



## Assessing the role of work motivation on employee performance: A case of private banks in Ghana

Lebene Akuvi Dosserh<sup>1</sup>, Derrick Dela Dumenu<sup>2</sup>

<sup>1,2</sup> College of Economics and Management, Nanjing University of Aeronautics and Astronautics, Nanjing, China

### Abstract

The study assessed the relationship between motivation and company performance. It thus sought to understand from the perspective of employees what motivates and how such motivations drive their performance. The research adopted a mixed research approach. It also employed quantitative tools in analyzing the relationship between the independent variable motivation and the dependent variable performance. The study revealed a positive but weak relationship between motivation and performance. Although motivation has some influence on the performance or productivity of staff, the research uncovered that the level of influence is dependent not only on motivation but a host of other factors. With an R-value of 4.51 and an R<sup>2</sup> of 0.203, the independent variables account for only 20% of the influence on performance. The research concludes that firms seeking to improve performance should not consider motivation as a stand-alone factor to improving performance but should examine how motivation can be used in conjunction with factors such as organizational culture to increase the performance of firms.

**Keywords:** employee performance; company performance; employee motivation; commercial banks; banking Performance; Ghana

### 1. Introduction

Employment motivation is one of the great ways of promoting employee performance. Studies such as Isah Baba & Ghazali (2017) <sup>[4]</sup>. Have argued that employee performance in organizations with a well-motivated employee, favorable working conditions, and fair treatment of workers promotes productivity in organizations.

Motivation takes various forms at work. It is considered as one of the strategies for reaching higher goals and development (Lameck, 2014) <sup>[6]</sup>. A person may feel motivated because something or reward has been given to them while another may feel self-motivated to do something without a reward (Mhlanga, 2016) <sup>[8]</sup>. The term motivation is derived from the Latin word "movere," which means to move (Kreitner and Kinicki (1998); & Ramlall (2004); in Kuranchie-Mensah & Amponsah-Tawiah, 2016) <sup>[5]</sup>. According to Butkus and Green (1999), motivation is derived from the word "motivate," which also means to move, push or persuade to act to satisfy a need (Kuranchie-Mensah & Amponsah-Tawiah, 2016) <sup>[5]</sup>.

Motivation is one of the most critical factors determining organizational efficiency. The demotivated employee gets waste resources, so every superior in the organization must motivate its subordinates for the right types of behavior. The performance of human beings in the organization is dependent on the ability embedded in motivation. A management figure Rensis Likert referred to motivation as "the cost of the management" motivation is a useful instrument in managing management in inspiring the workforce. Motivation increases the willingness of the workers to work, thus increasing the efficiency and effectiveness of the organization. Best consumption of resources: motivation ensures the best and efficient consumption of all types of resources. Consumption of resources is possible to its fullest extent employees are induced to contribute their efforts towards attaining

organizational goals. Thus, people should be motivated to carry out the plans, policies, and programs laid down by the organization. Will to contribute there is a difference between "capacity to work" and "willingness to work." One can be physically and mentally fit to work, but he may not be willing to work. Motivation results in a feeling of involvement to present his better performance. Thus, motivation bridges the gap between the capacity to work and willingness to work. Reduction in workforce problems: the objectives and carry out plans following the policies and programs can eliminate motivation. It reduces human resources problems like human resources turnover, absenteeism, and indiscipline. Grievances, among others, because their real wages increase by motivational plans.

Increased rate of output and quality of output: When the employees are motivated, it leads to an increase in the quantity and quality of output produced. This is because the motivation results in greater personal effort and devotion on the part of the employees. Reduced turnover: Employee motivation reduces the rate of employee exit and absenteeism in the organization. This is because motivation leads to job satisfaction and causes the employees to be loyal to their employers, minimizing management problems. Motivated employees help organizations survive because motivated employees are more productive than unmotivated ones. The behavior and attitudes of motivated employees cannot be underestimated, and this helps to contribute to the tone of positive organizational behavior. Managers need to understand what and how to motivate their employees because this is the most complex task of the manager role.

This paper investigates the level of influence of motivation on the increase in the performance of employees of banks. As most organizations and businesses try to develop and implement various forms of incentives and compensational packages to drive performance, the research investigates the process of developing good motivational packages or

incentives. Not all motivational strategies yield the same level of results. There is not an all tailored package for all categories of staff. Hence, the research interviewed respondents to understand their expectations of an Idea motivation package or incentive.

