

# SCHOOL OF GRADUATE STUDIES

### FACTORS AFFECTING EMPLOYEE MOTIVATION IN BASHANFER

### TRADING PLC

BY

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JUNE, 2021

ADDIS ABABA, ETHIOPIA

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### **BASHANFER TRADING PLC**

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### **ELISHADAY-MULUGETA**

### A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

**JUNE, 2021** 

**ADDIS ABABA, ETHIOPIA** 

# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES FACULTY OF BUSINESS

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### SGS/0007/2012A

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# DECLARATION

I, the undersigned, declare that this thesis proposal is my original work, prepared under the guidance of Dr. Aderaw Gashaye (PhD). 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

St. Mary's University, Addis Ababa

June, 2021

# ENDORSEMENT

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

**Advisor Signature** 

St. Mary's University, Addis Ababa

June, 2021

### ACKNOWLEDGMENTS

It is with great pleasure that I acknowledge with gratitude the hand of the Almighty God in the completion of this project and throughout the course of my studies and indeed throughout my life.

I would also like to thank my advisor, Dr. Aderaw Gashaye (PhD) whose guidance and encouragement have been inspirational in the course and completion of this research. He has been instrumental in making this research a success.

I am sincerely grateful to my families emotional and financial support throughout my studies has been tremendous.

Lastly I would like to acknowledge the employees of BTP who were my respondents, for finding time to fill in my questionnaires and making my research a success. God bless you all.

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# LIST OF ACRONYMS

A.A	Addis Ababa
ANOVA	Analysis of Variance
ВТР	Bashanfer Trading Private Limited Company
SD	Standard Deviation
SPSS	Statistical package for the social science
VIF	Variance Inflation Factor

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### ABSTRACT

The diligence of the research is to investigate on Factors Affecting employee motivation in Bashanfer Trading plc. and to present the factors that help to motivate the employees to perform their job well. In this study the researcher used descriptive and explanatory research design. Data was quantitatively collected through close ended questionnaires with five Likert scales to measure variables. The close-ended questionnaire was constructed to compute the statistical data and the data was analyzed through SPSS version 20 software. Both descriptive and inferential statistics were used in data analysis. The descriptive statistics such as mean, standard deviation, frequency and percentage were used for describing the dependent and independent variables. The inferential statistics pearson correlation and multiple linear regression were used to determine the relationship between the dependent and independent variables. Based on the findings, it was found out that work condition, job security and financial factors are the most influencing factors and also the study identified that there is a linear relationship between non-financial factors, work condition, job security, financial factors and employee's motivation. Accordingly, the study concluded that working condition and Job security have positive and strong impact on overall employee motivation followed by financial factor and non-financial factor, recognition whereas co-worker and supervision has less impact on motivation compared to the others. Finally, the study recommended that the company should give special attention on employee's motivational factors especially work condition, job security and financial factors.

Key words: Employees, Motivation, Job security and financial factors.

### **CHAPTER ONE**

### INTORODUCTION

### 1.1 Background of the Study

In Most organization whether private or state owned, motivation plays a key role in driving employees towards achieving their goals & organizational goals. Motivation can be specified as a management process, which encourages people to work better for the overall benefit of the organization.

Organization has many resources among these, employees are the most valuable assets of any organization without whom no production activity can take place. The success of an organization largely depends on the quality of its employees which is measured by their performance. Employees' job performance like all other systems does not function when their components do not work together smoothly and efficiently. Thus, understanding relationship between the organization and its employees is the key to improve the organization's performance in achieving its strategic objectives (Dessler, 1994).

Motivation is an art with a purpose to get individuals work willingly and influencing them to behave in a certain manner to accomplish their tasks (Maduka&Okafor, 2014).

Within the workplace, Baron (1991) defines motivation as the variable that drives employees to the way they "want to act" and "choose to act" to succeed in the workplace. Further, motivation is explained as the energy that encourages work-related behavior and influences one's work style, direction, intensity and duration (Baron, 1991).

The matters arising are: "why managers need to motivate employees?" (Herzberg, 1959). According to Smith (1994) it is because of the survival of the company. Amabile (1993) contributed to this statement by arguing that it is necessary for managers and leaders of organization to learn to understand and effectively deal with their employee's motivation; since motivated employees' are the pillars of successful organization in present and future century. She also indicates that unmotivated employees may probably contribute little effort in their jobs, stay away from workplace as much as possible, go out of the organization and make low quality of work. When employees are well motivated, they help the organization to grow and survive in fast changing workplaces (Lindner 1998, 36). Lindner also indicates that the most difficult role of managers is to motivate employee, because what motivates employees changes always (Bowen and Radhakrishna 1991, 16-22)

The phrase 'work motivation' allows a researcher to further investigate motivation in the workforce, more specifically the energy that encourages work-related behavior and influences one's work style, direction, intensity and duration (Baron, 1991). Specifically adding the term "workplace" in front of motivation separates this motivation. to only apply to situations that occur with regard to work. This study is limited to workplace motivation.

According to Armstrong (2009), to motivate people it is necessary to understand how motivation works, this means understanding motivation theory and how the theory can be put into practice. However, one of the biggest challenges that the business world is facing today is lack of awareness how to motivate their employees and enable them more dedicated, persistent and have intensified effort towards achieving the organization's goals. When the employee understands the benefits of motivation in the workplace, then the investment in employee-related policies can be easily justified.

There are many theories of motivation, and they mostly give a relation or influence the outcomes of employee job satisfaction. There are two main theory categories, namely content theories and process theories (Saif, Nawaz, and Jan& Khan, 2012). Generally speaking, these theories include Maslow's hierarchy of needs, Herzberg's motivator-hygiene (or two-factor) theory, Alderfer's Existence, Relatedness and Growth theory, and McClelland's needs theory. How motivation comes about and how it leads to satisfaction is explained by process theories; theories that fall into this category include Porter-Lawler's model and expectancy theory by Vroom. The theories of motivation maybe categorized according to their definitions and purpose but critical analysis reveal that they are all linked, they lead to serving satisfaction in employees. Each person has a different mixture and strength of needs, as some people are driven by achievement while others are focusing on security. If the managers/ supervisors are able to understand, predict and control employee behavior, they should also know what the employees want from their jobs. For that reason, it is essential for a manager/supervisor to understand what really motivates employees without making an assumption (Gurland and Lam, 2008) because employees who lack motivation in the work places are a risk factor when it comes to executing day to day operations of the business. This study is intended to examine factors affecting employee motivation in Bashanfer Trading plc.

BTP as a business was established in 1961 G.C. by the late father named Bashanfer It was initially established in Dire Dawa/Harrer, Eastern Ethiopia. Since then, it is exporting Ethiopian coffees of all types which are the main stay of its business.

Thus, this study is particularly important since it provide an input for the company by determining the current status of employee motivation that has impacted on performance and output by identifying what intrinsic and Extrinsic factors motivate them, to examine the attitudes of the staff towards financial & non-financial rewards and again to know the contribution of employee motivation in employee and overall organizational performance. Moreover, this research work will help the case company BTP to develop strategies on the basis of the findings, how to improve work motivation to boost job performance enhance and maintain human capital development. The study would also assist managers in other organizations that face dilemma of understanding the close connection between employee motivation and employee performance.

### **1.2 Statement of the Problem**

In the current competitive and globalized economy, the success of business organizations heavily depends on their capability of managing their human capital (Dessler, 1994). The growth of any employment depends on how motivated the employees are and how long they stay with the organization (Vroom, 1985). Well pleased and well-motivated employees deliver exceptional service to the organization with outstanding results to back it up. And also motivated employees

are more productive, happier, and stay with the organization longer (Hersey & Blanchard, 2007). Furthermore, the cost of recruitment and maintenance of employees are significantly reduced, and it can also help in the expansion of vocation if the system can hold the motivated employees for long in the organization (Nyameh et al., 2013).

Employee motivational related problems have no boundary it arouses in every organization irrespective of their size and type and arouse at every level of the organization. If an organization has a number of significantly low motivated employees, employees begin to have less respect for management and put in less effort, therefore goals are not achieved. Low productivity is a huge risk for an organization, leading to them failing to retain a competitive advantage, and therefore damaging their success in the industry (Armstrong, 2012).

There has been a great challenge on the part of managers in BTP on being effective on employee motivation such recognition, training, job security, relation with co-workers supervision, working condition, salary and financial rewards. As a result there have been employee's turnover, lower engagement, and absence from work, negative comments and increasing reluctance to take on more responsibilities than the bare minimum.

More over as to the knowledge of the researcher there is no study conducted on the factors affecting employee motivation on the case company (B.T.P). This knowledge gap will cost the organization to lose its valuable work force.

For that reason, this research intends to fill this knowledge gap, by finding out factors affecting employee motivation on work performance and assessing the motivational needs from the perspective of employees of B.T.P.

### **1.3 Research Questions**

The above statements guide the researcher to builds up research questions regarding the Factors which affect the employee's motivation of B.T.P, the study will try to answer the following main research questions:

- 1. What are the intrinsic factors that influence employee motivation at B.T.P?
- 2. What are the extrinsic factors that influence employee motivation at B.T.P?
- 3. What is the relationship between intrinsic and extrinsic factors with employee motivation?

### 1.4 Objectives of the Study

### **1.4.1 General Objective**

In general, the overall objective of the study is to investigate on factors affecting employee motivation in Bashanfer Trading plc.

### 1.4.2 Specific Objectives

The key specific objectives of this research are as follows:

- To identify the intrinsic factors that influence employee motivation at B.T.P.
- To identify the extrinsic factors that influence employee motivation at B.T.P.
- To identify the relationship between intrinsic and extrinsic factors with employee motivation.

### **1.5 Significance of the Study**

This study has practical significance to BTP in understanding intrinsic and extrinsic factors affecting employees' motivation and their intended impact on the organizational achievements.

The general finding of the study offered valuable insights to use for decision making. Generating awareness about the factors influencing the employee's motivation. Emphasizing the importance of motivating employees for the success of organizational goals through customer satisfaction. It gave recommendations about current status of staff motivation which could form the basis of instituting measure for necessary improvement in terms of productivity.,

It helped the case company to identify determinant factors and provides possible recommendations to fill the gaps that hang the employees in their day to day operation by indicating the consequences of not handling and addressing the factors impelling the motivation of the employees.

In addition it serves as a reference for concerned management offices. It also provides information for similar business sectors and agents in identifying the intrinsic and extrinsic factors affecting employees' motivation.

### **1.6 Scope of the study**

The study was carried out in BTP head office located in Addis Ababa. The Conceptual scope of the study was to examine intrinsic and extrinsic factors by focusing on the independent variables namely: financial factors, non-financial factors like training and career growth and development, relation with co-workers, supervision, recognition, working condition and job security related factors that affect employees' motivation.

The methodological method employed in the study was explanatory and descriptive research design with both quantitative and qualitative research approach.

### **1.7 Limitation of the study**

This study is about the factors affecting employees' motivation in BTP A.A head office hence; geographically it does not consider the cases of BTP which is located in DireDawa. At the same time the sample is limited to employees and professional managers who are working in BTP A.A head office because of the current pandemic Covid'19, time, economic constraints and resource limitations to make the study broad and inclusive to other related issues.

In addition, in this study Likert scale questionnaire was employed to collect data. Likert scale questionnaire has its own limitation. This is because it measures perception and this perception might lead to some what unrealistic conclusion. As such, individuals are not forced to express an either or opinion rather allowing them to be neutral and it is difficult to treat as either agree or disagree. More over some respondents may be lie due to either biasness or attempt to keep privacy hence it leads to form wrong conclusion. To overcome the drawbacks, the researcher had taken all possible alternative actions.

### **1.8 Organization of the paper**

The study is presented on five chapters. The first chapter introduces general information, including background to the problem, definition of terms, statement of the research problem, objective of the study, research questions, and significance of the study, scope of the study and organization of the study. Literature review of the study including conceptual definitions, theoretical literature review, empirical literature review, conceptual framework and theoretical framework is presented in the second chapter. The following chapter, chapter three focused on research design and methodology which includes research design and approaches, Population, Sample Size and Sampling Technique, source of data, data gathering instruments procedures of data collection, method of data analysis and ethical considerations. Chapter four Contains data analysis and interpretation which includes response rate, demographic background of the respondents, and analysis of collected data. The final chapter that is Chapter Five concluded the study by summarizing major findings, conclusions and recommendations.

### **CHAPTER TWO**

#### **REVIEW OF RELATED LITERATURE**

### 2.1 Theoretical Literature

### 2.1.1 Origin of Motivation

In the early 20th century, money was regarded as the most important input into the production of goods and services (Kreitner, 1995). However, after a series of researches, one known to be the "Hawthorne Studies", conducted by Elton Mayo from 1924-1932 at the Hawthorne Works of the American Western Electric Company in Chicago, it was observed that employees were not motivated solely by money but that employee behavior was linked to their attitudes (Dickson, 1973, in Lindner, 1998). The Hawthorne studies began the human relations approach to management, whereby the needs and motivation of employees become the primary focus of managers (Bedeian, 1993). This paved way for other theories and definitions on motivation and performance at the work place.

#### 2.1.2 Concept of Motivation

Motivation is concerned with what determines goal directed behaviour. It is about, how behaviour is initiated by needs and by expectations on the achievement of goals which will satisfy those needs, how the achievement of goals and /or feedback on their achievement reinforces successful behaviour and how belief in one's ability to carry out a specific task will actuate behaviour which is expected to achieve the successful performance of that task (Armstrong, et al., 2004).

