

EMPLOYEE COMPENSATION AS A DETERMINANT OF RIGHT-SIZING IN TOURISM ORGANIZATIONS IN IMO STATE NIGERIA

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Abstract

The study examines employee compensation and right-sizing in tourism organizations in Imo State Nigeria. The study was conducted to find out the relationship between base pay and right-sizing; benefits package and right-sizing as well as bonuses and right-sizing in tourism organizations in Imo State Nigeria. The study was guided by three research questions and three hypotheses. The researchers used the Herzberg's Two-Factor Theory to show the relevance of the study. The survey design was used to handle the study. A structured questionnaire was the major instrument for data collection. The researcher employed the simple random probability sampling technique in the study. Descriptive statistics of mean and standard deviation were used to analyze data. Pearson Product Moment Correlation Coefficient was employed in the testing of the hypotheses. The findings showed that base pay positively influenced right-sizing in tourism organizations; benefits package positively influenced right-sizing in tourism organizations and offer of bonus positively affected right-sizing in tourism organizations in Imo State. It was concluded that compensation enhanced right-sizing in tourism organizations in Imo State. The study recommends that management of various tourism organizations needs to not take the issue of right-sizing for granted hence workers need to be paid as at when due in tourism organizations; workers need to be made to enjoy fringe benefits in tourism organizations and bonuses need to be paid to deserving workers in tourism organizations in Imo State.

Keywords: Compensation, Right-sizing, Tourism.

Introduction

It is a truism that anyone who works is expected to be rewarded. Adequate compensation is unarguably an enabler of commitment to job tasks. McKinney (2021) asserts that employee compensation is the benefits workers receive from those who employ them for various jobs. The foregoing shows that compensation essentially involves salaries, wages, incentives and fringe benefits. Simic (2021) reveals that many organizations around the world invest in various compensation options like good base salary, professional development opportunities and similar benefits packages. Compensation is actually designed to achieve employee wellness. Nakshita (2022) maintains that the core purpose of compensation includes attracting well-qualified and competent personnel who when motivated can be relevant in the competitive business environment.

This study anchors on base pay, benefit packages and bonuses. A base pay package is a standard amount of money an employee receives in exchange for working a set number of hours (typically 40 hours per week). Those workers who receive a base pay package receive wages hourly as an alternative to salary which they also can receive as an alternative to hourly wages. Despite the fact that most employees work for base pay, whether they are salaried or hourly employees is a function of their role (Schooley, 2021). Also, employee benefits package includes additional perks which employees are paid as an addition to their base wages. Examples are family and medical leave, health insurance, unemployment insurance, as well as workers' compensation (Schooley, 2021). Others are: dental and vision insurance, tax-free accounts for medical expenses among others. Bonus is another form of employee compensation which this study examines. They are often attached to the performance of the workers, their teams or the firm. Though management can offer bonuses to workers irrespective of ranks, many organizations offer bonuses to workers in leadership positions (Schooley, 2021). Bonus pay is compensation over and above the amount of pay specified as wages or salary. It is a tool adopted by many entities to boost workers' morale, motivation, and productivity.

Compensation of employees in the tourism organizations may have the capacity to influence right-sizing in the tourism sector. Ahmed (2019) maintains that changing marketing conditions, and allied factors may cause some organizations to rethink their human resources strategy. Many organizations seem to increased or decreased their staff strength perhaps as a strategy to achieve set corporate objectives. This is referred to as rightsizing especially when it is done to achieve corporate objectives. It means getting the organization to the right size for the achievement of its goals. Rightsizing can lead to having larger units to expand deliverable output. Rightsizing may as well look like streamlined functional or project-based teams working on new initiatives (Rai, 2021). As such, this study on compensation and right-sizing in tourism organizations in Imo State Nigeria is an empirical effort designed to investigate how tourism organizations touch their workers at the points of their needs in such a way that the organizations are neither overstaffed nor understaffed. The study also contributes to existing body of knowledge on employee compensation and rightsizing in tourism organizations.

