

The Contribution of Motivation on Employee Performance a case study of Pride Micro Finance Kabale Branch.

Akankwasa Alex

Correspondence

Akankwasa Alex PhD Student Kabale University

Abstract: *The purpose of the study was to look at the connection between employee performance and motivation. Examining employee motivation practices at Pride Micro Finance Kabale Branch, looking at factors affecting employee performance there, and establishing the link between motivation and performance were the three goals of the study. Both a case study and an explanatory research approach were used in the study. The study used stratified random sampling in sample selection, grouping the employees according to management levels, to meet the goals established. 52 respondents were chosen for the sample, including both Pride Micro Finance Kabale Branch clients and workers. The study found that Pride Micro Finance Kabale Branch motivates its employees in a variety of ways, including by offering fringe benefits, rewarding good employees with incentives, instilling a feeling of responsibility, elevating consistently strong individuals, and treating all employees fairly. However, the study also showed that the council did not use instruments for motivation such compensation, training, employee involvement in decision-making, and personnel rotation. The survey also showed that the primary element influencing employee performance is motivation. As revealed by the Pearson correlation of ($r= 0.823^{**}$), significance level =0.01, the study demonstrated a strong and direct association between employee motivation and the performance of Pride Micro Finance Kabale Branch personnel. In conclusion, the researcher discovered that employee productivity is positively impacted by motivation, and that if the management of the Pride Micro Finance Kabale Branch strengthened its incentive methods, employees would perform better, helping the firm reach its goals. Since the council's biggest challenge had been using specific motivational tools that would make some employees unhappy, the researcher advises that the council always carry out thorough research on the various motivational practices that can motivate the specific employees so that they can apply the right tools appealing to the employees.*

Keywords: Performance, Psychology, Employee Motivation

1.0 Background to the Study

Stoner et al. (2000) claim that motivation is a human psychological trait that affects a person's level of commitment to a certain conduct. Employee motivation is defined by Balunywa (2005) as recognizing subordinates' wants and requirements and fostering an environment conducive to achieving company goals and objectives.

The term "motivation" has been defined in a variety of ways by various experts in the fields of management, psychology, and related studies. Cole (1995) asserts that motivation is primarily about what propels a person to perform in a specific manner and with a specific level of effort. According to Buford et al. (1995), motivation is a propensity to act purposefully in order to fulfill particular needs. According to Lindner (2004), motivation is a psychological process that gives behavior direction and purpose. Although there are obvious differences across these definitions, there do seem to be some commonalities. The prerequisite for an employee to deliver above-and-beyond performance is something shared by the aforementioned definitions as well as others.

Operationally, motivation is described as a collection of ambiguous elements that lead a person (an employee) to carry out their responsibilities in a particular manner. According to Kovach, the elements are characterized as indefinite because they fluctuate with time (1987). This term implies that if an employee is not motivated or encouraged to work in that certain style, they won't. The appreciation of some current theories of motivation is necessary to comprehend this definition.

The notion of motivation, according to Greenberg and Baron (2003, 2000), can be broken down into three primary categories. The drive or energy that motivates a person's action is discussed in the first section, which examines arousal. People tend to follow their interests in making an excellent first impression, doing exciting work, and succeeding in what they do. The choice people make and the path their behavior takes are covered in the second section. The final section focuses on maintaining behavior and specifies how long people must continue to make efforts to achieve their goals

To reach organizational goals, a person must be motivated by a variety of complicated forces in order to increase his or her desire and willingness to perform at a high level. (Mile, 2004) It truly refers to circumstances that affect the arousal, maintenance, and direction of behavior pertinent to a working environment. Needs that must be met because the motivating force to become active. (Kootz and others, 1990) Employee motivation is a crucial inter control technique, thus it should be followed to get benefits like

greater employee engagement, increased productivity, and efficiency. In an organization, motivation places a strong emphasis on managing for results through the creation of clever goals and efficient communication channels.

