

# The Nexus between Employee's Motivation and Organizational Performance in some selected Banks in Akure Metropolis

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## **ABSTRACT**

This paper examines the nexus between employee's motivation and organizational performance, using some selected banks in Akure metropolis. The objectives are: to investigate which motivational packages influence employees' performance and to assess the influence of motivational packages on the corporate performance. Survey research design which allows the use of questionnaire was utilized to obtain information from the employees of the selected banks. Simple random sampling technique was used to carry out the study in four banks namely, First Bank Nigeria Plc, Heritage Bank Plc, Eco Bank Plc and United Bank for Africa Plc. Spearman Rank Order Correlation was employed to test the hypotheses. This study concludes that there is significant relationship between employee's motivation and organizational performance. The finding shows the results of Spearman rank order correlation analysis for relationship between motivational packages and employee performance. The correlation coefficient for the variables was 0.315. The value indicates a weak but positive relationship between motivational packages and employee performance. Since correlation is significant at the 0.01 level (1-tailed) for this research and the significance probability value is less than 0.01 (i.e.  $0.007 < 0.01$ ). The finding further shows the relationship between motivational packages and banks' performance. The correlation coefficient for the variables was 0.315. The value indicates a weak but positive relationship between motivational packages and banks' performance. The value is significant since correlation is significant at the 0.01 level (1-tailed) for this research and the significance probability value for the relationship is less than 0.01 (i.e.  $0.007 < 0.01$ ). The study therefore recommends that adequate motivational packages should be given to the employees in the banks on a regular basis as these will not only prompt them to give out their best to their, but will also enhance their work outputs for the banks.

**Keywords:** Motivation, Performance, Extrinsic, Intrinsic, Incentive, Rewards.

## INTRODUCTION

The desire of every business is to have employees that are to offer their best or contribute their maximum quotas to the organization for growth and expansion. Yet, researches have shown that it is difficult if not totally impossible for business objectives to be attained in the absence of employees' dedication to duties as the performance or success of any organization be it for-profit, not-for-profit, domestic or global establishment is highly dependent on the motivation given to its workers. According to Bateman and (Shell 1996), motivation is the force that energizes, directs and sustains a person's effort towards the achievement of a goal. After all, the performance of an organization depends on the performance of its people, regardless of the organization's size, purpose or other characteristics (Aguinis, 2005). No wonder organizations in today's business world expend so much money on their employees by the way of motivational measures with a view that they will reap the benefits of their investments later.

On the other hand, performance of employees in any organization is vital, not only for the growth of the organization, but also for the growth of individual employees (Meyer and Peng 2006). An organization must know who are its outstanding workers, those who need additional training and those not contributing to the efficiency and welfare of the company or organization (Muogbo, 2013). Also, performance on the job can be assessed at all levels of employment such as: Personnel decision relating to promotion, job rotation, job enrichments etc (Aidis, 2005; Meyer and Peng 2006).

Grant (2008) opined that motivated employees are more oriented towards autonomy and are more self – driven in contrast to less motivated employees. He added that well motivated employee readily takes responsibilities. Employees must therefore be made to develop love for their works in this present business world that is characterized with competition and dynamism if superlative job performance is expected from them, and the best way to go about this is to motivate them. Motivation imposes employee outcomes for instant performance and productivity. This will facilitate judicious utilization of organization's resources leading to minimization of operational cost, increase in productivity and general efficiency at work. It will as well ensure proper co-ordination of business activities, co-operation of workforce, employees' stability and loyalty to the enterprise due to possession of sense of

belonging and good public image resulting to more customers' patronage for the organization's products.

Mc Cornick and Tifflin (2007) stressed that Motivation could be intrinsic or extrinsic in nature. Intrinsic motivations are benefits that can be named psychological motivations such as having a sense of challenge and achievement, receiving appreciation, positive recognition, use of one's ability and opportunity to be treated friendly while Extrinsic motivations include those that are not part of the task of the job like pay, fringe benefits, security, work condition, and promotion, the work environment, contract of service and conditions of work. According to Ibrahim and Brobbey (2015), challenges such as poor remunerations, lopsided promotional structures, non recognition of employees' accomplishments together with other unpleasant conditions of service are peculiar to different organizations; therefore, organizations are expected to see their employees as their first customers to be well treated before they too can reciprocate this by satisfying the organizations' customers properly.

