

EFFECT OF TRANSACTIONAL LEADERSHIP ON THE PERFORMANCE OF FOOD BEVERAGE MANUFACTURING FIRMS IN ENUGU STATE

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Abstract: The study examined the effect of transactional leadership on the performance of food and beverage firms in Enugu State. The specific objectives were to: examine the effect of contingent reward on the output; and evaluate the effect of performance oriented on the profitability of food and beverage manufacturing firms in Enugu State. The study used the descriptive survey design approach. The primary source of data was the administration of questionnaire. A total population of 1992 staff was used. The adequate sample size of 333, using Freund and William's statistic formula at 5 percent margin of error was used. 271 staff returned the questionnaire and accurately filled. Data was presented and analyzed using Likert Scale and the hypotheses using Z- test. The findings indicated Contingent reward had significant positive effect on the output $Z(95, n = 271), 6.758 < 8.580, P. < .05$. Performance oriented had significant positive effect on profitability of $Z(95, n = 271), 3.857 < 6.576, P. < .05$. The study concluded that contingent reward and performance orientation had significant positive effect on the output and the profitability of food and beverage manufacturing firms in Enugu State. The study recommended among others that managers and the human resources of every organisation should understand the different types of leadership before adopting a particular leadership style in order to ensure effectiveness and profitability in the organisation.

Keywords: Transactional, Leadership, Performance, contingent reward, profitability

Introduction

1.1 Background of the study

The ability to inspire or motivate people to follow, respect, adhere to, and collaborate with those in positions of authority is known as leadership. Various leadership philosophies place a higher priority on self-interest and outside rewards as means of accomplishing goals. Some leadership philosophies equally place higher priority on the religious faith of the leaders (Ugwu, 2008; Ugwu, 2021). Of all the different types of leadership, transactional leadership is a management style that encourages self-motivation and uses corrective action to deal with poor performance. Organizations may create a results-driven management system based on this specific leadership style by having a solid understanding of transactional leadership (In fact, 2022). Planning, setting priorities, and coordinating work activities to achieve goals within a company organization are all part of leadership. It establishes guidelines for how choices are made, tasks are scheduled and coordinated, and power is used. Various

management levels, companies, and even people can have various leadership styles. A leader must adopt an attitude and mindset that are consistent with the business's corporate culture in order to be effective. They must be able to accomplish the goals of the firm and their style must adhere to the rules and guidelines set forth by the corporation. Leaders are also accountable for maintaining the organization's values among their teams and managing them well. If a leader doesn't do this, they may be viewed as ineffectual and may even lose their job. The tenet of transactional leadership is that there are leaders and followers. In each firm, management practitioners must consistently work to foster employee motivation and engagement. Transformational and transactional leadership are two of the 21st century's most effective management and leadership philosophies (Bouchard, 2019). In a medium or large-sized business, middle and senior management frequently employ transactional leadership. Additionally, these companies operate using set procedures that does not call for much ingenuity or inventiveness to do the task at hand. In today's corporate world, leadership is essential in business organizations. According to Bouchard (2019), transactional leadership happens when there is a resource exchange. Resources do not have to be money; they might instead be recognition or praise, or anything that is valuable to both parties. Transactional leadership delineates the responsibilities and functions of workers, therefore incentivizing their self-interests through the promise of compensation for exemplary performance. Employees complete the volumes of tasks assigned to them, meaning they deliver quality and quantity based on the set targets to ensure they get the reward. Overall, this leadership style improves performance (Baškarada, Watson, & Cromarty, 2017).

An organization's performance is largely dependent on the caliber of its leadership. There are those *corporate religious leaders* (CRL) who on a consistent basis demonstrate their religious faith, faith-rich behaviors and strong moral principles in their day-to-day business leadership style (Ugwu, 2008; Ugwu 2021). One of the most important factors in determining whether an organization succeeds or fails is the leadership style that is used inside it. The behavior and results of the company are significantly impacted by leadership, which is widely recognized as the cornerstone of good organizational management (Gimhani, 2020).

The ability of leaders to influence, direct, inspire, and encourage their team members to do certain tasks enhances the success of the company as a whole. As a result, leadership becomes a key factor in improving an organization's performance, and it is assumed that an organization's success is greatly impacted by the type of leadership chosen inside it. Organizational performance evaluations may give businesses insights into the talents and skills of present workers as well as assist them identify areas where changes can be made. Gaining an understanding of how to assess and enhance an organization's performance will help you make the most of the resources at your disposal to meet your objectives (Indeed, 2022 & Edeh, Nnamani & Mbah, 2023).

