

KAMPALA INTERNATIONAL UNIVERSITY

SCHOOL OF BUSINESS AND MANAGEMENT

PROPOSED TOPIC. MOTIVATION AND PERFORMANCE OF EMPLOYEES

CASE STUDY. GERMAN TECHNICAL FIRM (GTZ) KENYA

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(AUGUST 2006)

DECLARATION

I KAMAU MAUREEN WARIARA declare that this research report was from my own finding and has never been produced by anybody else for the same award.

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Signature. 

Date 14/08/06

APPROVAL

This research book was submitted to the faculty of business and management of Kampala International University, after been supervised and approved by

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Signature

Mr. Rutegenda

Date

14/08/06

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DEDICATION

I dedicate this to my family who have been supportive and my late brother Morgan Kiburu Kamau.

ACKNOWLEDGEMENT

I want to honor and thank the Almighty God for giving the strength and knowledge to embark on this project. Many individuals have contributed to the development of this project.

I wish to thank all those who assisted me in various ways during this research. I wish to particularly acknowledge the contribution of my supervisor Mr. Micheal Rutegenda without whose professional guidance and constant valuable criticism / advice, this work would not have been completed.

My most sincere thanks and gratitude to my classmates and friends Adan Abdull, Juliet Watulo, Jovan Kamurasi. To my friend Jane Njeri Wagama for their constant encouragement and guidance throughout the study.

Nevertheless, any errors or omissions that remain are my own responsibility and any comments, criticisms suggestions will be highly appreciated.

For those who have made other contribution to this project and names not mentioned above, I register my profound appreciation and Jehovah God bless you all.

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ABSTRACT

This study was about the impact of motivation on employee performance in German Technical Firm.

The purpose of the study was to find out the content of existing motivation policy. The study also gives a clear picture on relationship between motivation and employee performance in German Technical Firm.

The study was carried out at head office of German Technical Firm Located in Nairobi, which has about one hundred and fifty employees.

It has been observed that motivation has not been very successful in achieving the company objectives due to lack of well-formulated and documented motivation policy.

The data was collected using questionnaires and interviews, which help the researcher to obtain information and reliable data.

The study also reveal that majority of the respondent have not performed effectively due to lack of motivation in the company.

Basing on the above German Technical Firm should establishes some incentives schemes for the employees in order to increase performance

CHAPTER ONE

1.0. Introduction

Motivation and performance are related, the reason is that performance in theory is the product of motivation and ability moderated by situational constraints. Ability is the individual's capability for performing certain tasks. Motivation is the individual's desire to demonstrate the behavior and reflects willingness to expend effort. Situational constraints refer to factors in work environment that hinder performance. For example, a mechanic who has lost his tools cannot be productive no matter how great his talent or motivation. When someone has no ability, no motivation, or pressing situational constraints, performance will be poor. If a person has no musical ability, all the motivation in the world will not make him or her a good musician. People perform best when they have the needed resources, abilities and the desire to perform a task well. Motivation therefore is only one factor determining performance.

According to **Dubin (2000)**, he defined motivation as the complex of forces inspiring a person at work in an organization to intensify his or her desire and willingness to use his or her potentials for the achievement of the organization's objectives. Thus, he concludes motivation as something that moves a person into action and continues him in the course of action enthusiastically.

Mc Farland (2001) defined motivation as a way in which urges, drives, desires, aspirations, striving or needs direct, control or explain the behavior of human beings; it means inspiring the personnel with zeal to do work for the accomplishment of objectives of the organization.

The purpose of the study was to find out motivation and employee performance in German Technical Firm. It included a substantial coverage of what motivates the employees, establishment of factors influencing employee's performance and examination of the consequences of low motivation. Today it was acknowledged that motivation was lacking in many organizations almost worldwide. Social scientists believed that work motivation is always related to what a person wants and gets from his or her job.

No one has exactly the same mixture of strength of these needs. **M.R. Jones (1955)** stated that motivation is connected with how behavior gets started, is energized, is sustained, is directed, is stopped and what kind of subject reaction is present in the organization while all this is going on.

Motivation is defined as a willingness to expend energy to achieve a goal or reward.

A force activates dormant energies and sets in motion the action of people. The function kindles a burning passion for action among the human beings of an organization.

Arnold et al (1991) identified three main components of motivation, these include:

- Directing : What person is trying to be
- Effort: How long a person is trying?
- Persistence: How long can a person keep on trying?

1.1 BACKGROUND OF THE STUDY

The German Technical Firm (GTZ) is an international cooperation enterprise for sustainable development with worldwide operations. It provides viable, forward- looking solutions for political, economic and social development in a globalised world. German technical firm promotes complex reforms and change processes, often working under difficult conditions. Its cooperative change processes is to improve people's living conditions on a sustainable basis.

German Technical Firm is a federal enterprise based in Eschborn near Frankfurt am Main. It was founded in 1975 as a company under private law. The German Federal Ministry for Economics Cooperation and Development is its major client. The company also operates on behalf of other German ministries, partner-country governments and international clients, such as the European Commission, the United Nations or the World Bank as well as on behalf of private enterprises. German Technical Firm works on a public benefits basis. Any surplus generated is channeled back into its own international cooperation projects for sustainable development.

In more than 130 countries of Africa , Asia ,Latin America ,the Eastern European countries in transition , the New Independent States (NIS) in Germany , German technical firm employs some 9500 staff. Around 1100 of these are seconded experts, approximately 7100 national personnel and around 300 experts in projects in Germany. This company maintains its own offices in 67 countries. Some 100 people are employed at Head Office in Eschborn near Frankfurt am Main. The company has been cooperating with Kenya for over 25 years. In 2002, both the German and Kenyan governments agreed to concentrate their development cooperation in three focal areas:

- Private Sector Development in Agriculture. (PSDA)

- Water sector reform.
- Reform of the health sector

German Technical Firm also supports the efforts of government, civil society and private sector through project covering good governance, poverty oriented budgeting and monitoring and strengthening of peace and security in the region through civil-military cooperation. Initiatives addressing youth policy and youth relevant programmes of state and civil society are supported as well.

The fighting against HIV/ AIDS is integral part of the German contribution to programmes and projects. To achieve the greatest possible impact and efficiency, German Technical Firm applies different types of cooperation, policy advice, organizational development, direct tools of cooperation organizational direct support of partner initiatives at all levels, provision of direct finance to partners and funding of donor. Coordination with other Kenyan development partners is as important for German Technical Firm, which works together with Kenyan institutions concerned in the development of the country.

1.2 Statement of the problem

In any modern organization, motivation was regarded as an important factor because the success of any organization depends on motivation. Nevertheless, some organizations experienced unrealistic performance gaps thus making them not to relatively realize their visions and objectives. Since poor motivation policy had also led to the performance gap between the actual and the desired performance, it was wise and important to find out whether there were some other factors that also led to poor performance or productivity. Poor motivation policy had also led to rampant cases of employee absenteeism , poor relations and low morale among employees and top management. Thus, the researcher intended to carry out the study to find out the impact of motivation towards raising the performance standard of the employee in the overall productivity of GTZ.