However, going by today's economic trend globally, it is obvious that the rate at which our business environments change, poses new and serious challenge day by day, thus make employees' motivation and organizational performance the focus of intense research exertion. Many studies on motivation have been carried out especially in Pakistan and Ghana which mostly focused on Educational and manufacturing sectors with few studies in Nigeria paying less attention to banking industry. Examples of studies carried out in the country include Okereke and Daniel (2010) whose research focused on public sector and Muogbo (2013) researched on selected firms; hence, this study. This study attempts to investigate the nexus between employees' motivation and organizational performance in some selected banks (First Bank Nigeria Plc, Heritage Bank Plc, Eco Bank Plc and United Bank for Africa Plc) in Akure Metropolis.

### **Research Objectives**

The aim of this study is to examine how employees' motivation contributes to the performance of some selected banks in Akure metropolis. Specifically, this was carried out with a focus on two sub objectives:

- i. To investigate which motivational packages influence employees' performance in the selected banks in Akure Metropolis.

ii. To assess the influence of motivational packages on the corporate performance of the selected banks in the study area.

### **Research Hypotheses**

- i. There are no motivational packages that influence employees' performance in the selected banks in Akure Metropolis.
- ii. Motivational Packages do not influence corporate performance of the selected banks in the study area.

## **CONCEPTUAL CLARIFICATION AND LITERATURE REVIEW**

### **Concept of Motivation**

Motivation as a concept has been defined variously by different authors or scholars. Lumpkin (1959) refers motivation to as a force that maintains or alters the quality, intensity and direction of a behavior. Motivation is the driving force that stimulates an individual that is a worker into action in order to achieve to achieve organizational objectives. He adds that it is a force that makes one to do what is aroused to do, constantly influencing the vigour and direction of one's action. It is also described as willful or volitional act on the part of an individual (Akindele, 2007). Motivation is a decision making process through which the individual chooses the desired outcomes and sets into motion the behaviour appropriate to them (Buchanan, 2010). Robbins & Decenzo (2008) see motivation as the willingness to exert high levels of effort to reach organisational goals, conditioned by the efforts and ability to satisfy.

Employees' motivation is the complex forces, drivers, needs, tension states, or other mechanisms that start and maintain voluntary activity directed towards the achievement of personal goals (Hoy and Miskel, 1987). Motivated worker is easy to spot by his or her agility, dedication, enthusiasm, focus, zeal and general performance and contribution to organizational objectives and goals (Ifinedo, 2003). Since the concern of all organizations is to have or enjoy the fullest co-operation of their employees, priority attention should be given to how best to motivate them inform of incentives, rewards, leadership and, importantly, the work they do and the organization's context within which they carry out that work. The aim is to develop motivation processes and work environment that will help to ensure that individual deliver results in accordance with the expectations of management (Thomas, 2012).

## **TYPES OF MOTIVATION**

Motivation which is the force for gratification of a need and a means, by which people are made to bring out that natural drive to perform a task, is from inside an employee. Basically, motivation is divided into two different forms identified as intrinsic (internal or inherent) motivation and extrinsic (external) motivation. It is imperative to realize that human beings are not all the same as people are motivated differently; thus effectively motivation of employees necessitates that managers have in-depth understanding of different types of motivation. Such an understanding will facilitate better categorization of their team members and utilization of the appropriate type of motivation. This is as a result of difference in each member's motivational needs.

### **Intrinsic Motivation**

Intrinsic motivation can be referred to as the inner urge that propel an individual into performance of activities without any external inducement, but consequent to the person's special interest and enjoyment in the task. This is supported by Boamah (2014) that intrinsic motivated work behaviour stems from a person's internal desire to do something, and is therefore usually self-applied, such as pure interest in a project or a positive recognition from colleagues. Intrinsic motivation is what people will do without external inducement such as hunger, a sense of duty, altruism, and a desire to feel appreciated (Malone and Lepper 1987). According to Deci (1975) in Boamah (2014), intrinsically motivated behaviours are observed when there is no other evident reward apart from the activity itself. The very high levels of intrinsic motivation are marked by such strong interest and involvement in the work, and by such a perfect match of task complexity with skill level that people experience some kind of psychological "flow", a sense of merging with the activity they are doing (Csikszentmihalyi, 1975). Intrinsic motivators are concerned with the quality of work life, and are likely to have deeper and long term effect because they are inherent in individuals and are not imposed from outside (Armstrong, 2006). In most cases, employees in the organizations possess deep-rooted desires that have highest motivational power such as acceptance not only of themselves by co-workers, but also acceptance of their decisions in the organization in which they work, honour; as everyone wishes to be respected, social contact and status. This is because there is no worker in an organizational setting who does not need interaction with others.

