

THE IMPACT OF MOTIVATION ON EMPLOYEE PERFORMANCE

A CASE STUDY OF RZ INNOVATIONS LIMITED

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**A RESEARCH REPORT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL
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DECLARATION

I hereby declare that research report is entirely my original work except where acknowledged and that it has never been submitted before to any other university or any other institution of higher learning for the award of a Degree.

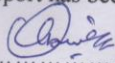
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APPROVAL

This research report has been submitted with my approval.

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MR. KIBUUKA DAVID

(SUPERVISOR)

DEDICATION

I dedicate this report to my Aunt Ms Nakate Faith who has sacrificed a lot for my cause financially, spiritually and been a guide in attaining the success of my career progression.

ACKNOWLEDGEMENT

Special thanks go to Almighty GOD who has brought me this far may his name be praised.

Special thanks go to my supervisor Mr. Kibuuka David who stood as a leading guide in my endeavors and his devotion for my cause to excel, may GOD bless you abundantly.

I owe special debt of gratitude to my parents, my brothers and sisters for the financial, spiritually and emotional support throughout my course, May GOD richly blesses your lives.

Thanks to all employees in Rz Innovations Limited whose cooperation leads to the accomplishment of my research project

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ABSTRACT

This study was conducted to find out the impact of motivation on employee performance of Rz Innovations Limited, based on the objectives to identify the different types of motivation practiced at Rz Innovations, to examine the relationship between motivation and employee performance, to identify the challenges faced by organizations in trying to motivate the employees. The researcher used analytical research design to establish a relationship between motivation and employee performance. Sample size of 45 employees from various departments was used; sampling techniques used were pattern stratified and simple random sampling techniques. Questionnaires and interviews were used to collect data which was processed by recording, editing, tabulation and coding.

From the findings, the result highlighted that motivation affects the performance of employees positively and negatively, when motivational tools are not in place, employee's morale decreases. Then decline in performance, absenteeism. Positive motivational tools such as allowances, training, promotions among others, improve employee's morale and performance. The respondents agreed that motivational tools such as fringe benefits, promotion, and remuneration improve employee's level of performance. The study recommends that Rz Innovations Limited should consider mentorship and training its staff to equip them with more skills in order to improve their performance, Rz Innovations Limited should also find a way of improving on early payment of salaries and wages.

Finally the researcher recommends the areas for further study to conduct intensive study on the cause of poor motivation practice in private sectors by involving numerous private institutions that will help to improve performance of employees.



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CHAPTER ONE

1.0 Introduction

This chapter presents the background of the study, problem statement, purpose of the study, objectives of the study, research questions, scope of the study, significance of the study and limitations.

1.1 Background of the study

The word motivation was derived from a Latin word ‘mover’ which means to move. According to Berbbard Bevelson and Gravy Steiner (1994) motive means the inner wishes, aims, goals and activities that directs behavior towards goals.

The success of an organization depends on how well motivated its workers are as well as the extent to which the leaders are equipped with the skills and knowledge of motivation. Motivation is a factor which affects the job performance of staff as well as the overall efficiency of an organization. It is therefore concerned with factors that influence people to behave in a certain way to get them to achieve results (Armstrong, 2005). Employee motivation is therefore important to job performance and organizational well-being (Angela, 2005).

Organizations should be concerned with what should be done to achieve sustained high level of performance through people. This means giving close attention to how individuals can best be motivated through such means as incentives, rewards, leadership, and the work they do and the organizational context within which they can carry out that work. The focus is to develop motivation processes and a work environment that helps ensure that individual deliver results in accordance with the expectations of management (David, 2009).

Consequently, managers are continually challenged to motivate the workforce to first help organization achieve its goals and secondly to motivate workers towards achieving their own personal goals. It is important to note that if employees are not motivated and satisfied with their jobs, they will not function effectively to achieve organizational goals. This is usually a difficult

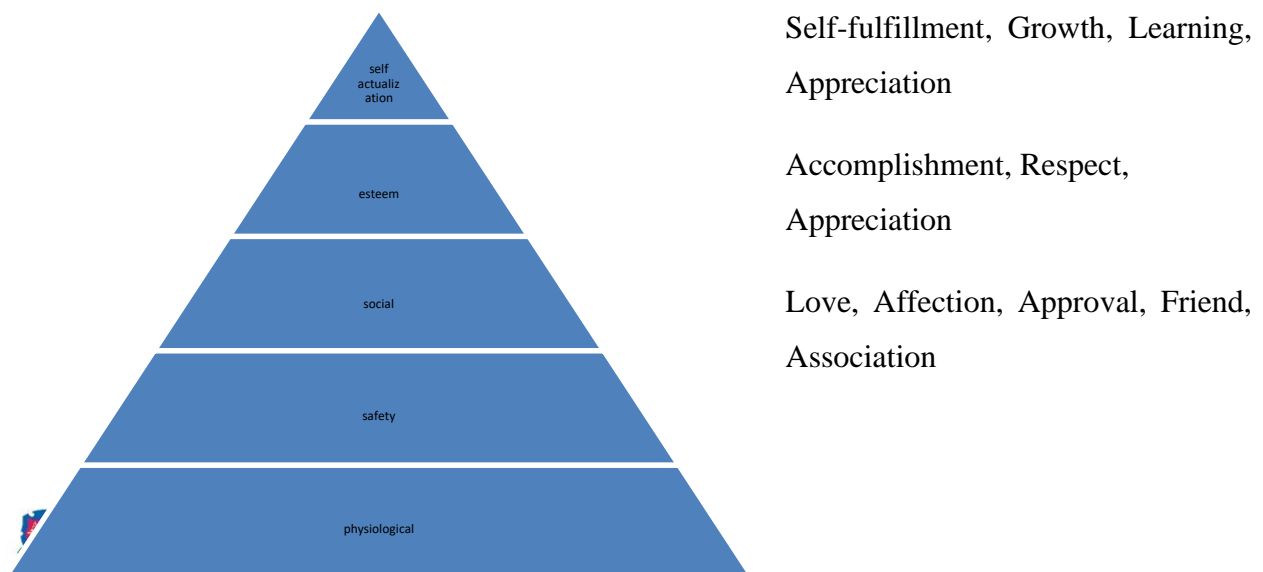
task for managers, they therefore need the skills as well as understand the applicable ways to transfer concepts of motivation to everyday work life and practice (Harpaz 2011)

Most employers motivate their employees through various ways such as providing employee remuneration, recognition, giving feedback, promotion, and provision of fringe benefits which creates a good working environment leading to increased employee morale and also improving on employee performance. Organizational goals turn to use financial motivational aspects like bonuses, higher payroll pensions, and sick allowances, risk payments to reward and retain their employees and enhance their performance. Employee motivation promotes work place harmony, increased employee performance, high productivity, and employee commitment. It is the key to long term benefits for the company. Motivated employees means staff retention and company loyalty which in short will give birth to growth and development of business (Jishi 2009).