Armstrong (2006) defines motivation as those factors that influence people to take specific actions, and further states that if you motivate people, they will move in the direction that you want them to in order to achieve certain goals. He says that people will most likely repeat certain actions if the goals that were set to fulfil certain needs are achieved or accomplished. Therefore,

companies need to figure out the needs/drives of individual employees as a basis to understanding what will motivate them to take required actions. The more people are motivated to achieve the goals set for them, the more they are likely to do their best at work and this can even improve their motivation further (MTD Training, 2011).

Stratheford (2012) states that employees in a company are involved in almost every aspect of the company hence effective motivation systems need to be put in place to influence employees to be as productive as they can be. Bruce (2003) claims that there is a direct link between employee motivation and their performance because employee enthusiasm and excitement was reflected in the quality of their work.

Kroth (2007) states that a well-motivated employee will not always be productive commensurate with his/her internal motivation. This is because there are other factors such as resources and a good working environment that can affect motivation. It is therefore clear that managers need to focus on both intrinsic and extrinsic factors of motivation that may affect the employees because both are required for developing a comprehensive motivation system for staff.

Research work carried out by MTD Training (2011) points out that companies need to understand how people feel motivated so that they can be able to encourage them to perform at their peak while at work. Armstrong (2006) suggests that if companies do not encourage employees to perform their best, the employees can do the bare minimum required just to keep from being fired.

Stratheford (2012) argues that all workers have different characters hence require different ingredients of motivation. People are different because their ability, intelligence, attitudes, character and the influence for their environment differs, and as a result, their needs and wants which affect their motivation, will differ (Armstrong 2006). Companies therefore need to take into consideration what the people they want to motivate believe is important to them in order to offer them incentives to satisfy these desires.

#### 2.1.3 Types of Motivation

Motivation at work can take place in two ways:

#### **Intrinsic and Extrinsic motivation**

Work motivation is mostly categorized into two types, being intrinsic and extrinsic motivation showing that different incentives have a distinct impact on employee motivation. Whereas intrinsic motivation is concerned with rewards as the activity itself, the source of extrinsic motivation are external controlling variables as explicit rewards (e.g. money, threat) (Herzberg, 2003; Cameron & Pierce, 2002). McCullagh (2005) defines intrinsic motivation as an individuals' need to feel competency and pride in something while extrinsic motivation is defined as the performance of an activity in order to attain some separate outcome and noted that, people can be both intrinsically and extrinsically motivated.

Hackman and Oldham (1980) argued that strong intrinsic motivation occur when three psychological states are created, and these are: experienced meaningfulness of the work, experienced responsibility for outcomes of the work, and Knowledge of the actual results of the work activities.

Hackman and Oldham (1980) urged organizations to restructure work to induce intrinsic motivation. Greater skill variety, task identity, and task significance increase the experienced meaningfulness of work, autonomy raises experienced responsibility, and feedback provides knowledge of results (Hackman & Oldham, 1980).

According to the self-determination theory, intrinsic motivation is increased in more autonomous work situations and results in more positive attitudinal and behavioural outcomes (Deci & Ryan, 1985; Ryan & Connell, 1989). Against Frey's (1997) work on motivation, it leads to the argument that external rewards crowd out intrinsic motivation and reduce the individual's work effort because of incentives which are in conflict with the employee's moral values and choices. Contrary to that, external rewards can help crowd in intrinsic motivation when supporting the

employee's choices and values. Intrinsic motivation, captures the aspects of doing work for its own sake (Osterloh, Frost & Frey, 2002; Ryan &Deci, 2000), provides psychological benefits of well-being (Ryan &Deci, 2000), accomplishment (Dermer, 1975), increasing responsibility (Kohn, 1993;

Herzberg, 2003), self-actualisation (Kunz & Pfaff, 2002), and is self-sustaining (Osterloh et al., 2002). A number of authors argue that money is a poor motivator and can actually impede intrinsic motivation, such as reducing creativity and innovation (Osterloh et al., 2002; Herzberg, 2003). Contrary to that, Bishop (1987) suggested that pay is directly related with productivity and reward system depends upon the size of an organization.

The specific focus on extrinsic motivation may distract attention from the task which has been termed as hidden cost of rewards. This view has been incorporated in the crowding theory (Osterloh et al., 2002). When an activity is intrinsically appealing (say, challenging), the positive effects can be undermined if extrinsic rewards are also linked to the activity (Osterloh et al., 2002) and crowd out intrinsic motivation (Lee &Whitford, 2007). This crowding out has been further elaborated under the cognitive evaluation theory, which proposes that extrinsic motivation can erode intrinsic motivation (Kunz & Pfaff, 2002). Reio and Callahon (2004) further concludes that both intrinsic and extrinsic rewards motivate the employee resulted in higher productivity.

### 2.1.4 Theories of Motivation

#### A. The earliest views of motivation

Early theories of motivation based on studies and research initially focussed on the needs that people deem important and want to satisfy. Later theories on setting goals and more recently on long term goals, that is, what employees think is import in their work-based life so as to encourage them to perform at their best (Latham, 2007). According to Robbins and Judge (2007) the 1950s saw the formulation of the early and bulk of motivation theories which formed the foundation for future theories in later years. Despite the criticisms of these early theories, they

are still being used by managers on regular bases while discussing employee motivation. The early theories include

Maslow's Hierarchy of Needs, McGregor's Theory X and Theory Y and Herzberg's Two-Factor theory. Later came the contemporary theories of motivation which form the basis of current motivation theory thinking and include Victor Vroom's Expectancy theory, Latham and Locke's Goal-setting theory and Adams' equity theory.

#### **B.** Instrumentality Theory of motivation

The theory emerged in the second half of the nineteenth century with its emphasis on the need to rationalise work, and also on economic outcomes (Armstrong, 1999). It assumes that a person will be motivated to work if rewards and penalties are tied directly to the individuals' performance, thus the awards are contingent upon effective performance; meaning, people only work for money. Instrumentality theory states that rewards or punishment serve as the means of ensuring that people behave or act in desired ways which is based on the principle of reinforcement as influenced by

Skinner (1974) concept of conditioning- the theory that, people can be "conditioned" to act in certain ways if they were rewarded for behaving as required. The theory can be traced to Taylor (1911), one of the earliest management writers who wrote: "It is impossible, through any long period of time, to get workmen to work much harder than the average man around them unless they are assured to a large and permanent increase in their pay".

#### C. Content (Needs) Theory of motivation

The content or needs theory is based on the fact that the content of motivation consists of needs (Armstrong, 2010). An unsatisfied need creates tension and a state of disequilibrium, and to restore the balance, a goal that will satisfy the need is identified wherein a behaviour pathway that will lead to the achievement of the goal is selected (Armstrong, 2010). According to the needs theory, not all needs are equally important for a person at any one time; some may provide a much more powerful drive towards a goal than others depending on the individual's background and present situation (Smith, 1994). The Needs theory was developed originally by

Maslow who postulated the concept of hierarchy of needs (Shah & Shah, 2010). Other theories associated with the needs theory is Herzberg's two- factor model, Alderfer's modified need hierarchy model and

McClelland's achievement motivation model (Armstrong, 2010).

### I. Maslow Hierarchy of Needs

Maslow's theory on the hierarchy of needs is one of the most popular theories of motivation and this forms one of the bases of the model for this study. A need is something that a person requires and satisfaction occurs when a need is fulfilled, and motivation is the attempt to satisfy a need (Aldag&Kuzuhara, 2002). Maslow (1954) identified that employees had five levels of needs and that human needs are in the form of a hierarchy ascending from the lowest to the highest. Maslow emphasis that no need can be fully gratified and that when a need is substantially satisfied, it ceases to be a motivator. This makes a person seeks a higher level of need (Drummond, 2000). Maslow theorized that the lower level needs have to be satisfied before the next higher level need would motivate an employee (Armstrong, 2010). In Maslow's conclusion, in order to meet the needs of an employee, the employer had to understand the hierarchy of the need to which the employee belongs. According to Maslow (1954), listed from the lowest level of needs to the top is categorized as follows:

- Physiological needs: These are needs that focus on sustaining human life such as the need for oxygen, food, water and sex. Maslow stated that until these basic needs are satisfied to a large extent, no other motivating factor can operate (Armstrong, 2010).
- Security or Safety Needs: These are the next in hierarchy and focus on being free of physical danger and the fear of losing a job, property, food or shelter as well as protection against emotional disappointment.

- Social Needs: These are the needs that deal with the social aspect of man such as the need to belong and be accepted by others. It is the need for love, affection and acceptance as belonging to a group.
- Esteem needs: Maslow identified that as soon as people satisfy the need to belong and be accepted by others, the next higher level of need is the need to be held in high esteem by themselves and others. It goes on to state that these kinds of need produce satisfaction through power, prestige, status and self-confidence. It includes internal esteem factors such as self-respect, autonomy, achievements and external factors such as status, recognition and attention.
- Self- Fulfilment (Self-actualization): This is the highest need in the hierarchy. It is the drive to become what one is capable of becoming, to maximize one's full potential and to accomplish something. It includes needs such as growth, achieving one's potential and selffulfilment.

According to Maslow (1954), once a need has been satisfied, it no longer acts as a strong motivator and the need at the highest level becomes the "motivator". Maslow also sets out a distinction crucial for new employment-motivation theories (Smith, 1994). For Maslow, as the higher- order needs for esteem and self-fulfillment provide the greatest impetus to motivation, they grow in strength when they are satisfied, while the lower needs decline in strength on satisfaction (Warr, 1998). In relating Maslow's motive hierarchy to the work situation, Maslow identifies the esteem need level as an important transition area for human incentive (Smith, 1994). The need level constitutes a clear dividing point within the hierarchy with respect to the locus of the source of need fulfillment: for the lower half of the esteem stage and for those needs below, the accomplishment of need fulfillment is outside the person, through the manipulation of objects in the environment or through interpersonal contact (Armstrong, 2010). According to Aldag and Kuzuhara (2002), satisfaction occurs when needs are fulfilled which motivation attempt to satisfy.

In the gratification of self-esteem and self-actualization needs, the emphasis is on an internal reaction to events. Such sensations as the pleasure from successful achievement, the exercise of a

personal skill, the acceptance of responsibility, are focused upon by Maslow (1954) as factors fulfilling the self-esteem and actualization needs. This theory can be a useful tool in determining the kinds of rewards that could be effective in motivating employees. The key is to recognize every employee as an individual, and also for managers to remember that employees' needs differ from time to time (Butkus& Green, 1999).

#### II. Herzberg Two-Factor Theory

The two-factor model of satisfiers and dissatisfies was developed by Herzberg et al. (1959) following an investigation into the sources of job satisfaction and dissatisfaction of accountants and engineers. It was assumed that people have the capacity to report accurately the conditions that made them satisfied and dissatisfied with their jobs (Armstrong, 2010). Based on the two types of motivators, thus factors that result in satisfaction with one's job and those that result in dissatisfaction for employees at work, Herzberg (2003) stated that intrinsic factors are related to job satisfaction while extrinsic factors relate to dissatisfaction.

The theory was based on the question what do people want from their jobs? (Harpaz, 1990). From the responses received, Herzberg concluded that removing dissatisfying characteristics from a job does not necessarily make the job satisfying (Armstrong, 2010). Herzberg identified the two major factors; motivators and hygiene factors that could lead to job satisfaction (Herzberg, 2003). Herzberg noted that the motivators are intrinsic factors that permit psychological growth and development on the job such as achievement, recognition, responsibility, advancement challenges and the work itself (Wilson, 2010; Ajila&Abiola, 2004). Hygiene factors on the other hand are extrinsic and describe the conditions of work rather than the work itself (Armstrong, 2010).

These include job security, salary, work conditions, company policy, administration, supervision, interpersonal relations with subordinates and supervisors (Bhattacharyya, 2009). Herzberg (2003) concludes that employers should be concerned with the job itself and not only with the work conditions. Chris and Awonusi (2004) argue that, extrinsic rewards have a significant impact on employee motivation while intrinsic rewards don't have any significant impact on

employee motivation. Efficient reward system can be a good motivator but an inefficient reward system can lead to demotivation of the employees. Reio and Callahon (2004) conclude that both intrinsic and extrinsic rewards motivate the employee resulted in higher productivity.

#### C. Process theories of motivation

Process theory focused more vastly on individual performance, available rewards and possible work outcomes. The theory explains how individuals are motivated by examining the relationships among the dynamic variables, which make up motivation. In this perspective, 'need' accounts for one component of the process through which individuals decide how to behave. Another component could possibly be for rewards. For example, an employee perceives a gift card as a reward for exhibiting certain behaviour (e.g. working diligently), so this reward turns into a motive for that behaviour (Ryan &Deci, 2000).

#### I. Vroom's Expectancy Theory

Victor Vroom was another well-known scientist. His work on work motivation provides the most practical insights on work motivation. The theory is model on behavioural choice and provides explanation on why people choose one behavioural option over others (Ryan &Deci, 2000). Vroom argues that people will act according to their perceptions that their work efforts will lead to certain performances and outcomes, and how much they value the outcomes. Vroom's Expectancy Theory is based on the assumption that employee effort will lead to performance and performance will lead to rewards (Shields, 2007).

#### **II.** Equity Theory

Adam's theory of equity is considered as one of the most popular social exchange theories, which gained widespread attention in recent past. The theory is established on the premise that employees anticipate actual outcomes in exchange for an offering or inputs. According to the theory, employees judge the fairness of rewards received in proportion to resources invested for

completing a task by assessing one's own investment-reward ratio and compare it against the ratio of another colleague holding similar position (Latham, 2007).

In other word, inequality occurs when a person perceives that the ration of his outcome to inputs and the ration of a relevant other's outcomes to inputs are unequal. Thus, a person is motivated in proportion to the perceived fairness to the rewards received for a certain amount of effort as compared to others. The theory recognizes that individuals are concerned not only with the absolute amount of rewards they received for their efforts, but also in relationship of this amount to what others receive.

