



SOCIAL SECURITY ON THE EMPLOYEE PERFORMANCE OF FOOD, BEVERAGE AND TOBACCO MANUFACTURING FIRMS IN ENUGU STATE.

¹Ede, Titus Eguji, Ph.D, ²Igwe, Magnus Obiora and ³Okolie, Jonathan Ibekwe, Ph.D

¹Department of Psychology and sociological studies Faculty of Social Sciences and Humanities, Ebonyi State University, Abakaliki

²Institute of Peace, Conflict and development studies, Enugu state University of Science and Technology

³Department of Business Administration, Institute of Management and Technology

Keywords: Social security, Employee, Performance, Food, Beverage, Tobacco, manufacturing firms

Abstract: The study evaluated the effect of social security on employee performance of food, beverage and tobacco manufacturing firms in Enugu State. The specific objectives were to; evaluate the effect of Pension scheme on the employee productivity and examine the effect of disability compensations on the poverty reduction of employees of food, beverage and tobacco manufacturing firms in Enugu State. Descriptive survey design approach was adopted. A total population of 2342 selected staff of the study firms. Sample size of three hundred and thirty (330) using Freund and William's statistic formula at 5 percent margin of error was adopted. Two hundred and eighty-one (281) staff returned the questionnaire and accurately filled. Data was presented and analyzed by mean score and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Z- test. The study revealed that Pension scheme had positive effect on the employee productivity $Z(95, n = 281) = 6.070 < 7.800, p < .05$. Disability compensations had positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State, $Z(95, n = 281) = 7.502 < 8.635, p < .05$. The study concluded that Pension scheme and disability compensations had positive significant effect on the employee productivity and poverty reduction of food, beverage and tobacco manufacturing firms in Enugu State. The study recommended among others that the management of food and beverages should put Contributory Pension Scheme to help attract and retain qualified workers and increase workers morale and satisfaction.

Ede, Titus Eguji, Igwe, Magnus Obiora and Okolie, Jonathan Ibekwe



INTRODUCTION

1.1 Background of the Study

Employees are the wheels on which the corporate vehicle moves. Firms are nothing without their workers or employees. This is the key point that motivates employers into finding ways to promote employee activities and performance. Employee performance include situation where as an employee or employees are well embedded and committed with the job and the respective firm one is working for. It is a useful solution towards growth in the firms or organizations since it promotes the strong positive relationship between the organization and the staff. Employee performance also promotes employees to be enthusiastic about their duty which enhances firm's reputation and interests for that matter (Kahn, 2014). As a result, performance of the employees is very vital in all firms' or organizations both public and private including social security entities because they play important functions in serving the public in assuring social security service provisions including pension and provident schemes provision in service delivery (McKay, 2018). In addition, performance is sure to be improved when there is knowledge of some form of social security for the employees.

There are various social security practices which organizations can put in place to maximize workers performance. Health insurance, introduction of profit sharing in the work place and also offering paid leaves to employees are all social security practices that can be introduced in the work place. Health insurance is a contract that requires an insurer to pay some or all of a person's healthcare costs in exchange for a premium (Kaynack, 2021). Health insurance or medical insurance (also

known as medical aid in Nigeria) is a type of insurance that covers the whole or a part of the risk of a person incurring medical expenses. The sole objective of health insurances is to ensure that employees do not engage in out of pocket health expenditures, which could be quite expensive especially for a country like Nigeria.

Putting all these in place has a higher chance of getting the employee performance of food, beverage and tobacco manufacturing firms at a very high level, mainly due to the level of motivation that it inspires. Moreover, employee performance in an organization fosters productivity since the employee(s) with high level of enthusiastic as well as highly embedded with positive attitudes towards the organization and its values usually tend to be highly productive which is beneficial for the organization which assures the increased positive relationship between the organization and its employees. Organization usually strives and advancing through productivity which implies the realization of the goals and objectives for that matter (Mlay, 2020). Performance of employees is properly indicated in their output, which is also strictly impacted on by the punctuality and regularity of the said employees. High output means high performance. Output, punctuality and employee retention are the three key components from which the study tries to translate employee performance.

Employee performance improves general organizational productivity, and organizations rely on this productivity to reach their various goals set for the year. This means that it is in the best interest of food, beverage and tobacco firms in Enugu State to provide social security's for their employees for improved performances. In



light of the background, the study examined the effect of social security on the employee performances of food, beverage and tobacco manufacturing firm in Enugu State.

1.2 Statement of the Problem

Social Security benefits play a vital role in reducing poverty in nation, and they lift more people above the poverty line than any other program. Social Security is particularly important for older women and people of colour, who have fewer retirement resources outside of Social Security. Social security systems are aimed at improving the performances of the employees, with the knowledge that a part of their supposed income is being set aside for future plans or retirement. Social security could come in many forms such as the provision of health insurance for employees, profit sharing within the organization and use of paid leaves for the employees.

In attempts to cut cost and maximize organizational resources, paid leaves are gradually being phased out. Nursing mothers are forced to go on unpaid leaves because employers want to maximize their profits. Profit sharing is equally not practiced in this part of the world. All these issues contribute to a decline in the general productivity and performance measures of the organization. Employee output decline, and employees are equally less motivated to poverty reduction of employees, and some might go as far as seeking other areas of employment that will guarantee them some increased level of concern and social security

All these will lead to decrease in output, lack of punctuality and poor employee retention if not properly handled. It is in light of these

problems, and to create possible solutions, that the study examined the effect of social security on the employee performance of food, beverage and tobacco manufacturing firms in Enugu State.