1.3 Objectives

I. General Objectives :

- To assess the relationship between the motivation and employee

performance.

II. Specific Objectives :

- To know the method of employee motivation
- To assess the motivational policy in the organization
- Establish factors influencing employee performance in German Technical Firm

1.4 Research questions

The purpose of this study was to determine whether there was need to motivate employees. The study were guided by the following questions:

- What is the impact of motivation on employee's performance?
- What is the relationship between motivation and the employee performance?
- What are the methods of employee motivation?
- What are the contents of motivation policy?

1.5 Scope of the study

German Technical Firm is situated in Nairobi and is located along Uhuru Highway. The study covered some departments in the company e.g. Human Resource, Marketing, Finance, Production, Public Relations.

- **Time scope:**

The study covers duration of seven months from February to August .This was because the researcher was able to get updated information.

1.6 Theoretical framework

The theory shall be based on an extensive analysis of the Prof. Abraham Maslow's hierarchical needs theory.

The Maslow's Hierarchical theory of needs is formed a hierarchy ascending from the lowest to the highest and he concluded when one set of needs is satisfied, this kind of need ceases to be a motivator. Maslow therefore put these needs in a ranking order of importance as below.

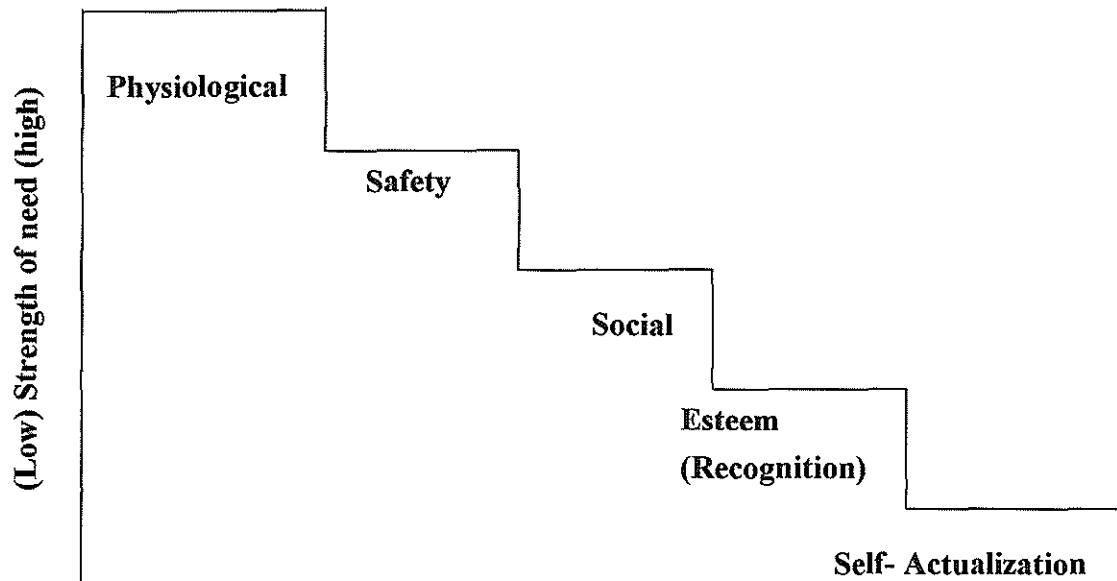


Fig 1.a

a) Physiological Needs:

This need is shown at the top of the hierarchy because they tend to have the highest strength until they are reasonably satisfied. Until these needs are satisfied to the degree needed for the efficient operation of the body, the majority of a person's activities will probably be at this level and other levels will provide him with little motivation.

b). Safety Needs:

Once the physiological needs are satisfied to a reasonable level it is not necessary that they fully satisfied and degree or reasonableness is subjective: other levels of needs become important. In this hierarchy comes the need for safety that is need for being free

of physical danger or self-preservation. In this industrial society, safety needs may take considerable importance in the context of the dependant relationship of employees to employers. Peter F. Drucker (b) suggested that one's attitude towards security is an important consideration in choosing a job. Organization can influence these security needs either positively through pension plan, insurance plan or negatively by arousing fears of being fired or laid off, demoted.

c). Social Needs:

After the first two needs are, satisfied, social needs become important in the need hierarchy. Since man is a social being, he has a need to belong and to be accepted by various groups. When social needs become dominant, a person will strive for meaningful relations with others. If the opportunity for association with other people is reduced, men often take vigorous actions against obstacles to social intercourse. In the organization workers from informal group environment. Such environments develop where the work is routine, tedious or over simplified. This situation is made worse when workers are supervised and controlled, but have no clear channel communication with management. This is now why workers turn on informal groups for support of unfilled social needs such as affiliation.

d). Esteem Needs:

This is concerned with self-respect, self-confidence a feeling of personal worth, feeling of being unique and recognition. Satisfaction of these needs produces feelings of self-confidence, prestige, power and control. This satisfaction of esteem needs is not always obtained through mature or adaptive behavior. It is sometimes generated by disruptive and irresponsible actions. Some of the social problems have their roots in frustration of the esteem needs.

e). Self-Actualization Needs:

Self-actualization is the need to maximize one is potential, whatever it might be. This is related with the development of intrinsic capabilities, which lead to seek situations that can utilize their potential. This includes competence, which implies control over environmental factors, both physical and social achievements. A man with high intensity of achievements needs will be restless unless he can find fulfillment in doing what he is fit to do. As Maslow has put it, "this need might be phrased as the desire to

become more and more what one is, to become everything that one is capable of becoming.

Maslow's suggests that the various levels are interdependent and overlapping, each higher-level need emerging before the lower level need has been completely satisfied. Since one need has not disappeared when another emerges, all needs to be partially satisfied in each areas. When the peak of need is passed, the need ceased to be primarily motivator. The next levels need than begins to dominate. Even though a need is satisfied, it still influences behavior because of interdependent of overlapping characteristic of need. This relationship among different needs has been shown below.