Maslow's Theory of Hierarchical Needs

Abraham Maslow postulated that a person will be motivated when all his needs are fulfilled. People do not work for security or money, but they work to contribute and to use their skills. He demonstrated this by creating a pyramid to show how people are motivated and mentioned that one cannot ascend to the next level unless lower-level needs are fulfilled.

The lowest level needs in the pyramid are basic needs and unless these lower-level needs are satisfied people do not look at working toward satisfying the upper-level needs.



Security, stability, freedom

Need for food, Housing, clothing etc

The Oxford English Dictionary defines performance as the accomplishment of anything ordered or undertaken. This refers to the output/outcomes (accomplishment) but also states that performance is about doing the work as well as being about the results achieved.

A more comprehensive view of performance is achieved if it is defined as embracing both outcomes and behavior (Brumbach 1988). Performance means both behavior and results. Behavior emanate from the performer and transforms performance from abstraction of action. Not just the instrument for results behaviors are also outcomes in their own right. The product of mental and physical effort applied to tasks and can be judged apart from results.

Organizations have to adopt ways of employee motivation in ways that they have to provide a conducive working environment, provision of fringe benefits and remuneration which enable them to work and achieve the goals and objectives.

Organizations performance will depend on the way employees are treated at the work place for example when employees are provided with fringe benefits they tend to work hard and this leads to high employee performance and achievement of the organizational goals and objectives. There is also provision of incentives and maintain human potential that serves as the back bone for organizations (cited by Wagner and Solved 2000) organizations should induce their employees to work hard at the work place aiming at improving on organizational performance and encouraging employee motivation and productivity (M.L Mathis 1990) organization renewal is increasing in areas such as finance production and marketing but also critical in intervened fields of managing people at the work place. (Armstrong 1996).

1.2 Statement of the problem

Many organizations experienced a problem of poor staff performance and this is evidenced with delays in production, delays in operations, reduction in outputs, reduction in service delivery, increased complaints from the customers, absenteeism, employee turnover among others (Higgins, 2008). The problems above are attributed to the poor motivation techniques and

strategies that most organization use in that there are bad reward systems, poor working conditions, poor allocation of the reward systems, lack of overtimes to people who work beyond hours and the bad management of the organization which reduces on the morale of the employees and their motivation to work according to their expectation. If motivation is not checked, the staff performance of organizations keep on reducing year by year and this affected the productivity of the organization. It is upon this basis that the researcher came up to assess the impact of motivation on employee performance using a case study of Rz Innovations Limited.

Rz Innovations Limited motivated its employees using various tools such as bonus payments, employees training promotions, remuneration and fridge benefits. Despite of all such efforts to motivate staff, performance had remained poor. This was due to increased absenteeism, reduced working morale, late reporting at work among others. However for some years it has appeared that motivation in Rz Innovations Limited has become a hazard, unplanned and unsystematic and this has led to high turnover rate low productivity. All this information was captured while interacting with the staffs of Rz Innovations Limited.

1.3 OBJECTIVES OF THE STUDY

1.3.0 Main objective

The aim of this study was to find out the impact of motivation on employee performance.

1.3.1 Specific objective of the study

- To identify the different strategies of motivating employees
- To examine the relationship between motivation and employee performance
- To identify the challenges faced by organizations in trying to motivate their employees

1.4 Research questions

The following questions are to guide the study

1. What are the different types of motivation offered to employees at Rz Innovations?
2. What is the relationship between motivation and employee performance?
3. What are the different challenges faced while motivating employees?

1.5 Scope of the study

The scope reveals the geographical area to be covered, time scope, and content scope.

1.5.0 Content scope

The main focus of this study was to establish the impact of motivation on employee performance but specifically it will look at the different strategies of motivating employees, the challenges faced by organizations in trying to motivate their employees and the solutions to the challenges faced in motivating employees.

1.5.1 Geographical scope

The study was conducted at Rz Innovations Limited which is located on plot No. 125, Block No. 217, Jinja road, P.O Box 35105 Kampala, Namuyenje Uganda.

1.5.2 Time scope

The study took four months that was from May to August 2023. This was because it was the period stipulated by the institution for the students to have completed their research.

1.6 Significance of the study

The research findings and results of the study will provide the management of Rz Innovations Limited with more reliable and scientific way of motivating and evaluating the level of employees' performance.

The findings of this study will provide the organization with benefit associated with employee motivation.

Managers of organizations will be able to learn and understand how best they can motivate their staff so as to achieve high levels of profitability.

