



Ilorin Journal of
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(IJML)

Ilorin Journal of Management and Leadership

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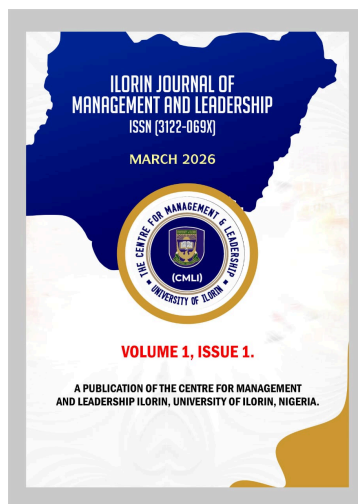
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REWARD SYSTEMS AND EMPLOYEE RETENTION IN THE KWARA STATE GENERAL HOSPITAL, ILORIN

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Abstract

Reward systems have emerged as one of the contentious issues of concern in the Nigerian healthcare sector, particularly in the resource- constrained settings such as the Kwara State General Hospital, Ilorin. Many institutions in similar contexts face persistent challenges related to staff motivation, engagement, and employee turnover. This study therefore investigates the relationship between reward systems and employee retention in the Kwara State General Hospital, Ilorin. Data were collected through administered questionnaire. The target population consisted of 319 hospital staff. Using Krejcie and Morgan (1970) for sample size determination formular, a sample size of 175 respondents was used for the study. The study used stratified random sampling to ensure representativeness across staff categories. Data was analyzed using SPSS version 22.0. Multiple regression analysis was conducted to evaluate the effect of reward systems on employee retention. The results indicated that financial rewards had a significant effect on employee job satisfaction ($R^2 = 0.806$; $p < 0.05$), and that Non-financial reward also exhibited a statistically significant influence on employee engagement with ($R^2 = 0.266$; $p < 0.05$). The study concluded that reward systems both financial and non-financial play a significant role in enhancing employee retention in the healthcare sector. It recommended that management of Kwara State General Hospital should institutionalize a comprehensive reward systems as a strategic measure to boost employee retention in the intuition.

Keywords: Employee Retention; Financial Rewards; Non-financial rewards; Healthcare Sector; Reward System.

Introduction

Reward systems play a vital role in strengthening employee retention, particularly in public healthcare institutions where workforce stability is essential for effective service delivery. Adequate employee rewards indicate that an organization values its employees and recognizes their contributions (Kawara, 2021). When employees feel valued, they are more likely to take pride in their work and perform better and ready to remain long in the organisation. Therefore, a reward system serves as an important dynamic that can enhance both employee and organizational performance by boosting productivity, improving the quality of work, and discouraging negative workplace behaviours. In essence, an effective reward system aligns employee behaviour with the goals and objectives of the organization. Despite its primary role in promoting performance, a well-structured reward system also contributes to attracting and

retaining competent employees, promoting harmonious management employee relationships, and reducing workplace tension and conflicts (Fajimi, 2023).

According to Armstrong (2021), a reward is a benefit provided in recognition of an employee's achievement, service, or commendable behavior. It is granted only after the employee has demonstrated evidence of positive conduct and accomplishments. The primary purpose of a reward is to show employees that their efforts and contributions to the organization are valued and appreciated for work already completed. Similarly, Ridwannudin and Sadat (2023) viewed reward as a form of compensation that an employee receives from an organization in exchange for services rendered or as a return for work performed. A well-administered reward system enhances the quality of employee performance, while the absence of such a system may result in problems such as low morale, poor productivity, and high employee turnover (Verma, 2018). Furthermore, reward systems are both directly and indirectly aligned with an organization's vision and mission, reinforcing the perception among employees that such systems create mutual benefits (Noorazem et al., 2021). The underlying rationale for providing rewards is that motivated employees experience greater satisfaction as their financial and non-financial needs are fulfilled.

Kwara State General Hospital, located in Ilorin, serves a diverse population and is a significant provider of healthcare services in the region. However, the hospital faces challenges such as limited funding, staffing shortages, and increasing patient demands, which can negatively impact employee performance. Over the years qualified personnel have left the Kwara State General Hospital in search of better pay and opportunities. Employees believe the institution has a poorer remuneration package, particularly in terms of salary. Preliminary observations suggest that many employees feel undervalued due to inadequate recognition and insufficient rewards for their hard work. Addressing these issues through a tailored reward systems could enhance employee morale, reduce burnout, and ultimately lead to improved patient care. The relationship between reward systems and employee retention is a critical concern in the healthcare sector, particularly in resource-constrained settings such as Kwara State General Hospital, Ilorin.