Employee output, both in terms of quantity and quality that aids the organization in achieving its goals is referred to as performance. In other words, qualities, behaviors, and/or results can all be used to gauge performance (Bratton and Gold, 2003). Organizations like Bishop Stuart University utilize employee performance management as a technique to make sure that their staff members are helping to produce a high-quality good or service. Employee participation in corporate planning is encouraged through employee performance management, which assumes that the employee's motivation to perform well will increase as a result of their participation in the process. B.J. Kreisman (2002).

The efficiency and effectiveness of employees in attaining corporate goals is referred to as employee performance. (Kootz and others, 1990) The amount of absenteeism, the caliber of reports, and the times that employees report for and leave for work can all be used to assess an employee's performance. It's significant to highlight that, in addition to the normal wage or salary, most employees expect or demand other benefits after being hired as recompense for their time and effort toward achieving corporate goals (Miles, 2004). If the aforementioned perks are not provided, it frequently results in a variety of kinds of unhappiness, such as high absenteeism, ongoing complaints, high labor turnover, strikes, and as a result, subpar performance of their assigned jobs. (Abuja 1998).

Pride Micro Finance has a well-motivated and stable workforce that is competent, devoted, and productive is the most valuable and volatile asset of any institution, according to Kreisman (2002), who argues that Kabale Branch's efforts to develop a motivated workforce for the purpose of improving productivity remain the single most important function of heads of institutions in modern times. It's interesting to note that employee motivation fluctuates constantly. Kovach (1987) uses the example of how when employees' salary changes, money stops being a motivating element and as they get older, fascinating job starts to. This illustrates the dynamic nature of motivation. As a result, Lindner (2004) was right in saying that of all the tasks a manager performs, inspiring people is the most important.

Pride Micro Finance Kabale Branch is located along Kabale Kisoro Road in Kabale Municipality. It provides savings and loans services to its customers, who number over 20,000. Group and individual savings, fixed deposit accounts, and tooto accounts are all included in the savings. Loans for school fees, agricultural expenses, home improvements, company loans, and wage loans are among the types of loans available.

2.0 Literature Review

2.1 Motivation Practices

Wages and Salaries:

Although monetary techniques of motivation have limited value, many businesses still utilize money as a primary motivator, according to Lindner (1995). She continues by pointing out that, in contrast to salaries, which are calculated based on a year's worth of work and paid at the end of each month, wages are often paid per hour worked, with workers receiving their paychecks at the end of the week.

According to Mwanje (2000), the most significant drivers of behavior in terms of human wants are non-financial rewards. He refers to non-monetary methods of compensating employees as non-financial incentives. They are chances that aid workers in achieving the objectives they have been given.

Training opportunities:

According to Hammer (2000), a person will be driven to undertake something if they have the mental capacity and abilities to complete it. He claims that when employees receive training, they learn how to break down tasks and problems and, as a result, feel less frightened by their employment and tasks. Hammer (1998) is correct, and Herzberg concurs. The employee gains confidence in their ability to perform a task through training, he continues, and this improves their attitude and motivation.

Job rotation:

According to Fowler (2001), employees who perform the same type of work week after week will never be encouraged to do more work, especially if it is not very demanding. To keep employees' minds occupied and give them a sense of contributing to the firm, she recommended rotating them among different departments of the business.

Communication style:

When communicating with their staff, managers need to be direct and make them know that their ideas and opinions are valued in creating a successful business. When giving responsibilities to employees, it's important to have strong communication skills so that the tasks are understood and well described. According to Marie (2000), managers should communicate with their staff in a way that makes them feel as though they are not being coerced into carrying out a specific task. If managers want to improve staff motivation levels, they must adopt an inclusive approach to decision-making, according to Jean (2002).

Employee absenteeism and turnover can be decreased while productivity and profitability can be increased. According to Herzberg, motivators [like achievement and recognition] push employees to perform above and beyond the bare requirements, whereas positive hygiene elements [like work conditions and income] just satisfy basic employee demands. In order for your firm to succeed, you need a highly skilled, motivated, and experienced crew, which compensation alone won't be able to maintain (Greenburg, 2008).

