



**ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
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**RELATIONSHIP BETWEEN MOTIVATION AND EMPLOYEE PERFORMANCE:
THE CASE OF ANBASSA CITY BUS SERVICE ENTERPRISE**

**BY
TIGIST YEMIRU
ID NO.SGS/0237/2007**

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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF
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List of Abbreviations

ACBSE- Anbassa City Bus Service Enterprise

SPSS- Statistical Package For Social Sciences

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Abstract

The purpose of the study was to examine the relationship between motivation and employees' performance in the case of Anbassa City Bus Service Enterprise. The research is based on a combination of qualitative and quantitative data for the very clear fact that to understand and interpret the effect of variables. The study used a non-probability sampling technique mainly purposive sampling technique to select those respondents who are selected for this study purposely. It was used to select 283 respondents from the enterprise. In addition; the statistical tool SPSS version 20 software was used to perform descriptive and correlation analysis. Eight major independent variables are basically selected namely, Working Environment, Training & Development, Recognition, Promotion, Salary, Job Security, Reward and Management Communication style. The finding revealed that employees are not motivated by the motivational factors that are found in the enterprise. The more employees' gets motivated, the more efficient their level of performance would be. Therefore, the study recommends that the enterprise should develop the motivational strategies for better performance and for managers to have a comprehensive motivation scheme in all aspects of the enterprise. Finally, it is recommended that management attaches more importance to issues of employee motivation to make the enterprise survive amongst other transport organizations.

Key Words: Motivational factors, employees'performance

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

The interest in the motivation of human beings has existed and will continue to exist as long as the humans themselves do. The first signs of motivation dates back to ancient times, where the most simple and pure form human motivation, to seek pleasure and avoid pain, was guiding human behaviour (Porter, Bigley and Steers, 2009). One of the most important factors that move every human being to achieve his or her goal is motivation. Indeed, motivation is that guiding principle that enables people to stay focused on the path of success regardless of the challenges that may be encountered. This includes personal as well as professional goals and targets (Baumeister&Voh, 2004). Some scholars in the field believe that if this driving force did not exist, people would live in the rut of monotony and no great discoveries or interventions would have happened. According to Cory (2006), early conceptions assumed that work was an intrinsically undesirable pursuit and that workers naturally sought to do as little as possible which then translated into a sort of carrot-and-stick managerial policy.

To define motivation, we can say it is an aspect that is approached by different work levels, from senior to junior levels, in the workplace as employees up to all other workers and people in the organization. But, it is the manager role to start the motivation process and open the door for employees to add their inputs on what does really motivates them and it should be as a strategy to achieve business goals through their main assets which are people. Furthermore, Garderner and Lambert (1972), defined motivation as it is about the moving employees toward doing the job and achieving the goal through rewards. Based on that, several motivation theories should be used to be aware of almost all employee's needs. Moreover, Hislop, (2003) well-defined motivation as it is kind of force which pushes employees to do things which is a result of the individual needs being satisfied so that they have the inspiration to complete and proceed with the task.

In addition, motivated employees are needed and required in our rapidly changing workplaces and markets. They will help organizations survive by performing the job and work required with their full latent; hence employees will be more productive (Yongsun, Barbara, and Christy, 2002). Putting the right employees in the right positions depending on their skills and amount of work they can generate will enhance their ability to use their skills and abilities more frequently which will lead them to concentrate on the business missions and objectives (Yongsun, Barbara, and Christy, 2002). So, without motivation nothing exclusive will ever occur which will lead the organization to get a high performance rate, high productivity and hence high profit (Samira Al Jasmi, 2012).

A good employee performance is necessary for the organisation, since an organisation's success is dependent upon the employee's creativity, innovation and commitment. Good job performances and productivity growth are also important in stabilizing our economy; by means of improved living standards, higher wages, an increase in goods available for consumption, etc (Griffin et al., 1981). Griffin et al. also argue that therefore research of individual employee performance is important to society in general. The role of public sector is very crucial for the socio-economic development of developing country like Ethiopia. In Ethiopia, the technological improvement, economic prosperity, and social change are possible only through an efficient and effective system of public sector institutions. Public sector has been a labor intensive activity; it mostly renders services to various sorts of people. Public organization is controlled by the government and it's financed through taxes. It provides a vital service for the country. In the public sector operations, human resource occupies central place. It is the most dynamic resource due to its creative abilities as compared to the other. The most precious asset that can contribute greatly to the organizational efficiency and effectiveness is the human resource of organizations (Muhammad, 2009). One such organization in the public sector is Anbassa City Bus Service Enterprise (Acbs) which is located its head office in Addis Ababa Yeka Branch. To be the leading public transport service provider in the city is the vision of the organization. Whereas the mission is to provide sustainable, efficient, safe, modern and comfortable city bus transport service with an affordable price and integrating the routes with other public transport Models. (<http://www.Anbassa> City Bus Service Enterprise).

Many studies have been conducted on employee motivation by different researchers like TizazuKassa, (2015) conducted on employee motivation and its effect on employee retention in Ambo mineral water factory. The finding of the study indicated that employees are highly motivated with reward motivational factors and employees are less motivated with interesting work and training and development and working environment motivational factors (www.ijarcsms.com). Owusu T. (2012) conducted research on the effects of motivation on employee performance of commercial bank in Ghana and the researcher used salary, fringed benefits, promotion, and loans as motivational factors. The finding of the research indicate that employees are interested in enhanced salaries, fringed benefits, promotion, and car loans as motivating elements sufficient to push employees of the bank to give out their best. Persistent interest in and importance of motivation is related to numerous positive organizational outcomes, such as: increased productivity decreased absenteeism and reduced employee turnover. Thereby, the subject of motivation maintains an exciting and relevant subject among organizational researchers and practitioners (ZanetaBernotaite, 2013). Therefore, studying the relationship between motivation and employee performance was the concern of this study.

1.2 Statement of the Problem

Motivation is about giving the staffs the right mixture of guidance, direction, resources and rewards so that they are inspired and keen to work in the way that you want them to (Ludhans, 1992). Staff members are one of the most valuable assets. Mullins (2005) effectively motivating employees are one of the most important functions of a manager. A variety of factors motivate people at work, some are motivated with tangible, such as money, and others are motivated with intangible, such as a sense of achievement, recognition (Spector, 2003). Today many of the employees seem to be de motivated with their work or job. This demotivation leads organizations towards the failure and bad performance. Manzoor, Awan, and Mariam (2012) state that employees of all areas are dealing with stress and hence their performance is getting affected. According to Broni and Nanyeleye (2012), accomplishing and managing good performance of employees to accomplish organizational goals is a difficult job for the managers.

Motivation is one of the vast challenges facing many public institutions including Anbassa City Bus Service Enterprise in Ethiopia (Armstrong, 2006). According to Aschalew, (2015) lack of motivation among employees is the major factor of poor job performance in Anbassa City Bus Service Enterprise and poor services delivery is linked by lack of motivation among employees. According to Addis Ababa Bureau of city administration there are attitudinal problems among the enterprises drivers and fare collectors. There is also a high turnover of drivers and fare collectors to other private companies because of a low salary scale which is less than other similar transport organizations. They leave the organization due to the fact that they are not motivated enough with the financial and non-financial incentive and reward package. In any transport organization, the employees operating the buses are the frontline staffs who come in regular contact with the passengers. The quality of service as well as the customer satisfaction depends, to a large extent, on the interaction of these staff with the passengers. In other words, it is very important for a transport organization to have highly motivated frontline staffs who are dedicated to providing better quality of service. The working environment, compensation package and future prospects offered by the organization to the frontline staff would make a significant difference in their motivation levels and consequently the quality of service rendered to the passengers.

According to a research done on the evaluation of service delivery in Anbassa City Bus Service Enterprise by Aschlew Tsegaye (2015) indicate that, almost in all dimensions of service quality the enterprise service provision rated as poor and customers are not satisfied. One of the reasons for poor service delivery is because the employees are not satisfied with their salary amount and it has a negative impact on effective service provision and customers' satisfaction. Therefore, one of the reasons that this study inform is the unique importance of motivation available in relation to employee performance among Anbassa City Bus Service Enterprise. In so far as competent employees are necessary for organizational performances, there is the need, therefore, to find out and examine the relationship between motivation and employee performance in the enterprise. This is necessary to identify how best to retain employees in the organization employment and prevent constant mobility of skilled manpower.

1.3 Research Questions

The research has endeavored to answer the following research questions:

1. What motivational factors affect employee's performance at Anbassa City Bus Service Enterprise?
2. What is the relationship between employee's motivation and performance at Anbassa City Bus Service Enterprise?
3. What is the current level of employee's motivation at Anbassa City Bus Service Enterprise?

1.4 Objectives of the Study

The General Objective of the study is to examine the relationship between motivation and employee performance in the case of Anbassa City Bus Service Enterprise. In addition to the main objective, the study is carried out to achieve the following specific objectives:

- To find out the motivational factors that affect employee performance in Anbassa City Bus Service Enterprise.
- To determine the relationship between employee motivation and performance
- To find out the current employees' level of motivation

1.5 Significance of the Study

The study would give an immense benefit to Anbassa City Bus Service Enterprise and to other public service enterprises in that it highlight how the concept of motivation and employee performance are valued and understood and the need for all to pay attention to a variety of motivation issues. Furthermore, the study bring to light the different forms of motivation which will in-form the design of appropriate measures aimed at bringing out the best in employees with regard to performance. Again, the factors leading to high performance as well as causes of low performance will inform management and policy makers in their decision making. Moreover, it

gives researchers exposure to a wider scope of knowledge that they can use in case they need to carry on future research on similar topics.

1.6 The Scope of the study

This study examines the relationship between motivation and employee performance on Anbassa city bus service enterprise, Addis Ababa. ACBSE provides transport service across the center of Addis Ababa, to the outer surroundings of Addis Ababa and the town of Jimma. The enterprise has three branches in Addis Ababa namely Yeka, Shegole and Mekanissa. Due to time and financial constraints, the researcher considered that covering the whole branches into the study is unmanageable. Hence geographically, the study was limited to Yeka head office because available data and information can easily be acquired. In addition, the paper is also sample bound it only takes as a respondent only those employees that are drivers and fare collectors of the enterprise due to the fact that their motivation level compared to other employees is questionable. The study took only eight motivational factors into the study to see the relationship between employee motivation and performance namely reward recognition, promotion, job security, salary, training & development, management communication style and working environment.

1.7 Limitation of the study

In conducting the research various limitations were faced:-

- ✓ The samples were not volunteer to fill the questioner and unable to return the questioner.
- ✓ Financial limitation.
- ✓ Unavailability of resource.
- ✓ Failure of respondent to complete and return back questionnaire.

1.8 Definition of Terms

1.8.1 Employee Motivation:-Motivation is an employee's intrinsic enthusiasm about and drives to accomplish activities at work. (Furnham, 2004).

1.8.2 Employee performance:- is defined as the outcome or contribution of employees to make them attain goals (Herbert, John & Lee 2000) while performance may be used to define what an organization has accomplished with respect to the process, results, relevance and success Uganda National Development Program (1995). Afshan et al. (2012) define performance as the achievement of specific tasks measured against predetermined or identified standards of accuracy, completeness, cost and speed. Employee performance can be manifested in improvement in production, easiness in using the new technology, highly motivated workers.

1.9 Organization of the Paper

The research paper is organized into five chapters. The first chapter deals with introduction part of the study such as: background of the study, statement of problem, research questions objectives of the study, significance of the study, scope of the study, definitions of terms and organization of the paper. chapter two deals with the review of related literature. Chapter three concentrated on the methodological aspect, chapter four is about data analysis and interpretation. Finally, chapter five contains summary of findings, conclusions and recommendations of the result.