#### III. Goal Theory

Goal setting theory was propounded by an American Psychologist Dr. Edwin Locke. Goal setting theory is an overall approach to motivation that emphasizes the need to establish goal as an intrinsic motivation. In other words, people's goals or intentions play an important part in determining their behavior.

Goals guide people's response and action by directing work behavior and performance, and lead to certain feedback. According to the theory, motivation and performance are higher when individuals set specific goal; when the accepted goals are difficult, and when there is feedback on performance. In other words, when goals are held as a factor for motivation, no matter how difficult the goals are, the performance of the outcome will definitely be high.

#### IV. Reinforcement Theory

The theory does not recognize that employees are motivated by needs or a process of motivation. Instead, it deals with how an employee's future actions are based on consequences of past actions. A behavior associated with rewarding consequences tends to be repeated and other behavior that evoke unfavorable consequences are likely to be avoided (Dessler, 2008). According to this theory, the manager must use the following methods for controlling employee's behavior.

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- Positive Reinforcement: This implies giving a positive response when an individual show positive and required behavior this will increase probability of outstanding behavior occurring again. Positive reinforcement stimulates occurrence of behavior. It must be noted that more spontaneous is the giving of reward, the greater reinforcement value it has (Dessler, 2008).
- Negative Reinforcement: This implies rewarding an employee by removing negative/undesirable consequences. Both positive and negative reinforcement can be used for increasing desirable / required behavior. I.e. Punishment- It implies removing positive consequences so as to lower the probability of repeating undesirable behavior in future. In other words, punishment means applying undesirable consequence for showing undesirable behavior.
- Extinction: It implies absence of reinforcements. In other words, extinction implies lowering the probability of undesired behavior by removing reward for that kind of behavior. For instance, if an employee no longer receives praise and admiration for his good work, he may feel that his behavior is generating no fruitful consequence. Extinction may unintentionally lower desirable behavior (Dessler, 2008).

#### **2.1.5 Motivational Factors**

Motivation is the willingness or desire to do something that conditioned by the activity or the ability to satisfy some needs (Bateman &Snell, 2011). The studies on employees' motivation have been widely practiced in today's enterprises across all sectors, regardless of their size. Those enterprises realized that the actions of motivating their employees are crucial in order to achieve the organizations' goals. The motivated employees relate to the manners of self-satisfaction, sellfulfilment and commitment that are expected to produce better quality of work and oblige to the organizations' policies which will extensively materialize efficiencies and competitive advantage (Rue & Byars, 1992).

All employees, therefore, have their own extrinsic and intrinsic motivational factors to motivate them to perform their bests (Lin., 2007). Motivation is yield to many elements as financial

factors (salary), carrier growth and development, job security, working condition, training and development, recognition, co-worker and Supervisor Relations, Workloads and promotion.

#### 2.1.6. Intrinsic factors of motivation

#### A. Recognition and Praise

Recognition and Praise are effective tools that affect positively employees' motivation since they like to be valued and recognized when performing a good task (Sirota, et al., 2006). Güngör (2011) posits that when an employee is recognized for a completed job and appreciated for the effort given, the tendency is that he/she works harder and performs better. Moreover, this appreciation and praise feeling from superiors, apart from pushing an employee to perform better it also results in higher organizational productivity (Hamjah, et al., 2011).

#### **B.** Training

Training is regarded as a highly intrinsic motivational factor and the implementation of training strategies is essential to offer employees an opportunity to develop and broaden their skills (Parvin&Kabir, 2011) and also to gain an organizational competitive advantage (Hunjra, et al., 2010). It is claimed that there is a large difference gap in the level of motivation between trained and untrained employees (Abdulla, et al., 2011). Furthermore, a trained employee is more likely to progress in his/her career and think positively about his/her organization (Parvin&Kabir, 2011).

#### C. Meaningful Work

Meaningful work is considered as a motivator by (Behn, 1995) while Chalofsky and Krishna (2009) describe it is a way of life and a combination of an individual's persistence, values, relationships and activities. Kumar & Sharma (2001) define meaningful work as the process of "doing something worthwhile" (p.618) while satisfying the self-esteem need.

#### **D.** Relatedness and Commitment

These concepts as inspiring factors that support the feeling of being part of something and pushes an employee to take action in the best interest of the team or organisation although no personal advantage is gained. Furthermore, he states that encouraging feelings of relatedness and commitment will satisfy the higher needs of a person (Trottier, et al., 2008).

#### E. Challenge

If there are no challenge employees may feel that there is no appreciation for their skill. On the other hand, if the given tasks are too challenging for them they may become less motivated because they may feel that they do not possess the required skills to accomplish. A research by Danner and Lonky (1981) resulted that challenge is motivated by intrinsic needs. Therefore, any job given must be challenging to enhance the employee's intrinsic motivation.

#### F. Participation / Responsibility

Participation is when people in the same workplace are consulted on subjects that are related to their job. When lower level employees have the opportunity to influence managerial decisions it makes them feel part of the organisation and promotes trust in them. Moreover, they feel that they are able and competent in their job (Gagné&Deci, 2005). In an organisation where participation is supported, managers are known to have the necessary skills to look at things from an employee's point of view and are capable of encouraging and promoting self- initiation (Gagné&Deci, 2005).

Employee participation improves motivation, job satisfaction and performance by power sharing responsibility and similar to what Herzberg theory suggests, the intrinsic factor of responsibility increases job satisfaction and is linked to other factors like interpersonal relationships and recognition (Lai, 2011).

#### G. Trust

A definition of trust is what individuals think about each other and is based on the level of behavior and communication adopted. Trust is very important and influential on employee workplace relationships so it should be conserved to improve workplace motivation and organizational survival (Annamalai, et al., 2010)

#### **H.** Career Development Opportunities

Skills development, training growth opportunity and promotion are considered to be powerful motivation factors for employees to satisfy their need for esteem and self-actualization Lai, (2009). According to the Herzberg two factor theory, personal growth and development are known to be intrinsic factor, which make employee satisfied when these are met, and they, thereafter, become motivated. However, criteria must be set correctly for the purpose of promotion and growth, so that employees become motivated by fulfilling those, Brewster et al., (2003). Promotion and growth policy should be matched to the need of employees, Hoag and Cooper (2006).

#### I. Employee empowerment

The concept of employee empowerment has been defined by scholars in different ways. Most of them agree that empowerment connotes giving employee's discretion over certain task-related activities. According to Randolph (1995) employee empowerment is the "transfer of power" from the employer to the employees. Employee empowerment focuses on developing trust, motivation, and participating in decision-making (Meyerson&Dewettinck, 2012).

Empowerment gives an employee the authority to make decisions (Saif&Saleh, 2013), thus, they can be motivated, committed, satisfied and help in dealing with customer needs (Jacquiline, 2014). Huxtable (1994) asserts that employee empowerment is giving authority to employees to deal with daily job activities. Management scholars have expanded the conceptualisation of empowerment beyond discretionary power and job autonomy.

For instance, Spreitzer (1995) opines that empowerment should be viewed from a psychological perspective reflecting an individual's feelings of self-control and self-efficacy. Arnold, Arad, Rhoades and Drasgow (2000) contend that empowerment should focus on the nature of the association between managers and their subordinates.

There are four perspectives to empowerment (Wooddell, 2009; Herrenkohl et al., 1999): (1) common attitude (success in meeting goals, customer-oriented, goal clarity), (2) The organisational support (authority in decision making, taking responsibility team effectiveness, risk-taking and employee intention toward customer orientation), (3) knowledge and learning (encouraging for changing, skills and tendency for change, trust, communication with customers), (4) fundamental recognition (the 21 Technium Vol. 2, Issue 7 pp.20-28 (2020) ISSN: 2668-778X www.techniumscience.com awareness and knowledge of reward system).

Spreitzer (1995) identifies five cognitive dimensions which managers can use to empower employees. He opines that managers need to create five characteristics in employees to empower them: Sense of competence, sense of self-organised, sense of being effective, sense of being meaningful or important and sense of trust others. Sense of Competence (self-effectiveness) connotes a person's belief that another person can do his/her tasks. It has been argued that this attribute is the most important because it determines if people try hard or persevere to do their duties or not. Sense of self-organized (Sense of having the right of selection) suggests that selforganised people perform their tasks voluntarily not by force. They see themselves as self-starters and very active persons. Sense of being effective connotes the ability of a person to effectively manage administrative, strategic and operational results and consequences (Spreitzer, 1995). When people are empowered, they can control and influence the environment they work or they can change the results. Senses of being meaningful or important suggest, that empowered people use their time and energy worth fully. Sense of trust others means the trust between managers and subordinates which is linked to the trust in interests, competency and trust others. These five characteristics can enable managers to successfully empower their employees. Empowerment strategies and techniques which provide a feeling of support for subordinates and increase their confidence will be effective on reinforcing belief (Barsi, Ziglari&Abadi, 2013). Scholars suggest that employee empowerment strategies include management leadership and commitment, communication, employee inclusion, reward system, clearly defined goals, managerial strategies, training, delegation of authority, formation of bipartite committees, sense of trusteeship, employee's suggestion scheme and interaction with top executives (e.gSahoo& Das, 2011). Arguably, effective management leadership and commitment is needed to maintain employee empowerment. Employees will demonstrate a high level of commitment if they perceive that top management show commitment by providing adequate resources. Top management must communicate the company mission and objective to employees so that they will know what value to add to the organisation. Indeed, communication supports the firm culture, foster coordination and facilitates decision making consistent with the strategic objectives of the organisation.

Kathuria and Davis (2001) note that organisation need to involve employees in critical thinking, basic leadership and methodology details to enhance performance. Inclusion allows employees to secure new information and understand what is expected of them. Arguably, a robust reward system is important to empower employees and motivate them to put in their best. Employees are empowered and motivated when their organisations set clear and challenging goals. Managers should create an environment that supports employees to do everything they want desirously and intentionally. Managerial strategies such as delegation, participating in decision making and leadership style can promote employee empowerment. Training will motivate employees to participate more actively by improving their confidence level. Arguably, employees training should focus on total quality, decision making, and customer care and employee relations.

Employee training has been associated with a couple of benefits such as lower costs, reduced turnover and absenteeism, increased revenues, employee satisfaction and flexibility empowerment. Delegation of authority can enable an organisation to nurture hidden talents and competencies to meet the business need. Formation of bipartite committees will promote healthy employee relations climate and superior organisational performance. Sense of trusteeship can motivate employees to achieve both organisational goals and individual desires and needs.

Employee's suggestion scheme provides employees with the opportunity to influence managerial decision making and involve themselves in organisation building activities. Interaction with top executives is the right platform for employees to raise several issues, offering their views, and suggestions for the survival and sustainability of the organisation.

According to Kumar and Kumar (2017) employee empowerment is a motivational strategy that promotes employees' sense of satisfaction towards their job and organisation. They add that empowered employees are happy with the training they received, self-development programmes, employee meetings, their participation in the various activities and consideration of their ideas and opinion. Extant literature suggests that employee empowerment has a direct influence on employee performance (Meyerson&Dewettinck, 2012), job satisfaction (Raza, Mahmood, Owais&Raza, 2015; Wadhwa&Verghese, 2015), and organisational commitment (Gholami, Soltanahmadi, Pashavi&Nekouei, 2013; Insan, Astuti, Raharjo& Hamid, 2013; Kun, Hai-yan& Lin-li, 2007). Mukwakungu, Mankazana&Mbohwa (2018) found that employee empowerment significantly influences customer satisfaction, quality improvement and organisational effectiveness. They conclude that organisations should give attention to the work environment because employees working conditions foster productivity.

Nadeem et al. (2018) find that a significant relationship exists between employee empowerment and organisational performance. Celik et al. (2014) demonstrate that employee empowerment fosters organisational creativity and innovativeness among firms in Konya Organized Industrial Zone, Turkey. They concluded that employee empowerment promotes organisational creativity and innovativeness at the same time and managers should adopt a systematic approach to empower employees. Hunjra, UlHaq, Akbar and Yousaf (2011) submit that employee empowerment promotes achievement, productivity and business growth.

As such, management should communicate the strategic direction of the firm to all employees to monitor its business performance. Hanayshahe (2016) reports that employee empowerment is connected to organisational commitment. They concluded that a higher employee's empowerment trait will lead to superior organisational performance. Laschinger, Finegan and Shamian (2002)

suggest that creating an environment that supports the applications of empowerment at the workplace will enhance employees' commitment and organisational effectiveness. However, Nwachukwu (2016) reports that employee empowerment is not significantly related to the organisational culture of banks in Nigeria. He concludes that managers should be conscious of how they empower employees because it may weaken the organization culture.

## **2.1.7 Extrinsic Factors of Motivation**

## A. Financial rewards

Money has been pointed out as a motivational factor by a large number of researchers. It is often seen as a symbol of success and also associated with comfort and security, Engelberg and Sjöberg,

(2006). It is considered as an advantage for the managers, because they can use money as a strategy since money can have a great impact on employees' performance. Some researchers have stated that motivation is the main instrument to be used. Knowing that it exists a direct correlation between salary and the 15 results obtained, Androniceanu, (2011). Some researchers suggest Murphy, (1981) that the employee should be motivated through a proportional salary according to the efforts done in the job. There are other important factors as well, but having a satisfactory salary is among the top factors.

### **B.** Work-Life Balance

In recent years the work-life balance has become more important and new practices are being applied due to the new scenarios at home and the workplace. Some examples are reduced hours working schedules, flexible working hours and child care opportunity measures. All of these have increased the positive attitudes and behaviours of employees towards their organisations (Beauregard & Henry, 2009) and are having a positive effect on employees' extrinsic motivation (Gagné&Deci, 2005).