## 2. Literature Review

Motivation is a complex phenomenon influenced by individual, cultural, ethnic, and historical factors. There are several definitions of motivation from many schools of thought. Jackson, 1995 defined motivation as 'a series of energizing forces that originate both within and beyond an individual's self.' These forces determine an individual's behavior and influence his/her output (Seniwoliba & Nchorbono, 2013)<sup>[9]</sup>. Gomez-Mejia, Balkin & Cardy (2015) defined motivation as a personal desire to do the best possible job or to exert the maximum effort to perform assigned tasks, cited in (Waiyaki, 2017)<sup>[11]</sup>.

While Lindner (2004) sees motivation as a psychological process that gives behavior purpose and direction, Robbins (2005) defined it as the "willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need" cited in (Kuranchie-Mensah & Amponsah-Tawiah, 2016)<sup>[5]</sup>.

Other scholars defined motivation into three main parts. The first part considers arousal that deals with the drive, or energy behind a person's action. The desire to make a good impression on others, do exciting work, and become successful in what they do turns out to be the guiding force for people. The second part gazes at the choice people make and the direction their behavior takes. The third part deals with maintaining behavior on clearly defining how long people have to persist at attempting to meet their goals (Greenberg and Baron, 2000; ZAABA, 2014)<sup>[12]</sup>.

From these definitions, it can be deduced that motivation is why individuals act the way they do at any given time. It determines people's action and inaction, as well as productivity. Motivation plays a significant role in increasing the performance or efficiency of an organization (Habibah & Noran, 1999 (Ali *et al.*, 2016). Motivation is divided into two major types, intrinsic and extrinsic motivation.

Intrinsic motivation is explained to mean doing an activity for its inherent satisfactions rather than for some separable consequences or reward a good example. In one point of view, intrinsic motivation exists with the individual, but in another view, it can exist concerning the individual and the task. Individuals may be motivated for one task but not for the other. Extrinsic motivation looks at the intended outcome or reward for carrying out a task. Extrinsic motivation refers to the performance of an activity because of the eventual consequence or to attain the desired outcome.

A typical example of extrinsic motivation is an employee working effectively because they want to avoid sanctions from a boss or supervisor. In this instance, the employee works on the job not because it is exciting but rather because they know the sanction for work done poorly. Similarly, an employee improves their effectiveness for performing an activity because increased performance could earn them a higher pay (Richard & Edward, 2000 (Mbah, 2015)<sup>[7]</sup>.

Motivation is used as a tool to promote the performance of employees in various organizations. According to Abbas & Yaqoob, 2009; & Robins & Judge (2009) in Isah Baba & Ghazali (2017)<sup>[4]</sup>. An Employee's performance is the fundamental determinant of organizational success or failure. Employee's performance does not lead to success in organizations, but it also leads to individual growth and allows organizations to compete favorably in the global market. According to is Jamal (2011), employee performance is as a role that a person can successfully carry out under the legal constraints and available incomes, Arowolo (2012) viewed performance as an act that comprises much energy intended at realizing an aim cited in (Isah Baba & Ghazali, 2017)<sup>[4]</sup>.

Several factors affect employee's performance from experience, salary, education, the position, or grade of the employee to the working conditions and environment have both negative and positive relationships on performance. While highly educated and qualified employees showed dissatisfaction with terrible working conditions, affecting their performance negatively, employees with low qualifications showed high performance despite the dire conditions (Kahya, 2007, cited in Kuranchie-Mensah & Amponsah-Tawiah, 2016)<sup>[5]</sup>. It is worth noting that performance can be positive or negative, thus setting a standard when evaluating performance.

According to Seniwoliba & Nchorbono (2013)<sup>[9]</sup>, effective employees performance is very critical for any organization, because for any organization to survive in a competitive environment depends on workers. It was found that work atmosphere, motivational issues, team spirit, and exposure/logistics are factors influencing performance.

Motivating employees is crucial to achieving organizational goals and as the determinant of employees' performance. If employees are motivated, then they will work with more effort and by which performance will ultimately improve (Azar and Shafighi, 2013); if employees are satisfied, they will do more work; therefore, ultimately, customers will be satisfied (Ahmad, 2012) cited in (Aluf, 2017)<sup>[3]</sup>.