Statement of the Problem

It is a known fact that every worker desires to be properly taken care of by his or her employer. This explains the reason why the issue of employee compensation can never be relegated to the background in Management and Tourism literatures. This ideal situation may however not be the case in many tourism organizations. Though it is very wonderful for tourism organizations to embark on employee compensation, it could be at the same time dangerous to the organization if there is no proper right-sizing in the enterprises. It is only when employees in organizations are adequately remunerated that such organizations may sincerely aspire for resilience via right-sizing. It could also be detrimental to right-sizing in tourism organizations when

members of the workforce are denied adequate base pay, benefit packages and bonuses. Such cannot be to the best interest of any tourism organization anywhere in the world, Nigeria inclusive.

It is a truism that many studies have before now been conducted in the area of employee compensation and general employee motivation issues. However, the researcher has observed many research gaps in the area of employee compensation and how they may influence right-sizing. Empirical investigations accessed by the researcher in reputable journals reveal wide research gaps as those studies did not show how employee compensation influenced right-sizing in tourism organizations. The existing studies did not show the relationship between base pay, benefits packages bonuses and right-sizing in tourism organizations in Nigeria especially in Imo State Nigeria. This situation exposes wide research gaps that could be addressed in this study and could help in improving our understanding of the relationship between the variables in this study.

Objectives of the Study

The major objective of this study is to investigate compensation and right-sizing in tourism organizations in Imo State. The specific objectives of the study include to:

- i. examine the relationship between base pay and right-sizing in tourism organizations.
- ii. assess how benefits package influences right-sizing in tourism organizations.
- iii. Evaluate the relationship between bonus and right-sizing in tourism organizations.

Research Questions

Based on the objectives of the study, the researcher developed the following research questions:

- i. What is the relationship between base pay and right-sizing in tourism organizations?
- ii. What is the level of correlation between benefits package and right-sizing in tourism organizations?
- iii. To what extent does bonus affect right-sizing in tourism organizations?

Hypotheses

In order to answer the research questions, the researcher posed the following set of null hypotheses:

- H₀₁:** There is no significant relationship between base pay and right-sizing in tourism organizations.
- H₀₂:** There is no significant level of correlation between benefits package does not significantly influence right-sizing in tourism organizations.
- H₀₃:** Bonus does not significantly affect right-sizing in tourism organizations.

Scope of the Study

The study focused on selected tourism organizations in Imo State which is the geographical scope of the study. The content scope consists of the relationship between base pay and right-sizing; benefits package and right-sizing; bonuses and right-sizing in Imo State. The unit scope consists of all the functional units in the study organizations. For the time scope, it took the researchers a period of three months to handle this study.

Conceptual Review

The study reviews conceptual literature on base pay, benefits package and bonus.

Base Pay

This is also known as basic salary or base salary. Indeed (2023) opines that base pay can be described as the initial compensation rate which a worker is paid for the services the worker renders to the employer. It is normally paid on hourly, monthly or even yearly basis. It excludes overtime pay, bonuses or any other form of compensation. Also, Sammer (2023) asserts that it is in search of quality and talented workers that employers move levels of pay upwards even against earlier employee compensation plans. This is supported by the views of Mayer (2023) who posits that employers map out larger salary packages to their workers in 2023 as against the previous years.

In Nigeria, the issue of salary or base pay is so crucial that workers make their concerns known over the link between the salaries they receive and the level of inflation in the country which significantly affects their take home pay. Nwafor (2023) reveals that workers and some labour leaders need decent wages that are commensurate with inflation level in the country. Organizations are however expected to pay salaries in such a way that they may not lose their profits or get exposed to liquidation hence Mohammed, Ibrahim, and Maitala (2023) found in a study that salary emoluments have negative impact on the return on equity of listed non-financial firms in Nigeria. Olufemi (2023) maintains that the harsh realities associated with fuel subsidy removal compelled President Bola Tinubu's administration to prepare for increment of minimum wage paid to workers to reduce sufferings of the workers. Miranda (2023) maintains that by paying salaries to workers, the organization simplifies payroll and accounting by reducing fluctuations in pay; the organization can attract employees with a flexible schedule and stable pay. Also, the organization may not need to pay overtime wages during periods that require extra work. By paying wages, Miranda (2023) further asserts that the organization can adjust personnel costs based on expected revenue by adjusting worker-hours; those that work hourly may also be part-time employees and there may not be need to pay extra benefits; and it is simple to evaluate and determine the contributions of the workers based on the time they were present on the job. Indeed, Charama (2023) opines that pay is important for employee retention. In the modern day organizational management and salary

administration, employees are, in the views of Obloj and Zenger (2023), more conscious of pay transparency. Kessier (2023) opines that pay ought to be transparent to reduce inequality and discriminations.