#### C. Workplace Environment

Many scholars have attempted conceptualizing the working environment. Perhaps it may be defined in its simplest form as the settings, situations, conditions and circumstances under which people work. It is further elaborated by Briner, (2000) as a very broad category that encompasses the physical setting (e.g. heat, equipment etc.), characteristics of the job itself (e.g. workload, task complexity), broader organizational features (e.g. culture, history) and even aspects of the extra organizational setting (e.g. local labour market conditions, industry sector, work-home relationships). It means that work environment is the sum of the interrelationship that exists among the employees and the employers and the environment in which the employees work which includes the technical, the human and the organisational environment. Opperman (2002) was quoted in Yusuf and Metiboba, (2012), to define workplace environment as composition of three major sub-environments which include the technical environment refers to tools, equipment, technological infrastructure and other physical or technical elements of the workplace. The human environment includes the peers, others with whom employees relate, team and work groups, interactional issues, the leadership and management (p.37).

The human environment can be interpreted as the network of formal and informal interaction among colleagues; teams as well as boss-subordinate relationship that exist within the framework of organisations. Such interaction (especially the informal interaction), presumably, provides avenue for dissemination of information and knowledge as well as cross-fertilization of ideas among employees. Of course, it has been established in previous studies that workers' interpersonal relations at workplace tend to influence their morale (see Clement, 2000; Stanley, 2003). Hypothetically, whatever affects morale on the job is likely to affect job commitment.

According to Yusuf and Metiboba, (2012) the third type of work environment, organisational environment includes systems, procedures, practices, values and philosophies which operate under the control of management. In the words of Akintayo (2012) organisational environment refers to the immediate task and national environment where an organization draws its inputs, processes it and returns the outputs in form of products or services for public consumption.

The task and national environment includes factors such as supplier's influence, the customer's role, the stakeholders, socio-cultural factors, the national economy, technology, legislations, managerial policies and philosophies. All these go a long way in influencing people's psych and attitude towards work. These three types of environments can further be categorized into two basic types, based on the influence they exert on the people at work. In his study of employee personality profile at work as influenced by the working environment, Kyko (2005) posits that employee personality profile is not static.

It is dynamic and changes with the working experiences in the organization environment. Hence, many authors classify the work environment into conducive and toxic environments (see Akinyele, 2010: 302; Chaddha, Ravi & Noida,2011: 121; Yusuf &Metiboba, 2012: 37; Assaf, &Alswalha, 2013).

Conducive workplace environments give pleasurable experiences to the employees and help them actualize in the dimensions of personality profile while toxic workplace environments give painful experiences and de-actualize employees 'behaviour. Kyko believes that irresponsible or uncommitted employees can change to be responsible and be more committed to job in conducive work environment because such environments reinforce the self-actualizing traits in them. While reverse may be the case under toxic environment. It is these two kinds of workplace environment that serves as conceptual framework of this study.

Workplace environment is thus defined in this study as sum of the interrelationship between employees and employers and the environment in which they operate which may be conducive or toxic. In the university contexts, how can types of work environment be categorised? Since campus community is a spectacular kind of work environment which differ in a lot of ways from other manufacturing or service based organisations from which previous research have deduced the two types of work environment, we may need to broaden our horizon on these two types of work environment by investigating what could be toxic or conducive to workers in campus communities.

## **2.2 Empirical Review**

In a complicated and changing environment, leader of the organization used to create the environment in which employee feel trusted and are empowered to take decisions in the organization which leads to enhance motivation level of employee and ultimately organizational performance are enhanced. Smith and Rupp (2003) stated that performance is a role of individual motivation; organizational strategy, and structure and resistance to change, is an empirical role relating motivation in the organization. Likewise, Luthans and Stajkovic (1999) concluded that advancement of human resources through rewards, monetary incentives, and organizational behavior modification has generated a large volume of debate in the human resource and sales performance field. A study of industrial employees, conducted by (Kovach, 1987), yielded the following ranked order of motivational factors: (a) interesting work, (b) full appreciation of work done, and (c) feeling of being in on things. Another study of employees, conducted by (Harpaz, 1990), yielded the following ranked order of motivational factors: (a) interesting work, (b) good wages, and (c) job security. Research conducted by Lindner (1998) by using a descriptive survey of twenty five (25) employees in research center, rank-ordered the motivational factors affecting employee motivation as: (a) interesting work, (b) good wages, (c) full appreciation of work done, (d) job security, (e) good working conditions, (f) promotions and growth in the organization, (g) feeling of being in on things, (h) personal loyalty to employees, (i) tactful discipline, and (j) sympathetic help with personal problems.

When comes to 2000s years, factors that motivate employees are seen to be changed as there are technological developments, rapid increase of competitive factors among businesses and changes in employee needs as well as noticeable increase of female counterparts into the workforce are seen to be effective. For example, in the research of (Ölçer ,2005), determine what are the ranked factors that affect working staff motivations are job security, good relations with superiors, wage and appreciation based on fair performance, trustful and cooperative relations with workmates, appropriate working environment, ensuring opportunities for social development, doing group work, giving important and appropriate works in accordance with employee's skills and work rotation. Ölçer stressed that there is a meaningful relation in a positive way between motivation level and performance level.

A study on fast food industry conducted by (Hossain&Hossain ,2011), found several different factors according to the order of importance- Good wages, overall job security, training and development, benefits, evaluating performance fairly, accepts mistakes positively, availability of logistics supports, opportunities for career growth and development, flexible working hour, recognition, challenging work, reasonableness in work.

A cross-sectional study in Lebanon indicated a negative and significant relationship between job insecurity and job satisfaction (Karkoulian, Mukaddam, McCarthy, &Messarra, 2013). However, the extent to which individuals' perceived potential for job loss affects their job satisfaction may depend on the assessment of their chances of getting another job. However, the possibility of finding an equal or better job, and the availability of income security such as unemployment insurance could reduce the negative effect of job insecurity on job satisfaction. Good working relationships with colleagues can engender a healthy working environment that enhances personal satisfaction. (Moor, Leahy, Sublett, & Lanig ,2013), studied the effect of nurse to-nurse relationship on work environment of registered nurses in south western Ohio (N = 82). The study was a mixed method design. The result indicated that a considerable number of sampled nurses contemplated leaving the profession because of poor nurse-to-nurse relationship.

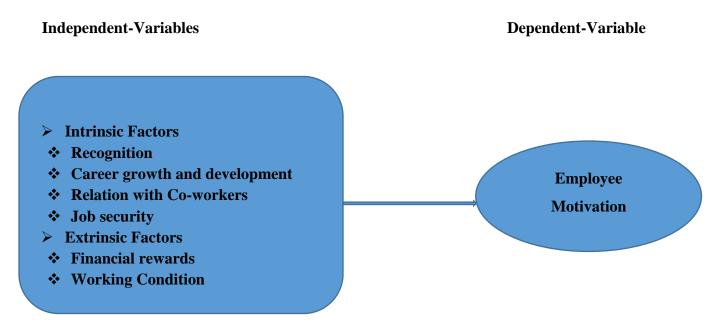
(Sakiru et al, 2014), found supervisor leadership styles positively influence employees' satisfaction. Leaders who encourage positive leadership style may enhance job satisfaction than leaders who do not. (Okediji, Etuk, &Nnedum, 2011), examined the influence of perceived coworker involvement and supervisory support on job satisfaction based on MSQ instrument. The study involved 150 employees of a brewery company in Uyo, Nigeria. The result of a 2-way ANOVA for unequal sample size indicated higher job satisfaction for employees who perceived their supervisors as supportive compared employees who saw their superiors as unsupportive. According to (George & Jones, 1999), because of poor working conditions, many employees feel dissatisfied. The working conditions include office space, equipment's, comfortable chairs, air conditioning; tools etc. (Kabir, 2011) also established in his research at Pharmaceutical industry, Bangladesh that working environment played an important role in the employee's job motivation. Working hours are another aspect of working conditions that researchers have examined.

Other empirical studies indicated that working hours inversely relate to job motivation. Using longitudinal survey data, (McNamara et al., 2013) investigated the association between hours worked per week and motivation with work-life balance, in the United States. The study indicated that the number of working hours per week negatively associated with satisfaction with work family life.

# 2.3. Conceptual Framework

The figure below shows that the independent variables including recognition, Career growth and development, relation with Co-workers, job security, fianancial rewards, working condition and the dependent variable (employees' motivation).

## Figure 2.1: Research Model



Source: Rashid Saeed, (2018).

# **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

# 3.1 Research Design and Approaches

Research design is the conceptual structure within which research is conducted. It constitutes the blueprint for the collection, measurement and analysis of data (Kothari, 2008). In essence, research design is a plan and structuring for selecting the sources and types of information needed to answer the research questions (Cooper and Schindler, 2001).

The primary aim of this study is to identify the factors affecting employees' motivation in BTP. To achieve this objective, mixed research approach (Qualitative & Quantitative) was employed in order to evaluate the problem better. Qualitative data collection involves in-depth analysis and research. Moreover it mainly focused on gaining insights, reasoning, and motivations; hence they go deeper in terms of\_research. On the other hand, quantitative research design is the kind of research that is largely used as a substitute for any data gathering approach (e.g. questionnaire) or data analysis procedure (e.g. graphs or statistics) that produces or engages numerical data. Quantitative research method also answers the questions of why, how, what is the effect of one variable on the other (Brians et al. 2011). With regard to research method, both research methods are considered to be very efficient in answering research questions compared to the quantitative and qualitative approach when used in isolation (Creswell, 2014).

Zikmund& et.al,1997 define data analysis as the application of reasoning to understand the data that have been gathered by determining consistent patterns and summarizing the relevant details revealed in the investigation, the statistical model that will be adopted in this study is multiple regression model which is an extension of simple linear regression. It is used when we want to predict the value of a variable based on the value of two or more other variables. The variable we want to predict is called the dependent variable (or sometimes, the outcome, target or criterion variable). The variables we are using to predict the value of the dependent variable are called the independent variables (or sometimes, the predictor, explanatory or regressor variables). In addition multiple regressions allow us to determine the overall fit (variance explained) of the model and the relative contribution of each of the predictors to the total variance explained. In general, the research design adopted for the study was a descriptive and explanatory research design to collect detailed and factual information and to identify any casual links between variables that pertain to the research problem. In addition the statistical model used to show the relationships and to show the most predictive independent variables was correlational analysis and multiple regression models.

## **3.2.** Population, Sample Size and Sampling Techniques

## **3.2.1. Research Population**

A population for a study is any group of individuals or institutions which have one or more characteristics in common (Cooper, 1996). The target population of this study is employees of BTP in A.A head office. In line with the objectives of this study, primary data was collected from managerial and non-managerial employees of BTP. As of March, 2021 B.T.P has a total number of 94 employees in both branches 64 employees in Addis Ababa Head office and 30 employees in Diredawa branch. Due to geographical and resource constraints to study the overall employees of the company the researcher has chosen employees found in Addis Ababa head office as a target population which have total of 64 employees included in the study.

## 3.2.2 Sample Size

The researcher chooses to study the entire population by applying the census method because the total number of employee's in BTP is relatively small. Census method is a survey method where the entire population is studied to collect the detailed data about every unit. One of the major advantages of census method is the accuracy each & every unit of population is studied before drawing any conclusions of the research.

Moreover, it gives deeper insights into a target population than partial samples would be capable of. It has the potential to allow a researcher to paint a much more complete picture, and greatly reduces guesswork. It also eliminates the risk of biased sample selection that is often encountered in would-be random study samples.

No	Department	Population	Total
		Characteristics	Population
1	General Manager	1	
2	Export and Import department	Managers	1
		Non-Managers	13
3	Production department	Managers	2
		Non-Managers	25
4	Finance department	Managers	1
		Non-Managers	6
5	Roasting department	Managers	1
		Non-Managers	14
TO	ΓΑL	<u> </u>	64

# Table 3.1: Study population & sample size

Source own survey (2021)

## **3.3 Sources of Data**

According to Blaxter (2001), primary data is defined as consisting of materials that one has gathered by him/herself through systematic observation, information archives, the results of questionnaires and interviews and case study which one has compiled. Data are primary if they have been gathered according to one's rational and interpreted by one to make a point which is important to one's own argument.

Saunders et al., (2007) defined secondary data as data used for a project that were originally collected for some other purpose. These secondary sources did help the researcher to identify how others have defined and measured key concepts, and how this research project is related to the work of others.

In general, the researcher used both primary and secondary source of data in order to gather information.

## **3.4 Data Gathering Instruments**

Primary data was collected through using close ended questionnaire and the secondary sources of information that the researcher used are previous researches under related research title books and articles among others. In order to realize the target, the study used well-designed structured questionnaire. The questionnaire was adopted from different sources which were found to be appropriate for the study. The researcher chooses questionnaire method as instrument of data collection is because it provides wider coverage to the sample and also it facilitates collection of a large amount of data.

# **3.5 Procedures of Data Collection**

The data that required for the study was collected through two sources, firstly from the primary sources and this source consists of the data analyzed from the close ended questionnaire and

secondly the secondary sources of information that the researcher used are previous researches under related research title books and articles among others.

According to Dencombe (2007) close ended questionnaires are those which structure the answers by allowing only answers which fit into categories that have been established in advance by the researcher. Since most of the questions demand the level of agreement of the employees, a Likert scale was used. A five-scale format namely strongly agrees, agree, neutral, disagree, and strongly disagree. Close ended format is chosen as it is easier and quicker for respondents to answer, easier to compare the answers of different respondents easier to code and statistically analyze

The questionnaires were distributed to the management and other non- managerial employees of BTP. But before distributing the questionnaires to all target population to check the reliability and validity of the instrument first 12 questionnaires were distributed to 12randomly selected employees of BTP then after checking the reliability the questionnaires were distributed to the remaining 52 respondents, 6 managers and 46 non-managerial employees of BTP Head office.