According to Shenkel & Gardner (2004)<sup>[1]</sup>, understanding the process of motivation lies in the meaning of, and relationship among, needs, drives, and incentives. However, motivating employees for better performance may become problematic for some organizations if these organizations do not have the right motivational factors or policies in place. It is, therefore, important for organizations to be mindful of such pitfalls, for the effects of low employee motivation on productivity can be devastating. This often includes poor performance, poor commitment, inadequate satisfaction, declining morale, absenteeism, high labor turnover, and widespread discouragement.

Employee performance is said to be an outcome of the behavior of that employee, according to research. There are some variables both (internally and externally) that influence the nature of behavior. Concerning work-related behavior, for an employee to develop a positive mindset (behavior) towards work, there should exist a pushing force which compels that worker to do so (Maslow, 1908).

In Maslow's psychological needs theory, there are five levels of needs classified in a hierarchical order. There is a possibility to achieve a particular level of need on this hierarchy before a worker has within him or her a burning desire to work harder to meet such needs (Mbah, 2015)<sup>[7]</sup>.

### 3. Methodology

#### 3.1 Research Design

The research adopted a mixed research approach to understanding the relationship between motivation and the performance of employees. The research adopted a case study design. The strategy of inquiry was through a mixed research approach but was more inclined to a qualitative method where the various forms of motivation and the level of firms were assessed using phenomenology (Husserl, 1970). The case studied was purposely selected because of the unique culture of work and desire for performance.

Data obtained from the field were analyzed qualitatively in line with the objective of the study using the thematic analysis approach (see Braun and Clarke, 2006). The themes that were generated covered the forms of motivation, the performance of staff, and the relationship between the two variables. The results of the various interviews were analyzed based on these themes and presented qualitatively and quantitatively using narratives, graphs, and tables.

The study was carried out in Accra, Ghana. Accra is the regional capital of Ghana. Accra is a large metropolis of slightly more than 2.1 million (The International Bank for Reconstruction and Development, 2010) <sup>[10]</sup>. His majority (47%) of households in

The City reports a monthly income of between 100-500 new Ghana Cedis. Around 21% of households report having a meager monthly income of less than 100 new Ghana Cedis. Approximately 16% of households report very high monthly incomes of 1,000 new Ghana Cedis or more. Accra is the house to all the commercial banks in the country.

#### 3.2 Sampling, Sample Size, Data Collection, and Analysis

The sampling frame was drawn from the list of registered register commercial banks in the Greater Accra metropolis. The study population of the study consisted of two case unit organizations. The target case unit organizations were private commercial banks considering how market-oriented they are compared to public banks such as Nation Investment Bank. Data collection was done through the administration of the questionnaire and the assessment of their income statements.

The selection of the cases was also influenced by their performance metrics as well as the organizational culture of the organization. Data for the study (both primary and secondary) were acquired from the financial statements of the banks and individual questionnaire administration. Questionnaires were used to collect data from the staff of these banks. The staff was quizzed about the tools and methods of motivation and its influence on their output. In all, the study interviewed 80 staff from two private commercial banks in the greater Accra region.

The selection of the cases was also influenced by their performance metrics as well as the organizational culture of the organization. Data for the study (both primary and secondary) were acquired from the financial statements of the banks and individual questionnaire administration. Questionnaires were used to collect data from the staff of

these banks. The staff was quizzed about the tools and methods of motivation and its influence on their output. In all, the study interviewed 80 staff from two private commercial banks in the greater Accra region.

Analysis of data was done both qualitative and quantitative analytical tools. The results of the analysis are to be presented in the form of tables, regression, and write-ups, which will provide a comprehensive understanding of the influence of teams on productivity. A multiple regression relating the motivation and performance was run. A five-point scale was used to measure the extent of the influence of teams on the effectiveness of teams. This research adopts a regression model  $R = B_0 + B_1X$ . From the equation,  $B_0$  equals the constant;  $X$  equals the influence of teams.  $B_1$  is the estimated regression coefficient that quantifies the extent of influence of teams on effectiveness.

### 4. The results of this research

#### 4.1 Demographics

The research interviewed 32 female respondents and 48 male respondents. The respondents were mostly within the age group of 20-29 years (37 Responses). Thirty-six respondents were between the age group of 30-39 years of age. Only seven of the respondents were forty years plus of age. The working group is described as youthful.