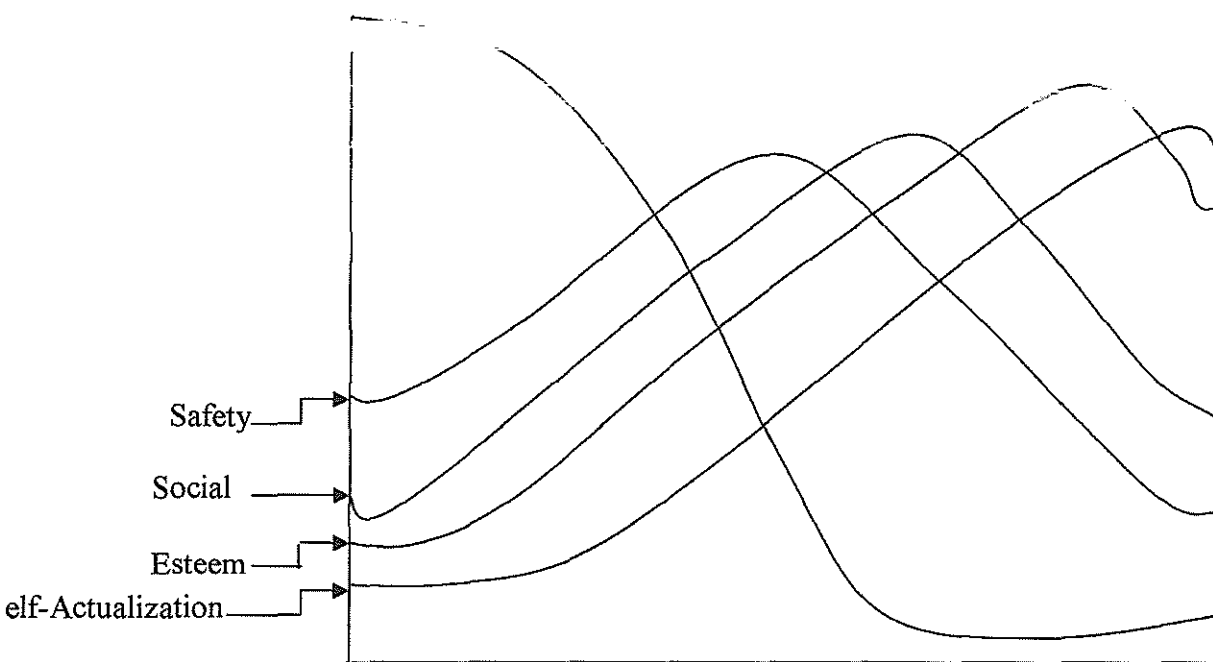


Fig 2 ,c

Maslow's concept of a hierarchy of needs has been subjected to considerable research. Edward Lawler and J.Lloyd collected data on 187 managers in two different organizations over a period of 6 to 12 months. They found little evidence of support Marlow's theory that levels of need form hierarchy. They did note however, there were two levels of need s biological and after need.

In addition, other need would emerge only when biological need were reasonably satisfied. They found and further stated that the higher level and strength of needs varied

with individual: in some individual social needs predominated, while others self-actualization needs strongest.

In another study of Marlow's need hierarchy involving a group of managers over a period of 5 years Douglas T. Hall and Khalil Noughaim did not find organization their physiological and safety needs tend to decrease. Importance and their needs for affiliation, esteem and self-actualization tend to increase. They insisted, however that upward movement of need prominence resulted from upward career changes and not from the satisfaction of lower orders needs.

In the nut cell, it has been found out that there is lack of hierarchical structures of need, as suggested by Maslow though every individual has some ordering for his need satisfaction. This is based on assumption that man has limited resources, which he can use alternatively. Resource here cannot be taken only in a physical way: rather it is used in way that is more comprehensive. Naturally, every person has to satisfy his needs in some order. However, his order may not follow Maslow's need hierarchy.

There is a considerable disordering among physiological needs, safety need, social needs and esteem needs. Particularly in organizational in organizational context, instance many people do care for job security but care for social need. Similarly, many people may not care for social need but for self-esteem need. In addition, people people, many of the needs may not form part of their needs hierarchy. This is not a question for reversal of hierarchy. For instance, there may be people who might be deprived of social need from their childhood. They may develop a patty towards such needs though it is possible that they will develop high order for such need.

1.7 Significance of the study

The study will be beneficial for the management of German Technical Firm, as it will help them identify the reasons for motivating employees. The policy maker will be aware of what motivation policies are needed to be enacted to improve the moral of the employees.

The study will be of benefit to employees because it will ensure them to have more knowledge and skills incase employees are being trained.

It is hoped the finding of the study will help the organization, managers and administration to recognize the importance of motivation to enhance effective achievement of the organizational goals

Definition of terms

- i). *Motivation* – process or factors that stimulate employees to act or behave in certain ways. The process of motivation consists of identification of an unsatisfied need, establishment of a goal, which will satisfy the need and taking action required to satisfy the need.
- ii). *Performance*- is an act of accomplishing or the way a job is being done by individual. Specific performance is doing exactly as required. Past performance is doing something depending upon some performance as per the terms of an agreement
- iii). *Remuneration* – payment for service or work done by an employee. The term commonly used to mean salary, wages, emoluments, compensations. Also includes direct and indirect financial benefits, such as bonus, profit sharing, life insurance coverage, car, pension, loans, and medical benefits subsidized meals.
- iv). *Working Conditions*- the physical and psychological work environment of employees comprises arrangement of working area , salary or wages , fringe benefits , work routine , health and safety conditions , length of work day and relationships with co-workers.
- v). *Absenteeism* – the often-deliberate practice or habitual condition of being away from work lasting for one or several days or work periods. The rate of absenteeism is usually estimated by the percentage of working days the employee reports for work.
- vi). *Hierarchy* - an arranging of persons or things by rank or level, with more at the bottom than at the top. Most bureaucracies are arranged this way.
- vii). *Job Satisfaction* – an employees' feelings of the extent to which he is pleased or satisfied with the content and environment of his work and fulfillment of his needs , desires or aspirations from his job.
- viii). *Organizations* – refers to set of systems and procedures designed to direct all the production and related activities in an organized way so as to avoid all delays and ensure smooth flow of production and the plant level and marketing .
- ix). *Questionnaire* – a survey technique often used in organization design and development. it is a document, reproduced in large numbers, containing a set of questions

intended to elicit useful information from the concerned employees.

x). *Policy* – a guidelines or general rule indicating a course of action established circumstances. As policies are guides to specific actions, they stimulate thinking in specific directions. Policies sometimes may not be explicit and therefore have o be inferred from the actions of the responsible managers.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

The research will review literature that has been generated by researchers and scholars of human resource management on issues pertaining to motivation and employee performance. The study will try to identify the gaps that may need to be addressed by present and future researchers.

2.1 Meaning and Concept

The concept of motivation was define by many scholars, **Mitchell Fein (1982)**, to him motivation is the extent to which an individual wants and choose to engage in the certain specified behavior. It is a process of stimulating impelling and inducing active interest and excellence in any activity. **Mullins (1989)** says that the purpose of studying motivation is to find out or determine why some people work harder than others do even when they are equally qualified or talented.

Dales s. beach (1974) defines motivation is the willingness to spend energy to achieve a given goal.