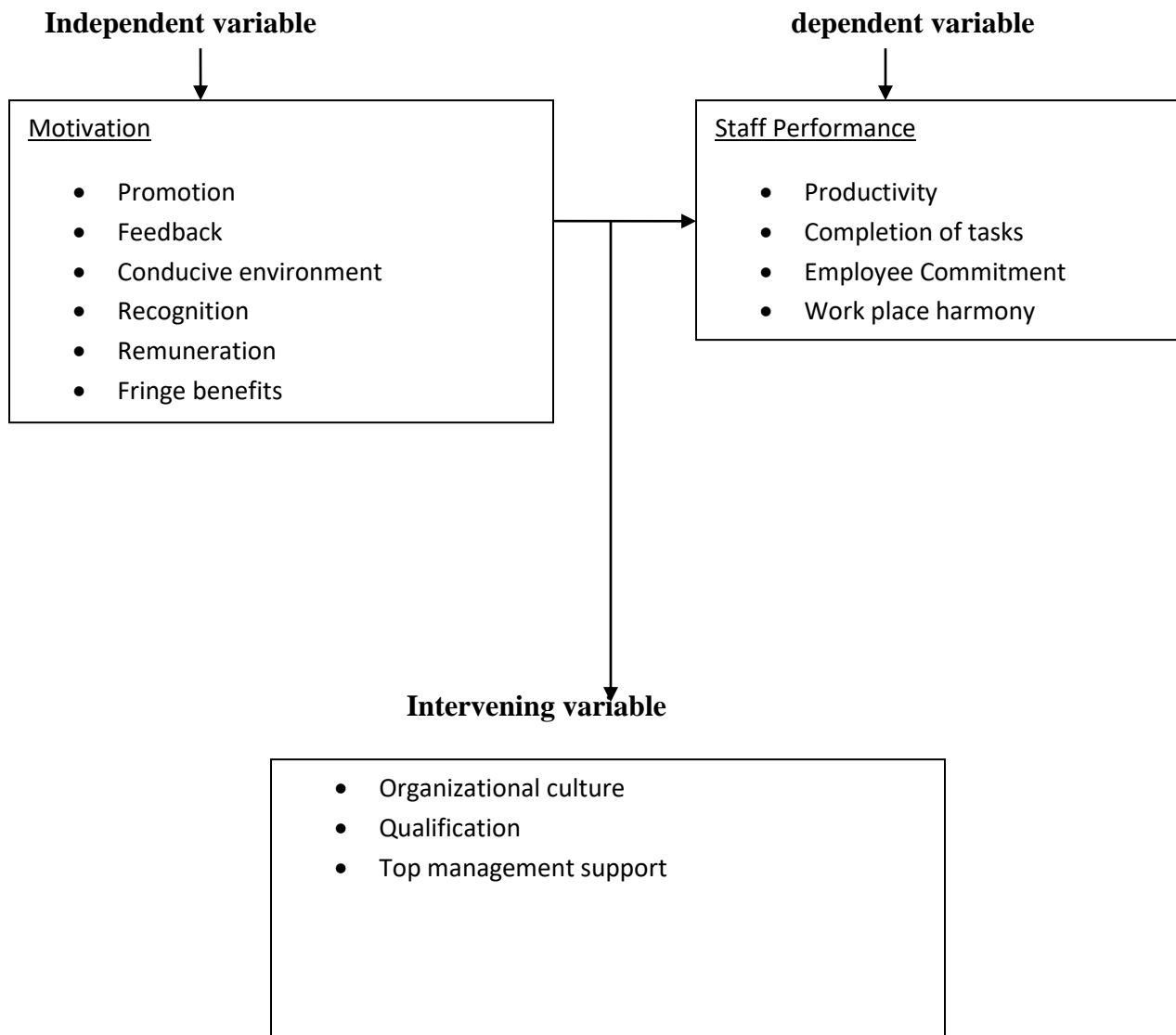
The study will add on the existing body of knowledge that will act as a source of reference for future researchers who will take interest in this area of study.

1.7 Limitations of the study

Some individuals refused to participate in the study because of fearing to be interviewed.

Time management, the time allocated for this study was not enough. Where the researcher did it while studying and by that, the researcher got little time to carry out her research.

Figure showing the conceptual framework



CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter comprises the review of the related literature. Literature review plays a very crucial role in assisting the researcher to compare results of research that intends to carry on.

2.1 Concept and definition of motivation

Motivation is derived from a Latin word "Movere" which means to move. Motivation is the activation of goal-oriented behavior (Wikipedia 2010). To (Nelson and Quick 2003) motivation is the process of arousing and sustaining goal-oriented behavior. Yet Luthan (1998) sees it as the process that arouses, energizes, directs and sustains behavior and performance, while Pinder (1998) defines motivation as the set of internal and external forces that initiate work-related behavior and determines its form, direction, intensity and duration.

The cited definitions have some implicative commonalities. First, motivation is in-built in every human being and only needed to be activated or aroused. Secondly, motivation is temporal as a motivated person at one time can become unmotivated at another time. Hence, individual must be sustained after it has been affectively activated. Thirdly, the essence of individual motivation in an organization setting is to align employee's behavior with the organization. That is to direct the employees' thinking performance towards effective and efficient achievement of the organizational goals.

2.3 Fringe benefits and employee performance

According to AL Kerry (2000) fringe benefit is a form of pay for the performance of service for example you provide an employee with fringe benefits when you allow the employees a vehicle to commute to work from home, providing housing for employees, giving them company medical allowances among others. Employees tend to work hard hence leading to high employee performance.

At Rz Innovations Limited, employees are given fringe benefits but do not satisfy them given the fact that an employee is allowed medical treatment for himself alone without including his or her dependent which could be the family but still unsatisfied with such benefit thus affecting their performance at work. And the company doesn't treat each and every disease whereby it treats only malaria, typhoid and any kind of accidents.

2.4 Promotion and employee performance

According to Yoder and Mathis (2000) contented that promotion is the ultimate motivating factor for any employee because it moves an employee forward in hierarchy of concern added with additional responsibility, higher respect, honor with increase in grade pay and allowances which motivates an employee hence leading to employee performance. This is in line with the research study; therefore the study was to find out how promotion led to employee performance.

According to Tjinsite and Torrington, (2001) said that promotion stimulates selfdevelopment and creates interest in the job. In countries like India, employee promotion are withheld by employers if any inquiry is pending on concerned employees due to the disobedience of duties or misuse of his powers especially in government departments. Employees should not show any discrimination between men and women with regards to promotion therefore the research study was to examine how.

Promotion is a form of recognition for employees who make significant and effective work contributions. Consequently a dilemma arises in organizations since repeated promotions generally place an employee in a management role. Employers are challenged to provide alternate career paths for example who deserve the benefits recognition provided by a promotion,

but do not aspire to manage the work of other employees. Therefore promotion has to be based on the organization (Gary Dressler 2000).

