

MEDIATING EFFECT OF RECOGNITION ON THE RELATIONSHIP BETWEEN EMPLOYEE ENGAGEMENT AND JOB PERFORMANCE IN DANGOTE SUGAR REFINERY.

Abubakar Kabiru

Department of Business Administration, Modibbo Adama University, Yola.

Mkabubakar@mau.edu.ng

Dahiru Isa Ahmed

Department of Business Administration, Modibbo Adama University, Yola

Mizco2030@gmail.com

Valdon Glory

Adamawa State Community and Social Development Agency (NG-CARES Program)

Gloryvaldon94@gmail.com

Ishaq Kamaldeen Adisa

Department of Banking and Finance, Modibbo Adama University Yola

Ph.dbaf221161@studentmau.edu.ng

Abstract

The study investigates the mediating effect of recognition on the relationship between employee engagement and job performance. A sample of 370 employees was analyzed using Structural Equation Modeling (SEM) facilitated by ADANCO. The findings reveal that employee engagement has a significant positive effect on job performance, establishing it as a critical factor in enhancing employee performance outcomes. Conversely, the effect of employee engagement on recognition was found to be insignificant, suggesting that enhanced engagement does not necessarily equate to an increase in recognition levels among employees. However, recognition demonstrated a significant positive effect on job performance, indicating that acknowledgment plays a pivotal role in reinforcing performance. Notably, the results further confirm that the relationship between employee engagement and job performance is significantly mediated by recognition. These insights underscore the importance of fostering recognition in the workplace to optimize the benefits of employee engagement on overall job performance. This research contributes to the literature by clarifying the nuanced relationships among employee engagement, recognition, and job performance, offering practical implications for organizational policy and practice aimed at improving employee effectiveness.

Keywords: Mediating Effect of Recognition on the Relationship Between Employee Engagement and Job Performance.

1. Introduction

Employee engagement and job performance are fundamental drivers of organizational success, particularly in industries with high operational demands like sugar refining. Competitive sugar industry in Nigeria, understanding the factors influencing employee engagement and performance is dynamic for firms like Dangote Sugar Refinery. One significant factor often overlooked is recognition: that's acknowledgment and appreciation of employees' contributions. Research suggests recognition can significantly impact employee motivation, engagement, and eventually, job performance. (Saks, 2006; Bakker & Demerouti, 2008).

Despite its importance, there's limited research on the mediating effect of recognition in the Nigerian context, predominantly in manufacturing sectors such as sugar refining. This study examines the mediating effect of recognition on the relationship between employee engagement and job performance in Dangote Sugar Refinery Numan Plant. Specifically, it studies how recognition impacts the relationship between engagement and performance, providing insights for human resource (HR) strategies to boost productivity and employee satisfaction.

The study aims to contribute to literature on employee engagement, recognition and job performance in emerging economies, offering practical implications for human resource (HR) managers and organizational leaders.

2 Literature Review

Employee engagement and job performance are important drivers of organizational success (Saks, 2006). Engaged employees tend to be more productive, innovative, and committed to their work (Bakker & Demerouti, 2008). Recognition, a key job resource, plays a significant role in influencing employee motivation, engagement and performance (Herzberg, 1966; Deci & Ryn, 2000).

Employee Engagement and Job Performance

Research consistently shows a positive link between employee engagement and job performance (Saks, 2006; Bakker & Demerouti, 2008). Engaged employees are more likely to exhibit high levels of energy, dedication, and absorption in their work (Schaufeli et al, 2002). Studies in various contexts, including manufacturing, have found engagement positively impacts performance metrics like productivity and quality (Harter et al., 2002).

Recognition as a Mediator

Recognition is a key factor influencing employee engagement and performance (Herzberg, 1966). It involves acknowledging and appreciating employees' contributions, reinforcing desired behaviors (Stajkovic & Luthans, 2001). Research suggests recognition can mediate relationships between job factors and outcomes like performance (Stajkovic & Luthans, 2001; Bakker & Demerouti, 2008).