Statement of problem

Employee retention has become a major concern for many public sector organizations in Nigeria, including healthcare institutions. The Kwara State General Hospital, Ilorin, like many other government hospitals, faces challenges in retaining skilled and experienced health professionals who are essential for quality healthcare delivery. Despite the existence of both financial and non-financial rewards such as salaries, allowances, and promotions, there is growing evidence that many employees remain dissatisfied and demotivated, resulting in high turnover intentions, absenteeism, and declining job commitment. A well-designed reward system is expected to motivate employees and encourage them to remain with the organization. However, in practice, the reward structures in many public hospitals in Nigeria are often perceived as inadequate, delayed, or not linked to performance outcomes. This disconnect raises questions about whether the current reward systems in the Kwara State General Hospital are effective in influencing employee retention. To fill this gap, the study assessing the relationship between reward systems and employee retention in Kwara State General Hospital, Ilorin.

The general objective of the study is to examine the effect of reward systems on employee retention in Kwara State General Hospital, Ilorin

Specifically, the study aimed to:

- i. examine the effect of financial rewards on job satisfaction in Kwara State General Hospital, Ilorin
- ii. assess influence of non-financial rewards on employee engagement in Kwara State General Hospital, Ilorin

Literature Review

Reward Systems

Reward systems have emerged as a framework of principles and guidelines established by a company to define how employees are compensated, either through tangible or intangible benefits, in exchange for the work they perform. Okwuise and Uzoechina (2023) viewed that reward systems are vital for securing and maintaining suitable employees to remain competitive. They add that such systems motivate employees to work harder by providing the incentive needed to put in extra effort. Additionally, its implementation must consider the needs and realities of the employees, ensuring that the system is clear, transparent, and fair to be perceived as credible and objective (Shaheen et al., 2020). The reward system within an organization influences employee motivation, whether the rewards are tangible such as cash bonuses or salary increases or intangible, like praise or public recognition (Noorazem et al., (2021). These rewards are given when employees display behaviours that the organization views as desirable (Agbaeze & Ebirim, 2020). As described by Boadi, Lartey, and Amoako, (2025) reward is the compensation an employee receives from an organization in exchange for the services they provide or as a return for the work they perform. A reward system encompasses all financial, non-financial, and psychological benefits an organization offers its employees in return for the work they do. These rewards may include salaries, allowances, bonuses, and other extrinsic benefits, as well as intrinsic rewards such as recognition, personal growth, and a sense of achievement.

Financial rewards refer to monetary and tangible benefits such as salaries, bonuses, and commissions. Because they are tied to measurable performance goals, they often encourage employees to achieve short-term targets. In contrast, non-financial rewards are intangible and non-monetary, meeting employees' psychological and social needs through recognition, flexible work schedules, or career development opportunities (Okeke, 2024). These rewards help employees feel valued and supported, which builds long-term commitment, satisfaction, and loyalty to the organization. While financial rewards are usually linked to measurable performance targets and tend to motivate short-term achievement, non-financial rewards play a greater role in promoting long-term engagement, job satisfaction, and employee loyalty within the organization (Nnadi & Ede, 2023).

Employee Retention

Employee retention refers to an organization's capacity to maintain its workforce overtime and minimize employee turnover. Its purpose is to keep skilled and valuable employees, which enhances productivity, strengthens morale, and supports the organization's long-term success. Hanggara et al., (2025) opined that employee retention refers to a company's capacity to keep its personnel while reducing their desire to leave. It is an effort make by organizations to keep their competent employee for long period of time. Organizations with higher retention rates are financially successful, more productive, and positively interpersonal (Xuecheng et al., 2022; Ibrahim et al., 2021). As reported by Challa, Parne, Srinivas and Shravya, (2024) retention is an organisation's ability to prevent potential and key employee's turnover, or the number of skilled people who leave their job in a certain period, either voluntarily or involuntarily. High retention rates reflect employee satisfaction, engagement and organizational stability, as well as the potential to save money on hiring and training new staff (Susanto et al., 2023). According to Sang (2021), implementing retention strategies can boost employee commitment and loyalty while lowering the cost of employee turnover. By handling their reasons for leaving or wanting to leave the company more effectively. Challa et al. (2024) posited that retention refers to the actions management takes to prevent workers from quitting the company. These actions include rewarding workers for doing their jobs well, promoting positive working interactions between managers and staff, that keeping a safe and healthy workplace.