1.3 Objectives of the Study

The main objective of the study was to evaluate the effect of social security on employee performance of food, beverage and tobacco manufacturing firms in Enugu State. The specific objectives were to;

- i. Evaluate the effect of Pension scheme on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.
- ii. Examine the effect of disability compensations on the poverty reduction of employees of food, beverage and tobacco manufacturing firms in Enugu State.

1.4 Research Questions

The following research questions guided the study;

- i. What is the effect of Pension scheme on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State?
- ii. What is the effect of disability compensations on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State?

1.5 Statement of Hypotheses

The following null hypotheses guided the study;

- i. Pension scheme has no positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.



- ii. Disability compensations have no positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State.

1.6 Significance of the Study

The study reviewed the effect of social security on the employee performance of food, beverage and tobacco manufacturing firms in Enugu State. The study will prove to be of significance to the management of the manufacturing firms in the state, the employees, as well as the state government. The study will be of significance to the managers by highlighting how putting in place social security systems will help in improving the performance of the employees in the manufacturing firm in Enugu.

2.0 Review of Related Literature

2.1 Conceptual Review

2.1.1 Social Security

Social security refers to the government system in a country specifically for the provision of social security services (Larimore, 2019). The services differ depending on the level of country development and the economy that for the developed states the services include provision of monetary services to the people with inadequate income and even those with no income at all besides those in the formal sectors with deductions and benefits which have been contributing to the respective social security entities for their retirement benefits (Gruber and Wise, 1999).

Social security means the efforts related to protect and support the sufferers against the impacts of different types of unwanted activities due to that the life of persons is under risk. The risks are essentially contingencies against which the individual of small means cannot effectively

provide by his own ability or foresight alone (Damarsari, Joko and Sukaries, 2020).

There is growing awareness that social security should be understood within the context of the development process. This includes not only Pension schemes and Health insurance, but also unemployability, issues of gender discrimination, child labour, the formal – informal sectors of employment etc. Hence a wider concept of social security is needed in order to respond to the realities faced by informal economy workers, who constitute the majority of the world labour force. Social security is a form of compensation beyond the salary or wages that are expected by employees in supporting their life needs, which can also maintain morale and work productivity, (Ramakrishnan, 2011).

2.1.2 Components of Social Security

The following are components of social security reviewed in the study.

2.1.2.1 Pension Scheme

Providing solutions that deliver adequate income in retirement has become an imperative for plan sponsors as surveys consistently show this is a priority for their plan participants. The Pension Retirement Acts (PRA) establishes a contributory pension scheme whereby the employers and the employee's contribute minimum percentages of the employee's salary to the scheme every month. The minimum contribution for the employer is 10% and 8% for the employee. The money contributed monthly goes into what is known as a retirement savings savings account. This new pension scheme is contributory, fully funded, privately managed, third party custody of the funds and assets and based on individual accounts. It ensures that everyone who has worked receives his/her



retirement benefits as and when due. <https://www.pencom.gov.ng/what-is-this-new-pension-scheme/>

Pension schemes provide protection in the form of lump sums and pensions to dependants in the event of a member's death; in order to encourage pension schemes, the State provides tax relief on contributions made to pension schemes and the growth in their investments, (Oakley & Smith, 2023).

2.1.2.2 Disability compensation

Disability is having a mental or physical disability that regularly stops you from doing any type of substantially gainful work. To receive disability compensation benefits, one must have a mental or physical disability that regularly stops you from doing any type of work. This means that your disability usually or always prevents you from doing any substantially gainful work. Work capacity can be demonstrated through paid work, volunteer activities, educational activities, or any combination of these activities. Your condition must be both severe and prolonged when you apply. Compensation may be paid for disability as the result of any disease or injury incurred or aggravated by federal active service or any period of active duty for training.

2.1.3 Employee Performance

Employee performance is closely related to the results of one's work in an organization or company. Employee performance is defined as how an employee fulfils their job duties and executes their required tasks. It refers to the effectiveness, quality, and efficiency of their output. Performance also contributes to our assessment of how valuable an employee is to the organization (Cianer, 2019). The results of the work can involve quality, quantity, and

timeliness, but performance evaluation in a company's organization is key in employee development. Performance is the results achieved by a person in a line of work according to certain criteria to apply for a particular job and evaluated by certain people (Donohoe, 2019).

2.1.4 Components of Employee Performance

The following are components of employee performance reviewed in the study.

2.1.4.1 Employee productivity

Productivity is a measurement or calculation between inputs and outputs. Inputs include raw materials, machinery and labor; outputs are the goods or services produced. If the outputs are equivalent to the inputs, the worker is considered productive. When employees are productive they accomplish more in a given amount of time. In turn, their efficiency saves their company money in time and labor. When employees are unproductive, they take longer to complete projects, which cost employers more money due to the lost time. Productivity is linked to employee morale. When employees are happy at work they have more motivation, which increases productivity. Poor morale causes employees to be disengaged. Low productivity can be boosted in a number of ways. Some managers might install monitoring software that tracks what employees do all day long to try to eliminate wasted employee hours, while others will try to boost employee morale or training or invest in labor-saving devices (Kyra, 2017).