Benefits Package

Another aspect of employee compensation examined in this study is employee benefits package. Walker (2022) defines employee benefit as any kind of employee compensation with which workers are provided apart from the workers' base salaries and wages. Peterson (2023) asserts that the offer of such benefits like healthcare is predominant among employers. DeRosa(2023) writes on cutting-edge benefits to offer workers in 2023. DeRosa opines that the adoption of more flexibility that enables workers to work from home is a desired benefit among most workers. Also, Hafner (2023) asserts that the core benefits workers require in 2023 are health and wellness, maternity and paternity leave enhancement, tuition reimbursement, introduction of volunteer days and flexibility at work. Indeed, Foley (2023) states clearly that employers, like employees, also gain and in fact benefit from better benefits especially via return on investments. Payne (2023) outlines the core benefits for workers in Nigeria to include among others, leave entitlements, maternity and paternity leave, pension plans and insurance. Agubata and Ogwu (2022) found that employee benefits enhance organizational growth.

Bonus

Bonus is yet another form of employee compensation which this study examines. Herrity (2023) describes bonuses as payments which are added to a worker's compensation plan or package. Sherrer (2023) maintains that bonus structures can be different types like non-discriminatory, performance, profit-sharing, spot, non-cash, sign-on, annual, referral, holiday and commission bonuses. Also, Karkara (2022) explains that bonuses paid workers constitute the quickest way to appreciate workers for their sacrifices thereby keeping the employees motivated and goal-oriented. Bonus therefore is a monetary or non-monetary reward offered workers in addition to their salaries. Nasrudin (2022) opines that whether achievement bonus, retention bonus, holiday allowance or profit-sharing bonuses motivate, increase employee retention, attract new and quality workers and also help to establish clearer targets. Hann, Bottorff and Haskins (2023) encourage organizational management to offer employees what they can actually use and appreciate. In fact, bonuses can be motivational tools especially spot bonuses of which Bengfort (2023) states that it is a bonus given on the spot. Esparza (2023) is of the opinion that employee bonus can be monetary or non-monetary. Employee bonus improves employee satisfaction, enhances employee recognition, boosts employee retention, employee performance and employee overall wellbeing. In fact, Ajayi (2023) found out that a significant relationship exists between bonus and employee job performance.

Right-sizing

Right-sizing has been severally defined by many management authorities. Baluch and Main (2022) define right-sizing as the process of ensuring that an organization efficiently meets its new objectives with corporate restructuring in such a way that the workforce is adjusted by way of reduction and by re-organizing the management team and talent base of the organization. Oriloye, Adewumi, and Nwaodike (2020) opine that right-sizing is a proactive and a very strategic tool for human capital planning. Choma (2022) asserts that while downsizing focuses on reducing workforce for the purpose of saving resources on payroll and other human resources-based expenditures, right-sizing is designed to achieve the appropriate number of human resources. As such, there may still be reduction of staff strength. With right-sizing, one gets a bird-eye view on a corporate entity and assesses its “as – is” status. Right-sizing is an enabler for building a team of excellent corporate workers and it helps to enhance corporate profit margins. Morgan (2023) is of the view that with the instrumentality of right-sizing, the number of workers in an organization as well as its structure are altered to agree with the current demand. Right-sizing is a tool for achieving business survival hence it focuses on responding to changes in the industry or market. It is a strategy for eliminating redundancies, enhancing profitability, redefining the job duties and assigning people to their areas of expertise (Morgan, 2023).

In addition, Ingram (2023) asserts that right-sizing is intended to reduce the workforce and subject management to reorganizing experiences so as to establish an optimum level of staffing for improved productivity and efficiency. It is not an emergency action or measure but a sound strategic option. It comes in form of restructuring job roles, workforce attrition and voluntary retirement which one can decide to embrace early in one’s job career. It is a strategy for work-force optimization (Ingram, 2023).

Again, Anjali (2021) asserts that with right-sizing, there is a sort of involuntary separation which screens or filters the work-force for optimization and this optimization has such outcomes like having a workforce that possesses skills, abilities and knowledge. This breeds efficiency at the workplace. It is significant to note that right-sizing is not only done by laying off people but it involves also, the employment of new experts as well as the re-arrangement of the roles and responsibilities of the workers that already exist in the organization.