### **Extrinsic Motivation**

Extrinsic motivation means undertaking of an activity with a view to achieve a desired result and it is the converse of intrinsic motivation. An individual has extrinsic motivation due to the pressure from his environment. Money or grades, employee of the month award, benefit package, bonuses and organized activities are good examples of common extrinsic motivations that are rewards for exhibiting the desired behavior, and the threat of penalty subsequent misconduct. Organizations continuously need something to keep their workers working and this includes salary alone or bonuses etc., but motivation is the very important factor to keep the workers engaged and involved in their works so that their quality and quantity of work and productivity does not deteriorate (Williams, 2004).

### **The Relationship between Intrinsic and Extrinsic Motivation**

Intrinsic reward mainly has to do with the fulfillment of worker to his job emerging out of the pleasure of working that he experiences in a good establishment that compensates him for his job. Rewards are very meaningful to employees whether they are extrinsic or intrinsic. Intrinsic reward emerges in a person after the accomplishment of certain task or work (joy, satisfaction, pride etc.); while extrinsic motivation comes from outside sources or forces as salary, money or grades etc. (Scott and Bruce, 1994). The difference between intrinsic and extrinsic motivation is also explained. Namely, individuals are intrinsically motivated when they look for pleasure, interest, satisfaction, enjoyment and curiosity, self-expression or personal challenges in the work. Individuals are extrinsically motivated when they engage in the work in order to gain some goal that is apart from the work itself (Amabile, 1993). Both intrinsic and extrinsic motivators are necessary in motivating employees (Herzberg, 1959). However, managers must always ensure that proper motivation of their employees is given priority attention so as to facilitate the prompt achievement of the organization's pre-determined objectives and goals.

### **Organizational Performance**

Organizational performance has been the most important issue for every organization, be it profit-making or non-profit making one. It has been very important for management to know which factors influence an organization's performance in order for them to take appropriate steps to initiate them

(Adenuga, 2015). According to Heffermand and Flood (2000), organizational performance as a concept in the contemporary management has gone through problem of clarity in a number of areas such as in the areas of definition and measurement. They add that most often, the terms performance and productivity are misconstrued to have the same meaning. There is dissimilarity between performance and productivity; productivity is a ratio describes the volume of work completed in a given amount of time while performance is a broader indicator that could include productivity as well as quality, consistence and other factors (Ricardo, 2001). Ricardo adds that where there is need for result appraisal, productivity measures are typically put into consideration. Till this present time, there has not been consistency in organizational performance measurement. This has resulted in different researchers using different variables to measure organizational performance. Some researchers (Kotter & Heskett, 1992; Marcoulides & Heck, 1993; Denison & Maishra, 1995; Peter & Crawford, 2004 and Lee, 2005) used quantitative data like return on investment, return on sales and so forth, while variables such as profitability, gross profit, Return on Equity (ROE), revenue's growth market share, stock price, sales growth, export growth, liquidity and operational efficiency were utilized for measuring organizational performance by researchers such as Snow & Hiebimak, 1983; Seger, 1987; Guthrie & Chen, 1989; Parnell & Wright, 1993; Thompson & Ramaswamy, 1996; Gimenez, 2000).The definition of performance has included both efficiency – related measures which relate to the input / output relationship, and effectiveness related measures which deal with issues like business growth and employees' satisfaction ( Adenuga, 2015).

The performance of organization is highly reliant on the employees' performance and which as well depends on factors such as job satisfaction, knowledge and management. This can be a reality only when there is effectual motivation for the employees in the organization. It is therefore imperative for any organization desiring achievement of its overall goals to make effective motivation of its workforce a usual practice.

## **THEORETICAL FRAMEWORK**

### **Theories of Motivation**

There are many theories of motivation that managers can use to improve their understanding of why people behave as they do. None provides a

universally accepted explanation of human behaviour (Akindele, 2007). According to Akindele (2007), the most discussed groups of theories are content theories and process theories.

### **Content Theories of Motivation**

Content theories have to do with the features inside an individual that invigorate, direct, maintain and discontinue behavior. These factors centre on specific needs that prompt people into actions and clarify why human needs vary with time. These theories comprise Douglas McGregor's Theory X and Theory Y, ERG theory by Clayton Alderfer, Herzberg's Motivation – Hygiene theory (Two – factor theory) and Abraham Maslow's Hierarchy of Needs.

### **Process Theories of Motivation**

Process theories explain progression of how behavior is energized, directed, sustained and stopped. Process theories first attempt to define the major variables necessary for explaining choice (e.g, should I work hard), effort (e.g, how much do I need to work?), and persistence (e.g., how long do I have to keep this pace) (Akindele, 2007). There are four major process theories and these are: Reinforcement theory proposed by B.F. Skinner and his associates, Vroom's Expectancy theory, Equity theory by John Stacey Adams and Edwin Locke's Goal setting theory.