CHAPTER TWO: RELATED LITERATURE REVIEW

2.1 Review of Theoretical concepts

2.1.1 The Concept Motivation

The first question that arises is: “why managers need to motivate employees?” (Herzberg, 1959). According to Smith (1994) it is because of the survival of the company. Amabile (1993) adds to this statement by arguing that it is important that managers and organizational leaders learn to understand and deal effectively with their employee’s motivation; since motivated employees are necessary to let the organization being successful in the next century. She also argues that unmotivated employees are likely to expend little effort in their jobs, avoid the workplace as much as possible, exit the organization and produce low quality of work. In the case that employees are motivated; they help organizations survive in rapidly changing workplaces (Lindner, 1998). Lindner also argues that the most complex function of managers is to motivate employees; because what motivates employees changes constantly (Bowen and Radhakrishna, 1991).

The term motivation arose in the early 1880’s; before that time the term “will” was used by philosophers as well as social theorists when discussing effortful, directed and motivated human behaviour (Forgas, Williams and Laham, 2005). According to them motivation used to be considered as: *an entity that compelled one to action*. Lately, various researchers proposed different definitions of motivation. Motivation has been defined as: *the psychological process that gives behavior purpose and direction* (Kreitner, 1995); *a predisposition to behave in a purposive manner to achieve specific, unmet needs* (Buford, Bedeian, & Lindner, 1995); and B. Keijzers; *Employee motivation related to employee performance in the organization internal drive to satisfy an unsatisfied need* (Higgins, 1994); and *the will to achieve* (Bedeian, 1993). Mitchell (1982) stresses that although there is some disagreement about the importance of different aspects in the definition of motivation, there is consensus about some underlying properties. Namely, that motivation is an individual phenomenon, it is described as being intentional, it is multifaceted and that the purpose of motivational theories is to predict behavior. Mitchell (1982) also argues that motivation is concerned with action and the internal and external forces that influence one’s choice of action. And that motivation is not the behavior itself, and it

certainly is not performance. In relation to this, Mitchell (1982) proposes his own definition of motivation: “*motivation becomes the degree to which an individual wants and chooses to engage in certain specified behaviors*”.

2.1.2 Types of Motivation

Motivation, then, is fundamentally an inside job (Bruce/Pepitone, 1998, p.2). It originates from within the individual and causes him/her to be internally stimulated. This type of motivation is called intrinsic motivation. Ryan and Deci (2000) consider intrinsic motivation to be the most important and pervasive motivation. Because it is through this kind of natural motivational tendency that humans develop cognitive, social, and physical abilities (p.56). Frey and Osterloh (2002) distinguish between three forms of intrinsic motivation. In the first, people engage in an activity for its own sake, since they find the activity itself as a source of joy and satisfaction (p.8). Examples can be hobbies that one chooses to pursue, or in the work context fulfilling an interesting task. The second form is activities which are tedious and unexciting, but their accomplishment is a source of pleasure. For instance, meeting a deadline at work brings a sense of achievement, albeit the process is sometimes arduous. In the third form of intrinsic motivation it is a matter of compliance with standards for their own sake that propels people to act. These may be ethical standards one feels a need to respect, commitment to group members, or the desire to act according to values of material or procedural fairness (ibid.).



Figure 1: Forms of intrinsic motivation (Frey/Osterloh, 2002, p.9)

Despite its significance, many time people act not because they are intrinsically motivated, but rather because external factors prompt them to take action (Ryan/Deci,2000, p.60). This type of motivation is called extrinsic motivation and it concerns whenever an activity is done in order to attain an outcome that is separable from the activity itself (ibid.). In a career context, extrinsic motivation means the desire to satisfy needs or goals that are not related to the work itself. For example, work as a mere tool for earning money.

Be it intrinsic or extrinsic, motivation is not an end in itself, but rather a mean to an end (Wright, 2001, p.560). The ultimate goal of motivation is action, as insinuated by the last part of the definition – toward attaining a goal. And in the workplace, action means performance. Thus, the objective of work motivation research is “to learn how to motivate employees to perform the duties and responsibilities assigned by the organization” (ibid.). That being said, it is important to pay attention not to automatically team motivation with performance. Motivation alone does not determine performance. It is only one factor in a series of components that contribute to the level of employee performance (Rainey, 1993, p.22). Performance should not be mistakenly understood as productivity, since sabotage and absence are motivated behaviors as well (Landy/Coote, 2010, p.365). Motivation is also not to be confused with job satisfaction. Early experiments, such as the famous Hawthorne plant study in the late 1920s, led researchers to the false conclusion that happiness and satisfaction on the job equals high employee motivation to work. This has long been proven wrong (ibid., pp.406-407).

A worker can be extremely satisfied with his/her job and at the same time be unmotivated to exert effort. In fact, that Motivating Public Sector Employees is exactly one of the problems the public sector experiences – some employees are very pleased with their comfort work conditions, e.g. job security, and still have very little motivation to work. Nonetheless, job satisfaction should not be mislaid. It may not have a direct effect on motivation, performance, and productivity, but it sure has been found to be related to employee retention, thus indirectly influencing organizational costs associated with employee absenteeism and turnover (Wright/Davis, 2003, p.71).

Given the elaborations thus far, it is possible to conclude that work motivation is about the internal and external forces that influence individual’s degree of willingness and choice to engage in a certain specified behavior and action (Mitchell, 1982, p.82).

2.1.3 Importance of Motivation

Accordingly, in order to perform well employees need first to have the knowledge and skills that are required for the job. Then, they must understand what they are required to do and have the motivation to expand effort to do so. And last, employees need to work in an environment that allows them to carry out the task, e.g. by allocating sufficient resources (Mitchell, 1982, p.83). The multiplication sign in the equation emphasizes the importance of motivation – if motivation is equal to zero, even the most talented employee will not deliver. Similarly, an energized and highly motivated employee can reach good performance despite having some knowledge gaps (Landy/Conte, 2010, p.365). A good example for the latter situation is a new worker or trainee, who joins the organization fully motivated to work, yet lacks skills and experience. The motivation to learn and develop will quickly outweigh the weaknesses.

The effects of motivation do not stop with performance. In the group of motivated employees there are fewer work accidents, fewer rates of ethical problems, less employee turnover and lower levels of absenteeism (Jurkiewicz/Massey/Brown, 1998, p.246). Motivated employees feel less stress, enjoy their work, and as a result have better physical and mental health (Robison, 2010). Furthermore, motivated employees are more committed to their organizations and show less insubordination and grievance (Jurkiewicz et al., 1998, p.246). They are also more creative, innovative, and responsive to customers, thus indirectly contributing to the long-term success of the organization (MANforum, 2009, p.11). In short, motivated employees are the greatest asset of any organization.

Managers interact daily with front-line employees, especially in the case of junior and mid-level management. During these interactions supervisors unavoidably influence staff motivation with either good or bad results for the organization (Bruce/Pepitone,1998, p.2). For example, if you are a manager who does not offer feedback and shows no interest in the employee as a human being, it is natural for your subordinate to interpret this as a sign that you do not care about him/her (ibid.). And when continuously neglected, employees are likely to switch-off and resign inwardly, i.e. their motivation to work substantially decreases (MANforum, 2009, p.11). Therefore, actively engaging in employee motivation should be one of the primary tasks of a manager (Jurkiewicz et al., 1998, p.230). Surveys show most managers support this assertion (ibid., Kraut/Pedigo/McKenna/Dunnette, 2005, p.122) and believe they are doing a good job in motivating their staff (MANforum, 2009, p.13). Yet, reality proves the opposite is true: managers do not clearly understand the subject of motivation and more often than not motivational techniques are poorly practiced (Accel-Team YairRe'em website, 2010). What is more, although many employees are highly motivated when joining an organization, the majority of resignations can be attributed to disappointment with the immediate supervisor (Bevan/Barber/Robinson, 1997, p.21,24). Very few employees leave an organization just because of dissatisfaction with compensation and promotion opportunities (MANforum, 2009, p.13).

There are many reasons why so few managers appear able to really motivate their people. One explanation can be the lack of proper education (ibid.). Another may be the complexity of motivational theories on the one hand, and the absence of practical recommendations on the other (Latham, 2007, p.259). A more interesting answer may be grounded in the “Paradox of Choice”. This concept stipulates that ironically too many choices lead people to either choose none of the options or choose badly (Iyengar/Lepper,2000, p.997; Schwartz, 2004, p.70). And in the context of motivation, a plethora of theories results in poor implementation. Regardless of excuses, managers have to internalize that employee performance, productivity, and retention are all depending notably on their ability to motivate (Balk, 1974, p.320; Bowey, 2005, p.20).

2.1.4 Motivation Theories

Psychologists and behavioral scientists have developed some motivation theories and some of these theories have been developed by researchers. There are a number of different views of motivational theories. Motivation is not a simple concept; instead motivation pertains to various drives, desires, needs, wishes and other forces. Managers motivate by providing an environment that induces organization members to contribute. The need-want-satisfaction chain is somewhat oversimplified. Maslow's theory holds that the human needs form a hierarchy ranging from the lowest –order needs (psychological needs) to the highest – order needs (the need for self actualisation). According to Herzberg's two factor theory, there are two sets of motivating factors. In one set are dissatisfiers, which are related to the job content of the job. Vroom's expectancy theory of motivation suggests that people are motivated to reach a goal if they think that the goal is worthwhile and can see that their activities will help them achieve the goal (Robbins, 1998; Robert and Hunt, 1991).

The Porter and Lawler's model has many variables. Essentially, performance is a function of ability, the perception of task required, and effort. Effort is influenced by the value of rewards and the perceived effort-reward probability. Performance accomplishment in turn, is related to rewards and satisfaction (Robbins, 1998). Equity theory refers to an individual's subjective judgment about the fairness of the reward received for inputs in comparison with the rewards of others. Reinforcement theory was developed by Skinner, who suggested that people should participate in setting their goals and should receive regular feedback with recognition and praise. According to Robert and Hunt (1991), McClelland's theory is based on the need for power, the need for affiliation and the need for achievement. McGregor, in his book *the Human side of Enterprise* as quoted by Mullins (2005), argued that the style of management adopted is a function of the manager's attitudes towards human nature and behavior at work he put forward to suppositions called Theory X and Theory Y which are based on assumption about work and people (Mullins, 2005).

Content and process theories

The motivation theories seen above have been divided into two contrasting groups:

Content theories: place emphasis on what motivates and are concerned with identifying people's needs and their relative strengths, and the goals they pursue in order to satisfy these needs. Main content theories include: Maslow's hierarchy needs model; Alderfer's modified need hierarchy model; Herzberg's two factor theory and McClelland's achievement motivation theory (Koontz and Wehrich, 1990; Child, 1984).

Process theories: place emphasis on the actual process of motivation. These theories are concerned with the relationships among the dynamic variables which make up motivation, and with how behavior is initiated, directed and sustained. Major approaches under this include; expectancy –based models, equity theory goal theory and attribution theory (Koontz and Wehrich, 1990).

2.1.4.1 Abraham Maslow's Theory of Needs

Abraham Maslow (1908 – 1970) along with Frederick Herzberg (1923) introduced the Neo Human Relations School in the 1950's, which focused on the psychological needs of employees. Maslow put forward a theory that there are five levels of human needs which employees need to have fulfilled at work (Mary & Ann, 2011). Before the employee can move to the higher level of the hierarchy, he/ she has to be satisfied and got the needs from the previous level.