Theoretical Review

The study employed the following theories in the study:

Herzberg’s Two-Factor Theory

This study is anchored on Herzberg’s Two-Factor Theory. Lumen (2021) maintains that American Psychologist Frederick Herzberg is regarded as one of the great original thinkers in management and motivational theory. Herzberg set out to determine the effect of attitude on motivation, by simply asking people to describe the times when they felt really good, and really bad, about their jobs. What he found was that people who felt good about their jobs gave very different responses from the people who felt bad. The results from this inquiry form the basis of Herzberg’s Motivation-

Hygiene Theory (sometimes known as Herzberg's "Two Factor Theory"). Published in his famous article, "One More Time: How do You Motivate Employees," the conclusions he drew were extraordinarily influential, and still form the bedrock of good motivational practice nearly half a century later. He's especially recognized for his two-factor theory, which hypothesized that are two different sets of factors governing job satisfaction and job dissatisfaction: "hygiene factors," or extrinsic motivators and "motivation factors," or intrinsic motivators.

Hygiene factors, or extrinsic motivators, tend to represent more tangible, basic needs and include status, job security, salary, and fringe benefits. It's important for managers to realize that not providing the appropriate and expected extrinsic motivators will sow dissatisfaction and decrease motivation among employees.

Motivation factors, or intrinsic motivators, tend to represent less tangible, more emotional needs—i.e., the kinds of needs identified in the "relatedness" and "growth" categories of needs in the ERG theory and in the higher levels of Maslow's hierarchy of needs. Intrinsic motivators include challenging work, recognition, relationships, and growth potential. Managers need to recognize that while these needs may fall outside the more traditional scope of what a workplace ought to provide, they can be critical to strong individual and team performance.

Ken-C Theory of Social Honour (2023)

First published in August 2023 in the TAA International Journal of African Sustainable Development Research, the Ken-C Theory of Social Honour, according to Njoku, Donatus; and Salamatu (2023) is a 21st Century theory designed to encourage Managements of various kinds of organizations (especially in Africa) to always honour their employees given the level of social injustice most workers experience in the course of their service to humanity in the continent. The theory is qualification-focused and postulates that workers who function in organizations and in the social space with good qualifications should be recognized with honorable titles so as to motivate them to increase their commitment and dedication to duty. Most Africans love titles and are motivated by same unto productivity. The theorist took time as an academic for over seventeen 17 years to observe that even in the most populous African nation which prides itself as the giant of the Continent namely Nigeria, the most educationally qualified people who can only ascend to the peak of their career with the highest educational qualification available on planet earth, namely Academic Doctors/Professors earn less than 0.002 of the monthly salaries of those who are required by law to only possess School Certificates to reach their peak in their own career namely Senators/Politicians in the nation. Ken-C noted with dismay, the level of social injustice that Professors and Academic Doctors were subjected to in the nation and such was not far from what was obtainable in other African countries. Yet these politicians and people that occupy allied offices are given the highest titular honors in the socio-political space in the Continent like 'His Excellency', 'Distinguished Senator', 'Right Honorable' and others.

Ken-C advocates that those who hold doctorates and work in any organization especially in Africa should be recognized in the social space as “His Doctorate”. For instance, one whose name is Dr JOHN Vianney should be addressed as “His Doctorate, Vianney Dr John” because he is eminently positioned in academics and human development. Governments and organizations should design ways of giving titular social honours to those who though are the most educationally qualified, are still the most cheated in the social, economic and political spaces of life especially in Africa. The theorist was particularly pained that people who occupy various positions of honour in the political, religious, traditional and social spaces are honored and recognized by various social titles like His Excellency, His Holiness, His Lordship, His Grace, His Eminence, His Lordship, His Royal Highness, His Royal Majesty and these social titles and recognitions predict their value in and to the society. But it was only the class of individuals who worked as possessors of the highest academic qualifications in the universe but who found themselves in social structures that excluded them from critical opportunities to occupy hallowed social positions that were not socially honoured with social titles that equated those of the people that ruled the world politically, socially or religious despite the fact that they were Professors of Political Science, Sociology and Religion among others. Doctorate Degree holders were paid peanuts in most African ivory towers without any significant social value attached to these eminent members of the academia. The theory was therefore a strategic model to give academic doctors and well qualified workers the social honour, prestige and relevance in the modern day society. The theorist believes that education makes a difference between man and man just like lack of it creates similarities between man and beast hence the social value of a human being should be directly related to the extent to which the human person is equipped with the formidable tool of education, the software of human training and development.