2.1.4.2 Poverty reduction

The incidence of poverty has assumed a frightening dimension in Nigeria. In spite of its abundant human and natural resources, and

government's annual budgetary allocations towards programmes aimed at reducing poverty in the country, the poverty rate has always been on an ascending trend (Rosenje & Moliki, 2016). Egbefo (2015) observes that the Nigeria poverty situation, be it at the state and local government levels, however, presents itself as a paradox in the sense that the country is richly endowed in both human and material resources yet its people remains among the poorest people in the world. Sam (2014), there has been attempts by successive regimes in Nigeria towards poverty reduction and grassroots development. Prominent among these programmes have been

identified to, include, National Accelerated Food Production Programme (NAFPP) and the Nigeria Agricultural and Cooperative Bank (NACB) in 1972 and some others which included the last the famous N-Power scheme since 2016. All these are meant to achieve poverty reduction through wealth creation, employment generation and value re-orientation at the rural areas. Unfortunately, most of these programmes have not been able to radically change the poor standard of living of rural dwellers (Paul, Agba & Chukwurah Jr, 2014; Rosenje & Moliki, 2016).

2.1.5 Conceptual Framework of the study

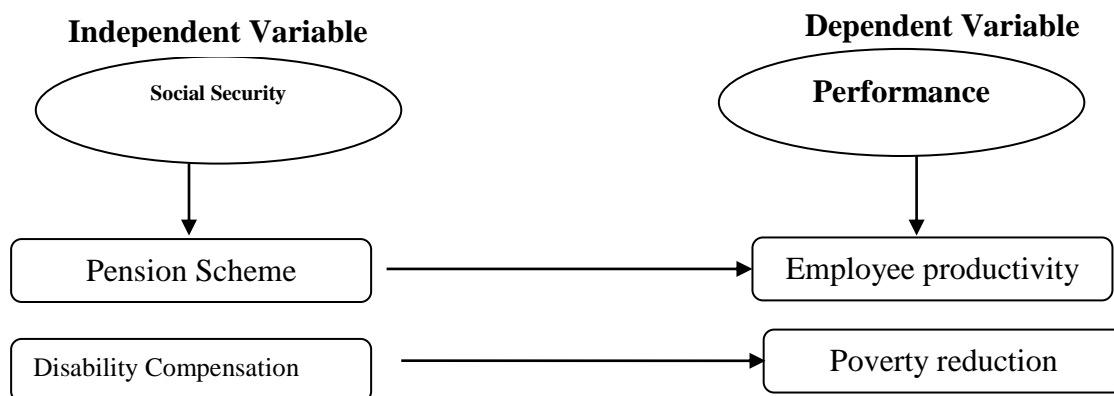


Fig 2.1 Conceptual framework model

Source: Researcher, 2023

Fig. 2.1 Conceptual Linkages of Study Variables

The diagram above shows the relationship and linkages that exists between the various individual variables to be investigated in the study. The diagram shows how Pension scheme translates into employee productivity, and into employee performance. Also, it shows how disability compensation translates into poverty reduction.

2.2 Theoretical Framework

The theory of Maslow's Hierarchy of Needs guided the study (Henry Maslow, 1943)

The study was anchored on the Maslow's Hierarchy of Needs Theory due to the emphasis it makes on how an individual's needs are hierarchical, and unlocking one level of need gives room for other levels of need. The first needs are the physical needs, which provision of social security is hinged to solve.



2.2.1 Maslow's Hierarchy of Needs Theory

The study is steered by Maslow hierarchy of needs theory developed by Maslow in 1943. The theory states that individuals are inspired by convinced desires and after they are satisfied, the individual is motivated to fulfil needs in the next level (King-Hill, 2015). According to Maslow, the five set of human needs are basic needs, psychological needs, safety needs, affection, self-worth and fulfilment desires. The first category of individual's desires include need for diet, water, sleep, clothing, comfort. The second category entails security needs and safety which emphasize on circumvention of threat, liberty from distress, hazard and deficiency. The third category of desire is societal desires which include the prerequisite for love, belonging and societal interaction. The fourth category is self-worth which encompass reverence and acknowledgement from people. The fifth category is fulfilment and seeking additional individual development and involvements. This theory is adopted because for an employee to fulfill these needs, there has to be the presence of remuneration and other forms of social security. One had to get some basic level of income to be able to achieve the needs. As the needs kept going up the Maslow hierarchy, basic remuneration and compensation to a certain level in order to grant the individual some elements of security in their finances and working environment. An employee is always attracted with a job where he has a higher chance operating on a high level of social security. On this regard, the study is anchored on this theory.

2.3 Empirical Review

2.3.1 Pension Scheme and Employee Productivity

Ahmed, Abayomi, and Nureni, (2016), conducted a study on the effect of contributory pension scheme as part of its values and determined their implications for public servants productivity and pensioners welfare in Lagos State. The methodology employed to achieve these objectives was carried out through primary source of information and personal interview. The primary source involved field survey that consists of administering questionnaire. The sample size is one hundred and twenty respondents (120). Simple random sampling method was used in administering the questionnaire. The data collected was analyzed statistically in form of tabular presentation with the aid of Statistical Package for Social Sciences (SPSS) version 21. Two hypotheses were tested. The result of the analyses reveals that there is significant relationship between adequate retirement package and employees' productivity and that it has a positive impact on the organization efficiency. Both empirical study and oral interview conducted however, found that the contributory pension scheme (CPS) has positive potentials over the defined benefits pension scheme (DBPS).