1. Physiological Needs: Physiological Needs are the basic needs that every individual needs to survive. They are like food, air, shelter and water. If these basic needs are not met, then the employee will not be able to go through other levels (Mary & Ann, 2011).

2. Safety Needs: Safety needs are the needs related the feeling of the employee of being secure and safe like having the medical insurance, job security, etc.

3. Social Needs – Love & Belonging: These needs are related to the interactions with other. The relationship of the individual with the people surroundings, Like having friends and feel accepted from others.

4. Esteem Needs: Esteem is the feeling of being important. Esteem needs are classified to internal and external needs (Vance & Pravin 1976). Internal esteems are these related to self-esteem like respect and achievement. External esteem needs are those such as social status and recognition that comes with the achievement.

5. Self-Actualization Needs: It is the need of reaching the full potential as an employee. According to Vance & Pravin (1976) this need is never fully achieved. Self-Actualization Needs are like truth, wisdom and justice. There are different ways the organization can satisfy their employees and motivate them. Money is the number one motivation factor that may satisfy the employee's physiological needs as well as the safety needs. Social needs can be met by providing the employee a workplace in a way that it is easy to communicate and collaborate with others. Also, organizations get to gather and entertainment activities will build good relationships between employees from different levels which will satisfy the social / Love & belonging needs (Bradley, 2003). Recognitions and rewards either verbally or formally will enhance the self-esteem of the employee. Finally, providing a challenging job with somehow interesting aspects will enrich the self-actualization needs of the employee (Gardner and Lambert, 1972).

2.1.4.2 Fredrick Herzberg Two Factor Theory

In 1959 Fredrick Herzberg introduced a theory with two motivation factors. The two factors are hygiene factors and motivators. The theory explains the factors that motivate employees by identifying their individual needs and desires. The dissatisfaction factor is called "hygiene" and the satisfaction factor is "motivators" (Bradley, 2003).

1- Hygiene factors

Hygiene factors are organization related. Like the policies and procedures, salary and job security. Dissatisfaction comes if these factors are not existed in the workplace. It simplifies the physiological needs which the employees expected and need to be satisfied (Bradley, 2003).

2- Motivator factors

Motivator factors determine satisfaction. They are intrinsic factors such as sense of achievement, recognition, responsibility, and personal growth which motivate employees for a greater performance (Bradley, 2003).



Figure-2: Two-Factor Theory of Fredrick Herzburg

2.1.4.3 Adams' Equity Theory

Adams's equity theory emphasized that employees have a need for fairness at work and value placed on their contribution at work. The willingness of the employees' to be part of the success of the organization depends on the evaluation of the fairness, or impartiality, of the rewards they will receive. In a reasonable situation, an employee receives rewards relative to the contribution he or she makes to the organization. Employees are motivated to preserve a balance between what they observe as their inputs or assistance and their rewards as compared to others (Robbins 2005, 186).

According to Adam's (1996, 37) inputs such as skill, tolerance, determination and enthusiasm, assistance given to other employees, experience, sacrifices made can be defined in many ways other than the number of hours spent at work. Meanwhile, output is not the remuneration received for the task done, rather it comprises the various types of financial and non-financial rewards such as recognition for the work, appreciation from co-workers, promotions received. Thus for an employee to feel secured, there needs to be a cohesive balance between inputs and outputs. Decision-makers within the organization should endeavor to prevent problems of equity by ensuring that rewards are fairly distributed on the basis of performance and that employees clearly understand the basis for their pay inclusive of benefits (Edward's 1999, 374).

2.1.4.4 McClelland's theory of needs

In 1961 David McClelland's identified three needs that employees require to be satisfied and motivated in the workplace (Ryan &Deci, 2000).

1- Need for Achievement (nAch): The employee with high need of achievement tries and does the best to attain challenging goals and objectives. Taking responsibilities is a character of the need for achievement person.

2- Need for Affiliation (nAff): The person who has a high need for affiliation is people oriented more than task oriented. The desire and needs of making relationships with people is there.

3-Need for Power (nPow): The person who has a need for power is in a managerial level where he wants to give orders and direct employees.



Figure-3: Acquired-Needs Theory of David McClelland's

2.1.4.5 McGregor's Theory X and Y

Motivational theories according to Keegan & McDonald (2002, 102) were developed by Douglas McGregor in his book "The Human Side of Enterprise" on the history of organizational management. McGregor proposed the two theories of motivation by which senior executives of business organizations tend to view or understand employee motivation. McGregor referred to these nearly opposite theories as Theory X and Theory Y. Both of these theories assume that the role of management is to organize resources, including employees, to best benefit the organization. According to Efron(1999, 157), McGregor, after carefully viewing the relationship between management and subordinates, concluded that managements view of human nature is based on certain groupings of assumptions that management tends to form toward employees. McGregor believed that given the normal circumstances employees within an organization would be willing to render their services including skills for the overall benefit of the organization.

He suggested that in order for employees to be motivated management should endeavor to give them the required opportunity to assist them in developing their skills by creating a congenial atmosphere which will permit these employees to determine or choose any methods they would prefer to adopt in achieving stated or agreed organizational objectives.

From the perspective of McGregor, the principal role of management is not to influence employees but instead align the needs of the employees with the organization in order for the employees to be in a position to control their own actions including performance. These insights lead researchers to explore the genesis and processes of motivation more closely (Schermerhorn 2010, 38)

2.1.5 The Role of Motivation

Motivated employees tend to play essential roles within an organization thereby making them essential and beneficial. Motivating employees according to Bowen & Radhakrishna (1997, 34) is thus not an easy task. Employees' are likely to be motivated in diverse ways taking into consideration their various positions or ranks within the organization. For instance an employee may be motivated when entrusted with many responsibilities and being allowed the freedom to take contingency decisions whilst another may prefer monetary rewards. In order for employees to be efficient it is necessary for management to understand what actually motivates their employees within the environment of the roles employees perform. This is basically due to the fact that strategies involved in the process of employee motivation are considered not to be static. Additionally, as employees draw closer to retirement, the delight attained in work satisfaction becomes more of a de-motivator. (Kovach 1996, 18)

2.1.6 Factors of Employee Motivation

As Wheelhouse (1989) argues "there are some factors which are basic to the workers performance and are not effective motivators in themselves but if these factors are neglected by managers it will have negative impact on motivation". The independent variables that are critically examined in this study are reward, recognition, promotion, job security, salary, training & development, management communication style and working environment.

Reward: When rewards are given to those who achieve high performance, they can become an important instrument to encourage the continuance of the desired behavior (Locke and Latham, 1990). In the work place, external rewards include incentives, benefits and other monetary forms of rewards. Such external rewards are normally used by managers as motivators. However, Herzberg (1968) argues that motivation comes from work itself and these external rewards are merely just satisfiers or dissatisfiers (Bowen, 2000). Managers who feel that their employees have a lack of motivation should reassess the reward systems being used in the company (Robbins, 2003). Managers must maintain a balance between the employee's base pay, benefits and other external rewards. These provide employee with a reward programme that is fair,

competitive and measurement-based. Once employees are motivated, they will be able to fulfill the customer's needs and together achieve the company's goal (Bowen, 2000). However, not all rewards are external. Internal rewards can occur as a result of a sense of accomplishment, attaining a level of excellence and success or making.

Recognition- it is a useful positive tool where usually people get recognized by their work and job done and based on that they receive recognition. Pinar, (2011) stated that employees work harder when they are recognized and appreciated for their effort toward the work and tasks have been given and this is a simple, easy and powerful strengthening system. When employees get recognized and appreciated, they do their best to prove the skill, talents and abilities they have. Furthermore, recognizing employees is also considered a way of communication that strengthens and rewards the outcomes people create for your business. For that, leaders should develop a recognition system which is powerful for both employees and organization (Hsiu-Fen, 2007). Employees who feel appreciated and recognized are more positive about themselves and their abilities to contribute. It also guarantees a positive, productive and innovative organization environment. Saying thank you as recognition will make the business successful (David, Louis, Micheal, 2004).

Promotion: usually satisfied employees who are given higher roles and responsibilities work as motivators toward unsatisfied employees. In order for employees to successfully take the new role, they should be given specific directions and expectations. They also are more open to the new responsibilities when they feel supported and have all the resources to perform the job (Jurgensen, 1978). Employees who are given new roles and high responsibilities are motivated to work harder because they see that all their effort in work will accomplish positive results and based on that they will receive recognition (David, Louis, Micheal, 2004).

Salary / wages/ increments- all these are temporary approaches used to motivate employees. Most of the researches and studies have proved that money and payments are important to employees relative to other motivators as earning a lot of money is an advantage for pushing toward motivation. It clarifies that when employees are satisfied financially, they motivate at work and work hard. Financial aspects like payments, allowances, salaries and bonuses increase and affect employee's productivity positively as a result of a study which has been done by Locke, Feren, McCaleb, Shaw and Denny (1980), they have concluded that introducing of

individual pay, increase productivity rate from 9% to 17%. So, it is obvious that when employees are motivated and satisfied, their productivity increases which adds value to the whole business. Also, Guzzo, Jette, and Katzell (1985), have done analysis on motivation programs and productivity, they found that financial aspects and payments are the largest effect on employee's productivity. Furthermore, Judiesch, 1994 stated that paying and salary increments for individuals from the organizations, increases the productivity. Furthermore, for employees to feel safe in terms of work, they prefer getting good salaries and allowances rather than receiving appreciation (Trank, Rynes, & Bretz, 2002). Yes, appreciation is important in order for employee's motivation, but the previous statement explains that good salaries are more important. On the other hand, when employees get high performance rate and a very good appraisal, they appear to be sensitive to whether their performance will be rewarded by money and pay increase or not (Harrison, Virick, & Williams, 1996; Trevor, Gerhart, & Boudreau, 1997). So, money concerns are always there and it is important for employees to work and give.

Security: According to Maslow's theory, security is a very vital factor whether in life or work. Most of the companies according to Wheelhouse (1989) offer the general security of insurance benefits, retirement programs, and saving plans. As he mentioned if employees are worried about their job for instance whether they will have the job next week so they are not likely to be very responsive, and they are not motivated to perform well.

Training & development: Employees' are to be given the necessary technical and interactive skills training on a constant basis to ensure that they render efficient and quality service to their customers whilst improving on their competencies. Technical skills training refer to the familiarization and training of employees with equipment and standard routines. Interactive skill training is more complex and tends to focus on teaching employees' problem solving, communications and interpersonal skills. Technical and interactive skills training programmes should not only be limited to employees, but should as well be conducted for managers. Training should be an ongoing process throughout the whole organization. To grow and maintain a workforce that is customer-oriented and focused on delivering quality service requires the organization to develop and invest in the right employee through having constant training if possible the entire workforce. (Valaries et al 1996, 314)

Working environment: whether working environment is plainly a satisfier or an active motivator is still to be decided. What is sure, though, is that there is no use trying to motivate high performance, while employees are frustrated by not having the right quality and amounts of equipment they need for their work (Bowey, 2005). Thus, managers should make sure their staff has the adequate space, tools, information technology systems, and materials they need for the job. Managers are then urged to prepare in advance all the equipment a new employees needs (e.g. a desktop and a chair). Managers should also hold a healthy (physically and mentally) working environment.