The assumption of the theory was that many nations especially African nations were blessed with huge natural resources which should be prudently used to boost and value human capital with the instrument of education. That corruption had remained a moral cancer in the Continent and had gone far blindfolding most African leaders against the recognition and increased social values of the educated resources available to them. That this kind of situation drives serious brain drain that would continue to ravage and destroy African economies. That the political class in Africa was yet to see governance as a sacred duty for the common good of all. That the situation was as if the Continent walked with its head and reasoned with its feet hence poor remunerations for the most educated but very high and lavish rewards for the least educated. That qualified workers were very rarely accorded befitting social recognitions due to them hence high levels of industrial actions and litany of social consequences. Ken-C theory was propounded by Kenneth Chukwudi Njoku, an Enyigugu-born Academic Doctor, a Management Specialist, young Lecturer and seasoned Educationist. Born in 1978 to the Catholic family of Late Catechist Simon and Madam Juliana Njoku, he studied at the Imo State University, Owerri where he also gained part time lecturing experiences for many years before joining Imo State Polytechnic and later University of Agriculture and Environmental Sciences(UAES),

Umuagwo. The Ken-C theory relates to the present study as it is a booster of employee compensation in organizations which this present study evaluates.

Empirical Review

The following empirical studies were used to boost the study:

Alliu and Akinlabi (2023) investigated employee compensation management and organizational performance of selected Deposit Money Banks in Lagos State, Nigeria. It was a survey research. Inferential statistics was used to handle data analysis. It was found that employee compensation management positively and significantly influenced corporate profitability. It was concluded that employee compensation is a boost to performance indicators of Deposit Money Banks in lagos state, Nigeria. The study recommends that management need to always compensate workers adequately in the study Deposit Money Banks.

Odunukwe and Nnanyelugo (2023) worked on compensation management and employee turnover in plastic manufacturing firms in Anambra State. It was a survey research. Descriptive statistics and multiple regression was used to handle data analysis. It was found that job-based compensation significantly influenced voluntary turnover and performance-based compensation significantly influenced involuntary turnover. Also, equity-based compensation positively affected desirable turnover. It was concluded that management positively influenced employee turnover in plastic manufacturing firms in Anambra State. It was recommended that organizational management needed to put in place job-related compensation for the enhancement of employee performance.

Idiga (2023) investigated incentives and performance of workers in tertiary institutions in Anambra and Enugu States, Nigeria. It was a survey research. Data analysis was committed to multiple regression and Cronbach Alpha statistics. It was found that monetary incentives have significant positive impact on employee productivity in Nigerian organizations.

Okeke and Onuorah (2023) evaluated compensation management strategies and employee performance in selected financial institutions in Anambra State, Nigeria. It was a survey research. Data analysis was done with t-test, Cronbach alpha, percentages and correlation analysis. It was found that a significant relationship exists between outcome-based compensation and employee performance. The study concludes that compensation management strategies positively and significantly influenced employee performance in selected financial institutions in Anambra State, Nigeria. It was recommended that management need to always compensate workers for beefed employee performance in the financial institutions.

Uzochukwu, Nwankwo and Okafor (2023) evaluated the effect of reward system on employee productivity in Nigerian hospitality industry. They adopted the survey research design. Descriptive statistics of mean, percentages and standard deviation were used for data analysis. Regression analysis including t-test statistic was used to test hypotheses. The study found that sizeable wage and salary reward system

enhanced employee quality of service delivery in the hospitality industry. It was concluded that reward system positively and significantly impacted on employee productivity in the Nigerian hospitality industry. The researchers recommend that organizations management needs to ensure that employees enjoy regular promotions as at when due.

Oladejo, Aderinto, Obadare and Oladunjoye (2023) examined employee benefit schemes and company performance in Lagos State, Nigeria. It was a survey research. Data analysis was committed to simple percentages, means, standard deviation, correlation and regression statistics. It was found that obligatory and non-obligatory activities positively influenced employee satisfaction, customer satisfaction, and market share. The study concludes that employee benefit schemes were critical components of corporate social responsibility. It was recommended that business executives need to prioritize employee benefit schemes in their strategic plans.