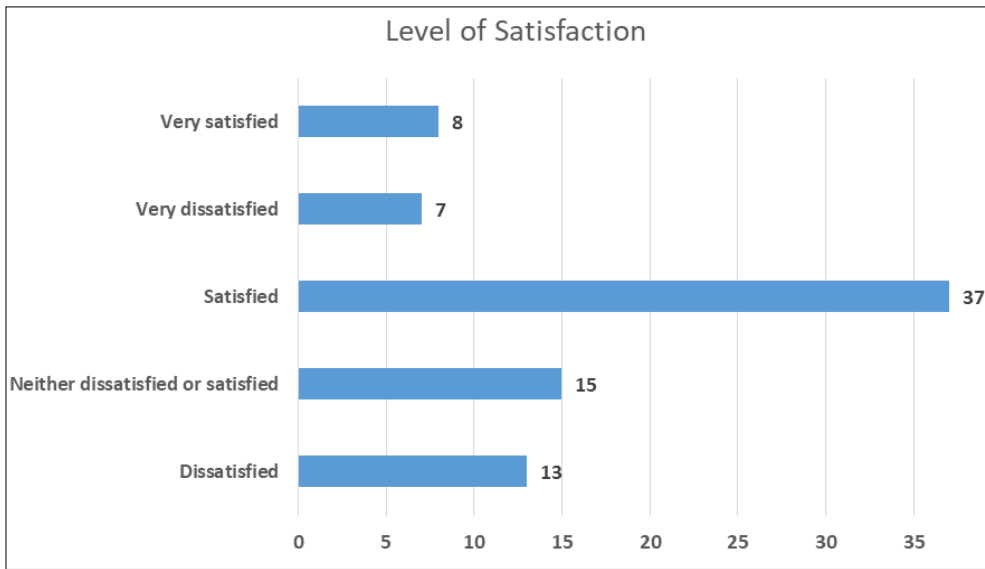
The respondents who were surveyed included one board member, 49 junior staff, and 30 management/senior staff. The junior staff mostly occupied positions shall as bank tellers, customer care, field marketers, among others. All respondents' survey understudy has a broad knowledge of what motivation is. Respondents described motivation as both an incentive and/or reasons why they love to do their work.

#### 4.2 Data Presentation

Employers have tried to develop structures and systems that will offer the best of motivation to their staff to increase productivity. However, the level of motivation derived from these systems varies, and so makes the efforts of staff.

From the survey, the primary source of motivation is salary. All respondents under the survey confirmed salary as one of the most critical determinants of their efforts. They argued that people who are paid very well in their workplaces would often dedicate their time to ensure they complete their work tasks to the best of their ability.

Respondents were quizzed on how satisfied they were with their salary and if it did motivate them to thrive at work. From the survey, thirty-seven respondents noted they are satisfied with the level of motivation promoted by their firm, while eight respondents noted they are very satisfied. Contrary, seven respondents noted that they are very dissatisfied with the level of motivation promoted by their firms, whereas fifteen respondents remained neutral. Figure 1 shows the distribution of responses based on their level of satisfaction.

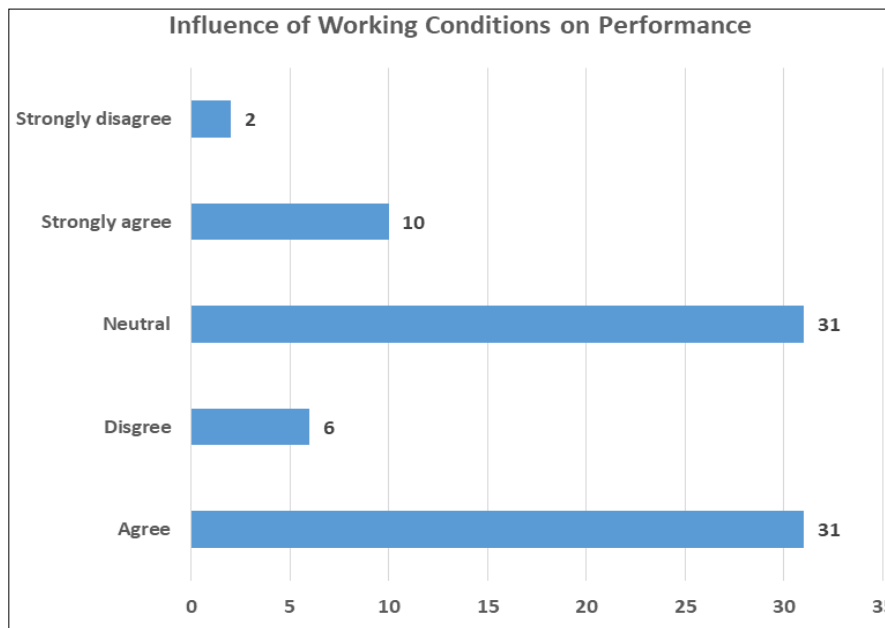


Source: Field survey (2020)