Performance is the measure of an organization's ability to fulfill its vision, purpose, and objectives. It is a highly complicated topic. An organization's chosen leadership style is crucial because it creates a clear vision and facilitates successful communication with coworkers and subordinates. Managers and company owners assess an organization's performance for important purposes, including as ensuring efficient use of organizational resources, identifying issue areas to guide management decision-making, and justifying the use of capital. When a business has a clear vision, its direction helps its people understand their duties and responsibilities. Hence, the study evaluates the effect of transactional leadership on the performance of food and beverage firms in Enugu State.

1.2 Statement of the Problem

Small and medium-sized businesses (SMEs) and occasionally larger organizations are the main drivers of a nation's economic development. Organizational performance and innovation are positively and marginally

impacted by transactional leadership. In order for organizations to perform and be innovative, leadership is crucial. There is no favoritism and all employees are treated equally in companies led by transactional executives. Everyone is aware of the well established procedure for assigning rewards and penalties.

Proficient leaders acknowledge and incentivize the contributions of their team members. A more conventional leadership approach that emphasizes structure and order is transactional leadership. Subordinates of transactional leaders, however, could not always be required to think creatively and could be evaluated according to preset standards. Poor contingent reward and performance of the executives also frequently deters firms with transactional leadership styles. While more effective transactional leaders respond appropriately and promptly, poor transactional leaders may be less likely to foresee issues and to act before problems arise.

A transactional leader is one that bases incentives on the accomplishments of their team members. They work in a highly regimented setting where rules and regulations motivate staff to perform to the best of their abilities. Because this results in low production and profit for the organization, these leaders need take care to prevent situations that might damage their reputation and leadership style. As a result of this the study deems it fit to evaluate the effect of transactional leadership on the performance of food and beverage firms in Enugu State

1.3 Objectives of the study

The main objectives of the study were to evaluate the effect of transactional leadership on the performance of food and beverage firms in Enugu State. The specific objectives were to:

- i. Examine the effect of contingent reward on the output of food and beverage manufacturing firms in Enugu State
- ii. Evaluate the effect of performance oriented on the profitability of food and beverage manufacturing firms in Enugu State

1.4 Research Questions

The following research questions guided the study

- i. What is the effect of contingent reward on output of food and beverage manufacturing firms in Enugu State
- ii. What is the effect of performance oriented on the profitability of food and beverage manufacturing firms in Enugu State?

1.5 Statement of hypothesis

The following hypotheses guided the study

- i. Contingent reward has effect on the output of food and beverage manufacturing firms in Enugu State
- ii. Performance oriented has effect on the profitability of food and beverage manufacturing firms in Enugu State.

1.6 Scope of the study

The study focused on the effect of transactional leadership on the performance of food and beverage manufacturing firms in Enugu State. The key variables of the study was contingent reward and performance oriented as the independent variables while output and profitability were the dependent variables. The geographical location of the study was Enugu State, one of the states that make up the South-Eastern part of Nigeria. The time scope of the study was 2021-2023.

Review of related literature

2.1 Conceptual review

2.1.1 Transactional leadership

By explicitly defining responsibilities and task expectations, transactional leadership directs followers toward predetermined or desired outcomes. It is also known as management leadership, and it is defined by leaders using a system of incentives and sanctions to get the best work out of their employees. Instead of focusing on improving or transforming the entire organization, transactional leadership prioritizes short-term goals and promotes cohesion and uniformity among the workforce. This approach refers to the incentives and consequences as the "transaction" (Indeed, 2022).

Under the premise that there are superiors and subordinates in every organization, transactional leadership functions. This type of leadership works well in well-organized settings with few exceptions to set corporate procedures and clearly defined positions and responsibilities. Ecler and Terry (2021) claim that transactional leaders are distinguished by their focus on giving workers defined responsibilities and using a system of incentives and penalties to encourage workers to meet both personal and group goals. Focusing on short-term objectives, adhering to set processes and regulations, choosing organized techniques, stressing accuracy and rule compliance, and being resistant to change are all important characteristics of transactional leadership. Furthermore, transactional reward leadership include publicly or privately recognizing exceptional performance or outcomes via verbal compliments, rewards, diplomas, or other kinds of acknowledgment (Level, 2023).