Eze and Anikeze, (2018), conducted a study on the "Effect of Contributory Pensions Scheme on Workers' Performance in Nigeria's Universities; a study of Federal Universities in South East Nigeria". The contributory pension scheme was meant to assist Nigerian workers to save in order to cater for their livelihood after retirement. The broad objective is to assess the effect of Contributory Pensions Scheme on Workers Performance. The specific objectives



included; to determine the extent the Contributory Pension Scheme has enhanced workers attitude to work, to determine how Contributory Pension Scheme has helped to attract and retain qualified workers, to ascertain the effects of contributory pension scheme on workers morale and satisfaction. The study combined Co relational and Cross Sectional Survey research design. The population of the study is Six Thousand Eight Hundred and Fifty (6850) comprising of the staff of five Federal Universities in South East Nigeria. The sample size was determined using the Taro Yamane statistical formula. The data for the study was obtained from the respondents with the help of structured questionnaire and were tested with T-test statistical test. The study revealed that Contributory Pension Scheme has enhanced workers attitude to work, to determine how Contributory Pension Scheme has helped to attract and retain qualified workers.

Gunawan, Ilyas and Naninisih (2018) analyzed the effect of the provision of labor social security on employee job satisfaction at PT. Kallarent Makassar City. This study uses primary and secondary data. The population of this study were all employees of PT. Makassar Kallarent. Data collection is done by observation and interview. In determining the respondents conducted by purposive sampling method. The analysis used is a single regression analysis. The results showed that labor social security had a significant and positive effect on job satisfaction in employees of PT. Kallarent of Makassar City, while the relationship (correlation) of labor social security with job satisfaction is categorized as a strong relationship.

Damarsari, Joko, and Sukaries (2020) the effect of Work environment and social security on

employees' productivity of production department in textile industry. This research was carried out at a textile industry in Krian, Mojokerto and Nganjuk, East Java. Data is taken using questionnaires and interviews with production employees of the company. The number of samples used as respondents was 95 people from the total population of 1750 people. Aims to find the regression equation is an equation that connects the strength of the dependent variable with the independent variable. From the results of interviews and data collection via questionnaires and the results of data analysis, it shows that the working environment and social security variables have a significant effect on employees' work productivity in textile industry.

2.3.2 Disability compensation and Poverty Reduction

Adam, Hannah, Theo and Ceri (2016), Conducted a study on Reducing poverty among disabled people has to be at the heart of any attempts to reduce poverty overall in the United Kingdom (UK). This is because, first, disabled people have higher poverty rates than the rest of the population – poverty rates that are understated by the official statistics. Second, disabled people make up 28% of people in poverty, and a further 20% of people in poverty live in a household with a disabled person. In other words, almost half of people in poverty in the UK are in a household with a disabled person or are disabled themselves. Both reducing costs and increasing resources must be part of a strategy to reduce poverty for disabled people. Evidence from this report suggests the particular role of housing costs, with high poverty rates for disabled renters. Disabled



people also face multiple disadvantages in the labour market, such as lower levels of qualifications, but also higher rates of low pay than non-disabled people even with the same qualifications. Public policy must also consider how best to involve disabled people in guiding the decisions that affect them.

Bangabandhu, & Shahidur (2022) conducted a study on the Disability is a global public health issue affecting all peoples of all countries. But there is a strong relationship between poverty and disability. Marginalized population, disadvantaged or at-risk populations such as women, older people, and people who are poor are inappropriately affected by disability. Children from poverty stricken families, indigenous populations, and those in ethnic minority groups are significantly at higher risk of experiencing disability. There is higher prevalence of disability in lower income countries than higher income countries. Poor peoples of lower income countries are usually involve in high risk jobs which make them vulnerable to injury and disability. Because of exaggerated life stress, poor health status and poor living conditions due to poverty, people at low resource outset are more vulnerable to disease and disability. For lack of adequate support from affluent persons as well as from government they spend their last savings to meet the treatment costs and get poorer. They are also common victims of road traffic accidents when they travel on risky roads and vehicles. There are many other evidences for a link between disability and poverty in low and middle income countries and there is an urgent need for further research and policy action to break the cycle. This review article intends to find out the relationship between poverty and

disability and reveals how poverty influences to suffer disability and vice versa.

Wang, Guo, and Li, (2023) Disability is a global public health problem, and poverty due to illness and disability has always been a major problem and challenge for global poverty governance. In order to eradicate poverty, China has carried out a series of welfare reforms and employment interventions for people with disabilities. The purpose of this study is to examine the levels of multidimensional poverty of persons with disabilities aged 16–59 in China and the poverty reduction effect of employment services. The Alkire-Foster (AF) method is applied to measure and decompose the multidimensional poverty index (MPI) of people with disabilities in this study. In order to make the results more robust, ordinary least squares (OLS) regression and the combination of propensity score matching and difference-in-differences (PSM-DID) are used to study the effect of employment services on multidimensional poverty of the disabled. The results show that among persons with disabilities aged 16–59, about 90% are deprived in at least one dimension, and about 30% are in a state of severe multidimensional poverty until 2019. These findings provide important evidence for recognizing multidimensional poverty of persons with disabilities and the poverty reduction effect of employment services, which will help to formulate more reasonable public policies to eradicate poverty. Mitra, Posarac, & Vick, (n.d) conducted study on the Disability and poverty are dynamic and intricately linked phenomena. In developed countries, a large body of empirical research shows that persons with disabilities experience inter alia comparatively lower educational



attainment, lower employment and higher unemployment rates, worse living conditions, and higher poverty rates. This study aims to contribute to the empirical research on social and economic conditions of people with disabilities in developing countries. Using comparable data and methods across countries, this study presents a snapshot of economic and poverty situation of working-age persons with disabilities and their households in fifteen developing countries. Concluded the definitions and some background information on disability and poverty, describes some of the linkages between them and reviews recent literature on the socioeconomic status of persons with disability.