Several theories have been used in literatures in relation to motivation. However, Abraham Maslow's hierarch of needs theory is considered more suitable for this study. The Hierarchy of Needs' Theory was proposed by Abraham Maslow in 1943. This theory is a typical description of human motivation. Akindele (2007) points out that Maslow's theory of motivation emphasizes two basic premises which are:

- i. Man is a deficient creature whose needs depend on what he possesses. It is unsatisfied need that can induce behavior
- ii. Man's needs are set in hierarchy of significance and that until a need is satisfied, another one will not surface.

This theory assumes that within each individual there is a hierarchy of five needs and that the necessity of these needs differs. These five needs are:



Figure 1: Maslow's Need Hierarchy Model



Source: Maslow, 1945

1. **Physiological needs:** Physiological needs are the needs for indispensable amenities without which living is possible. These include basic needs of air, water, food, clothing and shelter.
2. **Safety needs:** When physiological needs are adequately met, the next level of needs assumes importance (Akindele, 2007). Safety needs include physical, environmental and emotional safety and protection. For example - Job security, financial security, protection from animals, family security, health security, etc.
3. **Social needs:** Social needs include the need for love, affection, care, belongingness, and friendship. Here, the hierarchy departs from the physical or quasi – physical needs of the two previous levels. The non – satisfaction of this level of need may affect the mental health of the individual (Akindele, 2007).
4. **Esteem needs:** Esteem needs are categorized into two which are: internal esteem needs (self- respect, confidence, competence, achievement and freedom) and external esteem needs (recognition, power, status, attention and admiration).
5. **Self-actualization need:** Maslow defined these needs as the desire to become more and more of what one is, to become everything one is capable of becoming (Akindele, 2007). It consists of the need for growth and self-contentment. It in addition involves wish for acquire more knowledge, social- service, creativity and being inventive. Here opportunities keep cropping up to continue growing as an individual grows psychologically, since the self- actualization needs are never wholly satiable.

Going by Maslow's idea, what motivates people is unsatisfied needs. The next need is always forced to emerge immediately each of these needs is much satisfied. Maslow categorized the five needs into two groups - Higher-order needs and Lower-order needs. The physiological and the safety needs formed the lower-order needs. These lower-order needs are mostly satisfied

superficially. The social, esteem, and self-actualization needs were made up of the higher-order needs which are most often satisfied internally, i.e., inside a person. There it can therefore be deduced that workforce lower-order needs are considerably met for the duration of boom.

## **EMPIRICAL REVIEW**

In recent times, various studies were carried out on employee's motivation focusing on performance or productivity. These past studies are reviewed and put in proper perspectives with a view to facilitate easy understanding of the subject matter. For instance, Chukwunenye and Amgbare (2010) conducted a study on the paper that examined staff welfare and organization's productivity, using Patani Local Government Council in Delta State, Nigeria as a reference. The methodology was primarily qualitative and involved use of In-Depth Interviews (IDIs) and Focus Group Discussion (FGDs) to secure information from employees at the Council. Data revealed general awareness about staff welfare among the employees and ability to identify the elements of welfare. The findings of the study show that there was absence of staff welfare in the council. The working environment was poor, in terms of office accommodation and furniture, paucity of working materials, scarcely available monetary incentives and unreliable health and safety facilities, which altogether reduce morale (job satisfaction) and efficiency in job performance. The study therefore recommends that pragmatic efforts should be made to enhance employee's job capabilities through training; to improve working conditions of the employees and their general welfare in order to elicit job satisfaction and motivation for increased productivity.

In Muogbo (2013) study paper titled "The Influence of Motivation on Employees' Performance: A Study of Some Selected Firms in Anambra State" examines the influence of Extrinsic and Intrinsic motivation on employees' performance of selected manufacturing firms in Anambra State as its key objective. For the study, 63 respondents were selected from 21 manufacturing firms across the three senatorial zones of Anambra State. The study used descriptive statistics (frequencies, mean, and percentages) to answer the three research questions posed for the study. The Pearson Product moment Correlation Coefficient was used to test the three hypotheses that guided the study. The result obtained from the analysis showed that there existed relationship between extrinsic motivation and the performance of employees

while no relationship existed between intrinsic motivation and employees' performance. The researcher recommended that all firms should adopt extrinsic rewards in their various firms to increase productivity.