Financial Rewards and Job Satisfaction

Financial rewards are monetary benefits that employees receive from an organization in exchange for their work, performance, or contributions. These rewards include salaries, bonuses, allowances, commissions, and other forms of direct financial compensation. Financial reward systems positively

impact job satisfaction by directly linking pay to performance, which can increase motivation and retention (Samuel, 2024). However, the effectiveness of these systems depends on their design, such as ensuring rewards are perceived as fair and substantial enough to be motivating. Financial rewards such as bonuses, salary increases, and allowances plays a significant role in enhancing job satisfaction and improving employee retention, especially for tasks with clear, measurable outcomes. These external incentives encourage employees to achieve organizational goals while also improving their overall satisfaction with their work (Okeke, 2024).

According to Boadi, Lartey, & Amoako, (2025) extrinsic motivation is influenced by external rewards such as financial compensation significantly shape employees' attitudes and behaviours. When employees receive fair and competitive financial compensation such as salaries, bonuses, allowances, and other monetary incentives they feel valued by the organization, which enhances their overall satisfaction with their jobs. Adequate financial rewards also reduce stress related to personal financial needs and increase employees' sense of security and stability. Studies show that financial incentives positively influence employees' attitudes toward their work, leading to higher satisfaction and stronger commitment to organizational goals (Okeke, 2024).

Non -Financial Rewards on Employee Engagement

Non-financial rewards are benefits an organization provides that do not involve direct monetary payment. Instead, they fulfill employees' psychological, emotional, or social needs. These rewards include recognition, career advancement, supportive work environment, and employee of the year awards. These rewards help employees feel valued, appreciated, and supported, which enhances motivation and job satisfaction. Employees who experience personal satisfaction and fulfillment from their work tend to be more committed, engaged, and capable of delivering high-quality performance (Nnadi, Eguji, & Ede, 2023).

A systematic reviewed by Shalwul, Ade and Daniel, (2025) reveals that non-monetary rewards especially recognition significantly enhance employees' satisfaction, motivation, and commitment, contributing to improved retention and knowledge sharing within organizations. Adesina and Egbuta (2025) found that strategically designed non-monetary programs boost employee engagement and job satisfaction, which in turn drive retention. Moreover, non-financial incentive programs including verbal praise, awards, and peer recognition are increasingly regarded as critical by HR practitioners. The Reward and Employee Benefits Association (REBA) argues that when recognition is authentic and personalized, it can be just as powerful as cash rewards in motivating high performers. In contexts, where financial resources are constrained, non-financial reward emerges as a cost-effective, yet highly effective tool for building a culture of appreciation and engagement. Taken together, these findings suggest that non-financial reward systems anchored in employee engagement play a pivotal role in sustaining motivation, enhancing well-being, and reducing employee turnover (Njora & Ndegwa, 2020).

Theoretical Review

This study is anchored on Herzberg's Two-Factor Theory and Equity Theory in explaining the relationship between reward system and employee retention in the Kwara General Hospital, Ilorin.

Herzberg's Two-Factor Theory (Motivation-Hygiene Theory) developed by Frederick Herzberg, (1959) posits that employee attitudes toward work are influenced by two distinct categories of factors: hygiene factors and motivators. Hygiene factors such as salary, job security, working conditions, and organizational policies do not necessarily motivate employees to perform better, but their absence leads to dissatisfaction. On the other hand, motivators such as recognition, achievement, responsibility, and opportunities for growth actively enhance job satisfaction and long-term commitment. This theory is highly relevant to the present study on Reward System and Employee Retention in the Kwara State General Hospital, Ilorin because it helps explain why financial rewards alone may not be sufficient to retain healthcare workers. While improving salaries and allowances (hygiene factors) can reduce dissatisfaction among staff, retention is more sustainable when the hospital also strengthens motivators like awards, support work environment and professional advancement. Applying Herzberg's theory to

the current study provides a framework for analysing whether the hospital's reward system addresses both categories of factors, and how a balanced approach can significantly enhance employee retention in a public healthcare environment.