Individual contributions must be eligible for promotions that recognize and reward their role as contributions. A promotion is a powerful communication tool about what is valued within an organization. Thus promotions must be available to employees who play any role in the contribution of work and value (Dessler.G 2000)

From the citation of the heads of department at Rz Innovation, promotion is carried out but the problem is that employees are promoted without training them this means that they are incompetent for the jobs they are placed in thus leading to poor output by the employees.

2.5Effect of remuneration on employee performance

According to Elton (2001: 2003) he defined remuneration as the reward or compensation given to employees for their performance. According to the management study guide remuneration is a method of promoting morale increasing motivation and fostering team cohesion. There are two types of remuneration and are piece rate method and time rate method. The former is the compensation based on unit productivity such as writing a software programs or assembling a unit. The latter is the time an employee spends on a job such as finishing a project before a deadline.

According to Mathis and Robbins (2003), contended that remuneration increases overall employee moral provided the benefits are regarded as equitable in other words giving them incremental bonuses based on which an employee is the most productive and so on. Overall morale improves if each employee is set on high goal that only one employee can achieve According to the Investopedia(20 I 0) explains remuneration as the total compensation received by an executive who includes not only the base pay salary but options bonuses expense account and other forms of compensation. Remuneration can motivate employees to be more productive but does not have to necessarily be compensation based. Remuneration can also be praise or recognition.

Nylon and Topping (2003) also defined employee remuneration as the reward or compensation given to the employees for their work performances. Remuneration provides basic attraction to an employee to perform the job efficiently and effectively. A salary constitutes an important source of income for the employees and determines their standards of living as salaries affect the employee's productivity and work performance. Thus the amount and method of remuneration are very important for both management and employees.

Various studies have been conducted to examine the relationship between motivation and employee performance. Employee performance can be viewed in a way in which an individual is able to accomplish the tasks assigned to him/her successfully. Due to the normal constraints of reasonable utilization of the available resources performance initially goes up and then declines as an employee becomes demotivated at work. Therefore there need not be any quantifiable relationship between the two that is motivation and employee performance.

2.6 Motivation methods

Rhemebergen [2002] have described core motivation as the process organizations deliberately undertake in order to motivate employees to meet future challenges. Management also uses this process to develop proper human resource development program that ensure employees are motivated and their skills are upgraded as they go up the organization ladders to occupy positions of higher responsibility.

Motivation facilitates the organizations objective of showing a well-articulated growth oriented hence flexible path to its employees. Information technology on the other hand has been hailed as a catalyst of motivation development.

According to Lisk [1996], motivation and development approaches can be viewed from two perspectives that is to say micro and macro practices the macro defines the degree to the internal career development systems facilitates organizational progression and personal enhancement to equip employees with relevant skills for further work demand. These approaches include career development information technology and feedbacks.

Promotion and remuneration are also method used to motivate employees within the organizations .when employees are promoted ,they feel that they are part and partial of the organization which makes them become more motivated hence leading to improved productivity; high income generation within the organization.

2.7Motivation

Motivation is the most important matter for every organization, public or a private sector. For the success of any organization, motivation plays an important role. All organization encounters the matter of motivation whether they are in the public or private sector (Chintallo & Mahadeo, 2013). According to Chaudhary and Sharma (2012), the word motivation is derived from "Motive". The meaning of "motive" is needs, wants and the desire of the persons. So that "employees' motivation means the process in which organization inspiring our employees with the shape of rewards, bonus etc. for achieving the organizational goals.

Petri (1996) states that motivation as the forces acting on or within a person to initiate and direct behavior. It explains differences in intensity of behavior and why behavior occurs in one situation but not in another. The meaning of motivation is therefore particularly useful in its ability to increase general understanding and prediction of behavior. The idea of motivation overlaps with the concept of morale, meaning the extent to which the employee feels positive or negative about his or her work. Chaudhmy and Sharma (2012) stated that work motivation is an invisible, internal and hypothetical construct and that researchers therefore have to rely on established theories to guide them in the measurement of observable manifestations of work motivation.

Employee motivation is one of the important factors that can help the employer to improve employee and organizational performance. Through employee motivation, the employer can encourage the employees by enhancing their skills and also by improving their morale. Bowen and Sadri (2011) highlighted the importance of talent retention by using the motivational theory of employees. For this purpose, Bowen and Sadri (2011) used Maslow's theories of motivation

where intrinsic and factors of motivation were of great importance. These factors ultimately led to job satisfaction which helps talent retention.

According to Maslow (1943), employees constantly desire next circumstances which they do not yet have. Once lower need has been satisfied, people try to achieve the next level. Therefore, lower need no longer acts as a motivation factor. The need of the next higher level in the hierarchy has become the motivation factor. People search ways to achieve the demand of next level. Maslow (1943) gave a theory called Maslow's Hierarchy of Needs where motivation helps an individual to satisfy his basic needs. Abraham Maslow depicts the needs as a pyramid with five levels. The lower level in the hierarchy is the Man's basic and more powerful need which influence on the person's behavior. Starting from the lowest level, the five levels are the physiological needs which satisfy basic human needs such as air, food, water, sleep and shelter. If any of these needs are not satisfied the employee's focus on the job at hand comes down.

Then next comes the Safety needs which include personal security, health and wellbeing employment, financial security, family, property ownership and protection from arbitrary exercise of authority. Social needs are the needs of people for family, love and friendship, and also to feel a sense of belonging. Employees in the workplace must feel that they belong and can identify with the rest of the workforce. Organizations should have a strategy that satisfies these needs to prevent or reduce anxiety, insecurity and stress among employees which ultimately helps in improving employee productivity (Maslow, 1943). Esteem needs are the needs that are derived from recognition resulting in feelings of acceptance, prestige and status. Employees who are satisfied with the needs of the self-esteem can result in feelings of adequacy, confidence and competence.

People also need to feel self-confident and a sense of achievement to respect others and to be respected in return. If esteem needs are not full-filled, employees will feel discouraged and inferior this affects their enthusiasm and performance level. Growth needs are the needs which employees' needs for growth and self-actualization. Self-actualization stage is the one which is achieved with the full potential in their personal life and in their career. Employees want to realize their aspiration and also want to attain the highest possible level in their job. People need opportunities to express their creativity and their ability in problem solving. Maslow (1943)

contended that growth needs have lasting motivational effects on employees, helping them to maintain and improve their work performance. The needs from the second to the fifth level are psychological needs. It is said that satisfaction of these needs are not as powerful as the first level of needs in influencing people's behavior. Even after being the low level needs are lower in the order of priority they are highly important in nature. The need for self-actualization is the highest level of needs. This has profound effect on employee interest and commitment.