Kreitner (1986) said that motivation is the psychological process that gives behavior change and direction by appealing to this psychological process; managers attempt to get individuals to willingly pursue organizational goals and objectives. The implication of kreitner definition is that manager's roles lies in enabling motivation to take place rather than directly causing it himself. The best thing a manager can do is to bring about motivation, establish right atmosphere or work environment and relation among subordinates. That will stimulate them and act in direction of achieving organizational goals.

2.2 Importance of Motivation

This chapter presented literature regarding the impact of motivation on the organization performance. For the purpose of this research the following working definition as put by **Vroom, V.H and Deci, E .L, (1970)** is proposed “ motivation is a process in which people choose between alternative forms of behavior in order to achieve personal goals”.

Motivation is the set of forces that cause people to choose certain behaviors from among the many alternatives open to them. Motivation, ability, and the work environment typically influence an employee's performance. Some deficiencies can be addressed by providing training or altering the environment, motivation problems are not as easily addressed. Motivation is important because of its significance as a determinant of performance and its intangible nature, **Gary Desstar, (2003)**.

Some people do not need any incentives. They motivate themselves because they are just “wired” that way or they love their work. Most of us, however, need some level of reward and recognition. Formal rewards and recognition are certainly necessary and beneficial. Studies have shown, though, that informal rewards and recognition are often more powerful – because they can be more timely, more tailored (and meaningful) to the recipient, and generally cause less embarrassment.

He further said that recognition is not important, I respond: “look at the number of vanity license plates on the road. Tell me that people don't want to be noticed.” When you plan use of rewards and recognition, think about your objectives. A pet of many people relates to when poor/non-performance is tolerated with no consequences; good performance, however, is “rewarded” by giving more work to someone that is already overloaded. That disconnects needs to be fixed, In general, the message should be, and “Your performance is valued and appreciated. And you are valued and appreciated.” Surprisingly, the most effective forms of reward and recognition are the least costly, **C.B Mamoria (2000)**.

The dual structure approach was developed by **Frederick Herzberg, (1966)**, and is often referred to as the two-factor theory. Herzberg's studies of accountants and engineers led him to suggest that entirely different sets of factors are associated with satisfaction and with dissatisfaction. Motivation factors, relating to the job itself, result in feelings ranging from satisfaction to no satisfaction. Hygiene factors, relating to the work environment, result in feelings ranging from dissatisfaction to no dissatisfaction

Other need based perspectives on motivation focus on acquired needs: the needs for achievement, affiliation, and power. This approach is concerned not about the ordering of

needs but rather about the needs themselves. David McClelland first identified the need for achievement, which reflects an individual's desire to do something more effectively than in the past. The need for power is the desire to be influential in a group and to control one's environment, **P Subba Rao, (2003).**

There is no specific structural approach that fits all organizations as they vary so tremendously. I believe that the organization needs a person or a function that champions “performance” - acknowledging that training and learning are important – but that these are only *outputs*. Enrooted to the performance *outcomes* desired by the organization. This champion/function needs visibility and credibility – particularly as it relates to the executive and operating arms of the organization. , **P Subba Rao, (2003).**

It should educate, change mental frameworks, and facilitate organizational structures that had better support high performance. The most basic levers to improve organizational performance are:

- The work
- The worker
- The workplace

Many managers have taken the simple view of “fix the worker(s)”. As described above, there are many actions in the work and workplace categories that can also be taken concurrently with improving worker motivation and preparedness, **C.B Mamoria (2000).** These actions are the responsibility of the organization’s executives and managers. “Performance Consultants” can educate and facilitate mental and structural changes to successfully pursue this journey.

Training can only improve knowledge, skills, and confidence. When the other pieces of the performance formula are in place, it can improve workplace performance. Training transfers into performance best when it is done in the context of the person’s work and when it has an application focus, **Dr. Mary (2002).** Broad and others have shown that managerial involvement before training (setting expectations) and after training (providing opportunities and feedback) will enhance the transfer. There is a common quote that says, “Practice does not make perfect – it only makes habit. Practice with feedback makes perfect.”

Several methods exist for diagnosing the root causes of employee’s performance problems. Generally these efforts will identify several issues (some training-related; many non-training and more managerial) that need to be addressed to move from the current performance to the desired performance, **L.M Prasad (2001)**

The issues of organizational and employees performance have received much attention

since the early 1990s. While the “performance revolution” started in the private sector, its effects were quickly felt in the public sector—influenced by ideas from the “new public management” school that seeks to transfer concepts and processes from the private sector to the public sector, in order to make them more output oriented and accountable to stakeholders (Osborne and Gaebler (1993); Lusthaus, Anderson, and Murphy 1995.

In general, “performance” refers to the need for organizations to be efficient producers of outputs that are relevant to the needs of stakeholders—this is the principal measure of their effectiveness.

Performance in the public sector is closely linked to accountability: organizations are held accountable for a certain level of performance by their parent ministry or funding agency.

The ability to define, measure, and evaluate performance is an essential condition for its improvement. In many research systems the capacity to conduct research is now well established and the key constraints to improved performance appear to be employees and managerial in nature.

Before an organization can improve its performance, it needs to be able to measure and evaluate its employee’s performance two kinds of approaches are relevant: those that assess employees’ performance in General Austin (1996).

Theodore A. Toedt says that man’s willingness to produce what is right is as important as his ability to produce it. He adds that unwillingness or lack of motivation or lack of motivation may explain a significant portion of unliability. Motivational incentives, therefore, transform the employee’s ability to do willingness.

From the above allusions, therefore it is evident that without motivation effective performance of individual and organizational success will not be achieved. The different school of management including classical theories and human relations school of thought agree that managerial success and productivity are determined by employee motivation. Emphasizing this fact Fredrick Winslow Taylor, the father of scientific management, recommended that payment should be based on accomplishment of an assigned, scientifically determine the fair days works.....Taylor wrote: “When a naturally energetic man works ...side by side with a lazy one, the logic of the situation is answerable.” “Why should I work hard when that lazy fellow gets the some pay that I do and does only half as much?”

2.3 Relationship between Motivation and Performance

The basic requirements for job satisfaction may include comparatively higher pay, an equitable payment system, and real opportunities for promotion, considerate and participative management a reasonable degree of social interaction at work, interesting and varied tasks and a high degree of autonomy: control over work pace and work methods. The degree of satisfaction obtained by individuals however depends largely upon their own needs and expectations and the working environment.

Motivation is necessary for work performance because if people do not feel inclined to engage themselves in work behavior, they will not put in necessary efforts to perform well. However, performance of an individual in the organization depends on variety of factors besides motivation. Therefore, it is desirable to identify various factors that affect individual performance and the role that motivation plays in this.

However, research has not established any strongly positive connection between satisfaction and performance. A satisfied worker is not necessarily a high producer and a high producer is not necessarily a satisfied worker. The claim that good performance results in satisfaction rather than vice versa has not been proved.