2.1.3 Contingent reward

Contingent reward is a motivation-based approach that is used to reward personnel that are in line with organizations specified goals by delivering positive reinforcement for a job well done. A management strategy known as contingent reward leadership centers on compensating staff members for their efforts and accomplishments. This kind of incentive system is predicated on the notion that workers ought to get compensation for doing particular tasks or reaching predetermined benchmarks (Level, 2023). It serves as a means of encouraging staff members to put forth their best effort and to be acknowledged and rewarded for their accomplishments. "Building personal and social identification among its members with the mission and goals of the leader and organization" is how contingent transformation reward leadership is defined. The idea of contingent rewards is to reward workers only when they deserve it. A motivation-driven strategy used to identify and honor those who accomplish their predetermined goals is known as the contingent reward system. It functions as a kind of encouragement for excellent work performance. 'Contingent incentives,' which are meant to produce positive results as a result of workers' efficient performance, are a distinguishing characteristic of 'transactional leadership' (Khan, Khan, & Rehan, 2020).

2.1.4 Performance

An activity results in performance. Performance in the manufacturing industry indicates a company's capacity to meet objectives and endure in the marketplace. Since they have the highest correlation with the organization's strategic objectives, customer happiness, and economic contributions, performance may be characterized as the culmination of all of the impacts of work (Ion & Criveanu, 2016; Eze, Mbah & Oboko, 2022). Performance is defined as the total of accomplishments in a certain subject that can be objectively observed. The capacity of a business to transform its total manufacturing investment into production volume and tangible outcomes is the basis for measuring manufacturing success. Performance is subjective because it is the result of operation, which

by definition consists of approaching a reality to a wish. Performance is multidimensional when objectives are many; performance is a subset of action. Evaluating an organization's performance entails contrasting its actual and desired output. Achieving objectives and ensuring the success of the company depend on maximizing performance. Performance is evaluated for people, groups, and the organization as a whole at various hierarchical levels (Ramos-Villagrasa, Barrada, Fernandez-del-Rio & Koopmans, 2019).

2.1.5 Components of performance used in the study

2.1.5.1 Output

The word input is the opposite of output. The final product that results from the combination of input resources is called the output. It is the amount of products or services produced in a certain amount of time. The revenues from product sales, after accounting for price adjustments, might also be used to estimate the production of the firm. Business outcomes are things that can happen as a result of the inputs that a firm utilizes and puts into practice. Typically, outputs are measurable events connected to the aims and objectives of an organization (Indeed, 2022). Output can be sold to other companies to be used in the production of further output, or it can be directly consumed. Overall, manufacturing production always rises with improved institutional quality, irrespective of the kind of liberalization. The direct and instantaneous outcomes of a project might be called outputs. Depending on the objectives of the business, these outcomes might be material or immaterial. While both inputs and outputs are crucial components that a company should take into account when evaluating its capacity to achieve its objectives, these two business characteristics are not the same. There cannot be an output without an input.

2.1.5.2 Profitability

A company's profitability is determined by how much money it makes. This happens when the total amount of income earned exceeds the entire amount of costs paid within a certain reporting period. Profitability and profit are not the same things, notwithstanding their relationship. Although they are both accounting measures, they differ greatly in how they evaluate the financial performance of a business. Managers and organizational leaders must be able to distinguish between a company's earnings and its total profitability in order to assess a company's financial health and suitability for growth (Horton, Catalano & Munichiello, 2023). The primary objective of maximizing output without appreciably raising the marginal cost per good is what drives businesses to join markets where economic profit is possible. According to Hofstrand and Johanns (2019), the main objective of every company endeavor is to maximize profits. Long-term survival of the firm is contingent upon profitability. It is crucial to assess both past and present profitability as well as forecast future profitability. Profitability is evaluated using revenue and costs. Income is the cash a firm makes from its operations. You may utilize the accrual method of accounting to give a more realistic picture of profitability. With this method, income is reported when products are produced (not when they are sold) and expenses are reported when inputs are used (not when they are purchased).