3.0 Methodology

The study area was Enugu metropolis, Enugu state. Five (5) selected food, beverage and tobacco manufacturing firms in Enugu State used. The reason for their selection was due to high level of workers, capital base above 20 million naira. The study used the descriptive survey design approach. The primary source of

data was the administration of questionnaire. A total population of 2342 selected staff of the study organisations. The adequate sample size of three hundred and thirty (330) using Freund and William's statistic formula at 5 percent margin of error. Two hundred and eighty-one (281) staff returned the questionnaire and accurately filled. That gave 85 percent response rate. The validity of the instrument was tested using content analysis and the result was good. The reliability was tested using the Pearson correlation coefficient (r). It gave a reliability co-efficient of 0.820 which was also good. Data was presented and analyzed by mean score and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Pearson correlation coefficient (r) test statistic tool.

DATA PRESENTATION AND ANALYSES

4.1 Data Presentation

4.1.1 The effect of Pension scheme on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State

Table 4.1.1: Responses on the effect of Pension scheme on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decision
1	Pension raise the level of workforce productivity	575 115 40.9	160 80 28.5	48 16 5.7	58 29 10.3	41 41 14.6	882 281 100%	3.71	1.454	Agree
2	Commitment to work is determined by pension	460 92 32.7	320 80 28.5	75 25 8.9	36 18 6.4	66 66 23.5	957 281 100%	3.41	1.563	Agree
3	The level of employee retention is enhanced by the pension scheme	460 97 34.5	392 98 34.9	78 26 9.3	40 20 7.1	40 40 14.2	1010 281 100%	3.68	1.382	Agree



4	The attitude towards retirement is boosted by the pension scheme level	555 111 39.5	360 90 32.0	21 7 2.5	84 42 14.9	31 31 11.0	1051 281 100%	3.74	1.396	Agree
5	Labour costs will be reduced through pension scheme	525 105 37.4	360 90 32.0	54 18 6.4	40 20 7.1	48 48 17.1	1027 281 100%	3.65	1.466	Agree
Total Grand mean and standard deviation								3.638	1.4712	

Source:

Field

Table 4.1.1 showed that 195 respondents of 195 representing 69.4 Pension raise the level of workforce productivity 3.71 and standard deviation of 1.454 agreed. Commitment to work is determined by pension 172 respondents representing 61.0 percent agreed with mean score of 3.41 and standard deviation of 1.563. The level of employee retention is enhanced by the pension scheme 195 respondents representing 69.4 percent agreed with mean score of 3.68 and standard deviation of 1.382. The attitude towards retirement is boosted by

Survey,

2023

the pension scheme level 201 respondents representing 71.5 percent agreed with mean score of 3.74 and 1.396. Labour costs will be reduced through pension scheme 195 respondents representing 69.4 percent agreed with a mean score of 3.65 and standard deviation 1.466.

4.2 The effect of disability compensations on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State

Table 4.2.1: Responses on the effect of disability compensations on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decision
1	There is a guarantee of the full participation of people with disabilities in the organisation	515 103 36.7	448 112 39.9	21 7 2.5	88 44 15.7	15 15 5.3	1087 281 100%	3.87	1.219	Agree
2	The disabled persons receive equal access to basic opportunity and service in the organization	420 84 29.9	448 112 39.9	3 1 .4	76 38 13.5	46 46 16.4	993 281 100%	3.53	1.452	Agree
3	Discrimination is reduced as the organzaition has policies for human rights to all members	460 92 32.7	456 114 40.6	18 6 2.1	80 40 14.2	29 29 10.3	1043 281 100%	3.71	1.330	Agree
4	The disabled individuals are also hindered in the development strategies in the	480 96 34.2	376 94 33.5	69 23 8.2	12 6 2.1	62 62 22.1	1073 281 100%	3.56	1.518	Agree



organization

5	The disability compensation reduces the strategies and options households have to escape poverty.	595	308	42	86	28	1059	3.77	1.391	Agree
		119	77	14	43	28	281			
		42.3	27.4	5.0	15.3	10.0	100%			
Total Grand mean and standard deviation								3.68	1.382	8

Source: Field Survey, 2023

Table 4.2.1 showed that 215 respondents of 281 representing 76.6 there is a guarantee of the full participation of people with disabilities in the organisation 3.87 and standard deviation of 1.219 agreed. The disabled persons receive equal access to basic opportunity and service in the organization 196 respondents representing 69.8 percent agreed with mean score of 3.53 and standard deviation of 1.452. Discrimination is reduced as the organization has policies for human rights to all members 206 respondents representing 73.3 percent agreed with mean score of 3.56 and standard deviation of 1.518. The disabled individuals are also hindered in

the development strategies in the organization 190 respondents representing 67.7 percent agreed with mean score of 3.56 and 1.518. The disability compensation reduces the strategies and options households have to escape poverty 196 respondents representing 69.7 percent agreed with a mean score of 3.77 and standard deviation 1.391.