2.2 Factors Affecting Employee Performance

Goal Clarity:

According to Willmot (2007), for people to succeed in any objective or goal, they must have a clear vision of it in their minds. They cannot know if they are moving forward or when the task or assignment has been finished without this visual, let alone if it has been done correctly. Knight (2008) agrees and adds that it has been wise counsel for about two thousand years to keep the end in mind. It is time well spent for a manager to define, communicate, and make clear the purposes or ends to be reached.

Repertoire:

According to Nickols (2003), those who are working toward a goal need to have an adequate, adaptable repertoire. They must be able to act in whatever way required to achieve that aim in spite of shifting conditions and environmental disturbances. Sometimes, this will entail following a routine that has been predetermined by another person. In other situations, it will be necessary to decide on the spot what the best course of action is. In many circumstances, he says, the goal will remain the same while the circumstances of achieving it will change. Employees must therefore have a suitable and adaptable repertoire.

Knowledge of Structures:

Fred (2003) asserts that understanding the structure of a situation is necessary in order to decide what to do in it. People need to be aware of the components of the issue, how they are related to one another, and the connections and connections between these components. People are able to explain how their activities will result in the desired outcome when they are aware of the situation's structure. They can also specify the actions that will result in a particular outcome for a specific result. Without this knowledge, taking action amounts to little more than a wild guess, and getting the intended results mostly comes down to luck or intuition. Sara (2004) concurred and noted that workers could only perform to the best of their knowledge; as a result, those with solid structural understanding would exhibit superior performance.

Feedback:

No one can perform to a standard, according to Gerhart (2004), without knowledge of the actual circumstances in connection to the desired aims or outcomes. Feedback refers to this kind of information. It monitors development, makes adjustments possible, and eventually announces goal completion. Feedback is typically provided without much effort on the part of anyone for the majority of hard jobs (i.e. tasks requiring tangible products or other immediate and readily assessed results of one's actions). We are conscious of what we do and how it affects others. However, the feedback loop is largely open for soft tasks, or those where the results of our actions are not obvious, immediate, or easily measurable. This is especially true when other people's responses to a person's conduct are what matters most. As a result, poor performance results from a lack of effective feedback and subsequent correction.

Motivation:

It is one thing to be capable of accomplishing something; it is quite another to want to do it, according to Kathleen (2004). Leaving aside the question of coercion, people typically desire to do things for one of two main reasons: either it serves their own purposes or it serves the purposes of others, and they have agreed to something in exchange for doing what the other person requests. The two main motivators are rewards and self-gratification.

Environment:

Rynes (2004), discovered via his research on performance that performance may not take place if the surrounding circumstances are so unfavorable as to create insurmountable obstacles to performance. He claims that while most of us can successfully operate our vehicles on windy days, nobody can do so during a tornado. Less dramatically, absent tools and equipment, competing priorities, a repressive environment, and other factors can hinder our ability to perform as expected, regardless of our intentions or skill set, the availability of feedback or lack thereof, and the caliber of the mental models that direct our thoughts and actions. In other words, the work environment must, at the very least, be controllable in order to support the intended performance.

Technology:

Samuel (2010), asserts that the most important tool for improving employee performance is technology. He claims that by reducing the stress associated with performing tasks manually, advancements in technology combined with staff training can greatly raise workers' levels of performance.

Abilities, training and experience:

According to Scott (2000), ability refers to the capability to learn and carry out the necessary duties. He disclosed that the key to the best results is a strong blend of talent, training, and experience. He claims that the top performers have at least two of the three elements.

2.3 The Relationship between Motivation and Employee Performance

Employee motivation, according to Steers (1999), is the process of empowering or authorizing a person to think, act, direct work, and make decisions on their own. The relationship between motivation and performance has been the subject of numerous research. According to Koestner (1999), if motivation is important for triggering behavior, performance is at the other end of the spectrum and is defined as the result of a motivated act.