The application of Maslow's (1943) motivational theory to the context of employee retention according to Shuck and Herd (2012), was that a manager does not necessarily do the work of meeting an employee's needs, rather an employee is motivated by their lowest level of unsatisfied need. Consideration of Maslow's motivational theory provided a critical link between an employee's work motivation and a manager's continuous adaptation to employees' changing needs to keep their workforce motivated (Shuck & Herd, 2012). A complete understanding of the full need framework might underpin employee retention (Maslow, 1943, Shuck & Herd, 2012). An employee's external values and unmet needs could hinder the achievement of self-actualization within a work environment. An individual's external values are affected by the actions of an organizational manager that lacks strategies to improve employee retention, social groups and association. Maslow (1943) found that people change to fulfill the individual need for personal growth. The unique motivation for self-actualization causes individuals to pursue need resolution.

2.8 Relationship between motivation and employees performance

Myles (2002), states that accompany that seeks to motivate its employees well and " reward them for their performance has its employees in return motivated and thus they are more likely to be engaged in their work hence improving performance and loyalty to their organization.

These some employees, being the point of content with clients will provide a better service leading to more business and more referrals from satisfied clients .The increase in sales referrals and repeat organization will translate into increase in organizational profits thus improving service delivery.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter dealt with the techniques or methods opted to be used during the process of data collection. It consisted of research design, population of the study, and sample of the study, research instruments, and methods of the data analysis.

3.1 Research Design

According to CR Kothari (2005), research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose within the procedure.

The researcher used explanatory research, which is research conducted for a problem that has not been studied more clearly, it allows the researcher to gather information, summarize, present and interpret for the purpose of clarification. This was because it helped to determine the best research methods, data collection methods and selection of subjects.

The research design also involved the use of quantitative and qualitative research approaches. Quantitative research approach was used because it was more reliable and objective, it helped the researcher in use of statistics to generalize the findings, it also helped in reducing and restructuring complex problems to a limited number of variables, it also helped in testing theories/ hypotheses and lastly it helped in determining the relationship between the two variables that is employee motivation and employee performance.

Qualitative research was also used because it help in proving details about human behavior, emotions and personality characteristics of the respondents plus details on the impact of employee motivation on employee performance.

3.2 Study population

According to Sekaran (2003), population refers to the entire group of people, events or things of interest that the researcher wishes to investigate.

Population may refer to a group of respondents or group sharing some feature in common. The study population was total of 319 employees of Rz Innovation Limited both at the top, middle and line employees.

3.3 Sample size of the study

According to Henemon (2000), sample constitutes a population in any field where all items are put under consideration.

Sampling is a way of gathering statistical information using a few elements chosen out of the study population to represent the whole population.

The sample size of 45 employees was selected and involved in the study at Rz Innovations Limited. They were picked from various departments like human resources office, finance, administration, production, marketing and sales, and procurement section.

3.4 Population and sample size

Post / department	population	sample
Human Resource	3	2
Finance	4	2
Administration	10	5
Production	290	30
Marketing and sales	8	4
Procurement and suppliers	4	2
Total	319	45

3.5 Sampling Techniques

Kothari (2005) sampling is concerned with choosing a subset of individual from a statistical population to estimate characteristics of a whole population. They include;

3.6 Simple Random Sampling

Simple random sampling was used in the study to select respondents from the various departments. Simple random sampling according (Ghauri and Gronhaug, 2005) defined as the best for getting a more accurate representation of a population and it is the purest form of probability sampling. Simple random sampling was used in the selection of employees from hr department, finance, procurement, production and other sectors.

3.7 Pattern stratified sampling

This refers to the type of sampling method in which the total population is divided into smaller groups or strata are formed based on some common characteristics in the population data. After dividing the population into strata, the researcher randomly selected the sample proportionally.

3.8 Sources of data

Data for the survey that was conducted was sourced from both the primary and secondary sources. Primary data was data collected from the field survey to be conducted with staff and management of Rz Innovations Limited.

Secondary data has to do with aspects of information sourced from books articles journals reports and other relevant documents related to the subject matter under the study.

3.9 Data collection tools

The researcher has employ a wide range of methods to collect data as provided by Kothari (2005) and these were;

3.10 Questionnaires

Through this method the researcher set questions which were posted for the respondents (these were the line employees of Rz Innovations) and they were filled by them. Closed and open ended questions were preferred because they helped the respondents to make quick decisions and also helped the researcher to code the information easily for subsequent analysis.

Generally questionnaires were preferred by the researcher because they were flexible when conducted personally, easy to analyze, cover a wide range of people. The questionnaires contained the background information of the respondents, fringe benefits used to motivate people, relationship between promotion and employee performance, and role of remuneration on employee performance.

3.11 Interview

There was a direct face to face interaction between the researcher and the respondent (this will be applied to the senior human resource manager of Rz Innovations Limited). It was used by the researcher and a number of questions were asked and more information in depth was obtained from the respondent.

3.12 Data Management and Analysis

This technique helped the researcher to investigate the topic handled by different scholars in the past. The data collected was edited for completion, consistent and reliability. Data was

categorized and summarized into frequency and percentage tables facilitate by respondents and interfering meaningful conclusions were edited and compiled together.

3.13 Recording

The data recorded were the findings done after interviewing and posting of questionnaires given to the concerned people in the organization.

3.14 Editing

This was done immediately after collecting data and before compiling the report. This was done with the purpose of detecting errors and omission so that they can be rectified.

3.15 Tabulation

Wilkinson and Bhandarkar (2005), defines tabulation as a summarization of results in terms of statistical table, they further added that it is only when raw data is divided into groups and counts made of the number of cases falling in various groups possible for the researcher to determine what the results mean and to convey findings to the consumer in a form which can be readily understood, in addition it saves time, less likely to produce error and very convenient. Here data was presented in tables for easy reading. The proposition of the whole survey population giving more likely views about the question asked was established.