Management communication style:-Communication is an important aspect of motivation. It affects directly the employee motivation and satisfaction and choosing the best communication style to apply on employees when going for motivation is an important factor on motivation approach. For example, when management communicates with their employees face to face is a motivated approach to people than sending those emails (Helen, & Jacques, 2002). Employees who know what is going on in the company as soon as they can and directly from their boss and manager are very important. It builds a good relationship between them which will help a lot with motivation. By this, they can take the important decisions toward their job and work (Helen, & Jacques, 2002). The other way of good communication style and motivation aspect is communicating daily with every employee, hold one to one meetings and make sure that they aware about the changes to the work are an effective way of motivation (James & Lyman, 1982). As when managers/leaders communicate openly, honestly and be transparent with their employees has an affective on motivation of managers on employees (Jurgensen, 1978). Furthermore, implementing the “open door policy” for employees to share their ideas and discuss issues will make the managers and leaders understand the main issues of their employees will strength the relationship between the management and their employees which will help a lot with the motivation process (Zakeri, Olomolaiye, Holt, & Harris, 1996).

2.1.7 Employee Performance

Performance in organizations can be divided in organizational performance and job performance. The scope of this thesis lies at job performance, and is known as the result of an employee its work. A good employee performance is necessary for the organization, since an organization’s success is dependent on employee’s creativity, innovation and commitment (Ramlall, 2008). It is

generally accepted that an employee's performance is based on individual factors, namely: personality, skills, knowledge, experience and abilities (Vroom, 1964). Job performance also has its implications; the measurement of job performance is mostly not objective. In most organizations employee's performances are measured by supervisory ratings.

According to Perry and Porter (1982) one cause is that there are no generally accepted criteria for measurements. Hunter (1986) argued in his theory that ability and job knowledge play the most important role in job performance and designed a framework for measuring job performance in a less subjective manner. Although, it seems that there exist alternatives for measuring job performance objectively but they are scarce. However, the aim of this thesis is on the relationship between employee motivation and performance and not on designing an objective measurement for performance.

2.1.8 Approaches to Motivation on Employees' Performance and Behavior

To define employee performance is the way the individual is performing and behaving. Employee performance is not just tasks and work to be done just to get bonus or pay increase. It is an ongoing process where the main objective is to improve both individual and business performance (Baker, 1999). Moreover, employee's performance is a process used in most organizations in order to determine the abilities and productivity of the employees and usually employees set their objectives and goals for the upcoming period; they do the best to achieve it, monitor it and develop the right skills (Vallerand, 1993).

It is also a way to evaluate employees on their effectiveness at work in the organization through performance appraisals which looks at the weaknesses and strengths of the individual to determine where they might improve (Goldthorpe, Lockwood, Bechhofer, and Platt, 1968). Spurgeon and Harrington, (1989) stated that employees with high performance rate, are usually willing to give an extra effort to the organization when it is required. Also, more motivated employees are tending to be more loyal to their organization and hence producing attractive outputs (Ono, Watanabe, Kaneko, Matsumoto, and Miyako, 1991).

Furthermore, most of the researchers found that motivation helps improve the power of the individual toward the work (Asad, 1986). According to (Bradley, 2004), most of the researchers

see that there is obvious relationship between motivation and employee performance and if employees are motivated, they will produce better. Also, better performance will lead to high achievements and will result in greater motivation as when employees are motivated and satisfied; they have the authority to do the job required openly. In addition to that, Bradley (2004) came up with some practical guidelines for organizations to create conditions for motivation and employee performance including:

1. The organization has to provide the employee whatever is required like training in order for them to develop themselves at work.
2. While the HR hiring process, organization should hire people who are willing to develop and progress.

Also, motivated employees do more work than others with their high potential as they are satisfied and having high performance (Bradley, 2004). “If employees are motivated and happy they will do to the work to the best of their ability instead of just doing it because they have to”. (Ryan, &Deci, 2000).Deci, (1971), clarified those workers who are satisfied with their job and find it exciting will enjoy it and can therefore choose to do good work. Moreover, “an employee who is motivated by an enriching work will obtain a higher value than an employee not motivated” (Akerlof, and Kranton, 2005) and motivating employees will benefit both the employees as well as the business. Employees will provide more of what they have for work and will do the job with their full potential (Jen, Chyan, Bih-Huang, and Hero, 2004). And when business and firms’ receives continual improvement and positive performance from their employees, the reward goes to the motivated employees (Chadwick, Hunter &Walston, 2004). Moreover, giving higher responsibilities motivates some employees as (Khodov, 2003) stated that employees, who get responsibilities and work hardly with the tasks he/she has been given to achieve the objectives and goals of the task, feel that they are engaged with the business which leads them to use their abilities more effectively. As a result, when employees feel motivated to work are likely to be more stable, productive and innovative and turn out the work with high quality and with their full potential. On the other hand, unmotivated employee are likely spend little time with no effort on work, avoid the work as much as they can, leave the organization as soon as they get another opportunity and they produce low quality work (Wigfield, Guthrie, Tonks&Perencevich, 2004).

But, although motivation is important for employee positive performance, their ability to do the work and resources available or given to perform the job are really more important (Alexander, Ryan, &Deci, 2000). For example, there could be two employees who are doing the same job and performing the same tasks but each one of them is doing it for different goal and motive (Alexander, Ryan, &Deci, 2000).On the other hand, unmotivated employees loose the interest on work which leads to leave the work. Leaving of experienced employees affects the work so hardly. So, as long as employees are motivated, they will have the desire to establish a good reputation as an employee which will lead him to produce more and better (Alexander, Ryan, &Deci, 2000).

2.1.9 Empirical Research

There are many research works done related with this study. However the researcher tries to see three of them which are more related to the topic. The titles with their objectives and major findings were discussed below to have an insight about these studies. The first work is a thesis done by Thomas owusu (April, 2012) with title of “Effects of Motivation on Employee Performance: A case study of Ghana Commercial Bank, Kuamsi Zone.”. The main purpose of the study was to assess the motivational packages available at Ghana Commercial Bank and how it affects employee performance towards the Bank’s corporate objectives with the following specific objectives: To assess the various motivational packages for the staff of GCB Ltd and to determine which of these motivational packages influence staff performance at GCB Ltd. Based on these objectives he found that, management can make use of different strategies and policies to motivate employees in the banking environment. Employees are interested in enhanced salaries, fringed benefits, promotion, and car loans as motivating elements sufficient to push employees of the bank to give out their best. The study also revealed that if management withdrew motivational packages it will have serious repercussions on employees’ performance.

The second work is done by Samira Al Jasmi, (March 2012) entitled as “Study on Employees Work Motivation and its Effect on their Performance and Business Productivity. Her main purpose of the study was to understand the relationship between employee work motivation and employee’s performance. The study also analyzes the main motivation theories and approaches commonly used and followed by the following specific objectives:-Explore why employees should be motivated, investigate the commonly used motivation theories and approaches, to

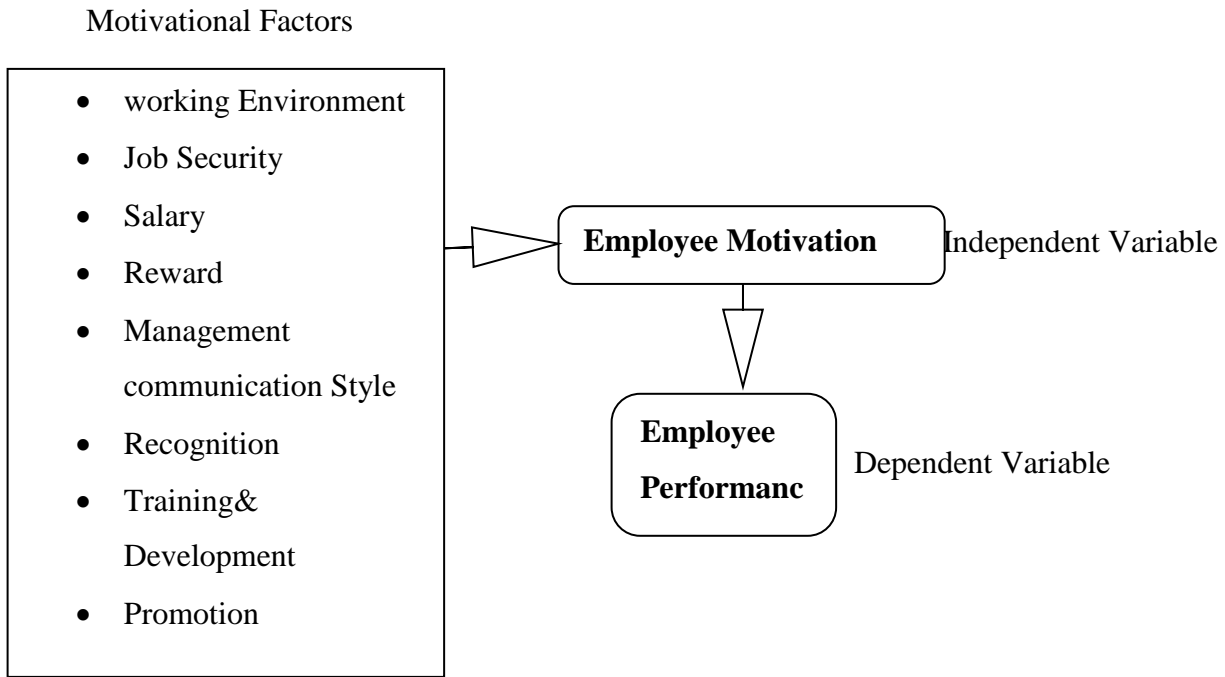
examine the impact of different approaches of motivation on employees' performance in the workplace and the effect of performance on business productivity. With this objective in mind the findings provide that employees of the organization are not motivated.

The third work taken is entitled as "Effect of motivation on employee performance of commercial banks in Kenya: A case study of Kenya Commercial Bank in Migori County a thesis by Pamela Akinyi Omollo (2015). This study sought to assess the effect that motivation had on the job of workers of the Kenya Commercial Bank in Migori County. The study also focused on the demotivating factors like delay of promotion, no clear career progression, unreasonable load, long working hours and lack of appreciation from the managers. Based on these the study indicates that monetary rewards significantly affect the performance of the employee in the organization. Similarly this study tries to assess the stated objectives based on theoretical knowledge and give more emphasis on motivation and Employee performance.

The final work is done by Samson Yimka, (April 2015) entitled as "motivation and employees performance in the Nigerian banking industry a survey of selected banks. The main purpose of the study was to depict the effect of motivation on employees' performance in the Nigerian banking industry. The study raised the following research questions:- to what extent are the employees' motivated in the Nigerian Banking Industry, what is the status of employees' performance in the Nigerian Banking industry and if there is any significant relationship between motivation and employees' performance in the Nigerian banking industry. The main finding of the study clearly evidenced that motivation has an effect on employees' performance. Similarly this study tries to assess the stated objectives based on theoretical knowledge and give more emphasis on motivation and Employee performance.

2.1.10 Conceptual Framework of the Study

The dependent variable is Employee performance. The independent variable is Employee motivation. There are eight motivational factors under the study working environment, Job Security, Salary, Reward, Management Communication style, Recognition, Training & Development and Promotion.



Source: Developed for this research

Figure 4: Conceptual framework of the relationship between motivation and employee performance

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

This chapter discusses the research design that the researcher use in the Research paper. It also presents the population and sampling design, data collection methods, research procedures and data analysis methods that the researcher employ in this particular study.