2.4 Motivation Policies

All organizations have policies. Some however exist implicitly as philosophy of management and an attitude to employees. That is expressed in the way in which issues are handled: for example, the introduction of new technology. The advantage of explicit policies in terms of consistency and understanding may appear to be obvious, but there are disadvantages: written policies can be inflexible, constructive, platitudinous, or all three. To degree, policies often have to be expressed in abstract terms and managers do not care for abstractions. However, they do not prefer to know where they stand – people like structure and formalized policies which can provide the guidelines they need. Therefore, any modern organizations need to have motivation policy that will motivate the workers to achieve the desired goals and objectives. Thus, once the implementation of this policy is effective the organization is likely to achieve its goals.

Types of motivation:

According to **Hertzberg et al (1957)**, there are two types of motivation:

I). **Intrinsic Motivation** : The self generating factors that influence people to behave in particular ways or to move in a responsible ,autonomy(freedom to act) , interesting and challenging work and opportunities for advancement

II).**Extrinsic Motivation**: What is done to or for people to motivate them? This includes rewards such as increased pay, praise or promotions and punishments such as disciplinary action, with holding pay or criticism. Therefore, if their needs and expectations are met, low productivity, high absenteeism and accidents rates among others could be reduce. In respect to earlier belief that man works for money and can be primarily motivated by economic incentive, the recent improvement in economic and technological changes has further brought about changes in expectation and pay of other economic rewards. However, Elton Mayo observed that a non-economic reward plays a critical role in determining the motivation and happiness of labor.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter covers the following sections of the study, research design, study population, sample size, data collection methods, source of data and data processing and analysis .

3.1 Research Design

The research design used were descriptive where both quantitative and qualitative are used. The researcher was interested in gathering data that would help in drawing conclusion on the effect of motivation on organizational performance case study; German Technical Firm .

3.2 Study Population

The study population included the entire organization by using a self-administered questionnaire for the staff members.

3.3 Sampling Procedure

The researcher used simple random sampling as his sampling design. This approach was used because it would give the researcher all the pertinent views and enable him to eliminate subjective bias in his findings.

3.4 Sample Size

The researcher targeted 30 respondents from the organization but the respondents were 25 out the targeted population. The biggest number looked were the employee from the

administration department of German Technical Firm.

3.5 Data Collection Methods

The researcher used both questionnaire and interview as his method of data collection, questionnaires were self administered for respondents to fill. The advantage of this method was to eliminate or avoid subjective biasness.

3.6 Sources of Data.

Both primary and secondary sources of data were used. The researcher got secondary data from German Technical Firm, publications, and records and Internet information were used as well.

3.8 Data Processing, Analysis and Presentation.

Data were presented by use of percentages, tables and pie chart. Analysis of data were done by use of software packages like excel and Statistical Package for Social Science (SPSS) then the data were analyzed in form of description. This helped the researcher to get a clear picture of drawing proper conclusions for the study.

CHAPTER FOUR

PRESENTATION

DATA ANALYSIS, INTERPRETATION AND DISCUSSION

4.0 Introduction

The Researcher carried out the study at German Technical Firm, which has a population of one hundred and fifty employees. The researcher selected them at random then came up with twenty-five respondents. The responses data were obtained through questionnaire and interviews.

4.1 Tables

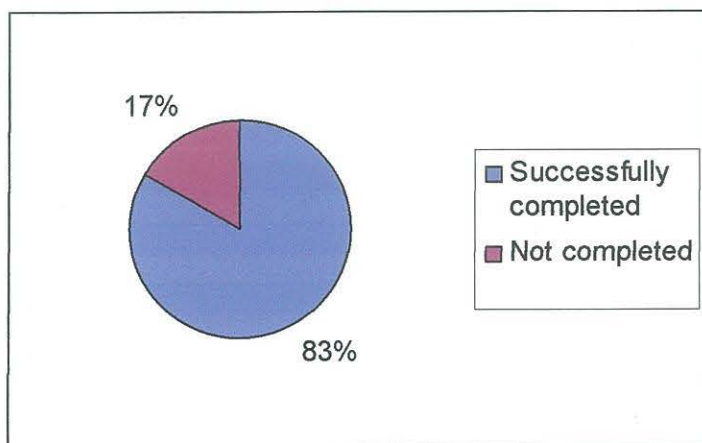
Table 1

Response rate:

Questionnaires	Frequency	Percentage %
Successfully completed	25	83.3
Not completed	5	16.7
Total	30	100

Source: Primary Data 2006

Pie chart 1



From the finding out of thirty questionnaires distributed to employees of German Technical Firm, 25 were successfully completed and 5 got spoilt. The questionnaires which were filled were used as the basis for analysis and finding of the study. They were considered to be sufficient to facilitate the completion of the study because they represent 83% of the total questionnaire.

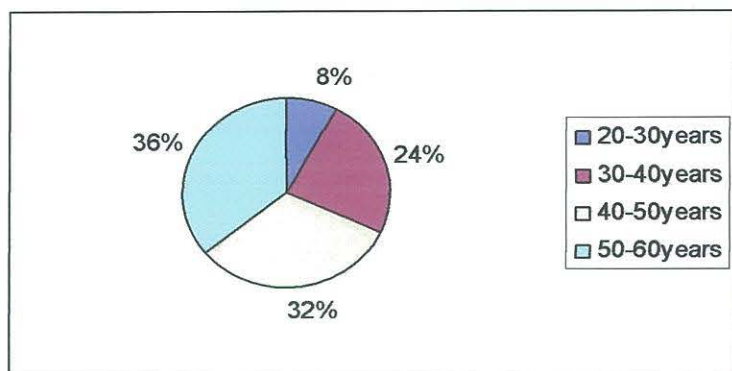
Table 2

Age of respondents:

Age	Frequency	Percentage %
20-30	2	8
30-40	6	24
40-50	8	32
50-60	9	36
TOTAL	25	100

Source: Primary Data 2006

Pie chart 2



From the drawing above the result indicate 9(36%), were in the age between 50-60, 8(32%) were in the age of 40-50, 6(24%) were in the age between 30-40, 2(8%) were in the age between 20-30 but were no respondents were found below the age of 20 years.

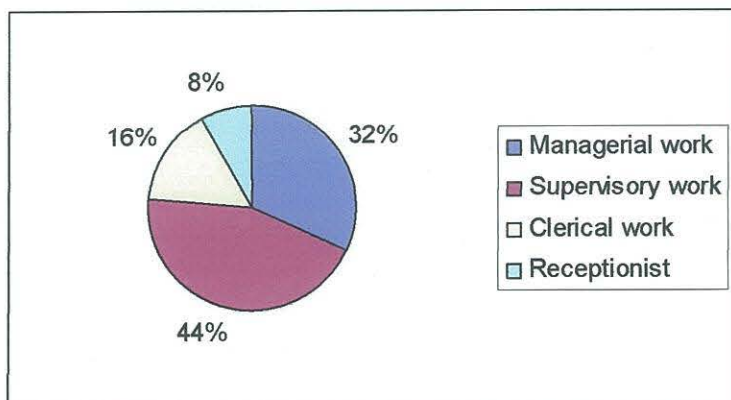
Table 3

Duties and Responsibilities

Nature of work	Frequency	Percentage %
Managerial work	8	32
Supervisory work	11	44
Clerical work	4	16
Receptionist	2	8
Total	25	100

Source: Primary Data 2006

Pie Chart 3



From the findings, the result indicate 11(44%) of the employee does supervisory work. This is because the nature of organization's activity, which includes promoting and development of private sector in the country hence it, requires a lot of supervision. The results also indicate 2(8%) of employees does the work of receptionist.