4.3 Test of Hypotheses

4.3.1 Hypothesis one: Pension scheme has no positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.

Table 4.3.1 shows Pension scheme has no positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.

One-Sample Kolmogorov-Smirnov Test

		Pension raise the level of workforce productivity	Commitment to work is determined by pension	The level of employee retention is enhanced by the pension scheme	The attitude towards retirement is boosted by the pension scheme level	Labour costs will be reduced through pension scheme
N		281	281	281	281	281
Uniform Parameters ^{a,b}	Minimum	1	1	1	1	1
	Maximum	5	5	5	5	5
Most Extreme Differences	Absolute	.444	.362	.444	.465	.444
	Positive	.146	.235	.142	.110	.171
	Negative	-.444	-.362	-.444	-.465	-.444
Kolmogorov-Smirnov Z		7.442	6.070	7.442	7.800	7.442
Asymp. Sig. (2-tailed)		.000	.000	.000	.000	.000



a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e $Z_{cal} > Z_{critical}$), reject the null hypothesis and accept the alternative hypothesis accordingly.

Result

With Kolmogorov-Smirnon Z – value ranges from $6.070 < 7.800$ and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that pension scheme had positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.

Decision

Furthermore, comparing the calculated Z- value ranges from $6.070 < 7.800$ against the critical Z- value of 0.000 (2-tailed test at 95 percent level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that pension scheme had positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State.

4.3.2 Hypothesis Two: Disability compensations have no positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State.

Table 4.3.2 shows Disability compensations have no positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State.

One-Sample Kolmogorov-Smirnov Test

		There is a guarantee of the full participation of people with disabilities in the organisation	The disabled persons receive equal access to basic opportunity and service in the organization	Discrimination is reduced as the organization has policies for human rights to all members	The disabled individuals are also hindered in the development strategies in the organization	The disability compensation reduces the strategies and options households have to escape poverty.
N		281	281	281	281	281
Uniform Parameters ^{a,b}	Minimum	1	1	1	1	1
	Maximum	5	5	5	5	5
Most Extreme Differences	Absolute	.515	.448	.483	.426	.448
	Positive	.053	.164	.103	.221	.100
	Negative	-.515	-.448	-.483	-.426	-.448
Kolmogorov-Smirnov Z		8.635	7.502	8.098	7.144	7.502
Asymp. Sig. (2-tailed)		.000	.000	.000	.000	.000

a. Test distribution is Uniform.

b. Calculated from data.

Decision Rule

If the calculated Z-value is greater than the critical Z-value (i.e $Z_{cal} > Z_{critical}$), reject the

null hypothesis and accept the alternative hypothesis accordingly.



Result

With Kolmogorov-Smirnon Z – value ranges from $7.502 < 8.635$ and on Asymp. Significance of 0.000, the responses from the respondents as display in the table is normally distributed. This affirms the assertion of the most of the respondents that disability compensations had positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State.

Decision

Furthermore, comparing the calculated Z- value ranges from $7.502 < 8.635$ against the critical Z-value of 0.000 (2-tailed test at 95 percent level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that disability compensations had positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State.

4.4 Discussion of Findings

4.4.1. The effect of Pension scheme on the employee productivity

From the result of hypothesis one, the calculated Z- value ranges from $6.070 < 7.800$ against the critical Z- value of 0.000 which implies that pension scheme had positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State. In the support of the result in the literature review, Ahmed, Abayomi, and Nureni, (2016), conducted a study on the effect of contributory pension scheme as part of its values and determined their implications for public servants productivity and pensioners welfare in Lagos State. The result of the analyses reveals that there is significant relationship between adequate retirement package and employees' productivity and that it has a

positive impact on the organization efficiency. Eze and Anikeze, (2018), conducted a study on the “Effect of Contributory Pensions Scheme on Workers’ Performance in Nigeria’s Universities; a study of Federal Universities in South East Nigeria”. The study revealed that Contributory Pension Scheme has enhanced workers attitude to work, to determine how Contributory Pension Scheme has helped to attract and retain qualified workers. Gunawan, Ilyas and Naninisih (2018) analyzed the effect of the provision of labor social security on employee job satisfaction at PT. Kallarent Makassar City. The results showed that labor social security had a significant and positive effect on job satisfaction in employees of PT. Kallarent of Makassar City, while the relationship (correlation) of labor social security with job satisfaction is categorized as a strong relationship.

4.4.2 The effect of disability compensations on the poverty reduction

From the result of hypothesis two, the calculated Z- value ranges from $7.502 < 8.635$ against the critical Z- value of 0.000 which implies that Disability compensations had positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State. In the support of the result in the literature review, Wang, Guo, and Li, (2023) Disability is a global public health problem, and poverty due to illness and disability has always been a major problem and challenge for global poverty governance. The findings provided important evidence for recognizing multidimensional poverty of persons with disabilities and the poverty reduction effect of employment services, which will help to formulate more



reasonable public policies to eradicate poverty. Mitra, Posarac, & Vick, (n.d) conducted study on the Disability and poverty are dynamic and intricately linked phenomena. The study concluded that the definitions and some background information on disability and poverty, describes some of the linkages between them and reviews recent literature on the socioeconomic status of persons with disability.