3.2. Research Design

This study used both qualitative and quantitative data collection methods. Qualitative and quantitative researches both provide an in-depth look at context, processes, and interactions and precise measurement of attitudes and outcomes. In this mixed method the presentation of the results can be convincing and powerful (Marguerit, Dean, & Katherine, 2006). It is examined in qualitative & quantitative for the very clear fact that the focus on understanding and interpretation of the data as well it deals with the effects of variables. The research method is explanatory research method hence it elaborates the relationship of motivation and Employee performance. Correlation was used positively for employee's performance and again to suggest how to use such variables in harmony with the relation of variables. The data type as well non-probability for it is purposive on choosing who responds the questionnaires or interviews organized all at once.

3.3 Sampling and Sampling Technique

The target populations for this study were Anbassa City Bus Service Enterprise head office (Yeka Branch) employees. A suitable sample size for the study was drawn from this population. This population is considered to possess the qualities desired and had the capacity to facilitate the realization of the specific objectives of the study. The sampling frame for this study comprised of employees of the enterprise mainly bus drivers, fare collectors, and human resource manager of the enterprise.

The current man power size of Anbassa is 4,099 and out of which 1072 are bus drivers, 1,300 are fare collectors; 736 are mechanics; 290 are dispatch and control officers, 601 are support staffs and the remaining 100 are different levels of managers. The reason why Yeka branch were chosen is because it's the main office of the enterprise that available data and information will be acquired and the reason why only drivers and fare collectors were chosen is because they are the frontline staffs that contribute a lot if they are motivated enough. Since the turnover is high and they are leaving to other transport companies the researcher feels that it's is important to take respondents from bus drivers and fare collectors. Therefore the total number of employee's in Yeka branch will be 964. Based on Taro Yamane (1967), sample size determination formula, sample size computed.

$$n = \frac{N}{1 + N(e)^2}$$

Where n = sample size

N= is the population size, and

e = is the level of precision or sampling error

According to this formula the sample size of the study is 283.

The researcher used Purposive sampling method, the reason behind using is to select all key informants based on their role of providing insight information that were not be provided by other respondents. The researcher through this technique was able to obtain enough information about the phenomenon under the study. From the total number of population (964) the number of samples taken was 284 including human resource manager of the enterprise.

3.4 Source of Data & Methods of Collection

Types of data that are used in research endeavors are two. This information can either be primary or secondary. In this research, primary data and secondary data were considered. With regard to the relationship between motivation and employee performance, primary data were collected from employees and management of the enterprise and secondary data is collected to describe different motivation theories and factors from journal articles and other published information's. The reason why primary data and secondary data were chosen is because the former gives greater details and more accurate results of the study and the latter is easier to use and tends to be more comprehensive, reliable and valid.

- ✓ Questionnaires were distributed by using Likert Scale with five response categories (Agree, Strongly Agree, Neutral, Disagree, and Strongly Disagree).
- ✓ Formal interview were the other primary data source which enables the researcher to secure data in relation to the motivational factors with the Human Resource Manager of the enterprise.
- ✓ Secondary data sources: Literature were reviewed regarding motivation and employee performance and Reading of different books, searching archives of the enterprise, and using internet were employed by the researcher to gather secondary data.

3.5 Data Analysis Methods

Statistical Package for Social Science (SPSS) software for version 20.0 was employed to analyze and present the data through the statistical tools used for this study, namely descriptive analysis, correlation analysis. The descriptive statistical results were presented by tables, frequency distributions and Percentages to give a condensed picture of the data. This was achieved through summary statistics, which includes the means, standard deviations values which are computed for each variable in this study. Pearson's correlation coefficient was used to determine the relationships between employees' motivation and performance.

3.6 Reliability and Validity

After designing the questionnaires and interview questions, the researcher had a pilot test in order to see that those questionnaires are appropriate to measure the consistency in all occasions. The test also helps to check whether the questionnaires measure the consistency or not. Hence, the researcher believed that the instrument is valid. Reliability is the extent to which a test or procedure of data collection yields similar results under a constant conditions on all occasions. As a result, the researcher has checked the reliability of the instruments used in this study by pre testing the questionnaires and interviews in the field. The researcher then gave questionnaires guides to the same groups of respondents and the results were confirmed that the same response. Hence, the researcher concluded that those questionnaires were reliable. The study was undertaken using a mixed type of research design to ascertain the relationship between employees' performance and motivation. Cronbach's alpha is a coefficient of reliability. It is commonly used as a measure of the internal consistency or reliability of a psychometric test score for a sample of examinees. Hence, according to Lombard (2010), Coefficients of .90 or greater are nearly always acceptable, .80 or greater is acceptable in most situations, and .70 may be appropriate in some exploratory studies for some indices.

Table 3.8 Reliability Statistics

Cronbach's Alpha	N of Items
.774	27

Source: Own Survey, May 2016

The table indicates the test has a reliability of 0.774 meaning that the questioner and the respondent's response were reliable and properly validated.

3.9 Ethical Consideration

Among the significant ethical issues that will be considered in a research process include a letter of cooperation that will help to assist the researcher in conducting the study. Therefore, a letter of cooperation was received from the recognized university and given to the enterprise. Before the collection of data, respondent's approval were taken. They were informed the reason and intention of this study. In the process of data collection due care were taken to make the study ethically sound. All data used in the study were collected from the respondents, presented, analyzed and interpreted. Since the topic under the research requires employee's confidential, proper guidance and confirmation were given to the employees of the enterprise.

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

This chapter explained data analysis, discussion and interpretation based on the data. In addition to this, background information of respondents was presented. Finally, the statistical methods of analysis were discussed, which included a descriptive analysis, a correlation analysis through SPSS version 20.

This Chapter explained the information gathered from the survey through the use of questionnaires. Two hundred eighty three questionnaires were distributed to the respondents and out of the 283 questionnaires 268 of them were collected with a response rate of 95%. The responses of the respondents have been analyzed and the results have been presented in the form of tables.

4.1. Respondents Demographic Characteristics

This part deals with the demographic characteristics of respondents, mainly gender, age, educational status, service year and position as shown in table 4.1 below.

Table 4.1 Demographic Characteristics of Respondents

	Frequency	Percent (%)
Gender		
Male	167	62
Female	101	38
Total	268	100
Age		
Under 25	35	13
26-35	147	55
36-45	49	19
46 and above	37	13
Total	268	100
Educational Background		
Elementary	30	11
Preparatory	103	38
Certificate	46	17
Diploma	85	32
BA/BSC	4	2
Total	268	100
Year of Service		
Less than 1 Year	43	16
1-4 Years	119	44
5-10 Years	104	39
More than 10 Years	2	7
Total	268	100
Position		
Driver	142	53
Fare Collectors	126	47
Total	268	100

Source: own survey data (May, 2016)

As per indicated in the Table 4.1 above, regarding gender 62% of the respondents are male and 38% of the respondents are females, this implies most of the employees in Anbassa are males. With regard to age 13 % of respondents have age under 25, 55 % have age between 26-35, 19% have age between 36-45, and lastly 13% falls above 46. This shows that the company has very young and energetic employees who can contribute in accomplishing organizational goals. The educational background of the respondents showed that 38% of the respondents have Preparatory educational status , 32 % have a college diploma and 17 % have a certificate also 11% of the respondents have attended elementary and the rest 2% have a BSC/BA degree.

Overall in assessing the human capital of an organization, educational background of the respondents indicated that they have a capacity in the contribution of the company based on the requirement that is stated by the organization position requirement procedure. Regarding year of service in the enterprise 44% of the employees have one to four years' experience and 39% of the employees hold five to ten years' experience, the rest 16% and 7% have less than one year and more than ten years' experience. This shows year of service in the organization is very much short and this implies there is frequent turnover of employees. With regard to position in the organization, 53 % of the respondents were Drivers and the other 47% were fare collectors.

4.2 Data Analysis and Interpretations Related to Motivational Factors

Table 4.2.1 Level of Satisfaction over the job and working environment

Statements	Level of Agreement	Frequency	Percent (%)
Employees level of satisfaction over the job	Strongly disagree	23	9%
	Disagree	67	25%
	Neutral	46	17%
	Agree	56	21%
	Strongly agree	76	28%
	Total	268	100%
Statements	Level of Agreement	Frequency	Percent (%)
The enterprise has a healthy working environment that helps to perform the job willingly	Strongly disagree	33	12.3%
	Disagree	71	26.5%
	Neutral	8	3%
	Agree	73	27.2%
	Strongly agree	83	31%
	Total	268	100%

Source: own survey data (May, 2016)

Job can create satisfaction to workers. Therefore, if employees feel properly motivated by their job, they use their skill and knowledge up to their maximum capacity to show better result to the management. This is because intrinsic motivators come from a person's internal desire to do something that motivated by such things as interest, challenge and personal satisfaction. If workers are motivated by their work, they genuinely care about their work, look for better ways to do it and they able to energized and satisfied by doing it well (N.C.Jian and Saakshi,2008). One can see from the above Table 4.2.1 that, the majority of employees 28(28 percent) and 21(21 percent) strongly agree and agree respectively about the existence of satisfaction on the job. 25% and 9% disagree and strongly disagree on the issue while 17% were neutral.

This implies workers who are satisfied with their job and find it exciting will enjoy it and can therefore choose to do good work. 31% and 27.2% of the employees strongly agree and agree

respectively on the good condition of the working environment. 26.5% and 12.3% of disagree and strongly disagree on the conduciveness of the working environment while the 3% of the respondents were neutral on the issue. This implies the majority of the employees were satisfied by the conduciveness of the working environment, this in turn enhance their workout put level.

Table 4.2.2 Equipment's and materials

Statements	Level of Agreement	Frequency	Percent (%)
The Enterprise fulfills all the necessary materials and equipment's for the Job	Strongly disagree	129	48.11%
	Disagree	111	41.4%
	Neutral	6	2.2%
	Agree	4	1.5%
	Strongly agree	18	6.7%
	Total	268	100%

Source: own survey data (May, 2016)

As indicated on the above table, the majority of respondents, 48.11% and 41.4% strongly disagreed and disagreed on the availability of the equipment's. While 6.7 % and 1.5% responded that they strongly agree and agree on the availability of the equipment's on the job, the remaining 2.2% were neutral on the issue. Thus motivation is questionable regarding with the availability of materials and equipment's that are required for the job. According to the interview made with the human resource manager the enterprise provides its employees the necessary materials timely but because of short of budget all requested materials may not be provided to employees and this is a great concern to the enterprise".

According to Bowey, 2005 employees will be frustrated if they don't have the right quality and amounts of equipment they need for their work. Therefore their performance over their job will be declined and this in turn could cause low productivity and profitability in the enterprise.

Table 4.2.3 Job Security

Availability of Security insurance benefit, retirement programs, and saving plans	Choose alternatives	Frequency	Percentage
	Yes	226	84.3
	No	42	15.7
	Total	268	100

Source: own survey data (May, 2016)

Table 4.2.3 above one can see that 84.3(84.3 percent) of the employees expressed that they have Security insurance benefit, retirement programs, and saving plans and 15.7 (15.7 percent) of them expressed that they don't have Security insurance benefit, retirement programs, and saving plans. This implies that the enterprise has security, insurance benefits, retirement programs and saving plans for the employees. Since security is vital factor weather in life or work when this motivational factor is available in the enterprise employees will be motivated.