2.2 Theoretical framework

The study made use of Path Goal theory and The Leader-Member-Exchange (LMX) theory. The study was anchored on Path Goal Theory, this theory posits that leadership style whereby a leader exhibits certain contextual behaviors that align the follower's goals with the organization's goals and direct the followers to choose the best paths to achieve these goals.

2.2.1 Path-Goal Theory:

The Path-Goal leadership theory is based on the Vroom expectancy theory (1964) in which an individual will act in a certain way based on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. In his 1970 work "The effects of Supervisory Behavior on the Path-Goal Relationship," Martin Evans originally proposed the path-goal theory. Robert House improved it in his 1971 publication "A Path-Goal Theory of Leader Effectiveness." "The theory is based on specifying a leader's style or behavior that best fits the employee and work environment to achieve a goal," claims House (1971) and Malik (2013). This idea may be stated simply as a leadership style in which a leader demonstrates specific contextual behaviors that help followers pick the best routes to achieve the organization's goals and match their own goals with those of the followers (Malik, 2013). This leadership style prioritizes staff engagement and happiness in order to increase productivity. According to Richard et al. (2012), quoted in Malik (2013), "the Path-Goal theory posits that leaders may not only use varying behaviors with different subordinates but might use different behaviors with same subordinates in different situations." According to the notion, leaders could act differently toward subordinates in comparable circumstances or differently toward the same subordinate in distinct circumstances. According to path-goal theory, different leadership practices would boost subordinates' acceptance of the leader, their degree of satisfaction, and their drive to do better depending on the subordinates and the circumstances.

2.2.2 The Leader-Member-Exchange (LMX) theory

The idea that leaders should approach their followers as a group is contested by the Leader-Member-Exchange (LMX) hypothesis. According to the hypothesis, social interactions and rule-making procedures between managers and their subordinates cause their relationship to evolve over time. According to a 2005 research by Krishnan on value systems, transformational leadership, and leader-member exchange, LMX is positively correlated with transformational leadership, which is favorably correlated with terminal value system congruence.

2.3 Empirical Review

Park and Jae-Suk, (2017) Performance-Contingent Rewards and Self-Efficacy: Moderating Effects of Timing of Reward Determination and Performance Standards. The aim of this research is to ascertain the moderating effects on the link between self-efficacy and performance-contingent incentives of the timing of performance criteria and reward determination. Amazon Mechanical Turk volunteers accounted for 568 of the sample. A webpage created just for our online experiment was given to them. Using regression analysis and ANOVA, the model's mediation and moderation processes were examined. We discovered that self-efficacy functions as a mediator between intrinsic motivation and incentives that are reliant on performance. It was also discovered that the association between performance-contingent incentives and self-efficacy was moderated by performance criteria (absolute, relative, and ambiguous). It was discovered that performance requirements were more significant moderators than when rewards were decided. We proposed the idea that time is determined by rewards and provided empirical support for the cognitive evaluation hypothesis. The online experiment's technique may be the source of limitations. More often than not, people compare their own efficacy or competency to that of others rather than to performance benchmarks. Employers should think about using relative performance criteria to boost their workers' intrinsic drive and sense of self-efficacy.

Pratama, Mustika and Sjabadhyni, (2018), "Coaching as intervention to increase leaders' contingent reward behavior". The link between subordinate employees' performance and contingent incentive behavior in the fast-moving consumer goods (FMCG) industry is the main subject of this study. The contingent reward behavior

questionnaire, which salesmen answered, and the leader-member exchange questionnaire served as the study's tools. The study's results, which evaluated 37 respondents, show a significant correlation between leader-member interchange and contingent reward behavior. Based on these findings, the researchers provided leadership coaching as an intervention to a specific sales division that has a poor leader-member interchange. Using the Wilcoxon signed-rank test, the significant results between pre- and post-test differences show that the coaching intervention enhanced leader-member interchange and improved contingent reward behavior. This study's primary weakness was that it only included 44 sales representatives from one business. The findings might not be generalizable as a result.

Akparep, Jengre and Mogre, (2019) The Influence of Leadership Style on Organizational Performance at TumaKavi Development Association, Tamale, Northern Region of Ghana. The study looked at the leadership style used in the Northern Region of Ghana's TumaKavi Development Association (TKDA) and how it affected the organization's success. The design of the case study was qualitative. 11 responders in all, or 65% of the workforce, were included in the sample size via purposeful sampling. According to the report, the TKDA operates mostly under a democratic leadership model. It also found that the organization's performance and operations have been significantly impacted by the democratic leadership style now in use. The study's findings also demonstrated a significant correlation between TKDA organizational performance and leadership style. Since the democratic style of leadership is a major factor in the company's success, management should emphasize this style more and include other leadership philosophies as needed to help the firm become more dominant in its sector.