5.1 Summary of the Findings

- i. Pension scheme had positive effect on the employee productivity of food, beverage and tobacco manufacturing firms in Enugu State. $Z(95, n = 281) = 6.070 < 7.800, p < .05$.
- ii. Disability compensations had positive effect on the poverty reduction of the employees of food, beverage and tobacco manufacturing firms in Enugu State, $Z(95, n = 281) = 7.502 < 8.635, p < .05$.

5.2 Conclusion

The study concluded that Pension scheme and disability compensations had positive significant effect on the employee productivity and poverty reduction of food, beverage and tobacco manufacturing firms in Enugu State. Social security remains the efforts related to protect and support the sufferers against the impacts of different types of unwanted activities due to that the life of persons is under risk. The risks are essentially contingencies against which the individual of small means cannot effectively provide by his own ability or foresight alone.

5.2 Recommendations

Based on the findings, the following recommendations were proffered

1. The management of food and beverages should put Contributory Pension Scheme to help attract and retain qualified

workers and increase workers morale and satisfaction.

2. The organisations should help provide disability compensation to enable the employees have financial support when illness or injury prevents them from working. As such, they can be critical to protecting an employee's future earnings as well as peace of mind.

References

- Abebe, H. (2018). Effect of compensation on employee productivity in the case of Kality Foods Manufacturing Factory, Addis Ababa, *M.BA Theses, Addis Ababa Science and Technology University*.
- Adam, T., Hannah, A., Theo B. B., and Ceri H., (2016), Disability and poverty
- Ahmed, I. K., Abayomi, O. A., And Nureni S. A., (2016). Effect of contributory pension scheme as part of its values and determined their implications for public servants productivity and pensioners welfare in Lagos State. *African Journal of Business Management*, 10(16), 384-396.
[Http://Www.Academicjournals.Org/AJB M](http://Www.Academicjournals.Org/AJB M)
- Ali, M. and Qun, W. (2019). Strategic Management practices and performance of the SMEs in Bangladesh, *International Journal of Advanced Research*, 7(1); 69-78
- Aloumedjo Z. T., (2018) Punctuality, Attendance Policy and Organizational



- Performance. *International Journal of Research Science & Management* 5(8)20-39
- Bangabandhu, S., & Shahidur, R., (2022). Relationship between poverty and disability in developing countries. <https://www.researchgate.net/publication/349104245>
- Britannica, T. (2022) *health insurance. Encyclopedia Britannica*. <https://www.britannica.com/topic/health-insurance>
- Chen, M. (2014). The effect of training on employee retention. *International Conference on Global Economy, Commerce and Service Sciences*, 356-359
- Cianer L., (2019). Setup For Success: How to improve Employee Performance <https://www.walkme.com/blog/how-to-improve-employee-performance/>
- Dahkoul, Z. (2018). The Determinants of Employee Performance in Jordanian Organizations. *Journal of Economics, Finance and Accounting (JEFA)*, 5(1); 11-17
- Damarsari, R. E., Joko S., and Sukaries (2020) the effect of Work environment and social security on employees' productivity of production department in textile industry. *Journal of Physics: Conference series* 1-7
- Dean, Adam (2015). The Gilded Wage: Profit-Sharing Institutions and the Political Economy of Trade. *International Studies Quarterly*, 59(2); 316–329.
- Deardo social security on employee performance of food, beverage and tobacco manufacturing firms rff, A. (n.d) Output, *Deardorffasspoo's Glossary of International Economics*
- Dey P., and Bach P.B., (2019) The 6 functions of Health Insurance. *JAMA FORUM* 321 (13) 1242-1243doi:10.1001/jama.2019.2320
- Disability & Society 37, (6), 1060-1065
- Donohoe, A. (2019). *Employee Performance Definition*, Retrieved from <https://www.bizfluent.com/facts-7218608-employee-performance-definition.html> (Accessed on the 15th of May 2020)
- Egbefo, D. (2015) Leadership and Ethno-Religious Crises: Implications for National Integration in Nigeria. *African research Review* 9(4):92
- Eze, F.O & Anikeze, N. H., (2018), Effects of Contributory Pensions Scheme on Workers' Performance in Nigeria Universities: A Study of Federal Universities in South East, Nigeria.
- Gunawan, H., Ilyas, B. and Naninsih, N. (2018). Effect of labour social security on job satisfaction. *International Journal of*



Scientific and Technology Research,
7(12); 1-15

<https://www.investopedia.com/terms/h/healthinsurance.asp>

Hasibuan, M. S. P. (2013). *Human resource management*. (Revised Edition) Moulds 17, Jakarta: P T. Bumi Script.<https://www.investopedia.com/terms/p/pensionplan.asp>

Kamalaveni M.S., Ramesh S., Vetrivel T., (2019) A Review of Literature on Employee Retention. *International Journal of Innovative research in Management Studies (IJIRM)* 4 (4) 1-10

Hulten, C. R. (2019). "Growth Accounting". NBER Working Paper No. 15341. doi:10.3386/w15341.