According to Demers K (2010), Managerial concern is the value of human resource productivity. The traditional answer to this question is employee motivation. This has long been used by a wide range of organizations, including both small and large-scale corporations. It encourages both parties to grow in a working partnership. Motivation does indeed boost productivity.

In agreement, Cooper, Clasen, Silva-Jalonen, and Butler (1999) discovered that higher levels of creativity-based performance for an in-basket labor activity were connected with intrinsic motivation. A candidate is requested to complete a collection of paperwork that would be typical of his or her actual job duties as part of the in-basket technique for employment screening. Additionally, according to work supervisor ratings, Amodt (1999) and Graen (1999) discovered a relationship between employees' intrinsic drive and greater levels of creative performance. Intrinsic motivation was linked to creative performance, according to Fang (1997), but it was unrelated to other work outcomes.

As said by Hersey (1996), Human behavior is a topic of motivation. It is the psychological condition of inner striving that is expressed as wishes, desires, urges, or movements, and it encompasses the elements that influence, channel, and maintain human action. As a result, motivation focuses on what motivates people to act. It is the impact factor that results in behavior when it comes to fostering an environment where workers desire to work and are willing to take on responsibilities.

3.0 RESEARCH METHODOLOGY

3.1 Research Design

Explanatory and case study research designs were employed in the study.

3.2 Study Area

The study site was at the Pride Micro Finance Kabale Branch, Central Division Kabale Municipality's which is situated along Kabale-Kisoro.

3.3 Study Population

80 participants were the study's intended audience.

3.4 Sampling Methods & Techniques

Sample selection, according to Sekaran (2003), is the process of deciding which research units from the target population would be used in the study. Purposive sampling, stratified sampling, and simple random sampling were all used in the study.

3.5 Sample Size

The researcher employed a sample size of 50 respondents, which were collected from 50 clients and 30 staff of the Kabale branch of Pride Micro Finance.

Table 1: Shows the number of respondents from each department.

Department	Population	Sample
Banking	17	13
Credit	13	10
Customers	50	27
Total	80	50

Source: Primary Data 2022

3.6 Sources of Data

Both primary and secondary data sources were utilised in the research investigation.

3.7 Data Collection Methods

The research study used focus group discussions, questionnaires, and interviews.

3.8 Data analysis, Processing and Presentation.

Editing, calculating, and using tables for analysis were used to process the data. To remove errors and guarantee consistency, these data were coded, revised, and rephrased. The analysis of the data was both qualitative and quantitative. While quantitative data will be evaluated using computer applications like Microsoft Word and Microsoft Excel, qualitative data were analyzed in the field as it was being collected using coding sheets. Thematic analysis was employed in qualitative analysis as well, and graphs, tables, and pie charts were used in quantitative data analysis for data analysis and results presentations.

4.0 PRESENTATION, ANALYSIS AND INTERPRETATION OF STUDY FINDINGS

4.1 Gender of respondents

Table 1: Gender of respondents

Gender	Frequency	Percent	Cumulative Percent
Valid	Male	23	46
	Female	27	54
	Total	50	100

Source: Primary data2022

It can be seen from the table that 54% of responders were women and 46% were men.

4.2.2 Marital status of respondents

Table 2: Marital Status

Marital Status		Frequency	Percent	Cumulative Percent
Valid	Single	18	36	36
	Married	27	54	90
	Widow(er)	5	10	100
	Total	50	100	

Source: Primary Data 2022

As was previously said, the respondents' marital status was crucial to the research investigation; 54% of respondents were married, 36% were single, and 10% were widowed.

4.2.3 Age bracket of respondents.

Table 3: Age bracket

	Age Bracket	Frequency	Percent	Cumulative Percent
Valid	18-28	5	10	10
	28-38	16	32	42
	38-48	23	46	88
	48+	6	12	100
	Total	50	100	

Source: Primary data2022

According to the table above, 10% of respondents were between the ages of 18 and 28, 32% were between the ages of 28 and 38, 46% were between the ages of 38 and 48, and 12% were over the age of 48.