Table 4.2.4 Attractiveness of Salary, Reward and incentive system

Statements	Level of Agreement	Frequency	Percent (%)
The enterprise salary is appropriate and attractive for the job	Strongly disagree	131	48.90%
	Disagree	92	34.30%
	Neutral	4	1.50%
	Agree	26	9.70%
	Strongly agree	15	5.60%
	Total	268	100%
Statements	Level of Agreement	Frequency	Percent (%)
The enterprise provides a rewarding and incentive system based on performance	Strongly disagree	83	31%
	Disagree	108	40.30%
	Neutral	23	8.60%
	Agree	22	8.20%
	Strongly agree	32	11.90%
	Total	268	100%

Source: own survey data (May, 2016)

One can see from the above Table 4.2.4 that employees are not satisfied by their salary amount 48.9% and 34.3% percent of employees replied that they are strongly disagreed and disagree respectively about satisfaction regarding with their salary. Only 9.7%,5.6%, and 1.5% agree, strongly agree and neutral respectively on attractiveness of their salary. According to Guzzo, Jette, and Katzell (1985), have done analysis on motivation programs and productivity, they found that financial aspects and payments have the largest effect on employee's productivity. In the study, the most important factor of motivation, pay, is one of Herzberg's Two-Factor Theory classified as an extrinsic or a hygiene factor. The theory stipulates that the absence of good salaries (or poor salaries) certainly causes most employees to look for better job opportunities elsewhere. One of the problems in Anbassa City Bus Service Enterprise is the turnover of employees especially bus drivers and fare Collectors' because of low salary scale compared to other transport organizations.

When rewards are given to those who achieve high performance, they can become an important instrument to encourage the continuance of the desired behavior. Once employees are motivated, they will be able to fulfill the customers' needs and together achieve the company's goals (Bowen, 2000). As indicated in the above Table 4.2.4 that the majority of employees 40.3(40.3 percent) and 31(31 percent) disagree and strongly disagree respectively about the existence of effective reward and incentive system which initiate employees to perform better. Only 11.9% and 8.2% strongly agree and agree respectively that there is attractive incentive and reward program based on performance. The other 8.6 % were neutral on the issue. This showed that most of the respondents are not satisfied by the reward and incentive system of the enterprise. However According to the interview it is difficult to say that all employees are motivated with the same thing but majority of the employee's are motivated by financial packages and different allowances. Employees tend to prefer monetary incentives rather than non-monetary benefits. There are incentives that are available for bus drivers and fare collectors for instance for each travel depending on the amount of the passengers they hold drivers have 0.30 centes per person and fare collectors have 0.15 each.

Table 4.2.5 Time Schedule of Rewards

Statements	Level of Agreement	Frequency	Percent (%)
The Enterprise gives the reward on time	Strongly disagree	113	42.2%
	Disagree	106	39.6%
	Neutral	18	6.7%
	Agree	16	6%
	Strongly agree	15	5.6%
	Total	268	100%

Source: own survey data (May, 2016)

The importance of reward in the day to day performance of workers duties cannot be overemphasize, especially when it comes to being rewarded for a job done. Employees place great value on the different rewards given to them and when these rewards are not given timely, employees tend to express their displeasure through poor performance and non-commitment to the job. As indicated in the above table 4.2.5 42.2 % and 39.6 % of employees strongly disagree and disagree respectively with the schedule of reward. 5.6% and 6% strongly agree and agree on schedule given for reward. The 6.7% were neutral on the issue. The researcher observed that even if the enterprise has reward and incentive system for the employees, majority of the employees couldn't get there reward on time.

Table 4.2.6 Management Communication Style and Relationship among Employee's

Statements	Level of Agreement	Frequency	Percent (%)
Employees are satisfied with management communication style	Strongly disagree	104	38.8%
	Disagree	99	36.9%
	Neutral	8	3.0%
	Agree	40	14.9%
	Strongly agree	17	6.3%
	Total	268	100%
Statements			
The relationship among employees in the enterprise is encouraging	Strongly disagree	73	27.2%
	Disagree	91	34%
	Neutral	3	1.1%
	Agree	51	19%
	Strongly agree	50	18.7%
	Total	268	100%

Source: own survey data (May, 2016)

As when managers/leaders communicate openly, honestly and be transparent with their employees it has an effect on motivation of employees (Jurgensen, 1978). Furthermore, implementing the “open door policy” for employees to share their ideas and discuss issues will make the managers and leaders understand the main issues of their employees will strength the relationship between the management and their employees which will help a lot with the motivation process (Zakeri, Olomolaiye, Holt, & Harris, 1996).

However as indicated in the above table 4.2.6 38.8 % and 36.9 % of the respondents strongly disagreed and disagreed respectively that there is satisfactory management communication style. 14.9% and 6.3 % agreed and strongly agreed respectively on the issue whereas the remaining 3% were neutral. This shows that there is no open door policy in the enterprise and the management communication style is very rigid.

According to the interview management and employees have a smooth relationship, there are meetings that involve employees and the management through that employees raise questions and any grievances will be raised and the management with the employees communicate freely. This creates a strong relationship between the two”. The above Table 4.2.6 also clearly indicates that the majority of employees 34% and 27.2% disagreed and strongly disagreed on the relationship between employees each other. 19% and 18.7%, of respondents agreed and strongly agreed on the relationship between employees respectively. Only 1.1% of them said that they are neutral. This indicates that under such environment there cannot be smooth working condition between the employees.

Table 4.2.7 Complaint handling mechanism and Recognition

Statements	Level of Agreement	Frequency	Percent (%)
The Enterprise has a dispute/grievance handling mechanisms	Strongly disagree	141	52.6%
	Disagree	80	29.9%
	Neutral	3	1.1%
	Agree	38	14.2%
	Strongly agree	6	2.2%
	Total	268	100%
Statements	Level of Agreement	Frequency	Percent (%)
Employees are recognized and appreciated for effective job performance by their immediate boss	Strongly disagree	112	41.8%
	Disagree	105	39.2%
	Neutral	5	1.9%
	Agree	37	13.8%
	Strongly agree	9	3.4%
	Total	268	100%

Source: own survey data (May, 2016)

Employees were asked whether there is effective complaint handling mechanism in the Enterprise or not. 52.6 %, 29.9% of the employees strongly disagreed and disagreed that there is no complaint handling mechanism in the enterprise while 2.2 % and 14.2% of them strongly agreed and agreed respectively that there is a complaint handling mechanism in the enterprise. 1.1 % of employees were neutral on the issue.

This implies that when employees are treated unfairly the grievance handling mechanism is not strong to support them and this affects employees to be discouraged and to perform less. Pinar, (2011) stated that employees work harder when they are recognized and appreciated for their effort toward the work and tasks that have been given and this is a simple, easy and powerful strengthening system. When employees get recognized and appreciated, they do their best to prove the skill, talents and abilities they have. Furthermore, recognizing employees is also considered a way of communication that strengths and rewards the outcomes people create for your business. For that, leaders should develop recognition system which is powerful for both employees and Organization (Hsiu-Fen, 2007). However as indicated in the above table 4.2.7 41.8% and 39.2% of the respondents were not recognized and appreciated by their boss. Whereas 3.4% and 13.8% of the employee's responded that they are appreciated and recognized for effective job performance. 1.9 % answered neutral on the issue.

Table 4.2.8 Trainings Schedule and financial aspects

Statements	Choose alternatives	Frequency	Percent (%)
How many training program attended in the past 5 years	No Training	65	24.3%
	One Training	99	36.9%
	Two Trainings	46	17.2%
	Three Trainings	16	6.0%
	Above three trainings	42	15.7%
	Total	268	100%
Statements	Level of Agreement	Frequency	Percent (%)
The financial aspects like payments, allowances, and bounces of the enterprise are satisfying	Strongly disagree	123	45.9%
	Disagree	66	24.6%
	Neutral	19	7.1%
	Agree	25	9.3%
	Strongly agree	35	13.1%
	Total	268	100%

Source: own survey data (May, 2016)

To grow and maintain a workforce that is customer-oriented and focused on delivering quality service requires the organization to develop and invest in the right employee through having constant training if possible the entire workforce. (Valaries et al 1996, 314). Employee’s response about getting training that can help improve efficiency in work is discussed here under. As indicated in the above Table 4.2.8 above one can see that 36.9(36.9 percent) of the employees expressed that they get only one training 24.3(24.3 percent) reported that they haven’t got any training from the enterprise. 17.2% and 6.0% of the employee’s replied that they get two and three trainings over the past five years respectively. While the 15.7 % were neutral on the issue. This indicates that when trainings are not given in a constant basis employees will not render efficient and quality service to their customers.

Since the enterprise is short of budget training programs are not given in continuous bases but essential training that are needed in the job are given when they first joined the enterprise”.

Financial rewards are directly or indirectly associated with money that motivates workers to improve their performance in the organization. According to Equity theory (James A. Stoner, et al, 1995), individuals are motivated when they experience satisfaction with what they receive in rewards to the efforts they applied in the organization. Employees compare their inputs or Contributions and the rewards they receive for their contribution in relation to the output they produced. The most important financial motivation are wages and salaries. As per the respondents response mentioned in table 4.2.8 above concerning employee's satisfaction regarding organizations financial rewards 45.9% respondents strongly disagree, 24.6% of the respondents Disagree, 13.1% of the respondents strongly agreed, 9.3 % of the respondents agree and 7.1% were neutral.

Table 4.2.9 Bases for promotion in the Enterprise, performance evaluation and promotion system

The bases for promotion in the Enterprise	Choose alternatives	Frequency	Percentage
	Seniority	32	11.9%
	Performance	130	48.5%
	Relationship	106	39.6%
	Total	268	100
In what way performance of employees is evaluated in the enterprise	Peer Evaluation	19	7.1%
	Self-Evaluation	29	10.8%
	Supervisor Evaluation	138	51.5%
	Combinations of the above	82	30.6
	Total	268	100
The enterprise promotion system is fair and appropriate	Strongly Disagree	96	35.8%
	Disagree	98	36.6%
	Neutral	17	6.3%
	Agree	29	10.8%
	Strongly Agree	28	10.4%
	Total	268	100

Source: own survey data (May, 2016)

Employees who are given new role and high responsibilities are motivated to work harder because they see that all their effort in work will accomplish positive results and based on that they will receive recognition (David, Louis, Micheal, 2004). As per the respondents response mentioned in table 4.2.9 above concerning promotion base in the enterprise 48.5 % respondents explained that the promotion base is based on the performance of employees, 39.6% of the respondents replied that the promotion is based up on the relationship that is tied into employee's each other and with the management. Most of employee's mentioned that promotion is done on relative bases whereas 11.9 % of the respondents were replied that it's based on seniority. As soon as any promotion is out employees were encouraged to apply to the human resource department and compete for the position for instance fare collectors were promoted to different positions like junior accountants based on their educational background”

As per the respondents data presented on the above table 4.2.9 51.5% responded that evaluation is done by supervisor evaluation, 30.6 % of the respondents said that performance evaluation is done by combination of peer, self and supervisor evaluation, 10.8% explained that self-evaluation is a way to evaluate individual performance and 7.1% of the respondents stated that peer evaluation or 1-5 is one way to evaluate performance. According to Wheelhouse (1989), identify the high achievers in your department and keeping them challenged with new opportunities for growth and advancement, if you don't you may lose them". As indicated in the above table 4.2.9 35.8 % of the respondents strongly disagreed on the promotion system of the company, 36.6% of them disagreed, 10.4% of the respondents strongly agreed. 10.8% and 6.3 % of them where agreed and neutral respectively. When employees lose the opportunity for career advancement they leave the organization for a better opportunity, these may in turn affect the enterprise. Interview made with the human resource manager indicates that regarding with promotion there is equal chance to participate.