Fig 1: Level of Satisfaction

The research further assessed the general work conditions of staff and how it influences their work. Work conditions tend to make work easy or difficult for staff. Conditions vary from place to place. Work conditions cover the working environment, channels of communication, availability of working resources, among others. When the conditions at a workplace are not suitable for a task, staff are shorthand and

are unable to deliver effectively. From the survey, 31 respondents noted that their organizations' work condition enables them to work effectively. Another 31 respondents gave indifferent responses meaning the working conditions or environment neither promoted positively nor negatively affected their performance. Ten respondents strongly agree that their working environment affects their performance.

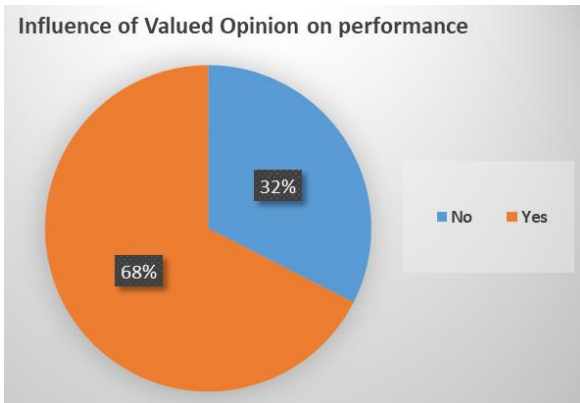


Source: Field survey (2020)

Fig 2: Influence of Working Conditions on Performance

From the survey, 47 staff confirmed the presents of motivational systems in their firms, while 33 respondents said their firms did not have motivational management systems. The response of respondents was influence by their understanding of the various forms of motivation. That is, while some respondents considered public praise as a form of motivation, others did not value public praise. Hence the idea of what one considers is motivation is subjective in nature. Respondents indicated that they are motivated to put

in more effort when they are involved in decision making. Involvement hence is considered as a form of motivation for most staff. From the survey, 68 percent of respondents noted they are significantly involved and feel motivated, while the remaining 32 percent noted less involvement hence less motivation. The findings also reflect the extent to which respondents believe their opinions are valued. Respondents during an interview noted that the more their opinions are valued, the more they are motivated to contribute towards the developments of their firms.



Source: Field survey (2020)

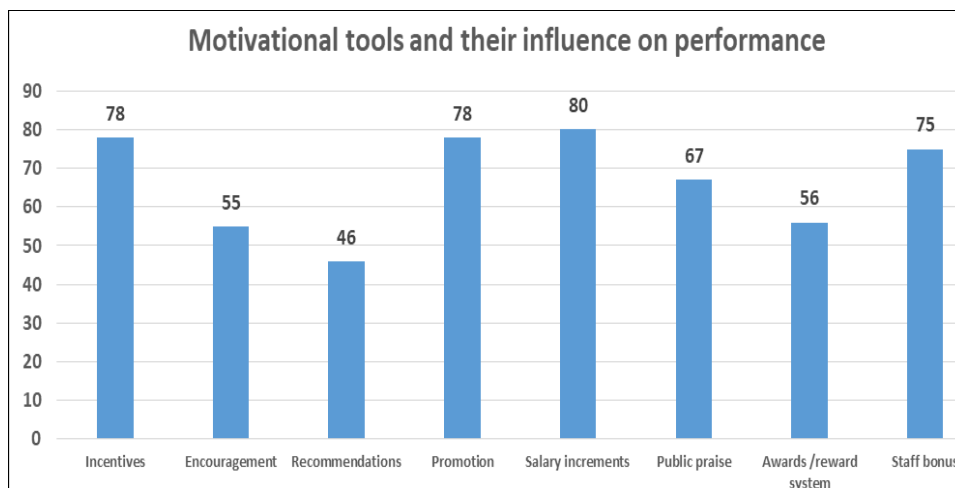
Fig 3: Influence of Valued Opinion on performance

The research quizzed respondents on whether or not their organizations' culture promotes motivation. Sixty-five percent of the respondents noted that their firms' organizational culture ensures and promotes their motivation. The remaining thirty-five percent noted otherwise.