Bonsu and Kusi (2014), in their study of effects of motivation on job performance of Local Government workers in Ghana used Atwima Nwabiagya District Assembly in the Ashanti Region as the case study. The purpose of the study was to find out the effects of motivation on job performance of District Assemblies Workers in Ashanti Region. The researchers indicated the lack of employees' motivation brings high absenteeism and high cost. In other to achieve the purpose of the study, qualitative and quantitative case study methodology was used and questionnaires administered using a simple random sampling. The study's findings show that employees prefer higher salaries as a main incentive to higher job performance. It was able to found out that 40% of the employees are de-motivated due to poor working conditions in the organization which affirms Herzberg theory Y.

Irum; Ayesha; Syed; Shagufta and Farida (2014) investigated the impact of employee motivation on employee performance employing self-administered questionnaire to collect data from 160 teachers of Government and private schools in Pakistan. Regression analysis is applied to find the effect of employee motivation on employee's performance involving four variables employee motivation, employee performance, intrinsic rewards and employee perceived training effectiveness. The results of this study show that significant and positive relationship exists between employee motivation and employee performance. The study also concludes that intrinsic rewards have a significant positive relationship with employee performance and employee motivation. This study concludes that employee perceived training effectiveness has a negative relationship with motivation.

## **METHODOLOGY**

### **Research Design**

This study examines the nexus between employee's motivation and organizational performance in some selected banks in Akure. Survey method was adopted through the use of questionnaire to elicit information from the respondents.

### **Study Population / Sample**

The population for this study is the entire staff of the selected banks (First Bank Nigeria Plc, Heritage Bank Plc, Eco Bank Plc and United Bank for Africa Plc) at Alagbaka Area in Akure. Questionnaires were administered to the total population of the study, but sixty (60) questionnaires were duly returned and analyzed.

### **Sources of Data**

Both primary and secondary sources of data were utilized. Primary data was through the use of questionnaire meant for gathering pertinent data from the respondents. The secondary source was through the consultation of related journals and text books.

### **Research Instrument**

This study utilized the use of questionnaires as an instrument for data collection. The questionnaire consisted of three broad sections. The section A featured variables having to do with bio-data and it directly meant to gather background (personal) information about the respondents. Section B contained questions intended to investigate the motivational packages that influence employees' performance, while Section C of the questionnaire directly measures the influence of motivational packages on the corporate performance of the banks. The instrument was validated by experts in the field of human resource management. Some questions were adopted from previous researches with high validity and reliability coefficient, but were modified to suit the present environment.

### **Methods of Data Analysis**

In this study, both descriptive and inferential statistics were used. The descriptive statistics involves simple percentages and frequency tables while inferential statistics is Spearman rank order correlation.

## DATA ANALYSIS AND INTERPRETATION

### Results and Discussion of Findings

**Table 4.1: Demographic Information about the Respondents**

Name of your Bank	Frequency	Percentage
First Bank	15	25.0
Heritage Bank	15	25.0
EcoBank	15	25.0
UBA	15	25.0
Total	60	100.0
<b>Gender</b>		
Male	37	61.7
Female	23	38.3
Total	60	100.0
<b>Age</b>		
18-30	27	45.0
31-40	27	45.0
Not Indicated	6	10.0
Total	60	100.0
<b>Salary</b>		
30,000-50,000	15	25.0
51,000-100,000	26	43.3
101,000-200,000	3	5.0
Not Indicated	16	26.7
<b>Years of Work</b>		
<1 Year	5	8.3
2-5 Years	28	46.7
6-10 Years	20	33.3
>10 Years	4	6.7
Not Indicated	3	5.0
Total	60	100.0

**Source:** Researchers' field survey, 2017

The study involved sixty (60) respondents which is made up of fifteen (15) each from First Bank Plc, Heritage bank Plc, EcoBank and United Bank for Africa Plc. All the questionnaires distributed to the respondents were retrieved indicating 100% response rate. Based on the results displayed in table 4.1, the respondents consist of 61.7 percent (37) and 38.3 percent (23) male and female

respondents respectively. Equal number of respondents (27) were within the age brackets 18-30 and 31-40 each which represents 45 percent whereas 6 (10.0 percent) of them do not indicate any age bracket. The salaries of the banks' staff were within N30,000 and N200,000 though many of them, i.e., 26 (43.3 percent) earn between N51,000 and N100,000. Those who earn between N40,000 and N50,000 were 15 (25 percent) even as 3 (5 percent) earn monthly salaries between N101,000-N200,000. 16 respondents (26.7 percent) however do not provide information about their monthly earnings.