Table 4.2.10 Schedule of performance evaluation and feedback time

	Choose alternatives	Frequency	Percentage
How often the enterprise evaluate the job performance	After Prohibition period	31	11.6%
	Weekly	6	2.2%
	Monthly	11	4.1%
	Quarterly	8	3%
	Semi Annually	105	39.2%
	Yearly	107	39.9%
	Total	268	100%
	How quickly the enterprise gives feedback for performance evaluation	Quickly	46
After one week		20	7.5 %
After Two Weeks		25	9.3 %
Never gets feedback		177	66%
Total		268	100%

Source: own survey data (May, 2016)

As it is apparent from the table above, 107 or 39.9 % of the respondents answered that the performance is evaluated yearly. Semi-annually 105 or 39.2 % of them get their performance evaluation. 11.6%, 4.1%, 3 % and 2.2 % answered that their performance evaluation is after Prohibition Period, Monthly, Quarterly and weekly respectively. As it is apparent from the table above 4.2.10, 177 or 66 % of the respondents answered that they never get feedback from their performance evaluation. 46 or 17.2 % of the respondents replied that they get their feedback quickly. 25 or 9.3% of the respondents answered that after two weeks they get their feedbacks. Only 20 or 7.5 % of the respondents replied that they get their feedback after one week.

4.2.11 Management communication about performance standards of the Enterprise

Statements	Level of Agreement	Frequency	Percent (%)
The enterprise management clearly communicates to all employees the required performance standards in advance	Strongly disagree	109	40.7%
	Disagree	103	38.4%
	Neutral	16	6%
	Agree	26	9.7%
	Strongly agree	14	5.2%
	Total	268	100%

Source: own survey data (May, 2016)

In performance evaluation process, the purpose is to determine whether the standards are achieved as planned .Communicating the performance standard system and assessment results between the management and employees will enhance employees to know what is expected from them. Regarding this as indicated on the above table, the majority of respondents 40.7% were strongly disagreed on communication of performance standards between the management and employees. 38.4 % disagreed also the issue. While 5.2% and 9.7 % were strongly agreed and agreed respectively. The 6 % were neutral.

4.3 Data Analysis and Interpretations Related to Motivational Factors and Performance

This section summarizes respondent's views about the relationships between those motivational factors and employee's performance to rank which of those independent variables affect significantly as well as in which direction is the correlation.

Table 4.3.1 Respondents' perception on job satisfaction and the influence of working environment on performance

	Choose alternatives	Frequency	Percentage
The satisfaction over the job contributed to performance	Strongly disagree	47	17.5%
	Disagree	107	39.9%
	Neutral	20	7.5%
	Agree	36	13.4%
	Strongly agree	58	21.6%
	Total	268	100%
	The current working environment has a positive influence on the job	Strongly disagree	17
Disagree		71	26.5 %
Neutral		16	6%
Agree		79	29.5 %
Strongly agree		85	31.7%
Total		268	100%

Source: own survey data (May, 2016)

A worker can be extremely satisfied with his/her job and at the same time be unmotivated to exert effort. In fact, that motivating public sector employee is exactly one of the problems the public sector experiences – some employees are very pleased with their comfort work conditions, e.g. job security, and still have very little motivation to work. Nonetheless, job satisfaction should not be mislaid. It may not have a direct effect on motivation, performance, and productivity, but it sure has been found to be related to employee retention, thus indirectly influencing organizational costs associated with employee absenteeism and turnover (Wright/Davis, 2003, p.71).

Regarding this as indicated on the above table, the majority of respondents 39.9% were disagreed on the effect of job satisfaction on their performance. 21.6 % strongly agreed on the issue. While 17.5 % and 13.4 % were strongly disagreed and agreed respectively. The 7.5 % were neutral. Whether working environment is plainly a satisfier or an active motivator is still to be decided. What is sure, though, is that there is no use trying to motivate high performance, while employees are frustrated by not having the right quality and amounts of equipment they need for their work (Bowey, 2005). Thus, managers should make sure their staff has the adequate space, tools, information technology systems, and materials they need for the job). Regarding this as indicated on the above table, the majority of respondents 31.7%, 29.5% were strongly agreed and agreed on the positive influence of working environment on their performance. 26.5 % disagreed and the 6.3% were replied that they were not influenced by the positive influence of working environment on their performance. While 6% responded that they were neutral on the issue.

Table 4.3.2 Respondents' view on Job security and salary scale on performance

	Choose alternatives	Frequency	Percentage
The enterprise Security insurance benefit, retirement programs, and saving plans in the enterprise has impact on performance	Strongly disagree	59	22%
	Disagree	85	31.7%
	Neutral	20	7.5%
	Agree	52	19.4%
	Strongly agree	52	19.4%
	Total	268	100%
	The enterprise salary scale has affected employee's performance	Strongly disagree	63
Disagree		59	22 %
Neutral		6	2.2%
Agree		47	17.5%
Strongly agree		93	34.7%
Total		268	100%

Source: own survey data (May, 2016)

According to Wheelhouse (1989) mentioned if employees are worried about their job for instance whether they will have the job next week so they are not likely to be very responsive, and they are not motivated to perform well. Regarding this as indicated on the above table 4.3.2, the majority of the respondents 31.7 %, 22% of respondents disagreed and strongly disagreed on impact of job security towards their performance. 19.4 % were strongly agreed and agreed on the positive influence of Job Security on their performance while 7.5% were neutral. This indicates that job security of the enterprise is not contributing to the performance of the employees. If the enterprise securities programs are not encouraging employees tend to be unwilling to exert their full energy and work towards achieving the goals of the company and year of service in the enterprise will be very much short and they will lose a reason to stay at the enterprise for a long periods of time therefore turnover will be high.

One can see from the above table 4.3.2, the majority of the respondents 34.7 % of respondents strongly agreed on the effect of salary scale on their performance. 23.5 %, 22%, 17.5% were strongly disagreed, disagreed and agreed on the effect of salary scale on their performance respectively. The rest 2.2% were neutral on the issue. Therefore appropriate salary scale in the enterprise can greatly affect the performance of the employee's. Furthermore, for employees to feel safe in terms of work, they prefer getting good salaries and allowances.

Table 4.3.3 Respondents' view on Reward System, recognition and appreciation and training on performance

	Choose alternatives	Frequency	Percentage
The reward System motivates employees to perform well	Strongly Disagree	27	10.1%
	Disagree	32	11.9%
	Neutral	20	7.5%
	Agree	79	29.5%
	Strongly Agree	110	41%
	Total	268	100
	The recognition and appreciation from immediate boss motivated employees to be more productive	Strongly Disagree	93
Disagree		99	36.9%
Neutral		-	-
Agree		37	13.8%
Strongly Agree		39	14.6%
Total		268	100
The Enterprise gives trainings that can help to improve efficiency and success in work	Strongly Disagree	44	16.4%
	Disagree	44	16.4%
	Neutral	24	9%
	Agree	74	27.6%
	Strongly Agree	82	30.6%
	Total	268	100

Source: own survey data (May, 2016)

One can see from the above table, the majority of the respondents 41 % of respondents strongly agreed on the effect of reward system on their performance. 29.5 %, 11.9%, 10.1% were agreed, disagreed and strongly disagreed on the effect of reward system on performance respectively. The rest 7.5% were neutral on the issue. Therefore reward system can greatly contribute to the performance of the employee's.

Employees who feel appreciated and recognized are more positive about themselves and their abilities to contribute. It also guarantees positive, productive and innovative organization environment. Saying thank you as recognition will make the business successful (David, Louis, Micheal, 2004). However, one can see from the above table, the majority of the respondents 36.9 % of respondents disagreed that recognition and appreciation from their boss doesn't contribute to their performance. 34.7 %, 14.6%, 13.8% were strongly disagreed, strongly agreed and agreed on the effect of Recognition and appreciation on their performance.

Training becomes important activity for any organization. A well trained group of employees should result in a reduction of costs, stress, turnover, and absenteeism and a corresponding increase in efficiency and customer satisfaction (Mill, 1998). One can see from the above table, the majority of the respondents 30.6 % of respondents strongly agreed that the trainings given in the enterprise improved their skills, knowledge, and encourage them to stay at the company. 27.6% replied that they agreed on the trainings that are given in the enterprise. 16.4% were strongly disagreed and disagreed on the trainings that are given. The rest 9% were neutral on the issue.

4.4 Motivation Factors and Employee performance

This information highlights the level of responses of the respondents by seeing the value of the mean. Also show the value of standard deviation which serves as a fundamental measure of variability.

Table 4.4.1 Mean and Standard Deviation for Employee Motivation Factors and Employee performance

Motivational Factors	N	Mean	St.D
Working Environment	268	2.25	0.756
Job Security	268	1.16	0.364
Salary	268	1.81	1.017
Reward	268	2.09	1.012
Management Communication Style	268	2.05	0.817
Recognition	268	1.95	1.083
Training	268	2.52	1.342
Promotion	268	2.11	1.027
Performance	268	2.65	0.434

Source: own survey data (May, 2016)

From the findings, employees were not motivated with the motivational factors. Training shows a mean of 2.52 and standard deviation of 1.342. This is followed by working environment, promotion, reward, management communication style, recognition, salary and finally job security. As indicated in the above table employees were not motivated at all especially job security and salary with a mean of 1.16 and 1.81. The performance has a mean score 2.65 which indicates that overall employees are not motivated with the motivational variables of the enterprise.

4.5 Relationship between Motivation Factors and Employee performance

Table 4.5.1 The Relationship between Motivation Factors and Employee performance

Motivational Factors	Employee Performance
Working Environment	Pearson Correlation .323**
	Sig(2-tailed) .000
	N 268
Job Security	Pearson Correlation - .091**
	Sig(2-tailed) .137
	N 268
Salary	Pearson Correlation .243**
	Sig(2-tailed) .000
	N 268
Reward	Pearson Correlation .252**
	Sig(2-tailed) .000
	N 268
Management Communication Style	Pearson Correlation .479**
	Sig(2-tailed) .000
	N 268
Recognition	Pearson Correlation .302**
	Sig(2-tailed) .000
	N 268
Training	Pearson Correlation - .018**
	Sig(2-tailed) .773
	N 268
Promotion	Pearson Correlation .277**
	Sig(2-tailed) .000
	N 268

*Source: SPSS result from survey data (2016). ** Correlation is significant at the 0.01 level (2-tailed).*

The results in Pearson Correlation analysis shows that, there is positive and significant relationship between working environment and employee performance ($r = .323$, $p < 0.01$), Salary and employee performance ($r = 0.243$, $P < 0.01$), Reward and employee performance ($r = 0.252$, $P < 0.01$), management communication style and employee performance ($r = 0.479$, $P < 0.01$), recognition and employee performance ($r = 0.302$, $P < 0.01$), promotion and employee performance ($r = 0.277$, $P < 0.01$).

However, the results also indicate that, there is a negative and insignificant relationship between Job Security and employee Performance ($r = -0.91, p > 0.01$). Between training and employee performance there is also negative and insignificant relationship ($r = -.018, p > 0.01$). The finding further indicates that the highest relationship is found between Management communication style and employee performance ($r = .479, p < 0.01$).

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The purpose of this Chapter is to round off the study with summary of major findings, Conclusion drawn from the results and possible practical recommendations on the issues raised.

5.1 Summary of Major Findings

- The study was carried out solely to identify the effects of motivation on employees' performance. Accordingly, the major findings were derived from data discussion, analysis and interpretations as follows.
- The study clearly depicted that the working environment of the enterprise is conducive and suitable. Majority of the employee's agreed on its conduciveness, suitability but regarding with providing the materials and equipment's that are need for the job, the enterprise is very poor in supplying those materials timely 48.11% of employees were not satisfied with the availability of materials.
- Almost 85% of the respondents indicated that there is Security insurance benefit, retirement programs, and saving plans in the enterprise.
- Employees to feel safe in terms of work, they prefer getting good salaries however majority of employees 48.9% are not satisfied by the attractiveness of the salary. They don't think that it's appropriate and attractive for the job.
- Almost all the respondents believe that the reward and incentive system is not based on performance and they are highly discouraged by the system. This implies that there is biased system in giving rewards to employees. Majority of the employees 42.2% believed that rewards are not given timely.
- When employees get recognized and appreciated, they do their best to prove the skill, talents and abilities they have However, All employees' replied that there is no recognition and appreciation from their boss.