## **3.6 Reliability and Validity**

#### **3.6.1 Reliability**

According to Carmines & Zeller, (1979), reliability of a research instrument concerns the extent to which the instrument yields the same results on repeated trials. Although unreliability is always presents to a certain extent, there will be generally is good deal of consistency in the results of a quality instrument gathered at a different time. The tendency toward consistency found in repeated measurements is referred to as reliability. A measuring instrument is reliable if it provides consistent results. Cronbach alpha is a coefficient of reliability. It is commonly used as a measure of the internal consistency In addition to this cronbach alpha result is important to arrange the sequence of questionnaire. In a structured questionnaire the best that can be done is to determine the question-sequence with the help of a Pilot Survey which is likely to produce good rapport with most respondents (Kothari, 2004). . In order to ensure reliability, statistical analysis was implemented to examine the internal consistency of the instruments utilized. Cronbach's alpha reliability test was used as an examination indicator to determine the reliability of the measurement scale.

 Table 3.2: Reliability Statistics

	No.of	Cronbach alpha
	items	coefficient
Financial factors	5	.709
Non-Financial	5	.823
factors		
Relation with co-	5	.755
worker and		
Supervision Factors		
Recognition Factors	5	.718
Work condition and	5	.717
Job security Factors		

Source: own survey, (2021)

Table 3.2 above shows that instrument used in this study was reliable. Ideally, the Cronbach alpha coefficient of a scale should be above 0.7 (Pallant, 2005). All 30 items measured to test the reliability of the variables. Consequently all the coefficients are above 0.7 which exceeds the minimum acceptable cut-off point. So in general we can say there was an internal consistency reliability in this study which is acceptable and signified to be good.

## 3.6.2 Validity

Validity can be defined as the degree to which a test measurement measures what it is supposed to measure (Carmines & Zeller 1979). It focuses on the accuracy of the measurement. The Sample questionnaires was distributed for only 12 randomly selected respondents before distributing the finalized one and adjustments was made to the questionnaire items based on the comments of the respondents and also several measures were employed to ensure that the results

are free from material errors from the design of the questionnaire. Such measures are clarity of instructions, clarity of the questions, the layout of the questionnaire and other related comments.

# 3.7 Method of Data Analysis

According to Cooper and Schindler (2014), data analysis is "the process of editing and reducing accumulated data to a manageable size, developing summaries, looking for patterns, and applying statistical techniques. Cooper and Schindler state that what managers need is information and not raw data. It is therefore the duty of the researcher to generate the needed information through analysis of the collected data. So, in this study Data analysis for collected data through both descriptive and inferential statistics as well as the editing for clarity was done by using a tool namely; Statistical Package for Social Science (SPSS).

## **3.8 Ethical Consideration**

While conducting the research the researcher gives emphasis to the ethical issues in every aspect of this study. The participants were selected based on their consent/free will/. Beyond that when distributing the questionnaire, respondents were informed and guaranteed that the information they provide as to be kept confidential and used only for academic purpose. Respondents' anonymity was kept so that participants would feel free and safe to express their ideas. In addition, the permission of the appropriate authority is necessary while collecting data and the information cannot be used for any other illegal or unfair purposes.

# **CHAPTER FOUR**

## DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents a discussion of the results and the process through which the results were obtained. First, the background information of respondents presented and discussed. In addition, the data collected from BTP, A.A Head office is analyzed based on the research objectives in relation to factors affecting employee's motivation by using statistical methods.

This chapter mainly comprises the demographic characteristics of respondent's descriptive statistics; and the inferential statistics including correlation analysis and regression analysis.by using SPSS version 20.

## 4.1. Response rate

Item	Employees of BTP						
	Correctly filled and returned	Not returned					
Number	50	2					
Percentage	96%	4%					

Table 4.1: Response rate of questionnaires administered

Source: own survey, (2021)

As stated in the previous chapters of this paper, questionnaires were designed and distributed to a total of 52 employees of located in Addis Ababa city. Accordingly, 50 questionnaires were appropriately filled and returned which gives 96% return rate. So, the response rate is enough to carry out the analysis. Thus, the analysis is based on the valid 50 questionnaires responded by employees. The rest 2 are not returned. The detail is summarized in the above table 4.1.

# 4.2. Demographic Characteristics of Respondents

The first part of the questionnaire consists of five items about the demographic information of the respondents. It covers the personal data of respondents, such as gender, age, educational background, year of service. The following table 4.2 depicted each demographic characteristic of the respondents.

No	Item		Frequency	Percent
1	Gender of respondents	Male	28	56
		Female	22	44
		Total	50	100
2	Respondents age	20-30	13	26
		31-40	26	52
		41-50	9	18
		Above 50	2	4
		Total	50	100
3	Educational level of	δ		2
	respondents	Diploma	14	28
		BA -degree	30	60
		MA –degree and above	5	10
		Total	50	100
4	Work experience	1-5 Years	9	18
		6-10 Years	23	46
		More than 10 years	18	36
		Total	50	100

 Table 4.2: Personal information of respondents

5	Category	Top-management	1	2
		Middle-management	5	10
		Supervisor	8	16
		Non-managerial staff	36	72
		Total	50	100

## Source: own survey, (2021)

The demographic data for gender shows that out of the 50 respondents there were 28 males and 22 females. Table 4.2 item 1 shows that the male respondents formed majority of the target population with a percentage of 56%, while female respondents were representing 44%.

Item 2 The sample population age distribution is depicted on table 4.2 item 2 shows that respondents who are at the age of 31-40 years old covered large portion which was 26 (52 %). The second higher group was 13 (26%) fall under age categories of between 20-30. The next group 9(18%) were under the age categories of 40-50, and the last group 2(4%) were above the age of 50.

The distribution of employee's education level. Accordingly, 1(2.0%), 14(28.0%), 30(60.0%) and 5(10.0%) participants are in the category of Undergraduate, Diploma, BA-Degree, MA-Degree and above respectively. Hence, the result shows that as most of employees are degree holders.

Table 4.2 item 4 shows that the respondents have served in BTP from one year up to above 10 years. From the respondents, only 9 (18.0%) of them have worked between 1-5 years in the company. The majority of the respondents have served the company between 6 -10 years which consists 23 (46.0%) of the study group. The other 18(36%) respondents worked more than 10 years. According to this figure, employees of the company are largely dominated by workers who have been working between 1-6 years.

Finally as indicated on the table 4.2 item 5, from the whole respondent's major groups of respondents are staffs 36 (72.0%) followed by supervisors 8(16.0%), Middle management 5(10.0%) and Top management (2.0%) respectively.

# **4.3 Descriptive Analysis**

## 4.3.1 Perceptions of BTP Employees Regarding Motivational Factors

This section presents the employees" perception towards motivational factors in BTP. Motivational factors are composed of financial, non-financial, coworker and supervisor relation, recognition, working condition and job security. The respondents were asked to rate each statement concerning their opinions of these factors. As stated in the research methodology, Likert's scale was used to measure the influence of motivational factors for building employee's motivation. The researcher has explored employee's perception levels towards motivational factors in BTP.

The degree of motivation towards motivational factors is set from 1 to 5 (5 is the highest motivation whereas, 1 is the lowest motivation). The translation of level ranking is analyzed based on the following criteria of employees" satisfaction designed by Best (1977: 174). If the mean value is less than 1.80 is the (lowest motivation), mean value between 1.81 - 2.61 is (low motivation), mean value of the score between 2.62 - 3.41 is (average motivation), mean value of the score between

3.42 - 4.21 is (high motivation) and mean value of the score above 4.22 is (highest motivation).

The average perceptions (on the scale from 1 to5) of the proposed 30 motivational factors were rated by the respondents.

Table 4.3: Respondents attitude towards intrinsic and extrinsic motivational factors
--

Motivational factors	N	Mean	Std. Deviation	Rank
Remuneration affects motivation of employee	50	3.44	1.072	6
An attractive incentive plan on your of organization (like, over time work) create motivation of employee.	50	3.42	.731	8

Presents the item statistics, which is sorted by occurrences in the questionnaire

The financial rewards in your organization motivate employees in at a higher level.	50	3.30	.839	15
The monetary compensation salary structure in organization has an impact on your level of motivation.	50	3.56	.861	4
My salary payment is satisfactory in relation to what I do.	50	3.28	.948	16
The extent to which you feel you are being trained and developed at your job has an impact on your motivation.	50	3.64	.802	3
Opportunities for employee's carrier growth and development provide fairly in your organization give impact on your motivation	50	3.64	.875	2
The training program relating to your jobs provided by your organization give impact on motivation.	50	3.34	.717	12
Non-financial rewards are effectives in motivating employees to be more productive.	50	3.26	.965	17
Fair implementation of rewards significantly influences employee job performance.	50	3.44	.884	7
In BTP there is a feeling of team spirit and cooperation among coworkers which affects my motivation positively.	50	2.72	.882	28
The constant job feedback attained by your immediate supervisor will affect your level of performance and Influences how much you are motivated to perform your job.	50	2.82	.983	26
My level of motivation at my job is to an extent influenced by my coworkers	50	2.90	.931	24
team work adds more to motivation	50	3.10	.814	21

In BTP my co-Workers help me with difficult tasks,	50	2.96	.925	23
Employee empowerment and autonomy at your organization is superior for your motivation.	50	3.48	.909	5
The recognition and appreciation for your contribution will impact your motivation	50	3.78	.679	1
Informal recognitions have equal importance as formal recognitions.	50	2.66	1.042	29
Employees with high self-respect are more essentially motivated and willing to work hard.	50	3.42	.702	9
Success of the employees should be appreciate at all times	50	3.32	.844	13
The quality of working environment at your organization has an influence on your motivation level	50	3.20	1.069	19
The degree of trust revealed at your work place is a determinant of your level of motivation at work	50	3.22	.932	18
The degree of stress employee exhibit in your organization is as a result of their levels of motivation at the work place.	50	2.86	1.107	25
Increased job security has a positive impact on Employees motivation	50	3.04	.879	22
I have a reliable and permanent job in BTP	50	2.72	.969	27
In BTP my duties and responsibilities are clear	50	3.30	.931	14
Employee of your organization is overall motivated to do their job.	50	3.12	.961	20
Employee motivation is important for an organization.	50	3.44	1.072	6
My level of motivation affects my overall performance.	50	3.40	1.030	10

My job behavior do not create stress on my personal life	50	3.38	1.086	11
Average overall employee motivation		3.24	.915	

Source: own survey, (2021)

For the identification of employees motivational factors in the workplace, 30 attributes have been selected which are shown in the above table (Table 4.7). The importance of various attributes has been ranked by measuring mean and standard deviation. High mean score stands for high level of agreement; whereas low mean score dictates high level of disagreement. The standard deviation on the other hand presents the degree of dispersion of responses from the mean score. Accordingly, the highest mean value is found for the variable "The recognition and appreciation for your contribution will impact your motivation" and the lowest mean value are found for the variable

"Informal recognitions have equal importance as formal recognitions". As shown on table 4.7 above the mean values of: "the recognition and appreciation for your contribution will impact your motivation", "opportunities for employee's carrier growth and development provide fairly in your organization give impact on your motivation", "the extent to which you feel you are being trained and developed at your job has an impact on your motivation", "the monetary compensation salary structure in organization has an impact on your level of motivation", "employee empowerment and autonomy at your organization is superior for your motivation", "remuneration affects motivation of employee", "employee motivation is important for an organization", "fair implementation of rewards significantly influences employee job performance", "an attractive incentive plan on your organization (like, over time work) create motivation of employee' 'and "employees with high self-respect are more essentially motivated and willing to work hard" are above the average mean of 3.78, 3.64, 3.64, 3.56, 3.48, 3.44, 3.44, 3.44, 3.42, 3.42 and with standard deviation of .679, .875, .802, .861, .909, 1.072, 1.072, .884, .731, .702 respectively, according to this study recognition and appreciation highly motivates employees since recognition and Praise are effective tools that affect positively employees' motivation since they like to be valued and recognized when performing a good task (Sirota, et al., 2006). Moreover, this appreciation and recognition from superiors, apart from pushing an employee to perform better it also results in higher organizational productivity (Hamjah, et al., 2011)."

Financial factors in this study ranked (4th, 6th, 8th, 15th, 16th) with mean and standard deviation of (3.44, 3.42, 3.30, 3.56, 3.28) and (1.072, .731, .839, .861, .948) respectively. "The monetary compensation salary structure in organization has an impact on your level of motivation" ranked 4th, "remuneration affects motivation of employee" ranked 6th, "an attractive incentive plan on your organization (like, over time work) create motivation of employee" ranked 8th, "the financial rewards in your organization motivate employees in at a higher level" and "my salary payment is satisfactory in relation to what I do" ranked 15th and 16th respectively. These results prove Herzberg's two factor theories which state that monetary compensations are the hygiene factor which can avert employee's dissatisfaction only but do not necessarily motivate them. Poor remuneration is crucial factor for demotivating employees or in other word fair payments are important factors for motivating employees based on this study more than average of respondents agrees that remuneration affects motivation of employee. So this implicates fair payments and good incentives motivate employees of BTP.

Non- financial factors in this study ranked (2<sup>nd</sup>, 3<sup>rd</sup>, 7th, 12th, 17th) with mean and standard deviation of (3.64, 3.64, 3.34, 3.26, 3.44) and (.802, .875, .717, .965, .884) respectively. "opportunities for employee's carrier growth and development provide fairly in your organization give impact on your motivation" ranked 2<sup>nd</sup> according to the mean value and standard deviation which are 3.64 and SD=.875, "The extent to which you feel you are being trained and developed at your job has an impact on your motivation" with mean and standard deviation of 3.64 and .802 respectively ranked 3<sup>rd</sup> in this study. "Fair implementation of rewards significantly influences employee job performance", "the training program relating to your jobs provided by your organization give impact on motivation" and "non-financial rewards are effectives in motivating employees to be more productive" ranked (7<sup>th</sup> ,12<sup>th</sup> ,17<sup>th</sup>) respectively.