Kenton, W. (2021). *Profit-Sharing Plan*. Retrieved from <https://www.investopedia.com/terms/p/profitsharingplan.asp>

Hussain, A. M., Taher, M. H. and Hameed, M. L. (2021). Employees Retention Strategy and its Impact on Organizational Memory: An Exploratory Research for the opinion of Faculty Members at Private Colleges on Baghdad. *Academic Journal of Interdisciplinary Studies*, 10(1); 1-15

Kibet, G. and Kalei, A. (2020). The impact of employee benefits on the employee productivity at Kenya Tea Packers, *International Journal of Management Studies and Social Science Research*, 2(4); 246-254

Indeed E.T., (2021) punctuality and Attendance at Work: Definition and Tips <https://www.indeed.com/career-advice/career-development/punctuality-and-attendance>

King-Hill, S. (2015). Critical analysis of Maslow's hierarchy of need. *The STeP Journal*, 2(4), 54-57.

Irfansyah. (2020). The Duties and Functions Performance of Aceh Human Resources Improvement Institutions in Scholarship Study Program Implementation in Aceh Government. *Britain International Journal of Humanities and Social Sciences*, 2(1); 160-165.

Kyra, S. (2017) Define Employee Productivity: <https://careertrend.com/facts-6767583-define-employee-productivity.html>.

Kagan, J. (2021). *Health Insurance*. Retrieved from

Law Insider Dictionary (2022). *Paid leave definition*. Retrieved from <https://www.lawinsider.com/dictionary/paid-leave>

Lekartiwa, H., Rintari, N. and Moguche, A. (2020). Effects of remuneration on employee turnover in private hospitals in



- Somburu County, *Human Resource and Leadership Journal*, 5(1); 15-28
- McKay, A. M. (2018). Mean Racial and Ethnic Differences in Sales Performance: The Moderating Role of Diversity Climate. *Personnel Psychology*, 61: 349–374.
- Mitra, S., Posarac, A., & Vick, B., (n.d), Disability and poverty in developing countries : a snapshot from the world health survey (English). Social Protection discussion paper ; no. SP 1109 Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/501871468326189306/Disability-and-poverty-in-developing-countries-a-snapshot-from-the-world-health-survey>
- Mlay, E. (2020). Effect of social security merging on employee performance in Tanzania: the case of public service social security fund. *M.BA Dissertation, Mzumbe University, Tanzania*
- Muhammad and Hidayat, R. (2019). The Relationship between the Transformational Leadership Style of Madrasah Head and Work Discipline with the Performance of Teachers at MTs N Lima Puluh Batu Bara. *Britain International Journal of Linguistics, Arts and Education Sciences*, 175-182.
- Oakley, R., & Smith, A. (2023), What Is a Pension? Types of Plans and Taxation
- Owolabi, A. O., Ajidagba, A. B., Akinola, A. T., Falaye, F. O. and Irinyemi, B. A. (2016). The impact of health insurance on employees' productivity in an organization in Kwara State, Nigeria. *International Journal of Current Research*, 8(1); 31259-31264
- Paul, S. O., & Agba, M.S., & Chukwurah, Jr, D.C., (2014), *International Journal of Public Administration and Management Research (IJPAMR)* 2(4).
- Pekerti, A., Vuong, Q., Ho, T. and Vuong, T. (2017). Health care payments in Vietnam: patients' quagmire of caring for health versus economic destitution. *International Journal of Environmental Research and Public Health*, 14(10): 1118.
- Poskela, J. (2009). *Management control in the front end of innovation*. Retrieved from <https://www.ijmsssr.org/paper/IJMSSSR00213.pdf>
- Ramakrishnan R., (2011) Social Security-The way Forward 8th Thinker's and writers Forum 25th SKOCH Summit 2011At: New Delhi https://www.researchgate.net/publication/228311494_Social_Security_-_The_Way_Forward
- Rosenje, M. O. & Moliki, A. O. (2016). The effects of pervasive poverty on national security in Nigeria (2000-2014). *Ago-Iwoye Journal of Social and Behavioural Sciences*, 5(1), 83-111

Advance Journal of Current Research

Adv. J. C. Research

Vol. 8; Issue 7; 2023

July-2023

ISSN: 2323 – 1744

Impact Factor: 5.93

Advance Scholars Publication

Published by International Institute of Advance Scholars Development

<https://aspjournals.org/Journals/index.php/ajcr/index>



Singh D., (2019) A Literature Review on Employee Retention with Focus on Recent Trends *International Journal Sci Res Sci Technol* 6 (1) 425-431

Soenanta, A., Akbar, M. and Sariwulan, R. (2020). The effect of job satisfaction and organizational commitment to employee retention in a light company. *Issues in Business Management and Economics*, 8(4); 97-103

The Council of Economic Advisers (2014). *The economics of paid and unpaid leave*. Retrieved from https://obamawhitehouse.archives.gov/sites/default/files/docs/leave_report_final.pdf

Wang,X., Guo.J and Li,H. (2023), Multidimensional poverty of persons with disabilities in China: An analysis of poverty reduction effect of employment services. *Front. Public Health*,11, <https://doi.org/10.3389/fpubh.2023.1093978>

Wang, Y., Qi, Y.,C., & Zhu, Y., (2022), Poverty alleviation for people with disabilities in China: policy, practice, exclusionary effects, and ways forward

White, L. T. (2012). Is "Punctuality Standard" an Oxymoron? *Psychology Today*. Why disability must be at the centre of poverty reduction, *New Policy Institute*