Recognition in the Nigerian Context

In Nigeria, research on recognition's role in engagement and performance is limited, especially in manufacturing sectors like sugar refining. Cultural factors may influence how recognition

impacts employees (Hofstede, 2001). Studies in Nigerian contexts have found recognition impacts employee motivation and performance (Ojo, 2010).

Gaps and Implications

Despite existing research, gaps remain regarding recognition's mediating effect in Nigerian manufacturing contexts.

Understanding this relationship can inform Human Resources (HR) strategies to boost engagement and performance.

Theoretical framework: social exchange theory (SET) and Job Demands Resources (JD-R) Model

1. **Social Exchange Theory (SET):** this theory (Blau, 1964) posits that employees exchange their efforts and engagement for rewards, such as recognition acts as a mediator, influencing the relationship between employee engagement and job performance.
2. **Job Demands -Resources (JD-R) Model:** this model (Bakker & Demerouti; 2007) suggests job resources (e.g., recognition) can enhance engagement and mitigate job demands, leading to better performance. The study formulates the following hypotheses:

H₀₁: There is no significant effect of employee engagement on job performance.

H₀₂: There is no significant effect of employee engagement on recognition.

H₀₃: There is no significant effect of recognition on job performance.

H₀₄: There is no mediating effect of recognition on employee engagement and job performance.

Conceptual Framework

Based on the above-discussed models the researcher will develop a conceptual model. The researcher embarked on the conceptual model in order to provide a relationship among the ideas under examination. The conceptual framework is a conceptual representation and the relations with one another (Maziriri and Chinomona, 2016).

Conceptual Model

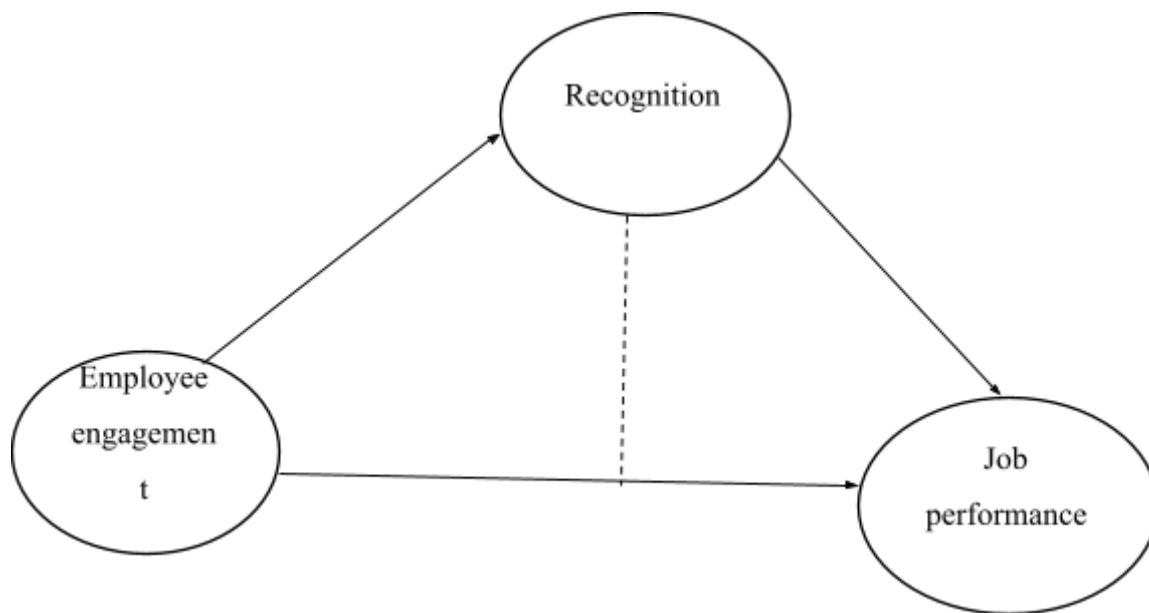


Figure: 2.1

Source: Researcher 2026.