- The majority (81.80%) of employees disagreed that there is unsatisfactory relationship among employees and managers of the enterprise, and also the relationship between employees is also discouraging, 34% of them claim that the relationship is poor. 52.6 % of the respondents indicated that there is no complaint handling mechanism in the enterprise.
- 30.6 % of respondents strongly agreed that the trainings given in the enterprise improved their skills, knowledge, and encourage them to stay at the company but regarding with the time interval of the training program majority of the respondents (36.9%) take only one training program over the past five years.
- 45.9% of respondents strongly disagreed that the financial aspects like bonus, allowance are not satisfying. This implies when individuals are motivated there effort towards the job will decrease.
- 98% of employees believed that the promotion system is not fair that makes the employee's de motivated.
- The majority of respondents claim that the base of promotion in the enterprise is based on the performance of the employee's. Concerning how the evaluation is conducted, the majority of the respondents are evaluated on semi-annually bases. Regarding with feedback time employees replied that they never get there feedback at all. The study also revealed that the concern of management towards communicating performance standards of the enterprise is very poor.
- The results of the descriptive statistical analysis also indicated that, employees were not motivated by the motivational variables. Job security, salary, recognition, management communication style, reward and promotion of the enterprise. However, employees were less motivated with training and working environment.

5.2 Conclusions

In line with the basic research questions, objectives of the study and the major findings of the study, the following conclusion are drawn.

Based on the findings, working environment is positively related to employee performance, the researcher conclude that there in fact exists positive correlation between the two. This demonstrates that when working environment is not conducive employee's motivation to perform the job will reduce. There is a negative and insignificant relationship between Job Security and employee Performance. Employees are not certain that job security contributed to their performance.

There is positive and significant relationship between salary and employee performance. However employees were not motivated by the attractiveness of the salary because of these reason there is high turnover of bus drivers and fare collectors to other transport organizations. The researcher concluded that since the reward and incentive system of the enterprise is not motivating to employees, the employees were forced to search a better opportunity so there is manpower turnover in the enterprise especially bus drivers. Additionally, the reward is not given on time; this negatively affected the performance of the employees. Employees need and want to be appreciated for the work that they do. If they do not feel managers or others are recognizing their contributions, then employees become dissatisfied and unmotivated. Employees will normally put more effort than expected if someone will notice their effort. An under-appreciated employee may do less work. Regarding this motivational variable the enterprise employee's are not motivated and feel like there is no recognition and appreciation for effective job performance.

Management communication style, it's not open door style and employees have no chance to easily communicate with the management. Majority of the peoples have no chance to complain and they don't have the chance to participate in decision making also. There is also unsatisfactory relationship between employees each other. The Enterprise is weak in providing adequate training for its employees who have direct interaction with customers and the training is given only on one time basis. For over the past five years, majority of the employees attended only one training program.

Majority of the employees did not agree with the promotion system of the enterprise. Evaluation is done based on performance of the employees, however majority of them indicated it's based on relationship among employees each other. Regarding with evaluation feedback, the enterprise is not quick to respond. The performance standard is not clearly known by the employees too. The correlation result of the study showed that among the eight motivational factors, management communication style highly affects the performance of employees. Next to that working environment, recognition, reward, promotion, salary, training and job security affect the performance of the employees. The descriptive result of the study indicates that, employees were not motivated with the motivational factors especially job security and salary has the lowest mean value. In conclusion, motivated employees not only influence their work performance but also the whole organization performance and business productivity.

5.3 Recommendations

Based on the conclusions drawn above at the beginning of this chapter, the following recommendations have been forwarded.

- Based on the literature review, interviews and analysis done and the discussion it is clear that employees are not motivated and hence are not performing well which affecting business performance and productivity.
- Management communication motivational factor was considered as one of the most important factors influencing employee performance. However employee of the enterprise were found less motivated in terms of this motivational factor. The enterprise can improve the communication by conducting meetings, performance reviews and feedback on employee performance. Communication can be improved through performance management. Performance Management is not only for measurement of performance but provides feedback to the employees. Recognitions either verbally or formally will enhance the self-esteem of the employee. Therefore, Managers should work hard in maintaining the level of satisfaction of employees by using recognition and mechanisms' to motivate employees.
- Training programmes based on training needs assessment should be implemented at Anbassa City Bus Service Enterprise. Human resource management should include

elements of employee motivation and employee training and development. Employee training for employees will both equip them and be an excellent source of employee motivation. Salaries should be determined in accordance with the enterprise job grades and salary scale. The enterprise salary structure shall be designed to provide competitive remuneration by market standard and also offer incentive to grow to a higher step.

- Every employee shall have the right to air its grievance when treated unfairly by the administration process. The enterprise should provide the employee a way to express its feelings towards the job. For instance suggestion box should be available for employees to express what they felt. The enterprise should focus on different financial packages and allowances for its employees. Allowances and various benefits of the enterprise should be given to employees and should be revised.
- The enterprise shall provide the required financial, human, material, time and facility resources for the proper implementation of its organizational goals. Promotion system of the enterprise should be given great attention. When promotions are available in the enterprise, everyone should have equal chance of participating. Finally, the management should examine what really motivates its staff in order to enhance employees' performance and effectiveness.

5.4 Further Research

It is recommended that further study can be extended to different public institutions to assess the relationship between motivation and employee performance. The sample size can be enlarged in those institutions and different statistical tool can be used in the research

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APPENDICES

APPENDIX A

ST MARY’S UNIVERSITY COLLEGE

School Of Graduate Studies

Master of Business Administration Department

Questionnaire to be filled by Employees

Dear respondents, I am attending my post graduate degree in the field of business Administration at St. Mary’s University. The purpose of this questionnaire is to collect data for the study entitled “Relationship between motivation and employee performance in Anbassa City Bus Service Enterprise”.

Your genuine, frank and timely response is vital for the success of this study.

The researcher wants to underline that *the data collected are kept confidential and used only for academic purpose. No respondent will be identified by his name.*

General Description

It is not necessary to write your name

Where alternative answers are given, encircle your choice and put “√” mark where necessary.

Kindly, do not hesitate to explain your true feeling

Thank you, in advance for your kind cooperation and timely response.

Sincerely,

Tigist

Part 1. Demographic Information

1.1 Sex 1) Male 2) Female

1.2 Age 1) 25 and below 2) 26-35 3) 36-45 4) 46 and above

1.3 Educational level 1) Elementary 2) up to grade 12 3) diploma 4) Certificate
5) Degree

1.4. For how long have you been in the service of the enterprise?

More than 10 years 1- 4 years 5 – 10 years Less than 1 year

1.5 What is your current job position in the organization? _____

Part II. Questions Related to the Study Topic

Please ticks “√” mark for one answer from the five choices provided for each questions.
Please answer all Questions.

1. I am satisfied with my job?
Strongly Disagree Agree Disagree Strongly Agree Neutral
2. The satisfaction over the job contributed to performance?
Strongly Disagree Agree Disagree Strongly Agree Neutral
3. The enterprise has a healthy **working environment** that helps to perform the job willingly?
Strongly Disagree Agree Disagree Strongly Agree Neutral
4. The current working environment has a positive influence on performance?
Strongly Disagree Agree Disagree Strongly Agree Neutral
5. The Enterprise fulfills all the necessary materials and equipment's for the Job?
Strongly Disagree Agree Disagree Strongly Agree Neutral
6. Are there any Security insurance benefit, retirement programs, and saving plans in the enterprise?
Yes No
7. If your answer to question number 6 is 'Yes' Do you agree that it has an impact on your performance?
Strongly Disagree Agree Disagree Strongly Agree Neutral
8. The enterprise salary is appropriate and attractive for the job?
Strongly Disagree Agree Disagree Strongly Agree Neutral
9. The salary scale of the enterprise has affected employee's performance?
Strongly Disagree Agree Disagree Strongly Agree Neutral
10. The enterprise provides a rewarding and incentive system based on performance?

Strongly Disagree Agree Disagree Strongly Agree Neutral

11. The reward System motivates employees to perform well?

Strongly Disagree Agree Disagree Strongly Agree Neutral

12. The Enterprise gives the reward on time?

Strongly Disagree Agree Disagree Strongly Agree Neutral

13. Employees are satisfied with the management communication style?

Strongly Disagree Agree Disagree Strongly Agree Neutral

14. The relationship among employees in the enterprise is encouraging?

Strongly Disagree Agree Disagree Strongly Agree Neutral

15. The Enterprise has a dispute/grievance handling mechanisms?

Strongly Disagree Agree Disagree Strongly Agree Neutral

16. Employees are recognized and appreciated for effective job performance by their immediate boss?

Strongly Disagree Agree Disagree Strongly Agree Neutral

17. The recognition and appreciation from immediate boss motivated employees to be more productive?

Strongly Disagree Agree Disagree Strongly Agree Neutral

18. The Enterprise gives trainings that can help to improve efficiency and success in work?

Strongly Disagree Agree Disagree Strongly Agree Neutral

19. How many training programs attended in the past 5 years?

None one training program two training program three training program
More than three training programs

20. The financial aspects like payments, allowances, and bounces of the Enterprise are satisfying?

Strongly Disagree Agree Disagree Strongly Agree Neutral

21. What are the bases for promotion in the Enterprise?

Seniority Performance Relationship

22. In what way performance of employees is evaluated in the Enterprise?

Peer evaluation self-evaluation subordinate evaluation

Supervisor evaluation Combinations of the above

23. The enterprise promotion system is fair and appropriate?

Strongly Disagree Agree Disagree Strongly Agree Neutral

24. How often does the Enterprise evaluate job performance? (You can choose more than one) ?

After prohibition period Weekly Monthly Quarterly

Semi-annually yearly If other (please specify) -----

25. How quickly do you get feedback from your performance evaluation?

Quickly After one week After two weeks Never gets feedback

26. The management clearly communicates to all employees the required performance standard in advance?

Strongly Disagree Agree Disagree Strongly Agree Neutral

27. If there is any other factor that you find motivating at work please state it here:

.....

28. What de motivates you at work place?

.....

Appendix B ---Interview guide

ST MARY'S UNIVERSITY COLLEGE

School Of Graduate Studies

Master of Business Administration Department

Interview Questions

Dear Respondent,

I am attending my post graduate degree in the field of business Administration at St. Mary's University. Currently, I am conducting a study entitled "Relationship between motivation and Employee Performance the case of Anbassa City Bus Service Enterprise. "The general objective of the study is to examine the relationship between motivation and employee performance. This study is purely academic research. Your genuine response is highly valuable to conduct this study and then to arrive at legitimate results.

1. What really motivates your staff?
2. Is there a performance measurement system that rewards hard workers?
3. Do you know why employees are leaving the organization?
4. For any promotion or transfer are employees equally treated?
5. Do you have training and development program/plan?
6. Do you think that there is smooth relationship between management and employees?
7. Do you agree that employees are paid well for the service they render?
8. How far the Enterprise go in maintaining good working condition?

DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Ass. Professor Goitom Abreha. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature & Date

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

Signature & Date