Equity Theory, developed by John Stacey Adams in 1963, posits that employees assess fairness in the workplace by comparing the ratio of their inputs (such as effort, skills, experience, and time) to outputs (such as salary, benefits, recognition, and promotions) with the input-output ratios of others. When employees perceive that their contributions are fairly rewarded relative to their peers, they experience job satisfaction, engagement and are more likely to remain committed to the organization. Conversely, perceived inequity where employees feel under-rewarded or unfairly treated can lead to dissatisfaction, reduced motivation, and higher turnover. This theory is highly relevant to the study on Reward System and Employee Retention in the Kwara State General Hospital, Ilorin, as healthcare workers often compare their compensation, recognition, and opportunities for advancement with colleagues within the hospital, in other state hospitals, or even private healthcare facilities. Applying Equity Theory allows the study to examine whether perceptions of fairness in the hospital's reward system influence employee retention and provides insights into how equitable distribution of financial and non-financial rewards can improve workforce stability in the hospital setting.

Empirical Review

Shalwul, Ade and Daniel, (2025). examined the non-financial rewards and employee performance in the Plateau State Local Government Service Commission (LGSC). Focusing on recognition and work-life balance, the research used a quantitative design and gathered data from 273 employees through structured questionnaires. Chi-square analysis was employed to test the effects of these rewards on performance, motivation, and retention. The results show that recognition, awards, and work-life balance significantly enhance employee performance. The study recommends strengthening recognition programs both monetary and non-monetary to improve morale, as well as introducing flexible work arrangements to support work life balance. These strategies are expected to boost job satisfaction, reduce turnover, and improve overall productivity within the Commission.

Okwuise and Uzoechina (2023) investigated the impact of reward systems on the organizational performance of public universities in South-South Nigeria, focusing on salary increases and promotions. Using a survey design, data were collected from 337 academic staff across three universities via structured questionnaires. Analysis included descriptive, diagnostic, and inferential statistics. Results showed that salary increases significantly improved university performance, while employee promotions had no significant effect. The study concluded that adequate employee rewards enhance institutional goals and performance, recommending that university authorities implement policies addressing both the physical and psychological needs of academic staff, while allowing them autonomy in their academic and administrative roles.

Nnadi, Eguji, and Ede, (2023) The study investigated the relationship between non-financial rewards and employee performance in private hospitals within Enugu Metropolis, Enugu State. Its specific objectives were to assess the relationship between recognition and employee output, flexible working hours and employee responsiveness, as well as increased responsibility and employee retention. The research focused on six selected private hospitals and adopted a descriptive survey design. Data were collected primarily through questionnaires administered to a population of 683 staff. Using Cochran's formula, a sample size of 246 was determined, and 242 properly completed questionnaires were returned. Data analysis involved mean scores and Pearson correlation to test the hypotheses. The results revealed that recognition had a positive and significant relationship with employee output ($r = .224 < .762$), flexible working hours positively and significantly influenced employee responsiveness ($r = .468 < .797$), and greater responsibility showed a positive significant relationship with retention ($r = .374 < .878$). The study concluded that non-financial rewards positively affect employee performance in private hospitals and recommended that management adopt recognition as a key strategy for enhancing team and organizational performance.

Obiaga and Itakpe (2021) examined whether reward system affects employees' performance in the oil and gas industry in Rivers State, Nigeria. Questionnaire was the main instrument of data collection and

multiple regression estimation technique was used in the analysis of data. The regression results showed that reward systems (salary, training and good work environment) significantly and positively affect employees' performance in the oil and gas industry.

Al-Suraihi et al. (2021) identified the factors that drive employee turnover and the strategies organizations can adopt to enhance retention. The findings reveal that employees leave their jobs for various reasons, including job stress, low job satisfaction, poor job security, unfavorable work environments, lack of motivation, inadequate wages, and insufficient rewards. Employee turnover imposes significant costs on organizations and can adversely affect productivity, sustainability, competitiveness, and overall profitability. To address these challenges, organizations must understand and respond to employee needs, enabling them to implement effective strategies that enhance performance and reduce turnover. Such strategies can boost job satisfaction, increase motivation, and improve both individual and organizational productivity, ultimately reducing absenteeism, turnover, and related workforce challenges.