The study sought to know the years of experience of the respondents. There were mixed responses which indicated different years of experience among the respondents; the highest being greater than 10 years and the lowest being lower than 1 year. It is clear from table 4.1 that respondents with 2-5 years' experience were highest in number with frequency of 28 (46.7 percent), followed by 6-10 years experience (20, 33.3 percent) and then less than 1 year (5, 8.3 percent) but 3 (5 percent) were reluctant to disclose their years of experience.

### Core Duties of Respondents at Work

The core duties of the banks' staff that participated in the survey include: account officer, administration officer, cashier, security officer, customer service representative, bank product manager, teller, supervisor, POS requests' officer.

### Motivational Packages for Staff in the Banks

**Table 4.2: Motivational Packages for Staff in the Bank**

	Not applicable	No	Yes	Mean
Enhance Salaries to employees	1	4	55	1.90
Promotions	2	8	50	1.80
Recognition	5	7	48	1.72
Fringe benefits (i.e. allowances)	11	11	38	1.45
Employee car loan scheme	5	24	31	1.43
Employee housing loan scheme	5	32	23	1.3000
Valid N (list wise)			60	

**Source:** Authors' Computation, 2017

Motivational packages for members of staff of banks are in different forms. The list in table 4.2 is the motivational packages identified in the literature and used to seek the opinion of respondents. These were ranked

based on their mean value. Many of the respondents (55) identified enhanced salaries to employees as the most used motivational package in banks which make it to occupy the first position. It has a mean of 1.90. Promotion was next in rank with mean value 1.80 as only 50 respondents stated that it a motivational package in their bank. Recognition and fringe benefits (i.e. allowances) are in the third and fourth positions with frequencies 48 and 38 respectively and means 1.72 and 1.45 in that order. Employee car loan scheme and employee housing loan scheme have frequencies (31 and 23) and means (1.43 and 1.30) which are not as high as the first four packages. Therefore, they were in the fifth and sixth positions. It appears they are seldom used by the banks. It was also noted that the motivational packages are not applicable to all the staff as shown in table 4.2. This may be due to the nature of employment of this set of staff, more importantly, the contract staff or those who were outsourced.

**Table 4.3: Frequency Motivational Packages**

	Not applicable/Monthly No Response		Quarterly	Bi-annually	Yearly	5 year interval
<b>Enhance Salaries to employees</b>						
Frequency	9	31	5	1	13	1
Percent	15	51.7	8.3	1.7	21.7	1.7
<b>Employee car loan scheme</b>						
Frequency	24	3	6	6	19	2
Percent	40.0	5.0	10.0	10.0	31.7	3.3
<b>Employee housing loan scheme</b>						
Frequency	28	4	3	5	18	2
Percent	46.7	6.7	5.0	8.3	30.0	3.3
<b>Fringe benefits (i.e. allowances)</b>						
Frequency	19	11	13	3	13	1
Percent	31.7	18.3	21.7	5.0	21.7	1.7
<b>Promotions</b>						
Frequency	22	6	0	1	30	1
Percent	36.7	10.0	0.0	1.7	50.0	1.7
<b>Recognition</b>						
Frequency	25	16	0	6	13	0
Percent	41.7	26.7	0.0	10.0	21.7	0.0

**Source:** Authors' Computation, 2017

### Frequency of Motivational Packages

Respondents were asked to identify how often they benefit from the packages listed in table 4.3. The frequency of occurrence of benefits is not the same for all the respondents. There is also difference in the timeliness of

individual motivational packages. The frequency of packages were measured based on the following periods: monthly, quarterly, bi-annually, yearly and at 5 years’ interval. ‘Not applicable’ may denote two things, firstly, the package is not applicable to respondents due to the nature of their employment and secondly, as a result of employees’ level at work (junior or senior) or the time they enter into the employment. In addition, due to years of experience of some staff, they are yet to know much about their organizational policy on motivational packages, most especially, the timing. While enhanced salaries are monthly and recognitions may be yearly in nature, employee car loan scheme, employee housing loan scheme, fringe benefits (i.e. allowances) and promotions are bi-annually and annually correspondingly in nature for the banks.

**Table 4.4: Incorporation of employees’ Views and Adequacy of these packages**

	Frequency	Percentage
<b>Incorporation of employees Views</b>		
No Response	8	13.3
No	11	18.3
Yes	41	68.3
Total	60	100.
<b>Adequacy of motivational packages</b>		
No response	8	13.3
No	13	21.7
Yes	39	65.0
Total	60	100.0
<b>Conduciveness of Office environment to enhance your work output</b>		
No response	7	11.7
No	3	5.0
Yes	50	83.3
Total	60	100.0

**Source:** Authors’ Computation, 2017

According to table 4.4, most of the respondents (41, 68.3 percent) believed that their views are incorporated into the motivational packages but 11 (18.3 percent) have a different view. They seem not to partake in the decisions



regarding their motivational packages. There were no responses from 8 respondents (13.3 percent).