Onwuzuluigbo and Ezenyimulu (2023) x-rayed employee benefits and firm growth. The survey research design was adopted in the study. The descriptive statistic of mean was used to analyze data. It was found that health insurance influenced service delivery. It was concluded that employee benefit improved firm growth. The study recommends that firms need to adopt health insurance only for employees who have health-related crisis.

Yakubu, Abubakar and Daniel (2023) examined the effect of compensation on employee job performance of Deposit Money Banks in Kano State, Nigeria. Questionnaire was the major instrument for data collection in the survey research. Partial Least Square Structural Equation Modeling (PLS-SEM) was used for data analysis. It was revealed that financial compensation positively and significantly influenced employee job performance. Also, non-financial compensation positively and significantly influenced employee job performance of Deposit Money Banks. The researchers conclude that compensation influences employee job performance in the study Deposit Money Banks in Kano State, Nigeria. It was recommended that management of the Deposit Money Banks need to sustain their financial and non-financial compensation practices in the organizations.

Njoku, Donatus; and Salamatu (2023) evaluated employee recognition as a correlate of employee retention in hospitality enterprises in Owerri. The study was guided by three research objectives, three research questions and three hypotheses. The Ken-C theory of Social Honour was used to show the relevance of the study. Empirical reviews were also used to beef up the study. The researchers employed the survey research design in the research. A five-point Likert Scale structured questionnaire was the major instrument for data collection. The validity of the instrument was done by showing the questionnaire to research experts for their corrections and inputs. Cronbach Alpha statistic was used for obtaining 0.75 as the reliability ratio of the survey instrument. The study committed data analysis to descriptive statistics of mean and standard deviation. Spearman's Product Moment correlation analysis was employed in testing the hypotheses. It was found that there is a significant level of

correlation between public recognition and employee retention; monetary recognition and employee retention; and promotional recognition and employee retention in hospitality enterprises in Owerri. It was concluded that employee recognition was a correlate of employee retention in hospitality enterprises in Owerri. The study recommended that managements of hospitality enterprises should increase the rate at which they accord employees public, monetary and promotional recognitions so as to always retain them

Olutoyin, Olorunfemi and Owoniyi (2020) examined the relationship between work-life balance and employee health and wellbeing in the Nigerian banking industry. The study was a survey study. The multiple regression analysis was used to handle data analysis. The results showed that there is a significant relationship between work-life balance and employee health and wellbeing in the Nigerian banking industry. The study concludes that work-life balance boosted employee health and wellbeing in the Nigerian banking industry. It was recommended that the organizational authorities need not relegate the work-life balance of the employees to the background.

Onuorah, Okeke and Ikechukwu (2019) examined the effect of compensation management and employee performance in Nigeria organizations. The study aims at investigating the influence of performance-based compensation, competency-based-compensation and equity-based compensation on employee performance. The study adopts descriptive survey research design. In analyzing the data for the null hypotheses, Z-test was used to test the hypotheses at 0.05 level of significance. It was found that compensation management has significance effect on employee performance in Nigeria organizations. The study concludes that compensation management positively affected employee performance in Nigeria organizations. It was recommended that management need to always compensate employees in the organization for sustainable employee performance.

Gap Identified in Literature

The gap identified in literature is that empirical studies accessed by the researcher in the areas of compensation and right-sizing did not show how each of base pay, benefits package and bonuses influenced right-sizing in tourism organizations in Imo State Nigeria.

Methodology

The researchers used the survey research design in the study. The population of the study was made up of the staff of 135 randomly selected tourism organizations in Imo State made up of 5 tourism organizations from each of the 27 Local Government Areas of the State. The total population of the study was 1,500 comprising all the owners, management, and staff of the tourism organizations. The researcher used the Taro Yamen's formula for sample size determination to obtain a sample size of 316 for the study. Accordingly, 316 copies of the questionnaire were administered to respondents in the study corporate enterprises. The sources of data included the primary and secondary sources. While the questionnaire was the major instrument of data collection used for the study as a primary data tool, the researchers relied on

texts, journals and internet sources for secondary data. The validity of the instrument was done by showing the instrument to research experts for their inputs and by ensuring that the study focused on the research questions. The reliability ratio of the instrument was done with the use of pilot study whose results were committed to Cronbach alpha statistic. A ratio of 0.71 was obtained. The instrument was therefore 71% reliable. The study employed the descriptive statistics of mean and standard deviation for data analysis. Spearman Product Moment Correlation analysis was used to test hypotheses. The rejection of null hypothesis was based on $P < 0.05$.