3.16 Coding

Coding of response was done after the collection of data manually by calculation and tabulation as well as the percentage and conclusions. This was done with the purpose of making data analysis; it aimed at classifying data given into meaningful categories.

3.17 Validity and reliability of the instruments

To ensure and maintain validity and reliability of the study the researcher did the following:

3.18.0 Content validity

To ensure validity of the instrument the study seek opinions of experts in the field of study especially researcher's supervisor. According to Bridget and Lewin (2005) validity is the degree

by which the sample of test items represents the content the test is designed to measure. Validation of the research instruments ensures that the study collects relevant information to answer the research questions.

3.18.1 Reliability of the instrument

Reliability was ensured through test and re-testing method. Questionnaires were administered to a small group and then re-administered to the same people. Reliability gave the internal consistency of the data collected.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.0 Introduction

This chapter contains the presentations of the research findings on the effect of motivation on employee performance at Rz Innovations Limited. It contains the rates of Rz Innovations Limited demographic data already existing and the information presented.

Discussion and analysis of the different responses to some key questions is also in this chapter.

4.1 Response rate

Out of a sample size of 45 respondents, 30 (77%) managed to respond to the questionnaire instrument, while 15 respondents, that was, (23%) were not in position. This non response may be attributed to factors like failure to get time due to their tight work schedules.

4.2 Background information of respondents

This section shows the gender of respondents, marital status, duration of service and the level of education.

4.3 Gender of respondents

Respondents were asked to state their gender and the following data was obtained.

Table 1: Showing responses to gender with respondents

Gender	Frequency	Percentage
Female	10	33%
Male	20	67%
Total	30	100%

Source: primary data 2023

The above presentation shows that the gender sensitivity of the respondents in which 80% of the respondents were male and the female counterparts made the contribution of 20% towards this research. The major implication behind this was that the researcher wanted to express the gender sensitivity and offered opportunity to both genders to express their views. This information was collected using questionnaires and interview method. However the large male respondents could be attributed to the fact that there was more male in comparison with the female counterparts in the research study.

4.4 Age bracket of the respondents

The respondents were asked to show their age brackets and the following data was obtained.

Table 2: Showing responses to age brackets of respondents

Age group	Frequency	Percentage
(20-30)	10	33%
(30-40)	15	50%
(40-50)	5	17%
(50 and above)	0	0%
Total	30	100%

Source: primary data 2023

The table above shows the analysis of the age bracket of respondents at Rz Innovations Limited, the findings shows that 33% of the respondents were between 20-30 years, 50% were between 30-40, 17 % were between 40-50 then 0% of the respondents were above 50. This implied that Rz Innovations Limited had more employees between 30-40 and 20-30 as such information was obtained from questionnaires which were given to the respondents.

4.5 Level of education attained by employees

Respondents were also asked to state their education levels and below are the responses.

Table 3: Showing the highest level of education level attained.

Education level	Frequency	Percentage
Primary	00	00%
Secondary	00	00%
Certificate	5	17%
Diploma	8	26%
Degree	15	50%
Master	2	7%
Total	30	100%

Source: primary data 2023

The above table shows the highest level of education of the respondents whereby 17% were of certificate, 26% were of diploma level, 50% were of degree level, 7% were of master level. It implies that the majority of the respondents who participated in the study were the degree holders with 50% of the total sample population, which revealed that Rz Innovations Limited employs mostly of university graduates than other education levels as they were more experienced and competent enough to offer the best to the people in regards to achieve the set goals and objectives of the company.

4.6 Department to which the respondent belong

Respondents were also asked to state the department in which they belong.

Table 4: Showing department of respondents

Department	Frequency	Percentage
Human resource	1	4%
Finance	2	6%
Administration	5	17%
Production	15	50%
Marketing and sales	5	17%
Procurement and suppliers	2	6%
Total	30	100%

Source: primary data 2023

According to the table above, 4% of the respondent were from human resource department, 6% were from the procurement department, 6% were from the finance department, 17% were from the administration, 17 % were from the marketing and sales department and 50% were from production. This shows that more respondents who answered the questionnaires were from the production, administration and sales departments.

4.7 Duration of service

Respondents were also asked to state their duration in service and below are the responses.

Table 5: Showing the duration of service of respondents

Duration	Frequency	Percentage
(1-2) years	5	17%
(3-4) years	15	50%
(5 and above)	10	33%
Total	30	100%

Source: primary data 2023

From the research made, it indicates that 17% of the respondents had served Rz Innovations Limited for a period of 1-2 years, 50% had served for 3-4 years and 33% had served for 5 and above. Therefore it implies that Rz Innovation Limited had more employees who had served for 3-4 years.

4.8 Summary of responses regarding motivation types

Source: primary source

Motivation types practiced at Rz Innovations limited- Mukono.

This objective was derived from the first objective of the study which was to examine the types of motivation systems used by Rz Innovations management which were extrinsic and intrinsic. In order to get this objective, the researcher asked a number of questions by the respondents both managers and employees. The results are presented in the following table.

Below is a table 6 that shows the respondent's responses on the motivation types practiced at Rz Innovations Limited.

1strongly agree, 2agree, 3disagree, 4strongly disagree

statement	SA		A		D		SD	
Extrinsic	Frequen cy	%	Freque ncy	%	Freque ncy	%	Frequen cy	%
Are there fringe benefits given to employees?	15	50	10	33	5	17	00	00
I am paid time offs.	20	67	10	33	00	00	00	00
I have a good work-life balance at the organization.	10	33	10	33	00	00	10	33
Employees are treated equally at the organization.	10	33	5	17	5	17	10	33

Is promotion being carried out at the organization?	20	67	10	33	00	00	00	00
Does promotion of employees play an important role in the performance of the employees?	20	67	5	17	5	17	00	00
Is there any remuneration carried out at the organization?	20	67	10	33	00	00	00	00
Does the organization give employees allowances?	10	33	5	17	10	33	5	17
Does the organization give employees bonuses and commission?	15	50	10	33	00	00	5	17
Am not rewarded according to my expectation.	20	67	5	17	5	17	00	00
Constructive feedback is being given to me by my supervisor.	15	50	5	17	5	17	5	17
The organization recognizes leaves according to the employment Act 2006	20	67	10	33	00	00	00	00
Am paid my salary in time	5	17	5	17	10	33	10	33
Intrinsic								
My job is well designed with clear targets and good pay.	10	33	5	17	10	33	5	17