On the adequacy of the motivational packages, more than 50 percent (39, 65 percent) confirmed their adequacy. These people must have benefited from their individual motivation. 13 (21.7 percent) opined that the packages have not being adequate. This suggests the banks still need to consider reviewing their organization policy on this subject matter. 8 (13.3 percent) of the respondents provided no response. These are probably not entitled to many of the packages due to the nature of their employment.

Since not only motivational packages affect employees' performance, the opinion of the respondents was sought on the possibility of work environment to affect their performance on the job. More than 80 percent (50, 83 percent) of the respondent believed that conducive office environment enhance their work output. They outweigh the very few respondents (3, 5.0 percent) who do not seem to be affected work environment and few (7, 11.7 percent) that provided no response.

**Table 4.5: Employee Performance**

	No response	No	Yes	Mean	Rank
Loyalty to the bank	7	3	50	1.72	1
Early reporting to work	9	1	50	1.68	2
Staying on the job	8	4	48	1.67	3
Respect amongst colleagues	8	4	48	1.67	3
Delight to customers	9	3	48	1.65	5
Inner satisfaction	9	8	43	1.57	6
Valid N (listwise)	60				

**Source:** Authors' Computation, 2017

### Employee Performance

Employee performance on the job can be measured using some noticeable variables or criteria. This study identified these variables and they form the basis for evaluating the performance of banks' staff that participated in the study. They are: early reporting to work, staying on the job, delight to customers, and respect amongst colleagues together with loyalty to the bank. Table 4.5 present the views of the respondents on the variables. They have been ranked according to how the motivational packages can inhibit them (employee performance) using their individual mean value. Loyalty to the bank ranked

first with a mean of 1.72, followed by early reporting to work which was second on the table and staying on the job and respect amongst colleagues in the third position with a mean of 1.67 each. Respect amongst colleagues and inner satisfaction are less affected by the motivational packages, hence, the reason why they were on the fifth and sixth positions respectively based on the respondents’ perceptions.

**Table 4.6: Effect of packages on Employee work output**

	Frequency	Percent
Very low	6	10.0
Low	4	6.7
High	12	20.0
Very High	10	16.7
Excellent	28	46.7
Total	60	100.0

**Source:** Authors’ Computation, 2017

**Effect of Packages on Employee Work Output**

Availability of motivational packages affects employees’ work output though in different magnitudes. For instance, table 4.6 is the result of respondents’ opinion on this based on five points Likert scale. The effect is excellent for close to half of the respondents (28, 46.7 percent) even as 10 (16.7 percent) and 12 (20.0 percent) were of the opinion that the effect is very high and high respectively. Low and very low accounted for 4 (6.7 percent) and 6 (10.0 percent) respectively.

**Table 4.7: Achieving the same level of output in the Absence of Packages**

	Frequency	Percent
Not applicable	7	11.7
No	21	35.0
Yes	32	53.3
Total	60	100.0

**Source:** Authors’ Computation, 2017

**Achieving the same level of output in the absence of packages**

Achieving the same level of output in the absence of packages is partially possible considering other factors which may have not been identified. This is based on the responses from the respondents as presented in table 4.7 which

shows divergent views. While 32 (53.3 percent) believed that the same level of output can be achieved, 21 (35 percent) categorically stated that this is not possible though 7 (11.7 percent) were unsure (see table 4.7).

**Table 4.8: Bank Performance**

	Never	Very low	Low	High	Very High	Mean	Rank
Profitability	5	5	0	27	23	1.75	1
Efficiency	6	1	7	26	20	1.67	2
Deposit mobilization	8	1	4	29	18	1.65	3
Customer base	9	3	0	29	19	1.65	3
Staff retention	7	13	0	25	15	1.55	5
Valid N (list wise)	60						

**Source:** Authors' Computation, 2017

### Bank Performance

Availability of motivational packages can have effect on the bank performance, especially, profitability, efficiency, deposit mobilization, customer base and staff retention as found in the literature. Table 4.8 displays the perception of the respondents on the effect of the packages on these performance criteria. According to the respondents, the effect is greatest on bank profitability (1.75) and lowest on staff retention (1.55) based on their mean ranks. The efficiency of the bank was second (1.67) in the table, followed by deposit mobilization (1.65) and customer base (1.65).