4.3 Motivation Tools undertaken by Pride Micro Finance Kabale Branch

Motivation Tool	Frequency	Percentage	Cumulative Frequency
Wages and Salaries	14	28	28
Fringe benefits	13	26	54
Bonus payment	12	24	78
Employee Training	11	22	100

Total	50	100	
-------	----	-----	--

Source; Field Data 2022

As shown above, it should be emphasized that the Pride Micro Finance Kabale Branch has used motivational techniques. This was revealed by the respondents: 28% said that salaries and wages can be used to motivate staff, 26% said fringe benefits aid in staff motivation, 24% said bonus payments raise the morale of human resources, and 22% said employee training is essential to raising employee morale in an organization.

4.4 Motivation and Employee Performance

Table 4: Motivation and staff performance

Indicator	Frequency	Percentage	Cumulative
Training	15	30	30
Modern technology	13	26	56
Goal Clarity	12	24	80
Working conditions	10	20	100
Total	50	100	

Source; Field Data 2022

As can be seen from the table above, a number of indicators are essential for increased organizational performance. Good conditions are essential for high performances, according to 20% of respondents. Goal clarity helps organizations achieve high levels of output, according to 24% of respondents, and adoption of modern technology, according to 26%. Training also contributes to productivity, according to 30% of respondents.

4.5 Relationship between Motivation & Employee Performance

Relationship	Frequency	Percentage	Cumulative
Human behavior	14	28	28
Creativity	12	24	52
Decision making	13	26	78
Mutual growth	11	22	100
Total	50	100	

Source; Field Data 2022

It is clear from the examples above that employee performance and motivation are strongly correlated. 28% of the respondents said that motivation aids in boosting human behavior, 24% said that motivation fosters innovation, 26% demonstrated that motivation facilitates decision-making, and 22% said that employee motivation leads to better mutual growth.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

According to the study's findings, there is a strong link between staff productivity and motivation. It was determined that Pride Micro Finance Kabale Branch could inspire its employees using both financial and non-financial means. It was discovered that a variety of elements, such as training, working environment, adoption of contemporary technologies, and employee skill and training, had an impact on motivation. Both case study and explanatory research were used in the research study, and both qualitative and quantitative data analysis techniques were used to analyze the data. Utilizing focus groups, questionnaires, and interviews, the data were gathered utilizing both primary and secondary sources.

In order to encourage its staff, Pride Micro Finance Kabale Branch needs to implement a number of tactics, including paying them on time, fostering a positive work atmosphere, and including them in decision-making. This will help to reduce the levels of resistance and hence improve organizational performance.

5.2 Recommendations of the study

The study made the following recommendations: meeting employees' requirements for motivation through training, modifying labor regulations, and paying fair and market-competitive rates and salaries.

REFERENCES

- Fowler, J.M. (2001).* The relationship among subordinate personality and their need for motivation. *Published dissertation, South Africa: De Mont Fort University.*
- Rynes, R. M. (2004).* Intrinsic motivation and self-determination in human behavior. *New York: A division of Plenum Publishing Corporation.*
- Drucker, P. (1954).* The Practice of Management. *New York: Harper & Row William G.*
- Herzberg, F. (1966)* Work and the Nature of Man. *Cleveland: World Publishing. (New York: Wiley).*
- Herzberg, T. (2000).* Job satisfaction and employee performance. *8th Edition. Oxford: Oxford University Press.*
- Mwanje A.K. (1991.)* Pay for performance. Evaluating performance appraisal and merit pay. *Washington DC: National Academy Press.*
- Gehert N (2004).* Working today: Understanding what drives employee engagement. *Samuel R. (2010).* *Employee performance indicators.*
- Hammer (2000).* Public service motivation and interpersonal citizenship behavior in public organizations. *International Public Management Journal, 11 (1),89-108.*