

## **MOTIVATIONAL INCENTIVES AND FIRM PERFORMANCE IN NIGERIA: AN EMPIRICAL ANALYSIS**

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### **Abstract**

The aim of this paper was to find out whether there is any negative significant impact of motivational incentive on organizational performance. This paper employed a survey design via questionnaire. The questionnaire was administered to employees of three promising oil companies in the upstream sector: Shell, Chevron and Texaco. The data obtained from the field survey were subjected to correlation and simple regression analysis. In addition, a multi-collinearity diagnoses test on motivational incentives and firm performance was conducted. The findings from the analysis revealed that there is a significant negative impact of motivational incentive on firm performance. The implication of this could be that the motivational incentives of the organization especially these ones under study were not being properly managed in terms of tacit knowledge, hence there is need to improve upon it to change this negative mediating impact to a positive one. Furthermore, efforts should be made on the part of these companies being studied to review their motivational incentives in such a way as to contribute positively towards firm performance. This is because it is when the workers are happy working together that knowledge sharing and transfer can be made possible as well as achieving improved performance.

**Keywords:** Motive, Motivational Incentives, Firm Performance, Tacit Knowledge

**JEL classification:** D01, J08