Employee Engagement – Recognition – Job Performance

Recognition mediates the relationship between engagement and performance.

3. Methodology

Descriptive survey was adopted for the study and therefore required the use of survey method. The research design was chosen because it seeks to provide an accurate description of observation of the phenomena. The study is based on conceptual framework and includes Employee Engagement as independent variable, Job Performance as dependent variable and Recognition as mediating variable in Dangote Sugar Refinery Numan Plant Adamawa state Nigeria. A structured, self-administered questionnaire developed from literature used as an instrument for data collection. 400 questionnaires were administered to employees within the factory. 370 were retrieved and used for analysis using SEM with the help of ADANCO.

4. Results And Discussion

4.1 Response Rate

A total of 400 questionnaires were distributed to the respondents representing 100% while retrieving 370 representing 92.5% response rate out of 400 questionnaires distributed this shows that only 7.5% which represent 30 questionnaires were not returned. The study used 370 correctly filled and returned questionnaires for the analysis which represented 92.5%. All efforts made by the study to retrieve more questionnaires proved abortive. According to O'Sullivan and

Abela, (2007), a response rate of more than 70% is satisfactory. The analysis was based on the collected questionnaires.

The two types of validities are required to evaluate a measurement model, namely; convergent validity and discriminant validity. Convergent validity is the degree to which two or more maximally different measures of the same concept correlate. Meanwhile, discriminant validity refers to the extent to which a construct is truly distinct from the other construct. The following sub-sections describe them in the study.

4.2. Convergent Validity

In order to measure convergent validity, several aspects should be measured, such as factor loadings (FL), average variance extracted (AVE) and composite reliabilities (CR). Factor loadings are the correlation between the observed variable and the underlying factor. Average variance extracted (AVE) denotes the average quantity of the variance that explains the latent construct. Composite reliability (CR) determines the reliability of the constructs’ indicator and it refers to the degree of consistency between latent variable and its corresponding observed variable. According to Hair et al., (2016), the acceptable values of indicator loadings and composite reliability (CR) should be equal or greater than 0.7, while average variance extracted (AVE) values should exceed 0.5. The structural equation modelling (SEM) using ADANCO was used to perform these measures. In this study the initial assessment of the items revealed that some of the items were deleted due to their weak reliability. One item measuring employee engagement (EE4) had weak factor loading of 0.4773 and a Cronbach ‘s alpha of less than 0.7. Three items measuring recognition were also deleted (RC2, RC3 & RC4) with the weak factor loading of 0.4178 and 0.3612 respectively. And Cronbach ‘s alpha is less than 0.7. Another two items measuring job performance (i.e., JP8 and JP9) had weak factor loading of 0.4026, 0.4588 and a Cronbach ‘s alpha of less than 0.7 both. For this, the items were also deleted. The retained items shown in the table have loading above 0.6, and can be considered as reliable (Hair et al., 2010). This indicates on the table below;

Table 4. 1: Indicator Reliability

Construct	Indicator	FL	CR	AVE	Cronbach's alpha(α)
Employee Engagement	EE1	0.5799	0.9061	0.6096	0.9061
	EE2	0.5455			
	EE3	0.6502			
	EE5	0.7090			
	EE6	0.6956			
Recognition	RC1	0.6811			

	RC5	0.7272	0.8846	0.5278	0.8846
	RC6	0.6908			
Job Performance	JP1	0.6841	0.9289	0.5820	0.9289
	JP2	0.6584			
	JP3	0.5413			
	JP4	0.7529			
	JP5	0.6196			
	JP6	0.5527			
	JP7	0.5361			

Source: Author’s Computation using ADANCO

Discriminant Validity

Discriminant Validity is checked through item cross-loadings and the squared root of AVE. The assessment of cross loadings shows that the items are distinct from one another, as there are no obvious cross-loadings. This is seen in table 4.3.