Muthiani's (2019) examined "the Impact of Leadership on Learning Outcomes: A Study on Effective Leadership Style for Principals in Vocational Colleges". It was conducted to determine the most effective leadership style adopted by principals in vocational colleges in Kenya. Lecturers at particular vocational institutions were given a modified version of Bass's multi-factor leadership questionnaire (MLQ) in order to collect data. The study used a Structural Equation Model (SEM) technique to evaluate a model that determined principals' best leadership style in terms of how it affected learning outcomes. According to the survey, principals tended to use transactional leadership techniques. Additionally, it was discovered that learning outcomes were significantly and favorably impacted by the transactional leadership style. These results imply possible directions for future study as well as a number of consequences for vocational education.

Algahtany and Barjoyai, (2019) delved into the examination of Quality Attention and Contingent Reward in the context of Leadership Styles, specifically focusing on transformational and transactional leadership styles. This study's main goal was to determine how contingent rewards mediated the relationship between transformational and transactional leadership philosophies and attentional quality. In order to do this, a quantitative study methodology was used with the purpose of determining how the contingent incentive system is applied in the context of transactional and transformational leadership styles in order to improve the caliber of care. The quantitative tool for the study was a questionnaire. Questionnaires were distributed to 244 supervisors and leaders in the Saudi construction industry as part of the fieldwork. The results of the study demonstrated that contingent incentives were positively impacted by both transformational and transactional leadership styles, which in turn led to an increased emphasis on quality. But transformational leadership was found to be more vulnerable to the effects of contingent rewards, which resulted in improved attention quality via its component variables—charisma, inspirational motivation, intellectual stimulation, and personalized consideration. Based on the coefficient results, these factors were shown to have a greater impact than the variables associated with

transactional leadership, which included Expected efforts, Expected performance, and Contingent reward. These results highlight how crucial it is to carefully examine how management and leadership interact in terms of the organization's market worth and brand equity.

Irwan, (2018) evaluated the impact of Bank Performance on Profitability. This study aims to examine the effect of Capital Structure (DER), Credit Efficiency (BOPO), Non-Performance Loan (NPL), and Capital Adequacy Ratio (CAR), on the profitability of banking companies in Indonesia. Ten banks with the greatest assets among the research population—that is, financial institutions listed between 2010 and 2016 on the Indonesia Stock Exchange (IDX)—made up the study's sample. DER has a negative but not statistically significant impact on the profitability of banking companies listed on the Indonesia Stock Exchange; 2) BOPO does not have a negative and statistically significant impact on the profitability of banking companies listed on the Indonesia Stock Exchange; 3) Nonperforming Loans do not have a negative impact on the profitability of banking companies listed on the Indonesia Stock Exchange; and 4) Capital Adequacy Ratio has a negative but not statistically significant impact on the profitability of banking companies listed on the Indonesia Stock Exchange.

Ayman, (2019) examined the impact of profitability and financial performance on improving productive efficiency in Jordanian industrial companies. The purpose of the study is to determine how financial performance and profitability affect the development of productive efficiency in Jordanian industrial enterprises. The researcher created a questionnaire with this goal in mind, and it was sent to the study population, which is made up of Jordanian industrial businesses. Several analysis tools, including Cronbach alpha, multiple linear regression analysis, and sample t-test analysis, were utilized to examine the data that was gathered. As a result, the study discovered that increasing financial performance and profitability had a statistically significant effect on raising productive efficiency in Jordanian industrial enterprises. On the basis of that, the researcher gave the Jordanian industrial enterprises several crucial recommendations: First, in order to boost productive efficiency, there should be a greater focus on profitability and financial success. The second is a rise in interest in the accuracy and dependability of financial accounts and statistics that show profitability, performance, and productivity. Finally, raising management's and operators' understanding of how profitability and financial performance affect increasing productive efficiency will help them avoid flaws in the company's operations and concentrate on its strong points.