Puspita, Charles, and Unang (2020) investigated how compensation, job promotion, and job satisfaction influence the performance of teaching staff at Mercu Buana University. Their study employed a causal research design with a quantitative analytical approach. Data were collected through questionnaires administered to 77 employees selected from a total population of 332 staff members using convenience sampling. Multiple linear regression analysis was applied to examine the relationships among the variables. The findings revealed that compensation, job promotion, and job satisfaction collectively have a significant impact on employee performance. However, when assessed individually, compensation showed no significant effect on performance, while job promotion demonstrated a positive and significant influence. Similarly, job satisfaction was found to positively and significantly affect employee performance.

Njora and Ndegwa (2020) examined the effect of motivation on employee retention, focusing on the role of employee rewards, job design, and career opportunities in Nairobi City County. Guided by content, instrumentality, and process motivation theories, the research adopted a descriptive design targeting 270 SACCOs in Westlands Sub-County. Simple random sampling was used, and primary data were collected through questionnaires tested for reliability using Cronbach's Alpha. Data analysis involved descriptive statistics as well as regression and ANOVA at a 5% significance level. The findings showed that employee rewards, job design, and career opportunities significantly and positively influence employee retention. The study recommends that SACCOs implement structured reward systems and provide diverse career growth opportunities to enhance retention. It further suggests longitudinal studies to explore the long-term effects of these motivational factors.

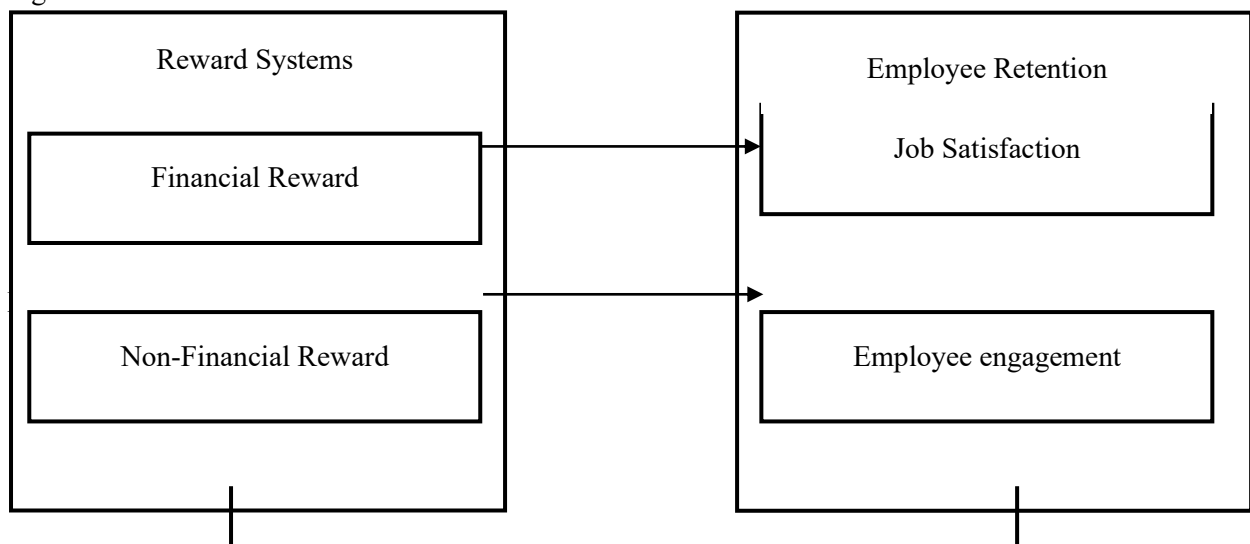
Agbenyegah (2019) examined the influence of financial and non-financial reward on employee performance within financial institutions in Ghana. Using an exploratory approach and qualitative methods, the study found that both types of rewards significantly contribute to improving employee performance. The researchers recommended that organizations boost productivity by enhancing salaries, allowances, retirement and leave benefits, as well as providing affordable housing initiatives. They further advised that institutions offer training programs tailored to different employee groups to strengthen their conceptual, interpersonal, and technical skills.