Skill development, training growth opportunity and promotion are considered to be powerful motivation factors for employees even if in this study it is not a most powerful factor like others

that do have higher effect on employee motivation, in order to satisfy their need for esteem and self-actualization Lai, (2009).

According to the Herzberg two factor theory, personal growth and development are known to be intrinsic factor, which make employee satisfied when these are met, and they, thereafter, become motivated. However, criteria must be set correctly for the purpose of promotion and growth, so that employees become motivated by fulfilling those, Brewster et al., (2003).

Relationship with co-workers and supervision related factors ranked (21<sup>st</sup>, 23<sup>rd</sup>, 24<sup>th</sup>, 26<sup>th</sup>, 28<sup>th</sup>) with mean and standard deviation (3.10, 2.96, 2.90, 2.82, 2.72) and (.814, .925, .931, .983, .882) respectively. "team work adds more to motivation" ranked 21<sup>st</sup>, "In BTP my co-Workers help me with difficult tasks" ranked 23<sup>rd</sup>, "My level of motivation at my job is to an extent influenced by my co-workers" ranked 24<sup>th</sup>, "the constant job feedback attained by your immediate supervisor will affect your level of performance and influences how much you are motivated to perform your job" ranked 26<sup>th</sup>, "In BTP, there is feeling of team spirit and cooperation among co-workers which affects my motivation positively" ranked 28<sup>th</sup>. Based on the result of this study feeling of team spirit and cooperation among co-workers and supervisor is one of the major concerns of employees now a day since huge retrenchment has been seen recently. This is a social factor, according to Maslow. Any minor changes in the working environment would make them worried about their social and security. Organizations have to ensure proper communication if any crucial change occurs in the organization. Healthy workplace where employees have cooperative and harmonious relationship with their co-workers and supervisors will lead to higher performance. If they have team spirit it will lead them toward synergistic solution.

Work condition and Job security related Factors ranked (18<sup>th</sup>, 19<sup>th</sup>, 22<sup>nd</sup>, 25<sup>th</sup>, 27<sup>th</sup>) with mean and standard deviation of (3.22, 3.20, 3.04, 2.86, 2.72) and (.932, 1.069, .879, 1.107, .969) respectively. "The degree of trust revealed at your work place is a determinant of your level of motivation at work" ranked 18<sup>th</sup>, "the quality of working environment at your organization has an influence on your motivation level" ranked 19<sup>th</sup>, "increased job security has a positive impact on Employees motivation" ranked 22<sup>nd</sup>, "the degree of stress employee exhibit in your organization is as a result of their levels of motivation at the work place" ranked 25<sup>th</sup> and "the medical benefits provided in the organization are satisfactory" ranked 27<sup>th</sup>. Based on this study the result indicates that there is moderate dissatisfaction among employees in their job security like

medical issues. According to Herzberg, hygiene factors, if there is absence job security, job discontent will happen. But if it is existing in the workplace it will prevent job dissatisfaction but don not lead to satisfaction. In addition, in this study the results revealed an average dissatisfaction on the quality of working environment. Jung and Kim (2012), suggested that good work environment and good work conditions can increase employee motivation and an organizational commitment. So, the employees will attempt to give their best which can increase the employee work performance. Similarly, Cheng et al. (2013) concluded that there were indications of moderating effects of age on the relations between psychosocial work conditions and health. Employees having poor working conditions will only aggravate negative performance, since their jobs are mentally and physically demanding, they need good working conditions.

Employee Over all Motivation ranked (6<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, 14<sup>th</sup>, 20<sup>th</sup>) with mean and standard deviation of (3.44, 3.40, 3.38, 3.30, 3.12) and (1.072, 1.030, 1.086, .931, .961) respectively. "Employee motivation is important for an organization" ranked 6<sup>th</sup>, "my level of motivation affects my overall performance" ranked 10<sup>th</sup>, "my job behavior do not create stress on my personal life" ranked 11<sup>th</sup>,

"in BTP my duties and responsibilities are clear" ranked 14<sup>th</sup> and "employees of your organization are overall motivated to do their job" ranked 20<sup>th</sup>. Based on the finding on this study it indicates that employee motivation is very crucial for the organization and employees, but the result reveals moderate dissatisfaction on the employees. Employee performance is directly related to motivational factors. To be effective, managers need to understand what motivates employees within the context of the roles they perform. Of all the functions a manager performs, motivating employees is arguably the most complex. This is due, in part, to the fact that what motivates employees changes constantly Bowen & Radhakrishna, (1991).

From this study an organization can motivate the workforce through introducing appropriate reward and recognition, providing opportunities for employee's carrier growth and development, implementing monetary compensation salary structure and attractive incentive plans (like, over time work) and so on improves overall employee's motivation.

# **4.3.2.** Frequency and Percentage distribution of Participant's Response to Motivational Factors

Respondents were asked to rate a series of statement according to their perception which will give indicators as to if they are motivated to work, based on earlier indicators discussed in chapter two on literature review. Subsequently, they were asked state the level of their agreement or disagreement to several factors that influence employee motivation based on their work in BTP.

The tables below presented show the opinion of managerial staff and non-managerial staff towards factors that has effect on employee motivation.

	Summary of Financial Factors										
Description	Remuneration affects motivation of employees.		An attractive incentive plan on your organization (like, over time work) create motivation of employee		The financial rewards in your organization motivate employees in at a higher level		The monetary compensation in the organization has an impact on your level of motivation.		My salary payment is satisfactory in relatively to what I do.		
	Count	%	Count	%	Count	%	Count	%	Count	%	
Strongly	-	-	-	-	-	-	-	-	-	-	
Disagree											
Disagree	16	32	6	12	11	22	9	18	14	28	
Neutral	2	4	18	36	14	28	7	14	11	22	
Agree	26	52	25	50	24	48	31	62	22	44	
Strongly	6	12	1	2	1	2	3	6	3	6	
Agree											
TOTAL	50	100	50	100	50	100	50	100	50	100	

**Table 4.4: Financial factors.** 

# Source: own survey, (2021)

The study ought to determine financial factors that affect motivation of BTP employees. According to the survey result shown on the above table 4.4 the most leading financial factors that creates motivation on BTP employees are remuneration and incentive plan (like, over time work).

					Summary of Non-Financial Factors											
Description	The extension of the ex	h I you Ig and wed job	Opportu for employe carrier growth a develop provideo your organiza have an impact o your motivati	unities The training program related to your jobs provided by your organization has an impact on motivation.		Non-financial rewards are effectives in motivating employees to be more productive.		Fair implementatio n of rewards significantly influences employee job performance								
	Count	%	Count	%	Count	%	Count	%	Count	%						
Strongly	-	-	-	_	-	-	3	6	1	2						
Disagree																
Disagree	7	14	8	16	7	14	8	16	7	14						
Neutral	7	14	7	14	19	38	13	26	14	28						
Agree	33	66	30	60	24	48	25	50	25	50						
Strongly	3	6	5	10			1	2	3	6						
Agree																
TOTAL	50	100	50	100	50	100	50	100	50	100						

## **Table 4.5: Non-Financial Factors**

Source: own survey, (2021)

On the statement related to non-financial factors listed on the above table 4.5 that seeks the level of agreement about to what extent get feeling being trained impact motivation employees opportunities for carrier growth and training program related the job, non-financial rewards and fair implementation of rewards significantly influences employee motivation. The responses indicated that carrier growth and training program related the job, has the highest motivation factor from non-financial factors that affects BTP employee's motivation.

			Summa	ry of rel	elation with Co-worker and supervision Factors								
Description	In BTP there is a Feeling of team spirit and cooperatio n among coworkers which affects my motivation positively		The constant job feedback attained by your immediate supervisor will affect your level of performance and influences how much you are motivated to perform your job.		My level of motivation at my job is to an extent influenced by my coworkers		Team work adds more to motivation		In BTP my co-Workers help me with difficult tasks.				
	Count	%	Count	%	Count	%	Count	%	Count	%			
Strongly Disagree										2			
Disagree	27	54	28	56	23	46	14	28	1	38			
Neutral	11	22	4	8	10	20	17	34	19	22			
Agree	11	22	17	34	16	32	19	38	11	38			
Strongly	1	2	1	2	1	2	-	-	19	-			
Agree													
TOTAL	50	100	50	100	50	100	50	100	50	100			

Table 4.6:	Relationship	with co-worker	and supervision
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Source: own survey, (2021)

The respondents were asked to indicate whether they agreed or disagreed on the degree of employee motivation related to feeling of team spirit exist on BTP and cooperation among coworker's, constant job feedback attained by their immediate supervisor, level of motivation influenced by your co-workers, team work and If there Co-worker's help them in difficult situations. As it can be seen on the above table 4.6 feeling of team spirit among co-workers and constant job feedback is essential than co-worker influence for BTP employee's.

	Summary of Recognition Factors											
Description	Employee empowerment and autonomy at your organization is superior for your motivation.		recognition and appreciation for your contribution		Informal recognition has an equal importance as formal recognition.		Employees with high selfrespect are more essentially motivated and willing to work hard.		Success of the employees should be appreciated at all times			
	Count	%	Count	%	Count	%	Count	%	Count	%		
Strongly Disagree	1	2	1	2	6	12	-	-	-	-		
Disagree	9	18	3	6	20	40	6	12	12	24.0		
Neutral	7	14	3	6	9	18	17	34	10	20.0		
Agree	31	62	42	84	15	30	27	54	28	56.0		
Strongly	2	4	1	2	-	-	-	-	-	-		
Agree												
TOTAL	50	100	50	100	50	100	50	100	50	100		

Source: own survey, (2021)

Table 4.7 above, clearly shows that the majority respondent's agreed and strongly feeling about the recognition and appreciation. From this we can conclude that employee recognition and appreciation have strong role on BTP employee's motivation.

## Table 4.8: Work condition and Job security Factors

		Summary of Work condition and Job security Factors											
Description	The quality of working environment at your organization has an influence on your motivation level		The degree of trust revealed at your work place is a determinant of your level of motivation at work.		The degree of stress employee exhibit in your organization is as a result of their levels of motivation at the work place.		Increased job security has a positive impact on Employees motivation		The medical benefits provided in BTP are satisfactory				
	Count	%	Count	%	Count	%	Count	%	Count	%			
Strongly Disagree					4	8			2	4			
Disagree	20	40	15	30	20	40	17	34	25	50			
Neutral	4	8	11	22	7	14	15	30	9	18			
Agree	22	44	22	44	17	34	17	34	13	26			
Strongly	4	8	2	4	2	4	1	2	1	2			
Agree													
TOTAL	50	100	50	100	50	100	50	100	50	100			

Source: own survey, (2021)

As Table 4.8 shows respondents opinion on the quality of working environment, the degree of trust revealed at work place impact employee motivation and the degree of stress employee exhibit in BTP determine your level of motivation as well as if increased job security have a positive impact on their motivation also they were asked if the medical benefits provided in BTP are satisfactory. As it can be seen one can draw the quality of working environment has strong influence on employee motivation on the other hand medical benefits provided in BTP are not satisfactory.

		Summary of Employee Over all Motivation												
Description	In BTP my duties and responsibilities are clear		your organiz is ov motivat	organization important		ion is nt for	for affects my overall		My job behavior does not create stress on my personal life.					
	Count	%	Count	%	Count	%	Count	%	Count	%				
Strongly	-	-	1	2	-	-			1	2				
Disagree														
Disagree	16	32	16	32	15	30	15	30	15	30				
Neutral	3	6	10	20	5	10	5	10	3	6				
Agree	31	62	22	44	23	46	25	50	26	52				
Strongly	-	-	1	2	7	14	5	10	5	10				
Agree														
TOTAL	50	100	50	100	50	100	50	100	50	100				

**Table 4.9: Employee over all Motivation** 

Source: own survey, (2021)

Table 4.9 is indicative of the results that were obtained when the respondents were asked to indicate other related over all motivational factors as, if their duties and responsibilities are clear, if they are inspired to do their job as well as their opinion regarding the importance of motivation in organizations, does motivation affects my overall performance in addition they were asked if the job behavior does not create stress on their personal life. According to the higher percentage of agreements we can conclude that on average most of BTP employees agreed on the above overall employee motivation related statements.

# **4.5 Correlation Analysis**

As proclaimed by Marczyk, DeMatteo and Festinger (2005), correlations are perhaps the most basic and most useful measure of association between two or more variables expressed in a single number called a correlation coefficient (r). n terms of the strength of relationship, the value of the correlation coefficient varies between +1 and -1. A value of  $\pm$  1 indicates a perfect degree of association between the two variables. As the correlation coefficient value goes towards 0, the relationship between the two variables will be weaker. The direction of the relationship is indicated by the sign of the coefficient; a + sign indicates a positive relationship and a – sign indicates a negative relationship.