There is a good performance appraisal system.	10	33	5	17	15	50	00	00
There are opportunities to express ourselves on work related issues.	5	17	00	00	10	33	15	50
Am satisfied with my work.	15	50	15	50	00	00	00	00
The organization is helping me to achieve my personal and professional goal.	10	33	5	17	00	00	15	50
Too much stress due to too much demand from the top management.	20	67	10	33	00	00	00	00
Am being given too many tasks and not reward to my expectation.	20	67	10	33	00	00	00	00
The organization provides its employees with training.	10	33	10	33	5	17	5	17
I am given challenging tasks which improve my skills.	15	50	15	50	00	00	00	00
The organization practices professionalism.	5	17	5	17	10	33	10	33

According to study, 50% strongly agreed and 33% of the respondents agreed that in Rz Innovations Ltd, employees were given fringe benefits, 17% disagreed with the statement put across. The study also revealed that 67% and 33% of the respondents strongly agreed and agreed

respectively that in Rz Innovations Ltd, the employees were paid for time offs, whereas 33% of the respondents disagreed with the statement put across.

The study further established that 33% and 33% of the respondents strongly agreed and agreed respectively that there is a good work-life balance at the organization, whereas 10% strongly disagreed with the statement put across. The findings illustrated that 67% strongly agreed, 33% of the respondents agreed that remuneration is carried out at the organization. Whereas no single employee disagreed with the statement put across.

The study also revealed that 33% strongly agreed and 17% of the respondents agreed that their job is well designed with clear target and good pay. 33% of the respondents disagreed and 17% of the respondents strongly disagreed with the statement put across. Finally, the study found out that 33% and 33% of the respondents strongly agreed and agreed respectively that they are provided with training, 17% of the respondents disagreed and 17% of the respondents strongly disagreed with the statement put across.

As shown the above table employees were motivated both extrinsically and intrinsically, were also motivated according to their performance and seniority. Employees also agreed that the company gives them commissions, bonuses, promotions, leaves with pay, challenging tasks which improve their skills and knowledge, and having flexible working hours but most of them were not satisfied with the way the company motivates them, whereby out of 100, 80 percent of the employees were not motivated according to their expectations. This indicated that the company had to look into the motivation system and know what motivates the employees very well in order to improve their performance. And according to Frederick Herzberg theorized that employee satisfaction has two dimensions; hygiene and motivation, hygiene issues such as salary and supervision, decrease employees' dissatisfaction with the work environment. Motivators such as recognition and achievement make workers more productive, creative and committed.

4.9 Summary of responses regarding performance of employees at Rz Innovations Ltd

The table 7 below shows the responses of respondents.

1strongly agree, 2agree, 3disagree, 4strongly disagree

Statement	SA		A		D		AD	
Performance	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Recognition motivates me to work more productively.	15	50	15	50	00	00	00	00
Sincere feedback has helped me make fewer mistakes when performing my tasks.	20	67	10	33	00	00	00	00
Performance monitoring has enabled me deliver my work in time and also achieve my targets.	5	17	10	33	15	50	00	00
Healthy work-life balance has enabled me deliver high quality work.	20	67	10	33	00	00	00	00
Bonus payment has increased my morale of working.	30	100	00	00	00	00	00	00
Employee training has improved performance of work	30	100	00	00	00	00	00	00
Promotions motive me to work hard.	10	33	10	33	5	17	5	17

According to study, 50% strongly agreed and 50% of the respondents agreed that recognition motivate them to work more productive in Rz Innovations ltd and none of the respondents disagreed with the statement put across. The study also revealed that 17% and 33% of the respondents strongly agreed and agreed respectively that performance monitoring enabled them deliver their work in time and also achieve my target. 50% of the respondents disagreed with the statement put across.

The study further established that 67% and 33% of the respondents strongly agreed and agreed respectively that health work-life balance enabled them deliver high quality work, and none of the respondents disagreed with the statement put across. The findings illustrated that 100% strongly agreed that bonus payments increased their morale of working.

Finally, the study found out that 33% and 33% of the respondents strongly agreed and agreed respectively that promotions motive them to work hard, 17% disagreed whereas 17% of the respondents strongly disagreed with the statement put across.

The table above represents data from the respondents on the relationship between motivation and employee performance at Rz Innovations Ltd. It indicates that the relationship between motivation and employee performance at Rz Innovations is high, which means that the motivation systems used have a relationship with the employee performance. The research shows that 50% of employees are not with performance monitoring, they argue that it makes them work with fear and also under pressure hence providing low quality work.

4.10 Challenges hindering motivation practice at Rz Innovations Limited

The below show employees attitude on factors hindering motivation practice at Rz Innovations Ltd, where 27% of employees agreed on shortage of resource as an hindering factor, 50% agreed on lack of management willingness, 100% agreed on unclear organization policy on motivation as a limiting factor, 50% of employees agreed on poor autonomy as a limiting factor for motivation practice, 100% of the employees agreed on lack of professionalism as a limiting factor, and 83% of the employees agreed on poor performance appraisal system as a limiting factor, 100% of the employees agreed on delay of salary payment and 100% of employees agreed on employees being denied opportunities to express themselves on work related issues. This indicates that Rz Innovations management has review their motivation policy on employee motivation, involve employees in decision making, and also enforce professionalism among managers in order to make employees satisfied with motivation.