Zaraket and Saber (2017) investigated how financial rewards influence job satisfaction and employee performance among blue-collar workers in the construction, contracting, and printing industries in Lebanon. Data were collected through self-administered questionnaires distributed to 250 employees in these sectors, yielding a usable response rate of 52 percent (129 respondents) after data screening. SPSS was used to analyze the demographic characteristics and to conduct multiple linear regression tests on the proposed relationships. The findings confirmed all the hypotheses: financial rewards were significantly associated with job satisfaction, and job satisfaction, in turn, had a positive impact on employee performance. The study concludes that organizations in the construction, contracting, and printing industries should view financial rewards as a key factor in enhancing job satisfaction, which subsequently boosts employee performance.

The reviewed of empirical literature indicates that although numerous studies have examined the relationship between reward systems and employee performance, limited attention has been given to how reward systems influence employee retention. This study aims to fill this gap by specifically investigating the effect of reward systems on employee retention. Furthermore, the study addresses another gap by examining the impact of both financial and non-financial rewards on employee job satisfaction and engagement, respectively. Notably, the relationship between reward systems and employee retention within General Hospital, Ilorin, Nigeria, remains underexplored, creating a significant gap in human resource management research that the present study seeks to address.

Conceptual Model for the study

Figure 1



Source: Authors' model, 2025

Methodology

This study adopted a cross-sectional survey research design to examine the relationship between reward systems and employee retention at Kwara State General Hospital, Ilorin. The design is appropriate because it allows for data collection at a single point in time and provides a snapshot of the variables of interest among hospital staff. The target population comprised all staff of Kwara State General Hospital, including both clinical and non-clinical personnel. The total population size for this study was 319. This population included both permanent and contract staff who were actively engaged in their duties and available during the data collection period.

A sample size of 175 respondents was adopted for this study. The sample size was determined using the Krejcie and Morgan (1970) sample size table, a widely accepted method for determining sample sizes for finite populations. The selected sample size ensures a balance between statistical reliability and practical feasibility and is suitable for studies of this nature. A stratified random sampling technique was used to ensure adequate representation of both clinical and non-clinical staff. This approach helped to reduce sampling bias and improve the representativeness of the sample. Meanwhile, primary data was adopted using a structured questionnaire designed for self-administration. Data collected were analysed using multiple regression analysis using SPSS version 22.0. as it quantifies the unique effect of each predictor on the outcome and provides measures of model fit (R^2) and statistical significance.

Model Specification

H0₁: Financial rewards have no significant effect on employee job satisfaction in Kwara State General Hospital, Ilorin

$$Y = B_1X_1 + B_2 X_2 + B_3X_3 + E$$

Where:

Y = Employee Job Satisfaction

X₁ = Allowances

X₂ = Bonuses

X₃ = Salaries

E= Error Terms

H0₂: There exist no significant influence of non-financial rewards on employee engagement in Kwara State General Hospital, Ilorin.

$$Y = B_1X_1 + B_2 X_2 + B_3X_3 + E$$

Where:

Y = Employee recognition

X₁ = Career advancement

X₂ = Employee of the year awards

X₃ = Supportive work environment

Test of Hypotheses

H0₁: Financial rewards have no significant effect on employee job satisfaction in Kwara State General Hospital, Ilorin

Table1: Results of Multiple Regressions

Model	R	R square	Adjusted R square	St. error of the estimate
1	0.898	0.806	0762	0.2491

Source: Researcher's computation, 2025

Table 1 above depicts the R-value, which represents the correlation between the observed value and predicted value of the dependent variable which gives 89.8 percent. This shows that there is an adequate level of relationship between financial rewards and employee job satisfaction. The R² value which is an indication of the coefficient of determination from the model summary of .806 which indicates that 80.6 percent of employee job satisfaction is stimulated by the financial rewards while the remaining 35.7 percent of employee job satisfaction is stimulated by other unidentified variables.

Table 2: Coefficients

Model	Unstandardized coefficients	Standardized coefficient		T	Sig
	B	Std error	Beta		
Constant	0.801	0.714		5.639	0.004
Allowance	0.763	0.773	4.682	6.769	0.000

Bonuses	0.759	0.878	4.691	5.644	0.002
Salaries	0.718	0.762	3.590	5.836	0.001

Source: Researcher's computation, 2025

Table 2 above reveal the individual contributions of each predictor to the model. Allowance emerges as the most influential predictor, with a unstandardized beta coefficient of 0.763 and a highly significant p-value ($p < 0.000$). Also, bonuses have a strong and positive effect ($\beta = 0.759$, $p < 0.002$) on employee job satisfaction. And, salaries have statistical significant positive effect on employee job satisfaction ($\beta = 0.718$ $p < 0.001$).