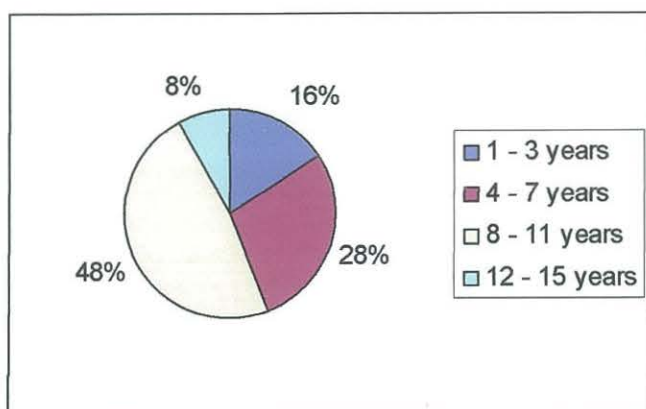
Table 4

Number of years worked:

Years worked	Frequency	Percentage %
1-3	4	16
4-7	7	28
8-11	12	48
12- 15	2	8
Total	25	100

Source: Primary Data 2006

Pie chart 4



From the findings the results indicate 4(16%) have worked with the company for 1-3 years, 7(28%) were in the years between 4-7. 12(48%) years between 8-11 and lastly the years worked was 2(8%) which was in between 12-15 years.

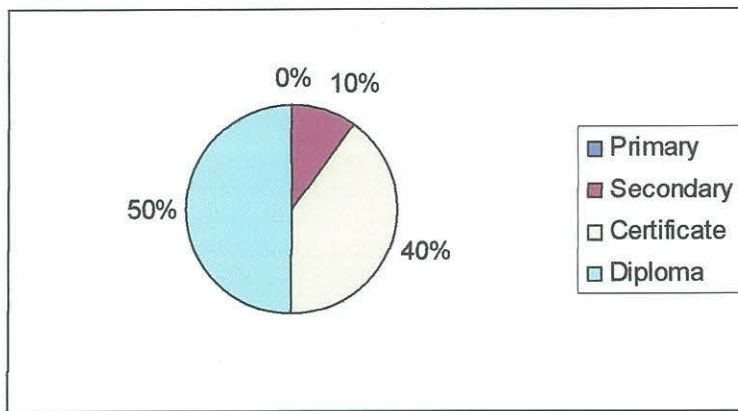
Table 5

Employee qualification:

Qualification	Frequency	Percentage%
Primary	0	0
Secondary	2	8
Certificate	8	32
Diploma	10	40
Masters	5	20
Total	25	100

Source: Primary Data 2006

Pie chart 5



The results indicate 10 representing (40%) have attained a diploma holder, 5(20%) have gained a high level of education, 8(32%) are certificate holders while 2 (8%) have attained a secondary education. Therefore the results shows the company employs more people who have attained a higher level of education than the ones with low level of education hence they can perform better due to their level of skills and knowledge.

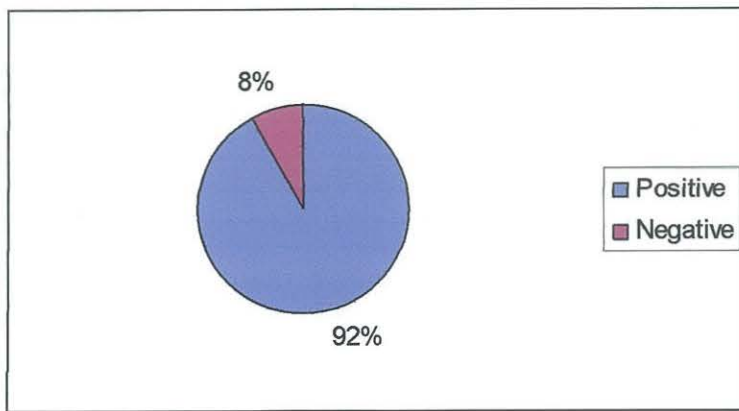
Table 6

Need for Motivation:

Category	Frequency	Percentage%
Positive	23	92
Negative	2	8
Total	25	100

Source: Primary Data 2006

Pie chart 6



The finding indicate that 23 (92%) said there was need for motivation while 2(8%) thought that motivation was not necessary , it seems that majority of employees see the need for motivation in the organization since they believe it can improve their performance and efficiency .

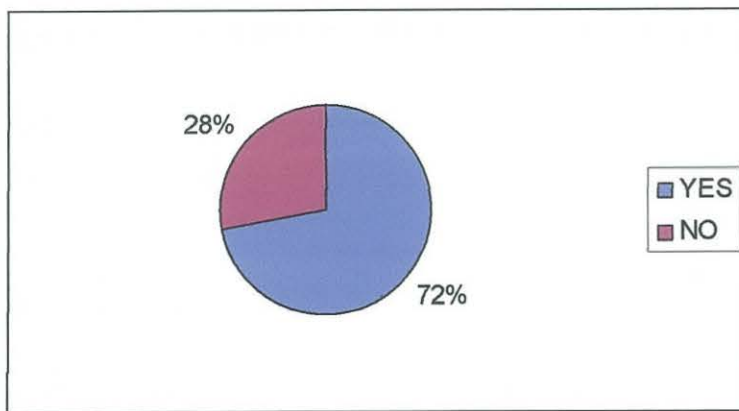
Table 7

Labor turnover:

Category of employees who said	Frequency	Percentage %
YES	18	72
NO	7	28
Total	25	100

Source: Primary Data 2006

Pie Chart 7



The findings indicate 18(72%) of the employees said there were cases of high labor turnover, while 7(28%) of the respondents said that labor turnover was low . the results shows that there was cases of rampant turnover due to lack of motivation and poor working condition