Correlation coefficient(r)	Strength of the correlation	
From 0.01 up to 0.09	Negligible association	
From 0.10 up to 0.29	Low association	
From 0.30 up to 0.49	Moderate association	
From0.50 upto0.69	Substantial association	
From 0.70 and above	Very strong association	

 Table 4.10: Correlation coefficient(r)

Source: Joe W. Kotrlik, J. C. Atherton, A. Williams and M. KhataJabor.(2011)

## **Table 4.11 Correlation Analysis**

Correlation Analysis between Independent variables and Dependent Variable

		Financial factors	Non- Financial factors	Co-worker and supervision Factors	Recognition Factors	Work condition and Job security Factors	Employee Over all Motivation
	Pearson Correlation	1	009	.150	.299*	.409**	.519**
Financial	Sig. (2-		.950	.297	.035	.003	.000
factors tailed)	N	50	50	50	50	50	50
	Pearson Correlation	009	1	.111	.378**	.134	.317*
Non-Financial	Sig. (2tailed)	.950		.442	.007	.353	.025
factors	N	50	50	50	50	50	50
Co-worker	Pearson Correlation Sig. (2-	.150	.111	1	.121	.253	$.280^{*}$
and supervision	tailed)	.297	.442		.403	.076	.049
Factors	Pearson	50 .299 <sup>*</sup>	50	50	50 1	50	50
Decomition	Correlation Sig. (2tailed)		.378 <sup>**</sup> .007	.121	1	.554 <sup>**</sup> .000	.557 <sup>**</sup> .000
Recognition Factors		.035		.403	50		50
	N	50	50	50	50	50	50
Work	Pearson Correlation	.409**	.134	.253	.554**	1	.722***
condition and Job security	Sig. (2tailed)	.003	.353	.076	.000		.000
Factors	N Pearson	50 .519 <sup>**</sup>	50 .317 <sup>*</sup>	$50\\.280^{*}$	50 .557 <sup>**</sup>	50 .722 <sup>**</sup>	50
Employee	Correlation	.317	.317	.200			1
Over all Motivation	Sig. (2tailed)	.000	.025	.049	.000	.000	
	Ν	50	50	50	50	50	50

\*. Correlation is significant at the 0.05 level (2-tailed).

\*\* Correlation is significant at the 0.01 level (2-tailed).

Table 4.15 shows that the relationships between all variables are positive except between financial and non-financial factors as presented above. Financial factor has significant relationship with employee overall motivation at the value .000 which is less than 0.01. Recognition has significant and positive relationship with employee motivation at the value .000 which is less than 0.05. Work condition and Job security has significant relationship with employee overall motivation at the value .000 which is less than 0.05. Non-financial factor has significant relationship with employee overall motivation at the value .000 which is less than 0.05. Non-financial factor has significant relationship with employee overall motivation at the value .025 which is less than 0.05. Co-worker and supervision has significant relationship with employee overall motivation at the value .049 which is less than 0.05.

This analysis is mainly done for the sake of testing whether multicollinearity is the problem of this research or not before proceeding to regression analysis. According to Ho (2006), when the predictor variables are correlated among themselves, the unique contribution of each predictor variable is difficult to assess. As per statisticians' suggestion cited by Negi (2009), if a correlation coefficient matrix demonstrates the degree of association between variables about 0.75 or higher, there may be multicollinearity and should be rectified before using such variables as predictors in regression analysis. Hence specific to this study, all the six correlation coefficients are less than 0.75, so there is no problem of multicollinearity being assumed thus; allow using the data in regression analysis.

# 4.6 Multiple regressions Analysis

Regression analysis is a systematic method that can be used to investigate the effect of one or more predictor variables on dependent variable. That is, it allows us to make statements about how well one or more independent variables will predict the value of a dependent variable. Based on this principle, this study tried to implement multiple linear regressions to analyze, the factors affecting employee's motivation in BTP.

These factors are treated as independent variables and overall employees' motivation as dependent variables. To develop the regression line formula, the prediction equation is calculated as: Y = A

+ B1X1 + B2X2 + B3X3 + B4X4 + B5X5 + B6X6; where Y is the predicted dependent variable, A is the constant term, B is the beta coefficient of each independent variables and X is the value of each independent variable.

The dependent and the independent variables are denoted as, (X1=Financial factors, X2=Nonfinancial factors, X3=Relationship with co-workers and supervision related Factors X4= Recognition Factors, X5= Work condition and Job security related factors and the dependent variable, Y= Employee Over all Motivation.

The researcher conducted five assumptions that have to be fulfilled before applying multiple linear regression which otherwise be impossible to run the regression. The tests for the five assumptions of multiple regressions are as follows:

## 4.6.1. Assumption 1- Normality of the distribution

We can test if our data's are normally distributed visually (with QQ-plots and histograms). The assumption of normality shows the distribution of the errors for any given combination of values on the predictor variables (independent variables) (Matt N, Carlos A, and Deson K, 2013). A distribution is called approximate normal if skewness or kurtosis (excess) of the data are between -1 and +1 which is one way of measuring the normality of distribution.

## Table 4.12: Normality of the data

# **Descriptive Statistics**

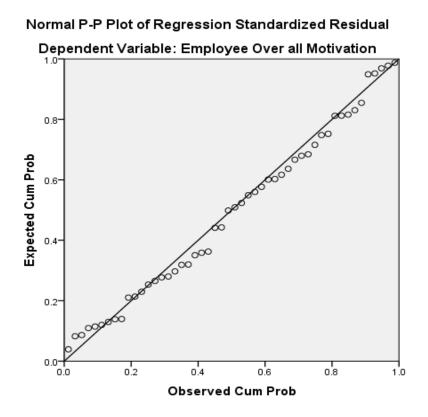
	Ν	Mean Std. S Deviation		Skewne	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error	
Financial factors	50	3.4000	.58971	.100	.337	001	.662	
Non-Financial factors	50	3.4640	.61337	-1.027	.337	.527	.662	
Co-worker and supervision Factors	50	2.9000	.59830	.560	.337	632	.662	
Recognition Factors	50	3.3320	.49091	477	.337	.463	.662	
Work condition and Job security Factors	50	3.0080	.79792	.361	.337	797	.662	
Employee Over all Motivation	50	3.3280	.87669	467	.337	-1.262	.662	
Valid N (listwise)	50							

As shown in table 4.11, the results of skewness were within the acceptable range of normality (-1 to +1). But the Kurtosis under Employee Over all Motivation (-1.262) slightly out of the range and this violates the assumption of normality. However, according to the central limit theorem, sampling distribution, and the use of the statistical test with this variable is appropriate. Hence the normality assumptions are satisfied.

#### **4.6.2.** Assumption 2- Homoscedasticity (equal variance)

Homoscedasticity is the assumption that the variation in the residuals (or amount of error in the model) is similar at each point across the model. In other words, the spread of the residuals should be fairly constant at each point of the predictor variables (or across the linear model). This assumption is also known as the homogeneity of variance assumption (Field, 2006) and (Weisberg, 2005), as cited by, Matt N, Carlos A, and Deson K (2013).

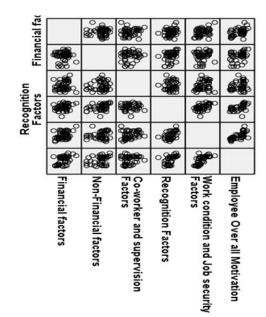
### Figure 4.1 Homoscedasticity between variables.



As shown in fig-4.1 above when we visually inspected it, it looks somewhat like a shotgun blast of randomly distributed data Therefore; we concluded that the assumption of homoscedasticity was proved in this particular study. not changing. Therefore, we concluded that the assumption of homoscedasticity (homogeneity of variance) was proved in this particular study.

#### 4.6.3Assumption 3- Linear relationship

Linearity means that the predictor variables in the regression have a straight-line relationship with the outcome variables.





The result of this particular study showed that, there is a linear relationship between the dependent or response variable employees' motivation and the independent or predictor variables which are factors affecting employee motivation (financial factors, non-financial factors, relationship with co-workers and supervision related factors recognition factors, work condition and job security). This means for every increase in the independent variable, the dependent variable will increase. This has been demonstrated by the Figure 4.2.

#### 4.6.4 Assumption 4- Independent of Errors/Residuals

For any observation the residual terms should be uncorrelated or independent and this eventuality is described as lack of autocorrelation (Field, 2006). These residuals are the prediction errors or differences between the actual score and estimated by the regression equation. And the size of the residual for the given case should have no impact on the size of the residual for the next case.

That means the errors are assumed to be independent (Chatterjee&Hadi, 2012; Fox, 1997; Weisberg, 2005). Any violation of this assumption leads to biased estimate of standard errors and significance, even if the estimate of the regression coefficient remains unbiased but yet inefficient. (Chatterjee&Hadi, 2012), as cited by, Matt N, Carlos A, and Deson K (2013).

The Durbin-Watson statistic is used to test for independent of residuals or presence of serial correlation among the residuals (Field, 2006). Table-4.17 below indicates the Durbin-Watson test result of the study.

 Table 4.13: Durbin-Watson test result of the study

_					Mouci	Summar	y				
	Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square	Change S F Change	df1	df2	Sig. F Change	Durbin- Watson
ļ	1	90 <b>7</b> <sup>a</sup>	(51	(12	54621	Change		5	4.4		1.940
l	1	.807 <sup>a</sup>	.651	.612	.54631	.651	16.437	5	44	.000	1.840

Model Summary<sup>b</sup>

Source- Own Survey (2021)

A. Predictors: (Constant), Work condition and Job security Factors, Non-Financial factors, Coworker and supervision Factors, Financial factors, Recognition Factors

B. Dependent Variable: Employee Over all Motivation

The test statistics of the Durbin-Watson statistic ranges from 0 to 4. As a general rule, the residuals are independent (not correlated) if the Durbin-Watson statistic is approximately 2, and an acceptable range is 1.50 - 2.50. A value greater than 2 indicates a negative correlation and a value less than 2 explains a positive correlation (Field, 2006, Babatunde O.S, Oguntunde P.E, OgunmolaA.O and Balogun O.S, (2014). According to this, for this study as shown in table 4.17 above the Durbin-Watson value is 1.840, which is within the acceptable range. So our assumption independence of residuals is validated.

#### 4.6.5 Assumption 5- Multicollinearity

Multicollinearity refers to when your predictor variables are highly correlated with each other than with the dependent variable and when the independent variables are highly correlated with each other while they are basically measuring the same thing (Field, 2006). If multicollinearity exists among the predicting or independent variables, there is strong correlation between two or more predictors and it is a problem associated with multiple regression (Field, 2006).

Tolerance value below 0.10, VIF greater than 10 in correlation matrix and the predictors is the causes for multicollinarity (Klein, 1962; Greene, 2000; Freund and Littell 2000). Tolerance is a statistics used to indicate the variability of the specified independent variable that is not explained by the other independent variables in the model.

Table 4.14: Mutico	llinarity statistics
--------------------	----------------------

Model	Collinearit	ty Statistics
	Tolerance	VIF
Financial factors	.810	1.234
Non-Financial factors	.829	1.206
Co-worker and supervision Factors	.923	1.084
Recognition Factors	.587	1.705
Work condition and Job security factors	.599	1.668

Source Owen survey, (2021)

Table 4.18 above shows the tolerance levels for all variables are greater than 0.10 and the VIF value are less than 10. These all revealed that there was no multicolliniarity problem that alters the analysis of the findings. Thus, the tolerance and VIF values are acceptable.

#### 4.6.6. Regression Analysis Results

Since all the multiple regression assumptions are satisfied, we proceeded to further regression analysis and mainly focused on the three most important elements of regression output, i.e. the Model Summary, the ANOVA test and the Beta coefficient. Based on the average response obtained from the employees, the dependent variable: (employee over all motivation) and each of the predictor variables :(financial factors, non-financial factors, relationship with co-workers and supervision related factors recognition factors, work condition and job security related factors) were analyzed.

	Model	R	R Square	5	Std. Error of the		Change	Statis	stics		Durbin- Watson
			Square	Square	Estimate	R Square Change	F Change	df1	df2	Sig. F Change	vv atsoli
Ì	1	.807 <sup>a</sup>	.651	.612	.54631	.651	16.437	5	44	.000	1.840

 Table 4.15: Model summary of the regression result

A. Predictors: (Constant), Work condition and Job security Factors, Non-Financial factors, Coworker and supervision Factors, Financial factors, Recognition Factors

B. Dependent Variable: Employee Over all Motivation

Source- Own Survey (2021)

On the above table 4.19 the value of R square explains how much of the variance in the dependent variables are identified by the model and the larger the value of r square implies the better the model is. Thus, as we can see on Table 4.14 above financial factors, non-financial factors, relationship with co-workers and supervision related factors recognition factors, work condition and job security related factors accounted for 61.2% with significance level of (sig.=.000) which is less than 0.05 (adjusted  $R^2 = 0.612$ , P<0.05)). The rest 38.8% were other variables that are not included in this study.

# Table 4.16: ANOVA

			ANOVA			-
M	Iodel	Sum of Squares	df	Mean Square	F	Sig.
	Regression	24.529	5	4.906	16.437	.000 <sup>b</sup>
1	Residual	13.132	44	.298		
	Total	37.661	49			

**ΛΝΟΥΛ**<sup>a</sup>

ANOVA for the relationship of the identified factors and employees' motivation

a. Dependent Variable: Employee Over all Motivation

b. Predictors: (Constant), Work condition and Job security Factors, Nonfinancial factors, Coworker and supervision Factors, Financial factors, Recognition Factors

#### Source: own survey (2021)

As shown on the above table 4.20 ANOVA (analysis of variance) provides F value where F equals to mean square of explained data divided by mean square of residual data (Sekaran, 2003). Table revealed an F value of model 1 to be 16.437 Thus we concluded that the regression model best fits the data at a significance level of .000.

### Table 4.17: Beta coefficient

	Со	efficients			
Model		ndardized fficients	Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	-1.691	.746		-2.267	.028
Financial factors	.402	.147	.270	2.733	.009
Non-Financial factors	.287	.140	.201	2.052	.046
Co-worker and supervision Factors	.112	.136	.076	.824	.415
<b>Recognition Factors</b>	.203	.208	.113	.976	.335
Work condition and Job security Factors	.552	.126	.502	4.369	.000

A. Dependent Variable: Employee motivation

#### Source-own survey (2021)

## I. Standardized Beta Coefficient

Standardized beta coefficients are used to compare scores like Z-scores since they all are measured in standard deviation and are not dependent on the unit of measurement of the variables (Field, 2006).Based on the relation shown on table-4.16, the contribution of financial factors 27%, nonfinancial factors 20.1%, co-worker and supervision factors7.6%, recognition factors 11.3%, work condition and Job security factors 50.2% for the variation observed in the dependent variable (employee's overall motivation).