Table 8: showing factor hindering motivation practice

statement	Strongly Agree		Agree		Disagree		Strongly disagree	
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Shortage of resources	5	17	3	10	10	33	12	40
Lack of management willingness	10	33	5	17	15	50	00	00
Unclear organization policy on motivation	20	67	10	33	00	00	00	00
Poor autonomy	10	33	5	17	15	50	00	00
Lack of professionalism	20	67	10	33	00	00	00	00
Poor performance appraisal system	15	50	10	33	00	00	5	17
Delay of salary payment	30	100	00	00	00	00	00	00
Employees are not	20	67	10	33	00	00	00	00

given opportunities to express themselves on work related issues.								
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Source: primary data 2023

Table 8 represents the descriptive statistics on the factors hindering motivation practices Rz Innovations ltd. According to study, 17% strongly agreed and 10% of the respondents agreed that motivation practices are being hindered by the shortage of resources, 33% disagreed whereas a total of 40% strongly disagreed with the statement. The study also found out that 67% and 33% of the respondents strongly agreed and agreed respectively that it was hindered by unclear organization policy on motivation, and none of the respondents disagreed or strongly disagreed with the statement put across.

The study found out that 33% and 17% of the respondents strongly agreed and agreed respectively that lack of management willingness hindered motivation practices at Rz Innovations ltd, 50% of the respondents disagreed with the statement put across.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Overview

This chapter presents the summary of the findings of the study. It also includes the conclusions, recommendations and limitations of study and areas of further research.

5.1 Summary of Findings/Discussions

The summary of findings has been based on the objectives of the study. The study focused on the impact of motivation on employee performance in Rz Innovations Limited. The research objectives of the study were to identify different types of motivation offered, to examine the

relationship between motivation and employee performance and to identify the challenges faced while practicing motivation at Rz Innovations Ltd.

5.1.0A summary of the major findings on the types of motivation offered at Rz Innovations limited.

The findings reveal that Rz Innovations limited offers both extrinsic and intrinsic type of motivation as indicated in the table 6.7 in chapter 4 above. These include fringe benefits, remuneration, promotions, recognition, giving feedbacks, conducive environment and carrier development, which imply that the increase in motivation factors will also lead to increased employee performance.

5.1.1Summary of the findings on the relationship between motivation and employee performance at Rz Innovations Ltd

The findings of this study revealed that there are strong positive relationships between motivation and employee performance, which indicates that the increase in motivation will lead in increase of employees' performance. In order to make optimum utilization of human resources the Rz Innovations management needs to make improvement in its rewarding system by integrating reward strategy with human resource strategy so as to develop unique reward strategy that will help to improve employees' performance as well as achieving organization goals.

It was also found that salary, bonuses and benefits were considered as the main factors that influence employees' to work hard and better, but the management delay in paying employees their salaries and also they are paid less according to their tasks which reduces their morale of working. Therefore, Rz Innovations management should review its payroll system to so as to encourage better performance for its employees

5.1.2Summary of the findings on the challenges faced in the process of motivating employees at Rz Innovations Ltd.

This study revealed that Rz Innovations Limited faced some challenges towards motivation practice which includes the following; shortage of resources, lack of management willingness, poor organization policy on motivation, lack of professionalism among managers, lack of autonomy a poor performance appraisal system, delay in salary payment, and denying employees opportunities to participate in decision making.

5.2 Conclusion

The results showed that motivation had an impact on the employee performance at the organization whereby it had increased productive and employee welfare in at Rz Innovations Limited. However it was discovered that Rz Innovations rely more on extrinsic motivation by using monetary tools such as salary, transport benefits, extra duty allowances, medical benefits, than intrinsic motivation. Management of Rz Innovation Limited is advised to enhance the available motivation package by balancing both intrinsic motivation factors and extrinsic motivation factors because a single motivation factor cannot optimally influence employees' performance as advised in Herzberg motivation theory which address both motivating factors and hygiene factors where hygiene include monetary, working conditions and supervision while motivating factors include job interest, recognition and sense of achievement. (Kermally, 2005)

The results also shows that Rz Innovations Limited is facing some challenges when practicing motivation such as; shortage of resources, lack of management willingness, poor organization policy on motivation, lack of professionalism, lack of autonomy and poor performance appraisal system. Management of Rz Innovations Limited is advised to implement the following strategies in order to overcome those challenges; reviewing organization policy on motivation, improving on performance appraisal system, management should enforce professionalism, and management empowerment and employee involvement.

5.3 Recommendations

The study revealed that Rz Innovations employees were unhappy with present motivation package because of package inadequacy. Majority of employees regarded their salary and allowances to be underestimated when compared with education level and responsibilities given. This necessitates salary review in public and private sectors to reflect employee education level, given responsibility as well as current economic environment which may help provision of reasonable extrinsic motivation that may improve employee performance.

The study revealed that Rz Innovations Limited rely more on extrinsic form of motivation and put little effort on intrinsic type motivation. Intrinsic motivation has a great role in performance therefore management should adopt mixed motivation approach which incorporate intrinsic and extrinsic motivation thus may enable employees to perform at high level. However this will be greatly achieved through management having positive attitude towards motivation.

The study also found that the organization has a poor and unfair motivation policy due to lack of equal opportunities whereby some employees are overlooked from opportunities for recognition or advancement, inequitable rewards whereby some employees consistently receive significant rewards while others with comparable performance receive little to none and lack of transparency and clarity whereby employees were unaware of how their performance was being evaluated or how decisions are being made. Therefore the management should regularly evaluate their motivation policies to ensure they are fair, transparent, and inclusive and to address any potential biases or inequities that may arise.

5.4 Limitation of the study

I encountered the problem on questionnaires collection where some respondent delayed to complete them and some did not return them at all which reduced the number of intended sample size

5.5 Area for further research

The study concentrated on the effect of motivation on employees' performance where the findings revealed that there is positive relationship between motivation and employees' performance as well as existence of inadequate motivation practice in private sectors especially

at Rz Innovations Limited. Basing on the findings there is a need to conduct intensive study on the cause of poor motivation practice in private sectors by involving numerous private institutions that will help to improve performance of employees.

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July 10th 2023

To whom it may concern

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A bachelor's student who is seeking permission from your office to collect data for his/her dissertation titled

"THE IMPACT OF MOTIVATION ON EMPLOYEE PERFORMANCE"

We shall be grateful if you could render assistance to him/her in collecting the necessary data for his/her dissertation

The Uganda Christian University School of Business thanks you in advance

A handwritten signature in black ink, appearing to read 'Mukisa Simon Peter'.

Mukisa Simon Peter
Research coordinator