### Hypotheses Testing

The following hypotheses were set up and tested in relation to the study:  
**H0<sub>1</sub>:** The available motivational packages in the selected banks in Akure Metropolis are not significantly associated with their employees' performance  
**H0<sub>2</sub>:** The available motivational packages in the selected banks in Akure Metropolis are not significantly associated with their corporate performance  
 These hypotheses were tested using Spearman rank order correlation. The results are as presented in table 4.8.

### Hypothesis One

*The available motivational packages in the selected banks in Akure Metropolis are not significantly associated with their employees' performance*

**Table 4.9: Relationship between Motivational Packages and Employees’ Performance**

Correlations		Motivational Packages	Employees’ Performance
Spearman's rho	Motivational Packages	Correlation Coefficient	1.000
		Sig. (1-tailed)	.315**
		N	.007
	Employees’ Performance	Correlation Coefficient	60
		Sig. (1-tailed)	60
		N	.315**

\*\* . Correlation is significant at the 0.01 level (1-tailed).

**Source:** Authors’ Computation, 2017

Table 4.9 shows the results of Spearman rank order correlation analysis for the relationship between motivational packages and employee performance. The correlation coefficient for the variables was .315. The value indicates that a weak but positive relationship exists between motivational packages and employee performance. Since correlation is significant at the 0.01 level (1-tailed) for this research and the significance probability value is less than 0.01 (i.e.  $0.007 < 0.01$ ), the null hypothesis ( $H_{01}$ ) is rejected based on the decision rule which states, “reject the null hypothesis ( $H_0$ ) if significance probability  $p$  is lesser than the level of significance of 0.01, correlation is significant.” The implication of this is that, the alternate hypothesis is to be accepted. That is, the available motivational packages in the selected banks in Akure Metropolis are significantly associated with their employees’ performance. Employees’ performance increase when their organizations provide them with benefits that are commensurate with their contributions to their respective establishments.

**Hypothesis Two**

*The available motivational packages in the selected banks in Akure Metropolis are not significantly associated with their corporate performance*

**Table 4.10: Relationship between Motivational Packages and Banks' Performance**

Correlations		Motivational Packages	Banks' Performance
Spearman's rho	Correlation Coefficient	1.000	.315**
	Motivational Packages Sig. (1-tailed)	.	.007
	N	60	60
	Correlation Coefficient	.315**	1.000
	Banks' Performance Sig. (1-tailed)	.007	.
	N	60	60

\*\* . Correlation is significant at the 0.01 level (1-tailed).

**Source:** Authors' Computation, 2017

Table 4.10 shows the results of Spearman correlation analysis for the relationship between motivational packages and banks' performance. The correlation coefficient for the variables was .315. The value indicates a weak but positive relationship between motivational packages and banks' performance. The value is significant since correlation is significant at the 0.01 level (1-tailed) for this research and the significance probability value for the relationship is less than 0.01 (i.e.  $0.007 < 0.01$ ). The null hypothesis ( $H_{0i}$ ) is therefore rejected, hence, the acceptance of alternate hypothesis. The available motivational packages in the selected banks in Akure Metropolis are significantly associated with their banks' performance.

## CONCLUSION AND RECOMMENDATION

From the research findings, it can be inferred that staff members of the banks in focus enjoy motivational packages as enhanced salaries were identified by many of the respondents as the most used motivational package followed by promotion in rank, then recognition and fringe benefits (i.e. allowances) in that order. That is, the available motivational packages in the selected banks in Akure Metropolis are significantly associated with their employees' performance. Employees' performance increase when their organizations provide them with benefits that are commensurate with their contributions to their respective establishments. Findings also show that available motivational packages in the selected banks in Akure Metropolis are significantly associated with the banks' corporate performance in the areas such

as profitability, efficiency, deposit mobilization, customer base and staff retention. Base on the above conclusion, the study recommends the followings:

- Management of the banks are charged to be making use of adequate motivational packages such as employee car loan scheme and employee housing loan scheme on the regular basis since the findings of the study reveal that they are not as high as the first four packages (enhanced salaries, promotion, recognition and fringe benefits), and that they appear to be occasionally used by the banks.
- The banks should ensure that motivational packages are made available and enjoyed not only by the senior officers, but also be extended to the deserving junior ones. This is because it was also noted that the motivational packages are not applicable to all the staff of the banks as shown by the findings of the study. These will not only prompt them to give out their best to their banks, but will also enhance their work outputs.

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