The highest contributor for the variation employee's overall motivation according to the responses of employees is work condition and Job security factors 50.2%. secondly, financial factors contribute 27% followed by non-financial factors by a beta value of 20.1% and the least

affecting factor for the overall employee motivation from the given factors was co-worker and supervision factors with 7.6% beta value.

#### **II. Unstandardized Beta Coefficient**

Unstandardized beta coefficient is sometimes called, the Beta Weights and tells us about the relationships between the dependent variable and the independent variables. If the value is positive the relationship between the predictor and the outcome is positive. Negative coefficient represents a negative relationship (Field, 2006). According to Pedhazur, (1997), a  $\beta$  weight coefficient informs us, as to how much change in the criterion variable. We might expect with a one-unit change in the predictor variables holding all other predictor variables constant. That means from table 4.21, as work condition and Job security increases by one unit motivation of employees increases by .552if the other five factors kept constant (Field, 2006).

The linear multiple regression formula for the dependent variable (employees' overall motivation), and the six independent variables (Financial factors, Non-Financial factors, Co-worker and supervision Factors, Recognition Factors, Work condition and Job Security Factors), is

# $\mathbf{Y} = a + b_1 \mathbf{X}_1 + b_2 \mathbf{X}_2 + b_3 \mathbf{X}_3 + b_4 \mathbf{X}_4 + b_5 \mathbf{X}_5 + \mathbf{e}$

Where,  $\mathbf{Y}$  = the dependent variable employees' motivation  $\mathbf{a}$ 

= y axis intercept (the constant beta value)

**b**<sub>1</sub>, **b**<sub>2</sub>, **b**<sub>3</sub>, **b**<sub>4</sub>, **b**<sub>5</sub>=beta weight for each independent variables

 $X_1$ ,  $X_2$ ,  $X_3$ ,  $X_4$ ,  $X_5$ =representing, Financial factors, Non-Financial factors, Co-worker and super vision Factors, Recognition Factors, Work condition and Job Security Factors, respectively. e = the error term (0.05)

Based on table 2.1 and taking the unstandardized beta value into consideration, the regression equation of this particular study to the nearest two decimal places can be expressed as:

# $\mathbf{Y} = -1.691 + 0.402X_1 + 0.287X_2 + 0.112X_3 + 0.203X_4 + 0.552X_5 + 0.05$

#### Interpretations from the equation

- The negative value of the constant indicates that when all independent or predictor variables (X<sub>1</sub>, X<sub>2</sub>, X<sub>3</sub>, X<sub>4</sub>, X<sub>5</sub>) are set to zero, the expected value on the dependent variable(Y) will be less than zero.
- For every unit increase in the value of financial factors of the company setting all other predictor variable to be constant, the value of response, variable overall employees' motivation will increase by 0.270unit.
- For every unit increase in the value of Non-Financial factors in BTP setting all other predictor variable to be constant, the value of response, variable overall employees' motivation will increase by 0.201 units.
- For every unit increase in the value of Co-worker and supervision Factors of the management of in BTP, setting all other predictor variable to be constant, the value of response variable overall employees' motivation will increase by 0.076 units.
- For every unit increase in the value of Recognition Factors in BTP, setting all other predictor variable to be constant, the value of response variable overall employees' motivation will increase by 0.113 units.
- For every unit increase in the value of Work condition and Job Security Factors in BTP, setting all other predictor variable to constant, the value of response variable overall employees' motivation will increase by 0.502 units

# **CHAPTER FIVE**

#### SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATION

This research had an aim of investigating the factors affecting employee motivation in BTP. This section summarizes the results and the findings based on the analysis done on the data collected from respondents. The discussion then will try to accomplish all the objectives of the study. As a result, recommendations are given for the target company to tackle problem at hand. Limitation of the study is also one of the emphases of this chapter from which future research insights are conceived.

## 5.1 Summary of Major findings

- Comparison of the mean value of all motivational factors indicates that the mean score of "the recognition and appreciation for your contribution will impact your motivation" (m=3.78) is the highest among others.
- The attributes perceived overall motivation are scattered between the five motivational factor measurements. The highest mean of motivational factor is non-financial factor (m=3.46), followed by financial factors (m=3.40), Recognition factor (m=3.33), work condition and job security factors and co-worker and supervision factors have less mean value compared to the other factors 3.00 and 2.90, respectively.
- Work condition and Job security shows the highest positive correlation (r=.722\*\*, p<0.01) with overall employee's motivation and recognition demonstrating the second highest positive correlation (r=.557\*\*, P<0.01) with overall employee's motivation followed by financial factors (r=.519\*\*, p<0.01).</p>
- The relative importance of the significant predictors is determined by looking at the standardized coefficients. "Working condition and job security factors" and "financial factors" have the highest standardized coefficient (.502 and .270) and the lowest significance value (.000 and.009) respectively, which means "work condition and job security factor" and "financial factor", are the best predictor variables. Work condition and job security factors and

overall employee motivation had a high correlation of  $.722^{**}$  and the value of R2 = .612. This point out that variability's in employee's motivation can be explained by Work condition and job security aspect which accounts (61.2%), the remaining (38. 8%) of variability could be explained by the other factors.

The impacts of work condition and job security, financial factor, non-financial factor recognition, co-worker and supervision, on employee's motivation are .502, .270, .201, .113 and.076 respectively, in their descending order indicating that work condition and job security factors and financial factor have the highest impact on employee motivation. In addition, recognition and co-worker and supervision have lower values this implies that these factors have less impact on employee's motivation.

## **5.2 Conclusion**

Employee motivation is a highly sensitive concept which is affected by a multiplicity of factors. The major objective of this study was to investigate the extrinsic and intrinsic motivational factors that influence employee motivation in BTP and again to identify the relationship between motivational factors and employee's motivation.

To this end, the study attempts to identify ranked key factors that affect motivation of employees working at BTP and assess their motivational level. From the result obtained the study identified extrinsic and Intrinsic motivational factors that affect BTP employees work motivation the most and it can be concluded that there are several factors that influence employees' motivation in organizations from these based on this study, the key factors that contribute to BTP employee motivations are work condition, job security and financial factors which are identified as the most important factor that enhances employee motivation in BTP.

Accordingly, the study concluded that working condition and Job security have positive and strong impact on overall employee motivation followed by financial factor and Non-financial factor, recognition whereas co-worker and supervision has less impact on motivation compared to the others.

On the components of employees' attitude towards motivational factors, five major factors namely: (financial factors, non-financial factors, co-worker and supervisor relation, recognition,

work condition and job security) were identified from many sources of literature. And the empirical study showed that non-financial factors such as recognition, job security and work condition have found to have a strong and positive effect on employee motivation since the mean score are above average (3.32 and 3.01) respectively. This implies that employees, who receive greater level of recognition, are more motivated than others.

Therefore, in general, both intrinsic and extrinsic motivational factors can increase employee job satisfaction and the employees will try to give their best that can increase the employee work performance. After this consideration, we can see that work condition and job security factors, financial and other Non-financial factors can increase employee job motivation and satisfaction; satisfied employees offer good services for the organization. So it can be clearly seen that there is a direct relationship between motivational factors and employee's motivation. Finally, it is necessary for any employer to understand what truly motivates the employees and how to maximize the overall job performance.

## 5.3. Recommendations

Based on the analysis of the outcome of the survey, the study has recommended some of the strategies which might be effective in building positive employees' attitudes towards motivational factors in the organization.

- As we infer the result shows in the finding that working environment has positive significant relationship with employees' motivation thus, management should provide a better working environment to its employees, which is adequate in terms of offering adequate facilities and resources to do their job effectively.
- The second issue for most of the employees as well as for the management groups in BTP is the salary and compensation system of the company. Most of them believe that the payment they are receiving is less adequate for their personal life, not appropriate compared to the tasks they are performing and payments of similar jobs in other organizations. Such feelings are destructive in building team sprits and company belongingness. The feelings also strongly affect the employees' enthusiasm and the overall synergy of the company. Hence the company should afford reasonable salary and compensation system for its employees.

- BTP should focus on other motivational factors, apart from money oriented factors, such as job security, recognition, creating conducive work environment and smooth relationship with coworkers and managers to enhance its employees' motivation.
- The company should recognize best performers and provide prizes and Certificate and it also establish system based employees' carrier growth.
- BTP should carry out seasonal assessments on factors affecting motivation of its employees to address the need of employees so that their productivity could be improved.
- The company should also give due emphasis for carrier growth and development of its employees in order to motivate them.
- As the present research is an attempt to examine the factor that affect employee motivation in BTP, at Addis Ababa branch, as I mentioned from the start due to geographical limitation, the pandemic and time the study is conducted in BTP Addis Ababa branch only. Therefore, additional studies needed to be under taken to examine employee motivation patterns in other region (DireDewa) with larger samples. Nevertheless, the researcher would argue that these findings provide additional insight into employees' perceived motivation within the organization. Results of this study should encourage strategy development for management particularly in the areas of financial factor and work condition.

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# APPENDIX

## **QUESTIONNARIE**

# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES SCHOOL OF BUSINESS Questionnaire to be filled

## Dear Respondents,

I am Elishaday Mulugeta, a graduate MBA student at St. Mary's University, School of Business. You are kindly requested to provide the required data in the questionnaire. It should take a few minutes to complete the following questionnaires.

This questionnaire aims to facilitate the collection of data for the research on "Factors Affecting

# **Employee motivation in Bashanfer Trading plc.**

The information that you provide will remain confidential and is sought exclusively for the partial fulfillment of masters of business administration. I kindly request you to provide reliable information.

If you have any questions or comments, please contact me using the following address Tel: 0936984126, G-mail- <u>ruthmule11@gmail.com</u>.

**N.B:** You don't need to write your name.

BTP stands for Bashanfer Trading plc.

#### PART I:

**Instruction:** Please put tick  $[\sqrt{}]$  inside the box or table for an alternative you think is right.

## **SECTION A: General information**

1. Gende	er: Male 🗌	Female	
2. Age:	20-30	31-40	
	41-50	Above 50	

# **3.Educational background:**

Under graduate			
Diploma			
BA-Degree			
MA-Degree and above			
4. Category:			
Top Management			
Middle management			
Supervisor			
Non-managerial staff			
5. How many years have y	you worl	ked with the	organization?
1-5 years		6-10years	
More than 10 years			

Part II: Respondents' opinion related to Factors Affecting Employee motivation in

# **Bashanfer Trading plc.**

Instruction: Indicate the extent of your agreement with respect to each of the following statements by marking 'tick vin the appropriate column to the right side where:

No	Mativational factors	Dating Scale	
<b>(SA)</b>			
1 = Str	ongly Disagree (SD) 2= Disagree (D) 3= Neutral (N) 4= Agree	e (A) 5= Strongly Agree	

No	Motivational factors		Rati	ng S	cale	
		1	2	3	4	5
1	Financial factors					
1.1	Remuneration affects motivation of employees.					
1.2	An attractive incentive plan on your organization (like, over time work) create motivation of employee.					
1.3	The financial rewards in your organization motivate employees at a higher level.					
1.4	The monetary compensation salary structure in the organization has an impact on your level of motivation.					
1.5	My salary payment is satisfactory relatively to what I do.					

2	Non-Financial factors	1	2	3	4	5
2.1	The extent to which you feel you are being trained and developed at your job has an impact on your motivation.					

2.2	Opportunities for employee's carrier growth and development provided in your organization have an impact on your motivation					
2.3	The training program related to your jobs provided by your organization has an impact on motivation.					
2.4	Non-financial rewards are effective in motivating employees to be more productive.					
2.5	Fair implementation of rewards significantly influences employee job performance.					
3	Relationship with co-workers and supervision related	1	2	3	4	5
5	Factors	Ŧ	2	3	-	5
3.1	In BTP there is a Feeling of team spirit and cooperation among coworkers which affects my motivation positively.					
3.2	The constant job feedback attained by your immediate supervisor will affect your level of performance and influences how much you are motivated to perform your job.					
3.3	My level of motivation at my job is to an extent influenced by my co-workers					
3.4	Team work adds more to motivation					
3.5	In BTP my co-Workers help me with difficult tasks					
4	Recognition Factors	1	2	3	4	5
4.1	Employee empowerment and autonomy at your organization is superior for your motivation.					

4.2	The recognition and appreciation for your contribution will impact your motivation					
4.3	Informal recognition have an equal importance as formal recognition					
4.4	Employees with high self-respect are more essentially motivated and willing to work hard.					
4.5	Success of the employees should be appreciated at all times					
5	Work condition and Job security related Factors	1	2	3	4	5
5.1	The quality of working environment at your organization has an influence on your motivation level					
5.2	The degree of trust revealed at your work place is a determinant of your level of motivation at work.					
5.3	The degree of stress employee exhibit in your organization is as a result of their levels of motivation at the work place.					
5.4	Increased job security has a positive impact on Employees motivation					
5.5	The medical benefits provided in BTP are satisfactory					
6	Employee Over all Motivation	1	2	3	4	5
6.	In BTP my duties and responsibilities are clear					
6.2	2 Employees of your organization are overall motivated to do their job.					
6	B Employee motivation is important for an organization					

6.4	My level of motivation affects my overall performance.			
6.5	My job behavior does not create stress on my personal life.			

> I am very thankful for taking your time to complete this survey!