Ramos-Villagrasa, Barrada, Fernandez-del-Rio and Koopmans, (2019) Assessing Job Performance Using Brief Self-report Scales: The Case of the Individual Work Performance Questionnaire. Evaluating employees' work performance is considered the most important result to measure and is considered a critical component of human resource management. The usefulness of the Individual Work Performance Questionnaire (IWPQ), a brief 18-item self-report questionnaire, is examined in this study. The IWPQ is intended to evaluate important aspects of work performance in a variety of industries, such as task performance, contextual performance, and counterproductive behaviors. 368 willing participants in the study filled out an extensive questionnaire that included the NEO-FFI personality inventory, several performance evaluation measures, and the IWPQ. Numerous statistical studies were carried out, such as correlation analyses, exploratory structural equation modeling, and descriptive statistics. According to the results, the IWPQ has a three-dimensional structure that is sufficiently reliable. It has noteworthy associations with several performance assessment metrics as well. When compared to other measures of work performance and personality traits, its connection with personality traits also shows similarities in terms of the direction and intensity of relationships. The study concludes by recommending the

Individual Work Performance Questionnaire (IWPQ) as a useful instrument for evaluating employee performance, with an emphasis on actions meant to improve organizational results.

Ogundipe and Olarewaju, (2020) Manufacturing Output and Labour Productivity: Evidence from ECOWAS. Even though the industrial sector may boost GDP, many resource-rich nations in Africa glaringly ignore it. Its ability to spur economic growth, amass wealth, and reduce inequality makes it deemed essential to the economies of Africa. Due in large part to four extreme interconnected external shocks—the decline in commodity prices, especially those of oil—the global economic and financial crisis, and the increase in energy and food prices, which have worsened regional output and productivity levels—the sector has been growing at a relatively slow rate. More crucially, one significant obstacle appears to be the human capital component. In light of this, the human capital channel is investigated in the current reexamination. From 1990 to 2019, the performance of the manufacturing sector in the ECOWAS area was examined in relation to labor (controlling for technology) using a static panel regression analysis. The study discovered that, on average, labor productivity has a substantial impact on the manufacturing sector in the ECOWAS when technology is taken into account. More specifically, people's internet usage and the accessibility of secure internet servers were more significant and favorably stimulated the impact of labor productivity on industrial output in the area.

Nyanzi, kavuma, Sseruyange, &Nanyiti, (2022) the manufacturing output effects of infrastructure development, liberalization and governance: evidence Sub-Saharan Africa. The study makes conclusions on how governance, liberalization, and infrastructural development affect manufacturing production (MVA) in Sub-Saharan Africa. To ascertain the enduring consequences of these variables and to maintain the accuracy and coherence of estimates when complicated mistakes are present, we used the Panel-Corrected-Standard-Error estimator using panel data covering 30 SSA nations from 2003 to 2018. This thorough analysis's primary finding indicates that governance and infrastructural advancements are essential to industrial output. Long-term infrastructure development has a positive impact on MVA; however, this relationship is only made possible by improvements in financial openness between the infrastructures of transportation and electricity. The opposite appears to be true when trade liberalization is the moderating factor. Overall, manufacturing production always rises with improved institutional quality, irrespective of the kind of liberalization. Our results are robust to different estimate approaches and remain true after adjusting for additional factors. Among the other significant policy implications of our research, we highlight the need for cautious subtlety in order to avoid reckless liberalization measures while attempting to reverse Africa's widespread infrastructure deficit and increase the manufacturing sector's GDP contribution.

3.0 Methodology

The area of the study was Enugu state, Nigeria. The five (5) selected food and beverage manufacturing firms used include: (Aqua Ralph Investment Limited, 9th mile, Bons company, trans Ekulu, JUHEL Nkwobor, Emene, Limited, Nigerian Breweries Plc, 9th Mile Corner, and Vac Industries Ltd, 17A Emene Industrial Layout, (Behind ANAMMCO Ltd., Sesame oil). The choice of these firms was due to high number of staff. The study used the descriptive survey design approach. The primary source of data was the administration of questionnaire. The population of the study consisted of one thousand nine hundred and ninety-two (1992) management and senior staff. The adequate sample size of three hundred and thirty-three (333), using Freund and William's statistic formula at 5 percent margin of error was used. Two hundred and seventy-one (271) staff returned the questionnaire and accurately filled. That gave 81 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 0.860 which was also good. Data was presented and analyzed by mean

score and standard deviation using Sprint Likert Scale. The hypotheses were analyzed using Z – test statistic tool.