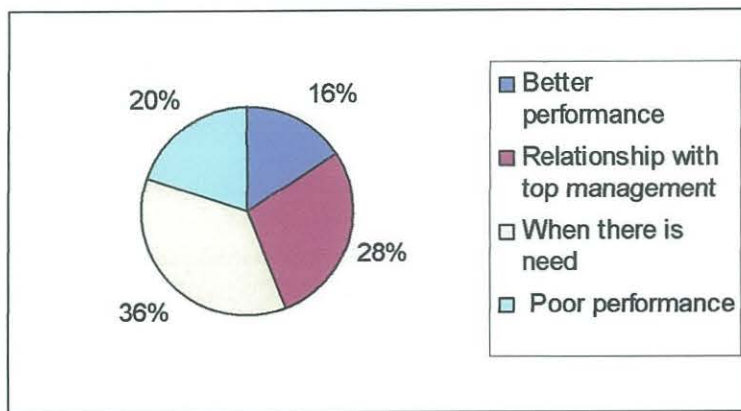
Table 8

Criteria for motivating employee

Criteria	Frequency	Percentage%
Better performance	4	16
Relationship with top management	7	28
When there is need	9	36
Poor performance	5	20
Total	25	100

Source: Primary Data 2006

Pie chart 8



The findings indicate that majority of the employees that 9(36%) said motivation are provided to employees when there is need their argument were based on the fact that motivation is an expensive tools especially when every body is entitled to get some benefits like bonuses and incentives. While the 4(16%) suggested that motivation are based on better performance due to the fact the once organization intend to promote an individual who have greater out put hence they believe that promotion can influence the behavior of an individual. thus they believe promotion is used as a reward and as an inducement to better work performance.

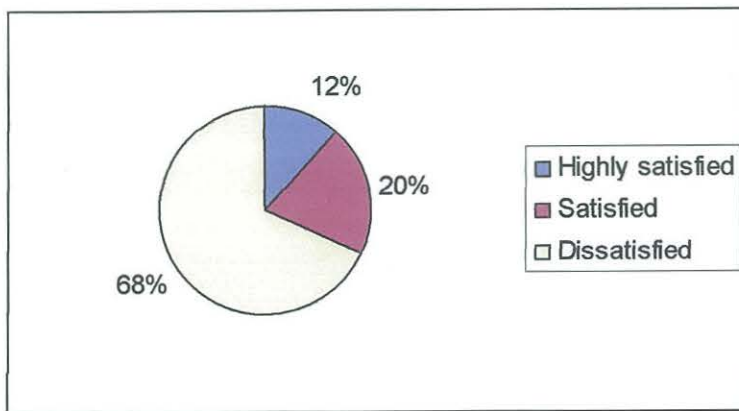
Table 9

Working conditions

Variables	Response	Frequency	Percentage%
Working conditions	Highly satisfied	3	12
	Satisfied	5	20
	Dissatisfied	17	68
Total		25	100

Source: Primary Data 2006

Pie Chart 9



The findings indicate that 17 representing 68% stated that they were dissatisfied with the working condition in place. Therefore majority of the respondents suggested that the working condition is not favorable as seen from the interview conducted by the researcher, most of the employees complained of long working hours without any extra benefits, poor relationship with top management. While the 3 representing 12 % said that they were satisfied with the working condition ,hence it was discovered that the 20% are favored due to some reasons like favourism by top management due to close relationship hence they put in more efforts in order to improve their performance.

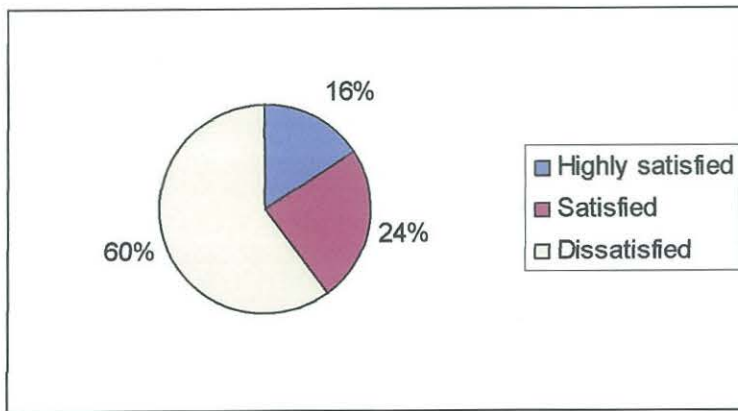
Table 10

Relation ship between motivation and performance

Variables	Response	Frequency	Percentage%
Training	Highly satisfied	4	16
	Satisfied	6	24
	Dissatisfied	15	60
Total		25	100

Source: Primary Data 2006

Pie Chart 10



Basing on the findings the majority of the respondents 15 (60%) indicates that there were dissatisfied with the training provided to them and their argument was based on some facts like the course provided to them are monotonous hence they was a lot of repetition .majorly the company train its employees in customer relationship which majority of the employees feel the course is too monotonous for them. Few people who were interviewed suggested that there were satisfied with the training offered by German technical firm this could be due to some reasons like individual position in an organization.

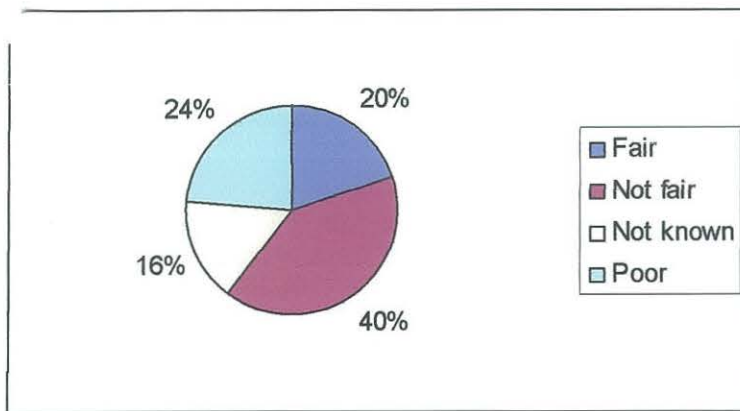
Table 11

Motivation policy

Variables	Response	Frequency	Percentage %
Policy	Fair	5	20
	Not fair	10	40
	Not known	4	16
	Poor	6	24
Total		25	100

Source: Primary Data 2006

Pie Chart 11



The respondents were asked to comment on the existing motivation policy and the findings show that 5 (20%) said the policy is fair while the 4 (16%) said they do not know about the content of the motivation policy. While 6 representing (24%) suggested that the motivation policy is poor.

4.2 Benefit of motivation

From the finding 21 Employees representing (84%) suggested that motivation is of most benefit to both the organization and as well individual they supported their argument by giving some reason motivation will inspire individuals to work and put more effort towards achieving the goals, they also argued that once employees are motivated organization productivity will increase, hence from their argument it is clearly seen that motivation has positive impact on both the employees as well as the company. While the 4(16%) said that motivation is of no benefit to them and their argument was based on the fact that individuals who work so hard for monetary reward are not creative but only perform to get satisfied through such rewards.

4.3 Causes of poor performance

From the findings it was discovered that 18 employees representing (72%) said that poor performance exists in the organization because of lack of proper skills and knowledge to handle the work. They further suggested that poor performance is majorly

results from lack of motivation among employees, while the 7 representing (28%) said the result of poor performance is due to employee negligence towards their work .