Questionnaire Analysis

Out of the 316 questionnaire copies distributed to the respondents, only 251 copies were properly filled and returned. This means 79.4 % return.

Research Question 1:

What is the relationship between base pay and right-sizing in tourism organizations in Imo State?

Table 1: Respondents’ responses on the relationship between base pay and rightsizing in tourism organizations in Imo State.

Q/No	Item	SA	A	UN	D	SD	N	Mean	Std. Dev.
1	Base pay motivates workers to support management in carrying out right-sizing in tourism organizations.	132	62	24	19	14	251	4.11	0.658
2	Some of the workers who receive base pay from the banks do not seek to be laid off under any circumstance.	102	72	32	25	20	251	3.84	0.707

Field Survey (2023)

The Table 1 above presents data from responses by the respondents under study. The result also disclosed a strong agreement by the respondents on their opinion on the relationship between base pay and right-sizing in tourism organizations in Imo State. The results further shows that the respondents agreed to the facts that: base pay motivates workers to support management in carrying out right-sizing in tourism organizations in Imo State ($\bar{x} \pm S.D$ of 4.11 ± 0.658); Some of the workers who receive base pay from the banks do not seek to be laid off under any circumstance (with a $\bar{x} \pm S.D$ of 3.84 ± 0.707).

Research Question 2:

What is the level of correlation between benefits package and right-sizing in tourism organizations in Imo State?

Table 2: Respondents’ responses on the level of correlation between benefits package and right-sizing in tourism organizations in Imo State

Q/No.	Item	SA	A	UN	D	SD	N	Mean	Std. D
3	Benefits package triggers right-sizing in tourism organizations in tourism organizations.	106	65	41	26	13	251	3.90	0.773
4	Management offers benefit package to all categories of workers without discrimination and such makes management to insist on right-sizing.	124	71	30	22	4	251	4.15	0.761

Field Survey (2023)

The table 2 above presents data from responses by respondents on the level of correlation between benefits package and right-sizing in tourism organizations in Imo State. The results show that majority of the respondents affirmed to the statements. There is a high level agreement by the respondents on the opinion that benefits package triggers right-sizing in tourism organizations as the result accounted for a mean of 3.90 and a standard deviation of 0.773. The result has indicated that the majority of the respondents agreed to the item statement that management offers benefit package to all categories of workers without discrimination and such makes management to insist on right-sizing (with a $\bar{x} \pm S. D$ of 4.15 ± 0.761).

Research Question 3:

To what extent does bonus affect right-sizing in tourism organizations in Imo State?

Report on Research Question 3 is presented on Table 3

Table 3: Respondents’ responses on the relationship between bonus and right-sizing

Q/No.	Item	SA	A	UN	D	SD	N	Mean	Std. Dev.
5	Bonus offered workers is a great stimulant to management for continuous right-sizing in tourism organizations.	138	58	25	17	13	251	4.16	0.742

6	Competitors in the tourism industry no longer toy with offer of bonus as it encourages management to see the need to right-size.	148	54	30	12	7	251	4.29	0.801
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Field Survey (2023)

The table 3 above presents data from responses by the respondents under study. The result also disclosed a good agreement by the respondents on their opinion on the relationship between bonus and right-sizing. The results further show that the respondents agreed to the facts that: bonus offered workers is a great stimulant to management for continuous right-sizing in tourism organizations in Imo State with a ($\bar{x} \pm S.D$ of 4.16 ± 0.742 ; competitors in the tourism industry no longer toy with offer of bonus as it encourages management to see the need to right-size (with a $\bar{x} \pm S.D$ of 4.29 ± 0.801).

Testing of Hypotheses

H₀₁: There is no significant relationship between base pay and right-sizing in tourism organizations in Imo State.