Table 4.3: Cross Loadings

Indicator	EE	RC	JP
EE1	0.7615	0.6463	0.6540
EE2	0.7386	0.6420	0.6197
EE3	0.8064	0.7114	0.6666
EE4	0.6909	0.6267	0.5547
EE5	0.8420	0.6923	0.7445
EE6	0.8341	0.6939	0.7297
RC1	0.7243	0.8253	0.7686
RC2	0.5558	0.6380	0.5979
RC3	0.5236	0.6141	0.5855
RC4	0.4326	0.5324	0.5263
RC5	0.7247	0.8528	0.8151
RC6	0.7121	0.8312	0.7893
JP1	0.7044	0.7846	0.8271
JP2	0.6846	0.7757	0.8114
JP3	0.6226	0.7016	0.7357
JP4	0.7540	0.8093	0.8677

JP5	0.6630	0.7535	0.7872
JP6	0.6449	0.6945	0.7434
JP7	0.6137	0.7036	0.7322
JP8	0.5589	0.6085	0.6481
JP9	0.5716	0.6650	0.6875

Source: Author’s Computation using

4.4. Structural Model Analysis

After determining the validity and reliability of the measurements, the next step is to evaluate the structural model. In assessing the structural model, it is important to check for collinearity among the major constructs in the research. It is required that the variance inflation factor (VIF) should be less than 5. Otherwise, a collinearity problem exists in the data. The collinearity diagnostics was done in ADANCO, and table 4.5 shows that the VIF values are less than 5.

Table 4.5: Indicator Multicollinearity

Indicator	EE	RC	JP
EE1	2.2168		
EE2	2.1704		
EE3	2.6479		
EE4	2.0898		
EE5	2.6708		
EE6	2.5741		
RC1		1.9697	
RC2		2.0945	
RC3		2.8745	
RC4		2.2292	
RC5		2.6998	
RC6		2.9589	
JP1			2.5648
JP2			2.8163
JP3			2.1904
JP4			2.9040
JP5			2.4521
JP6			4.0201
JP7			5.0355
JP8			3.1533
JP9			2.4587

Variance inflation factors (VIF)

Source: Author’s Computation using ADANCO

4.4.5 Tests of Hypotheses

Hypotheses were tested through assessment of structural model and the bootstrapping procedure. A 5000 bootstrap resample with 370 cases was conducted. Decisions are taken based on the path coefficient and t-values as shown:

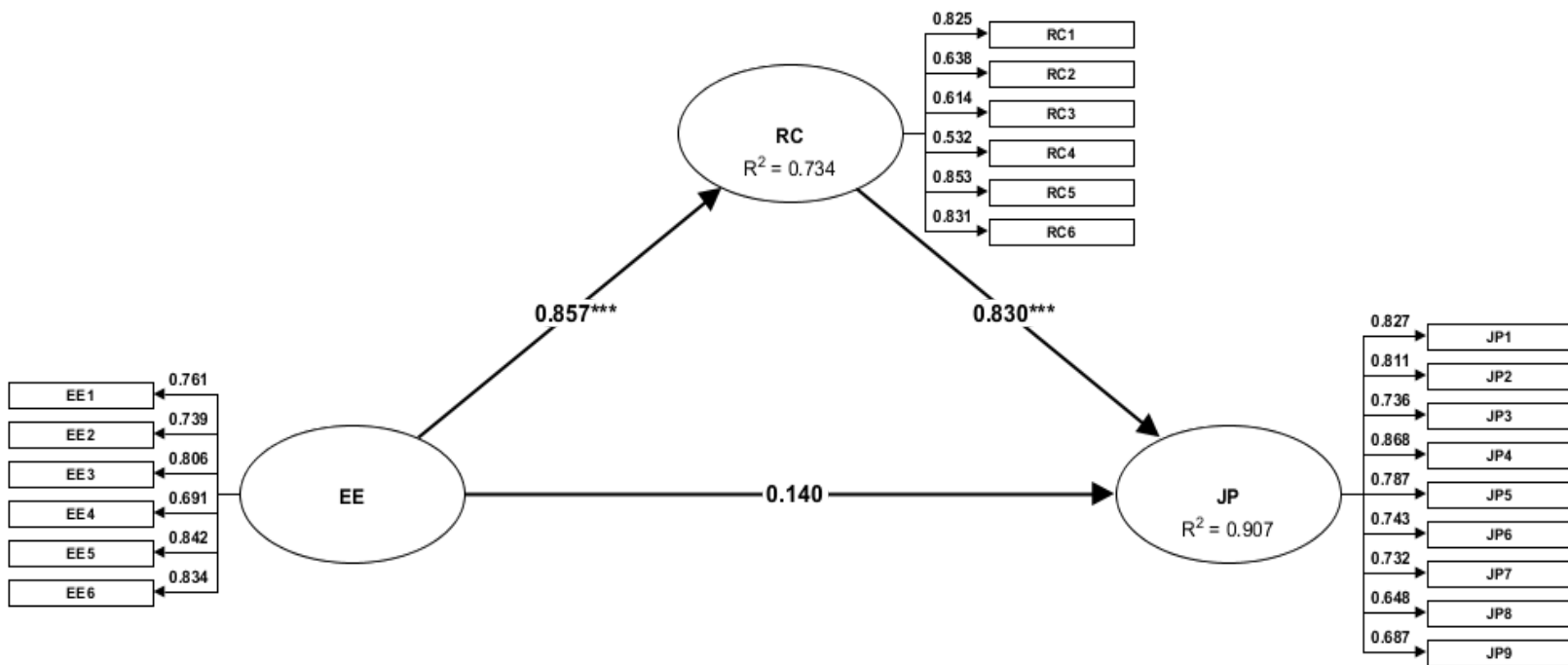


Figure 4.1: ADANCO Bootstrapping result for structural model

Table 4. 7: Hypotheses Testing for Direct Relationships

Effect	Path Coefficient	Std. error	t-value	p-value	Decision
EE -> JP	0.1398	0.0272	31.5294	0.0000	SIGNIFICANT
EE -> RC	0.8570	0.0986	1.4183	0.1562	INSIGNIFICANT
RC -> JP	0.8296	0.0900	9.2168	0.0000	SIGNIFICANT
EE ->RC-> JP	0.7110	0.0846	8.3996	0.0000	SIGNIFICANT

Note: ** = significant at p< 0.01.

Source: Author’s Computation using ADANCO

H₀₁: There is no significant effect of employee engagement on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State.

The structural equation model results in Table 4.7 represent the model of direct relationship between employee engagement and job performance. It was found that employee engagement had a significant influence on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. ($\beta = 0.1398$, $t\text{-value} = 31.5294$), thus, the hypothesized influence of employee engagement on job performance (H_{01}) is supported. This also means that employee engagement had a positive and significant effect on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. The findings are in line with that of Saks (2006) and Barkker & Demorouti (2008). However, people like Vandi et al (2011) and others contradicted the findings.

H₀₂: There is no significant effect of employee engagement on recognition of Dangote Sugar Refinery, Numan Plant, Adamawa State.

The structural model revealed that employee engagement had an insignificant influence on job performance ($\beta = 0.8570$, $t\text{-value} = 1.4183$), thus, the hypothesized influence of Dangote Sugar Refinery, Numan Plant, Adamawa State (H_{02}) is unsupported. This also means that employee engagement had a significant effect on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. The finding is in line with so many studies in the Journal of Occupational and Organizational Psychology. Some studies published in this journal suggested that while recognition is valued, its direct impact on engagement can be minimal compared to factors like job design or leadership quality. However, the studies contradicted with many researches, such as Shikunyi (2016), found that employee engagement had a significant effect on recognition.

H₀₃: There is no significant effect of recognition on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State.