4.0 Data Presentation and Analyses

4.1.1 The effect of risk reporting on the operational efficiency of the civil servants in Enugu State.

Table 4.1.1: Responses on the effect of risk reporting on the operational efficiency of the civil servants in Enugu State

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decision
1	Straight forward approach to rewarding on the task fulfillment increases the productivity of the organization.	475 95 35.1	452 113 41.7	39 13 4.8	40 20 7.4	30 30 11.1	1036 271 100%	3.82	1.290	Agree
2	Focusing on rewarding employees for their performance enhances promotes hard work.	550 110 40.6	396 99 36.5	39 13 4.8	20 10 3.7	39 39 14.4	1044 271 100%	3.85	1.372	Agree
3	Creativity is promoted with intrinsic motivation.	450 90 33.2	360 90 33.2	69 23 8.5	42 21 7.7	47 47 17.3	968 271 100%	3.57	1.453	Agree
4	Providing positive reinforcement for a job well done is identified with meeting the expected goals.	450 110 40.6	276 69 25.5	87 29 10.7	26 13 4.8	50 50 18.5	889 271 100%	3.65	1.500	Agree
5	Contingent reward regulates the match between results and rewards in a clear and concise incentive structure.	575 115 42.4	272 68 25.1	93 31 11.4	22 11 4.1	46 46 17.0	1008 271 100%	3.72	1.469	Agree
Total Grand mean and standard deviation								3.722	1.417	

Source: Field Survey, 2023

Table 4.1.1, 208 respondents out of 271 representing 76.8 percent agreed that straight forward approach to rewarding on the task fulfillment increases the productivity of the organization 3.82 and standard deviation of 1.290. Focusing on rewarding employees for their performance enhances promotes hard work 209 respondents representing 77.1 percent agreed with mean score of 3.85 and standard deviation of 1.372. Creativity is promoted with intrinsic motivation 180 respondents representing 66.4 percent agreed with mean score of 3.57 and standard deviation of 1.453. Providing positive reinforcement for a job well done is identified with meeting the expected goals 179 respondents representing 66.1 percent agreed with mean score of 3.65 and 1.500. Contingent reward regulates the match between results and rewards in a clear and concise incentive structure 183 respondents representing 67.5 percent agreed with a mean score of 3.72 and standard deviation 1.469.

4.1.2 The effect of risk reporting on the operational efficiency of the civil servants in Enugu State.

Table 4.1.2: Responses on the effect of risk reporting on the operational efficiency of the civil servants in Enugu State

		5 SA	4 A	3 N	2 DA	1 SD	ΣFX	- X	SD	Decision
1	Employees being accountable for their own duties and responsibility enhance income generation.	395 79 29.2	252 63 23.2	189 63 23.2	18 9 3.3	57 57 21.0	911 271 100%	3.36	1.466	Agree
2	Performance management empowers thinking about and clarifying tasks in the organisation.	355 71 26.2	420 105 38.7	75 25 9.2	48 24 8.9	46 46 17.0	944 271 100%	3.48	1.406	Agree
3	The setting of clear objectives and expectations helps improve on the income of the organisation.	505 101 37.3	288 72 26.6	102 34 12.5	20 10 3.7	54 54 19.9	969 271 100%	3.58	1.506	Agree
4	The performance oriented highlights training and where training is further needed.	530 106 47.6	276 69 7.3	117 39 18.5	16 8 8.7	49 49 17.8	988 271 100%	3.65	1.471	Agree
5	The right employees for promotion are identified with performance.	230 46 17.0	276 69 25.5	252 84 31.0	30 15 5.5	57 57 21.0	845 271 100%	3.12	1.350	Agree
Total Grand mean and standard deviation								3.438	1.4398	

Source: Field Survey, 2023

Table 4.1.2, 142 respondents out of 271 representing 52.4 percent agreed that Employees being accountable for their own duties and responsibility enhance income generation 3.36 and standard deviation of 1.466. Performance management empowers thinking about and clarifying tasks in the organisation 176 respondents representing 64.9 percent agreed with mean score of 3.48 and standard deviation of 1.406. The setting of clear objectives and expectations helps improve on the income of the organisation 173 respondents representing 63.9 percent agreed with mean score of 3.58 and standard deviation of 1.506. The performance oriented highlights training and where training is further needed 175 respondents representing 54.9 percent agreed with mean score of 3.65 and 1.471. The right employees for promotion are identified with performance 115 respondents representing 42.5 percent agreed with a mean score of 3.12 and standard deviation 1.350