H0₂: There exist no significant influence of non-financial rewards on employee engagement in Kwara State General Hospital, Ilorin

Table 3: Results of Multiple Regressions

Model	R	R square	Adjusted R square	St. error of the estimate
1	0.516	0.266	0.284	0.1221

Source: Researcher's computation, 2025

Table 3 above shows that 51.6% represents the correlation relationship between non-financial rewards and employee recognition in Kwara State General Hospital. However, the R^2 value which is an indication of the coefficient of determination from the model summary is .266 which indicates that 26.6 percent of employee engagement is stimulated by the non-financial rewards while the remaining 73.4 percent of employee engagement is stimulated by other unidentified variables.

Table 4: Coefficients

Model	Unstandardized coefficients	Standardized coefficient		T	Sig
	B	Std error	Beta		
Constant	0.382	0.215		2.116	0.001
Career advancement	0.261	0.121	1.117	2.212	0.002
Employee of the year awards	0.258	0.210	1.231	2.752	0.001
Supportive work environment	0.226	0.120	2.910	2.661	0.004

Source: Researcher's computation, 2025

Table 4 above reveal the individual contributions of each predictor to the model. Career advancement has a significant beta value of .261 with significant value of .002 which is less than p-value of .005. Likewise, employee of the year awards has a significant beta value of .258 with significant value of .001 which is less than p-value of .005. And, supportive work environment has a significant beta value of .226 with significant value of .004 which is less than p-value of .005.

Results

The findings of the study indicate that the reward systems has a significant influence on employee retention within Kwara State General Hospital, Ilorin. Specifically, the results show that both financial and non-financial rewards contribute to employees' intentions to remain in the organization, although non-monetary rewards such as recognition, career advancement, and supportive work conditions emerged as stronger predictors of retention than basic salary alone. For financial rewards, the R^2 value which is an indication of the coefficient of determination from the model summary of .806 which indicates that 80.6 percent of employee job satisfaction is stimulated by the financial rewards while the remaining 35.7 percent of employee job satisfaction is stimulated by other unidentified variables. The result is in line with outcome of Puspita, Charles, and Unang (2020) which concluded that

compensation, job promotion, and job satisfaction influence the performance of teaching staff at Mercu Buana University. Also, non-financial reward shows the R^2 value which is an indication of the coefficient of determination from the model summary is .266 which indicates that 26.6 percent of employee engagement is stimulated by the non-financial rewards while the remaining 73.4 percent of employee engagement is stimulated by other unidentified variables. This outcome is supported by the work of Nnadi, Eguji, and Ede, (2023) which concluded that non-financial rewards positively affect employee performance in private hospitals and recommended that management adopt recognition as a key strategy for enhancing team and organizational performance. The broader and more representative sampling across clinical and non-clinical staff also highlights that retention challenges are not limited to nurses and doctors but affect administrative and support personnel as well. Overall, the findings reinforce the argument that a multidimensional reward framework is essential for improving retention in public healthcare settings.

Conclusion

The study explores the relationship between reward systems and employee retention. It provides valuable insight into how a reward system enhances employee retention at the Kwara State General Hospital, Ilorin. The findings established that an effective reward system is crucial for retaining employees, as it significantly improves their job satisfaction, engagement, and intention to remain in the organization. Reward practices must not only align with employees' needs, expectations, and perceptions of fairness but also organisation's strategic objectives. When financial and non-financial rewards are administered equitably and strategically, they promote greater job satisfaction and employee engagement. Therefore, the study concluded that both financial and non-financial reward systems significantly contribute to employee retention in the Kwara State General Hospital, Ilorin.

Recommendations

Based on the findings of this study, the following recommendations were made:

- i. The management of Kwara State General Hospital, Ilorin should allocate adequate financial rewards that reflect current economic realities in order to enhance employees' job satisfaction and motivation to remain in the institution.
- ii. The Government and management of Kwara State General Hospital, Ilorin should ensure that non-financial rewards such as recognition, career advancement, employee of the year awards and positive work environment were strengthened to guarantee employee engagement and retention in the institution.

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