The structural model revealed that recognition has a significant influence on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. ($\beta = 0.8296$, $t\text{-value} = 9.2168$), thus, the hypothesized influence of recognition on job performance (H_{03}) is supported. This also means that recognition had a significant effect on job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. The study found the same with Aguinish & Kraiger K (2008), Kuvaas B. (2006) and Bakker A.B & Demerouti E. (2008). Moreover, the study contradicted many studies such as Wegge J. et al (2010) and Pinder (1998).

H₀₄: There is no mediating effect of recognition on employee engagement and job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State.

The structural model revealed that recognition had a significant mediating effect and job performance of Dangote Sugar Refinery, Numan Plant, Adamawa State ($\beta = 0.7110$, $t\text{-value} = 8.3996$), thus, the hypothesized influence of recognition as mediating variable on job performance (H_{04}) is supported. This also means that recognition had a mediating effect on job

performance of Dangote Sugar Refinery, Numan Plant, Adamawa State. The findings are in consistency with that of Sonnentag S., & Frese M. (2002), Bakker A.B, & Demorouti E. (2014) and Alfes K. et al (2013).

On the other hand, people like Kahn W.A (1990), Wood S., & Wall T. (2007) and Cristiana M.S., et al (2011) contradicted the findings where they found that recognition does not mediate between employee engagement and job performance.

5. Conclusion

The research project aimed to explore the mediating effect of recognition on the relationship between employee engagement and job performance specifically at Dangote Sugar Refinery, Numan Plant, Adamawa State. Based on the analysis of data collected from a sample of 370 employees through questionnaires, several critical conclusions can be drawn:

Firstly, the significant positive relationship between employee engagement and job performance underscores the vital role that engaged employees play in enhancing organizational outcomes. Organizations looking to improve job performance should prioritize initiatives that foster employee engagement.

Secondly, the study revealed an insignificant effect of employee engagement on recognition, suggesting that high levels of engagement do not automatically lead to increased recognition from the management. This finding points to a gap that must be addressed; organizations should establish recognition programs that validate and appreciate employee efforts, regardless of their engagement levels.

The research also confirmed that recognition plays a crucial role in positively influencing job performance. This highlights the necessity for organizations to implement and maintain effective recognition systems that promote and reward employees' contributions, thereby driving better performance.

Furthermore, the significant mediating effect of recognition between employee engagement and job performance indicates that recognition not only amplifies the positive impact of engagement but is also a critical component for translating engagement into tangible performance outcomes. This suggests that companies should integrate recognition into their engagement strategies to maximize effectiveness.

In summary, the findings of this research emphasize the intertwined relationships between employee engagement, recognition, and job performance. To optimize organizational effectiveness, Dangote Sugar Refinery should focus on enhancing employee engagement through structured recognition initiatives, ultimately leading to improved job performance. Future research may explore longitudinal effects and other contextual factors that could further illuminate these dynamics in different settings.

Recommendations

Based on the findings of the research conducted on the mediating effect of recognition on the relationship between employee engagement and job performance at Dangote Sugar Refinery, Numan Plant, the following recommendations are proposed:

Enhance Employee Engagement Initiatives: Organizations must prioritize and develop comprehensive employee engagement programs. Implement strategies such as regular feedback loops, team-building activities, and open communication channels to foster an engaging work environment. Leadership training programs can equip managers with skills to actively engage their teams.

Establish Recognition Programs: Given the insignificant effect of employee engagement on recognition, it is essential to create structured recognition programs that acknowledge employees' efforts and achievements. Implementing regular and varied recognition methods (such as awards, public acknowledgment, and bonuses) can enhance employees' perception of being valued.

Integrate Recognition with Engagement Strategies: To leverage the mediating effect of recognition, integrate recognition into overall employee engagement strategies. Encourage managers to recognize employees' contributions promptly and frequently as a means of reinforcing engagement and driving performance.

By implementing these recommendations, Dangote Sugar Refinery can enhance employee engagement, strengthen recognition practices, and ultimately improve overall job performance within the organization.

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