ninety-seven (97) pharmaceutical companies. From the researcher's field work, the ninety-seven pharmaceutical companies had a combined total of two hundred and nine-one (291) sales representatives, which constituted the population size for the study. The sample size (S) was obtained via Krejcie and Morgan's sample size determination table, which gave a minimum sample size (S) of a one hundred and sixty-five (165) from a population size (N) of two hundred and ninety-one (291). The simple random sampling technique was employed to allow every employee a fair chance of possible selection. The Spearman Rank Order Correlation Coefficient was also applied to test the stated hypotheses at 0.05 level of significance. The study satisfied face and content validity and met the Cronbach alpha reliability threshold of 0.70 (Hair Anderson, Tathan & William, 1998). Of the copies of questionnaire distributed, one hundred and twenty (120) were retrieved and analyzed.

Results and Discussion

Bivariate Level Analyses: Test of Hypotheses

This section is concerned with testing hypotheses stated earlier in chapter one; using Spearman's rank order correlation coefficient statistical tool and the p-values obtained.

Decision Rule: reject null hypothesis if p-value obtained is less than the alpha value (0.05/95% level of significance) and accept null hypotheses when p-value is greater than the alpha value.

Table 4.1: Test of relationship between reward strategy and product knowledge **($H0_1$)**

			Reward Strategy	Product Knowledge
Spearman's rho	Reward Strategy	Correlation Coefficient	1.000	.905**
		Sig. (2-tailed)	.	.000
		N	120	120
	Product Knowledge	Correlation Coefficient	.905**	1.000
		Sig. (2-tailed)	.000	.
		N	120	120

**. Correlation is significant at the 0.05 level (2-tailed).

SPSS output, Version 20 – Field Survey, 2020

Table 4.1 shows Spearman's rho correlation analysis to find out the relationship between reward strategy and product knowledge among one hundred and twenty (120) participants. A strong positive correlation coefficient value was reported between variables which is statistically significant (rho = .905, p = .000< 0.05 (alpha value).

Decision: Hence; we reject the null hypothesis ($H0_1$) that states that there is no significant relationship between reward strategy and product knowledge and we accept the alternate; there is significant relationship between reward strategy and product knowledge (HA_1).

Table 4.2: Test of relationship between reward strategy and sales volume **($H0_2$)**

			Reward Strategy	Sales Volume
Spearman's rho	Reward Strategy	Correlation Coefficient	1.000	.867**
		Sig. (2-tailed)	.	.000
		N	120	120
	Sales Volume	Correlation Coefficient	.867**	1.000
		Sig. (2-tailed)	.000	.
		N	120	120

**. Correlation is significant at the 0.05evel (2-tailed).

SPSS output, Version 20 – Field Survey, 2020

Table 4.2 shows Spearman's rho correlation analysis to find out the relationship between reward strategy and sales volume among one hundred and twenty (120) participants. A strong positive correlation coefficient value was reported between variables which is statistically significant (rho = .867, p = .000< 0.05 (alpha value).

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Decision: Hence; we reject the null hypothesis ($H0_2$) that states that there is no significant relationship between reward strategy and sales volume and we accept the alternate; there is significant relationship between reward strategy and sales volume (HA_2).

Discussion of Findings

Reward Strategy, as measured by commissions and bonuses, has a good impact on sales volume and product knowledge, according to the findings of the study. This means that, in order to increase sales, pharmaceutical businesses will need to implement commission and bonus incentive programs to motivate its salespeople. This finding aligns with Chung's (2015) discovery that salespeople were paid on commission for millennia before economists wrote about the principal-agent dilemma. Companies picked this strategy for at least three reasons, he claims. For starters, unlike most workers, a salesperson's short-term production is straightforward to track. Second, field representatives have typically operated with minimal (if any) supervision; commission-based pay allows management some control, compensating for their lack of knowledge about whether a representative is actually visiting clients or golfing. Third, personality type studies reveal that salesmen have a higher risk appetite than other professionals, so a pay plan with upside potential appeals to them. As a result, this research experimentally supports the link between commissions and bonuses and sales.

Furthermore, according to Umar (2010), a company must have an enticing remuneration plan in order to attract good salesmen. He stated that salespeople should be compensated in such a way that what they wish to accomplish for personal gain is also in the company's best interests. Most businesses focus on financial incentives, but public acknowledgment, sales contests, and simple personal praise for a job well done can all help motivate salespeople to work harder. A corporation must pay at least the going market wage for various sorts of salespeople in order to establish a competitive sales force. To ensure that it can afford a specific type of salesman, the company should assess how useful such a salesperson will be when the job description is prepared. Pay may have to be greater if a position needs a lot of travel, aggressive pioneering, or dealing with tough customers. However, the salesperson's remuneration should be comparable to the rest of the company's pay scale, at least roughly. To this end, this study empirically establishes the fact that reward strategy has a significant positive correlation with employee performance.

Conclusion and Recommendation

Given the results and discussion, the study establishes that a robust reward strategy will lead to improved performances of sales representatives of pharmaceutical companies in Rivers state. That is to say that, putting in place the right level/amount of commission and bonuses for sales representatives, and affording them knowledge of the product through training, will spur them into enthusiastically marketing the company’s product which will lead to increase in sales volume. Consequently, the study recommends that:

i. Pharmaceutical firms should periodically train and acquaint their sales representatives with new knowledge of their products, for effective communication of product benefits to customers.
ii. Pharmaceutical companies should target incentives programmes to all workers, not only to management or employees who are the best performers. One way to do this is by setting personal goals for each employee and basing reward on whether the employee meets or exceeds the individual goals.

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