4.4 Measure put in place by management to reduce poor performance

The findings indicate that 20 (80%) of the employee said that management of the German Technical Firm have put in place some measures like human relations approach as a Means of motivating employees, this was done by top management in recognizing Subordinate at the place of work through workers participation in management because they believe that decision made by top management can affect employees at lower level while 5(20%) of the employees indicate that management have put some measure like training though they do not attach greater importance to training philosophy.

4.5 Methods of employee motivation

From the data collected 83% of the respondents argued that the method of motivation is not fair especially with the payment system the company had put in place, the majority of the respondent results indicates that top management receive more pay and allowance as compared to employees at lower level whom the company's great out put depend on them.

4.6 Factor, which determine low moral

It was discovered that 72% of the respondents suggested that low moral exists because of poor working conditions, which majorly include some factors like poor relationship among employees and top management, low payment, autocratic leadership among others. The result of high labor turnover was seen to have resulted from the above stated factors.

4.7 Consequence of low moral

From the findings it was discovered that 21 employees representing (84%) said that low

morale have lead to poor performance in German Technical Firm because this may have resulted to high rate of employee turnover and frequent cases of absenteeism .They also suggested that there was an excessive complaint, grievances especially at the welfare office due to low payment, poor working conditions.

CHAPTER FIVE

Introduction

This chapter sets to present summary, conclusion and recommendation by the researcher. The purpose of the study was to examine the impact of motivation on employee performance in the German Technical Firm (GTZ).

5.0 Summary

The study reveals that there was poor motivation in an organization, which has majorly lead to poor performance caused by poor working conditions that have majorly contributed to low productivity among employees of the company. The result of such working conditions has lead to high employee turnover and low moral among others.

The management style is also seen to be too rigid in the sense that the management of German Technical Firm preferably use autocratic style, which is, seems to be dictatorship style in coercing employees to do the task. This style has demotivated employees.

The payment system in German Technical Firm is also static because employees are complaining of been kept in the same pay structure year after year. This shows the inadequacy of payment structure which demotivated the majority of the respondents and this affects employee performance

In the regard to the existence of motivation policy, it exists in written form but not fair to majority of employees and this have demoralized employees hence their performance were affected.

5.1 Conclusion

During the study, it was discovered that top management does not motivate employees of German Technical Firm. The findings clearly indicate that there were poor working conditions, which comprise of many factors such as poor relationship and conflict among employees. As a result, the organization ends up not performing to the expected

standards. Therefore, motivation is seen as a prime determinant of better performance in any organization because employees perform highly when they are motivated.

The result also clearly shows that motivation have both negative and positive impact on employee performance. It was discovered that some motivational factors such as training, promotion, and recognition, incentive and pay structure can have a major impact on employee performance if the management does not put in place these factors in a fair and clear way, because it can lead to high labor turnover, absenteeism less commitment poor relation hence this will affect performance.

5.2 Recommendation

The under listed are suggestions on how motivation of employees can be improved:

- There should be effective two way of communication between the management and the employees in other words employee should be kept informed about organization policies and programmes and they should be allowed to comment over these
- There is also need to follow up performance of an employee after he or she is assigned to perform a particular task. This is done to ascertain whether he or she has been placed on the right job or not.
- Management should encourage group activities by the employees like sport, social get together, picnics. This will help develop high moral since employees will consider themselves integral part of the group.
- The salary structure should be flexible. This means that the company should put in place a pay structure that is worth the contribution of the employees despite the consideration of the factors like level of education, skill and experience. This will enhance employee commitment, which will lead to better performance.
- There is also need to have proper incentive schemes in the organization to ensure high monetary rewards for exceptional work in terms of quantity and quality.

There is need for the organization to have a well-formulated policy, which will help to improve the efficiency and effectiveness of the company. There should be clear-cut policy about promotion, incentives and training, since these three elements have a major impact on employee performance.

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APPENDIX

EMPLOYEE QUESTIONNAIRE

Dear respondent I am a student at Kampala International University carrying out a study research on the impact of Motivation towards raising the performance standards of employees. I have decided to conduct the study in your company German Technical Firm .the report I gathered will enable me to qualify for an award of Bachelor Degree in International Business Administration at Kampala International University. The information given in this questionnaire shall be kept confidential.

INSTRUCTIONS:

- A. The questionnaire consists of both closed and open ended questions
- B. You can tick the most appropriate question.

SECTION A: (BIODATA)

1) SEX : Female :

Male :

2) AGE:

20 -30 years

30-40 years

40-50 years

50-60 years

2) MARITAL STATUS :

- Married

- Single

- Divorced

- Widowed

3) DATE OF APPOINTMENT

4) DEPARTMENT

5) DUTIES AND RESPONSIBILITIES

- Managerial work

- Supervisory work

- Clerical Officer

- Receptionist

6) NUMBER OF YEARS WORKED

1-3 Years

4-7 Years

8-11 Years

12- 15 Years

7) EDUCATION QUALIFICATION :

- PRIMARY

- SECONDARY

- CERTIFICATE

- DIPLOMA

- MASTERS

SECTION B:

1) Have you ever been motivated?

A).

I. YES.

II. NO.

B). If you answered Yes to part A above, state the types of motivation given.

2). What do you think the benefits of motivation to employees?

3 a. Is motivation important to you as an individual?

I. YES. ☐

II. NO. ☐

B). If your answer is Yes\No how is it important to you?

4).What is the causes of poor performance in German technical firm?.

5).What measures have the management put in place in order to reduce poor performance.

6). Were there any cases of employee turnover.

A). YES. ☐

NO. ☐

B). If you answered Yes\No what do you think are the causes of employee turnover?

7). Are you satisfied with the job that you are doing?

A). YES. ☐

B). NO. ☐

B). If you answered NO in 7 above give reasons to support your answer.

8). What are some of the criteria for motivating employees?

- Better performance

- Relationship with the top management

- When there is need.

- Poor performance

SECTION C:

1). What are the relationship between motivation and performance?

a). Highly motivated

b). Satisfied

c) Dissatisfied

2). A). Is the method of employee motivation fair or not?

a). YES

b). NO

B). If you answered YES/NO in question 2 above, give reason for your answer.

3.) A). What are some of the factors that determine employee low morale?

a). Types of jobs

b). Nature of supervision

c). Working condition

B). what are the consequences of low morale?

a).High labor turnover

b). Absenteeism

c).Frustration

d). Excessive complaints or grievance

4. What are the working conditions of the company?

A). highly satisfied

B). satisfied

C) dissatisfied

5). Does the organization have policy on motivation?

A). YES.

☐

B). NO.

☐

C). If you answered Yes\NO in question 3B how does it affect your performance.

6). Suggest ways of improving the organization's policy:

Respondents, thank you for your positive cooperation.