Table 5: Correlation analysis between base pay and right-sizing in tourism organizations in Imo State

Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Base pay	4.11	0.658	0.711	0.001
Right-sizing	3.84	0.707		

SPSS Correlation Analysis Output (2023).

The result on table 5 presents the correlation analysis between base pay and right-sizing in tourism organizations in Imo State. The result shows a p-value of 0.001 and correlation coefficient of 0.711. The result shows a p-value less than 0.05 being the level of significance; therefore, rejecting the null hypothesis and accepting the alternative hypothesis. Therefore, the correlation coefficient between base pay and right-sizing in tourism organizations in Imo State is statistically significant. Therefore, there is a significant relationship between base pay and right-sizing in tourism organizations in Imo State.

H₀₂: There is no significant level of correlation between benefits package and right-sizing in tourism organizations in Imo State.

Table 6: Correlation analysis between benefits package and right-sizing

Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Benefits package	3.90	0.773	0.834	0.001
Right-sizing	4.15	0.761		

SPSS Correlation Analysis Output (2023).

The result on table 6 presents the correlation analysis between benefits package and right-sizing. The result shows a p-value of 0.001 and correlation coefficient of 0.834. The result shows a $p - value \leq 0.05$ level of significance, thereby rejecting the null hypothesis and accepting the alternative which states that there is a significant level of correlation between benefits package and right-sizing in tourism organizations in Imo State.

H₀₃: Bonus does not significantly affect right-sizing in tourism organizations in Imo State.

Table 7: Correlation analysis between bonus and right-sizing in tourism organizations in Imo State.

Item	Mean	Standard Deviation	Correlation Coefficient	P-value
Bonus	4.16	0.742	0.803	0.001
Right-sizing	4.29	0.801		

SPSS Correlation Analysis Output (2023).

The result on table 7 presents the correlation analysis between bonus and right-size in tourism organizations in Imo State. The result shows a p-value of 0.001 and correlation coefficient of 0.803. The result shows a p-value less ≤ 0.05 level of significance; therefore, rejecting the null hypothesis and accepting the alternative which states that there is a significant relationship between bonus and right-size in tourism organizations in Imo State.

Findings

After the data analysis, the study found that:

- i. Base pay is a determinant of right-sizing in tourism organizations in Imo State.
- ii. There is a significant level of correlation between benefits package and right-sizing in tourism organizations in Imo State.
- iii. Bonus is a tool for improving right-sizing in tourism organizations in Imo State.

Recommendations

Based on the findings, the researcher made the following recommendations:

- i. Management of various tourism organizations do not need to take the issue of right-sizing for granted hence workers need to be paid as at when due in tourism organizations. This will encourage workers to be committed to their jobs with a view to improving corporate outcomes. Workers who do not receive their salaries as at when due may quit their jobs and such persons may be the most qualified and most talented set of employees in the organization. Right-sizing ought to be done to retain the right people and the right-size of the workforce.
- ii. Workers need to be made to enjoy fringe benefits in tourism organizations. The fringe benefits need to be good enough to fill need gaps among the employees. Many workers can even decide to increase their productivity and contribute to organizational resilience and sustainability indicators just because they enjoy tangible, sound and qualitative fringe benefits from their employers. Such motivated and productive members of the workforce are the ones that organizations need to retain with the strategic option of right-sizing.
- iii. Bonuses need to be paid to deserving workers in tourism organizations in Imo State. This will encourage the workers to contribute more of their time, abilities, competences, skills and knowledge to the growth and development of the organizations. Offer of the bonuses will certainly make the beneficiaries to develop more interest in working for the organizations. The organizations need to do their best in retaining such workers during right-sizing exercises.

Conclusion

This study contributes to knowledge by providing empirical literature on the relationships between base pay and right-sizing; benefits package and right-sizing; bonus and right-sizing in tourism organizations. It adds to the existing body of knowledge in Tourism and Management.

This study concludes that employee compensation enhanced right-sizing in tourism organizations in Imo State. Base pay motivates workers to support management in carrying out right-sizing in tourism organizations. Benefits package triggers right-sizing in tourism organizations in tourism organizations. Bonus offered workers is a great stimulant to management for continuous right-sizing in tourism organizations. Tourism organizations that embrace employee compensation experience uncommon right-sizing and awesome developments. The study therefore submits that enterprises that right-size appropriately always enjoy the services of well-motivated employees.

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