4.2 Test of Hypotheses

4.2.1 Contingent reward has effect on the output of food and beverage manufacturing firms in Enugu State

4.2.1 Z-test on contingent reward has effect on the output of food and beverage manufacturing firms in Enugu State

One-Sample Kolmogorov-Smirnov Test

		Straight forward approach to rewarding on the task fulfillment increases the productivity of the organization.	Focusing on rewarding employees for their performance enhances promotes hard work.	Creativity is promoted with intrinsic motivation.	Providing positive reinforcement for a job well done is identified with meeting the expected goals.	Contingent reward regulates the match between results and rewards in a clear and concise incentive structure.
N		271	271	271	271	271
Uniform	Minimum	1	1	1	1	1
Parameters ^{a,b}	Maximum	5	5	5	5	5
Most	Absolute	.518	.521	.414	.411	.425
Extreme	Positive	.111	.144	.173	.185	.170
Differences	Negative	-.518	-.521	-.414	-.411	-.425
Kolmogorov-Smirnov Z		8.520	8.580	6.819	6.758	7.001
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 of $6.758 < 8.580$ 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 contingent reward had significant positive effect on the output of food and beverage manufacturing firms in Enugu State.

Decision

Furthermore, comparing the calculated Z- value of $6.758 < 8.580$ against the critical Z- value of .000 (2-tailed test at 95percent level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that contingent reward had significant positive effect on the output of food and beverage manufacturing firms in Enugu State

4.2.2 Performance oriented on the profitability of food and beverage manufacturing firms in Enugu State.

4.2.2 Z-test on performance oriented on the profitability of food and beverage manufacturing firms in Enugu State.

One-Sample Kolmogorov-Smirnov Test

	Employees being accountable for their own duties and responsibility enhance income generation.	Performance management empowers thinking about and clarifying tasks in the organisation.	The setting of clear objectives and expectations helps improve on the income of the organisation.	The performance oriented highlights training and where training is further needed.	The right employees for promotion are identified with performance.
N	271	271	271	271	271
Uniform Minimum	1	1	1	1	1
Parameters ^{a,b} Maximum	5	5	5	5	5
Most Extreme Absolute Differences	.292	.399	.388	.396	.234
Positive	.210	.170	.199	.181	.210
Negative	-.292	-.399	-.388	-.396	-.234
Kolmogorov-Smirnov Z	4.799	6.576	6.393	6.515	3.857
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-Smirnov Z – value of $3.857 < 6.576$ 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 performance oriented had significant positive effect profitability of food and beverage manufacturing firms in Enugu State

Decision

Furthermore, comparing the calculated Z- value of $3.857 < 6.576$ against the critical Z- value of .000 (2-tailed test at 95percent level of confidence) the null hypothesis were rejected. Thus the alternative hypothesis was accepted which states that performance oriented had significant positive effect profitability of food and beverage manufacturing firms in Enugu State

5.1 Summary of findings

The following findings were made by the study

- Contingent reward had significant positive effect on the output of food and beverage manufacturing firms in Enugu State ($Z(95, n = 271), 6.758 < 8.580, P. < .05$)

- ii. Performance oriented had significant positive effect profitability of Z(95, $n = 271$), $3.857 < 6.576, P. < .05$

5.2 Conclusion

The study concluded that contingent reward and performance orientation had significant positive effect on the output and the profitability of food and beverage manufacturing firms in Enugu State. The success of an organization depends on the quality of its leadership. Leadership style prioritizes individual interests and extrinsic motivation as means to obtain a desired outcome. Organizational performance reviews can help companies identify areas of opportunity for improvements and provide insights regarding current employees' capabilities and skills.

5.3 Recommendations

The following recommendation were made by the study

- i. Manager and the human resources of every organisation should understand the different types of leadership before adopting a particular leadership style in other to ensure effectiveness and profitability in the organisation.
- ii. Performance appraisal should be done in the organisation in other to access individuals performance in the organisation and as well reward individuals whose performance is rated high.

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