Respondents noted work culture such as citations and worker of the month frames as some attributes of their culture that promotes their motivation. Again, the extent of

involvement of staff in the development of company strategies serves as a form of motivation for staff to put in their best. From the survey, seven percent of respondents noted that their involvement in planning serves as one of their greatest motivation. According to respondents, their involvement does not only make them feel valued. It goes a long way to help them understand and appreciate the company's visions and goals. Some of the standard tools or systems of motivation recorded during the survey include Incentives and encouragement, recommendations, promotion, salary increments, public praise, awards /reward system [which is promotions or financial], staff bonus, among others. These systems, according to respondents, are enshrined in their firm's constitutions are only activated by their Human resource Directors when they feel the need.

Respondents were quizzed to find out some of the tools that will significantly influence their performance at their workplaces. From the survey, salary is considered as the most important motivational factor by all respondents— incentives and promotions were ranked second, with seventy-eight respondents confirming its influence on their performance. As seen in the figure, the least considered factor was recommendations. The survey reveals that motivational factors that have staff directly benefiting have a significant influence on work performance than those that do not.



Source: Field survey (2020)

Fig 4: Motivational tools and their influence on performance

4.3 Regression Analysis

The research used a simple linear regression to explain the relationship between the motivation of staff and their performance. The R-value represents the simple correlation between the two variables. It indicates the sort of relationship as we as the extent of influence between the two variables. From the analysis, the R values 0.451. The Value vales show that there is a relationship between the two variables. However, the relationship is a weak one as the value is closer to 0 than 1. R2 indicates how much of the total variation can be explained by the R-value. With an R<sup>2</sup> of 0.203, only 20% of the dependent variable [performance] can be explained by the independent variable. This reveals a less significant score. The model is significant at 1%, with an F-stat of 19.90. The results of the regression show a positive but weak relationship between performance and motivation.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.451 <sup>a</sup>	.203	.193	2.167

a. Predictors: (Constant), Performance Figure 2: Regress Analysis

5. Discussion

What is considered that motivation is subjective and varies from person to person. According to Shenkel & Gardner (2004) [1], understanding the process of motivation lies in the meaning of, and relationship among, needs, drives, and incentives. To effectively motivate staff, firms must endeavor to understand the needs of staff in other to design targeted tools and systems for increased motivation. The research discovered that tools or systems that promote and motivate staff to produce excellent results are the tools or systems that directly benefit staff. Systems such as public

Praise produce less results than tools such as salaries.

The research also established that although there is a relationship between performance and motivation, there was no significant influence of motivation on the performance of staff in the banking sector. This may vary with other sectors. The research established that banks, instead of having positive motivational tools, rather have punitive measures. These measures force staff to meet their targets or stand the test of withdrawing from the company.

These attributes of banks make the impact of motivational tools less influential as there would have been. Research has proven that if employees are motivated, then they will work with more effort and by which performance will ultimately improve (Azar and Shafiqhi, 2013); hence firms try to ensure staff is well motivated. It further indicated that If employees are satisfied, they will do more work; therefore, ultimately, customers will be satisfied (Ahmad, 2012) cited in (Aluf, 2017) <sup>[3]</sup>. Although motivation is not the only determinant when it comes to the performance of banks, this research holds the premise that motivation contributes significantly to increasing or improving performance. Also, the research sees a significant contribution from the organizational culture of the firms on the influence of motivation. The research postulates that to explain the influence of motivation on performance significantly, research needs to look holistically at the influence of culture and motivation and subsequent performance.

## 6. Conclusion

The study revealed a positive but weak relationship between motivation and performance. The survey revealed that although motivation is one of the factors that significantly influence performance, a host of other factors play a role. One such factor that was uncovered in the study was Organisational culture. Employees that understand and appreciate the culture of a firm would put in more effort to see the firm achieve its goals than employees who do not understand nor appreciate their organization's culture. Organizational culture goes beyond motivation to encouraging and improving employee commitment, improving the adaptability of the firms, and helping the firm position itself better in the competitive markets. The research recommends that firms strive to create and manage a good organization's culture in its quest to improve its performance.

## 7. References

- Shenkel R, Gardner C. Five Ways to Retain Good Staff. *Family Practice Management*, 2004, 57-59.
- Ali A, Bin LZ, Piang HJ, Ali Z. The Impact of Motivation on the Employee Performance and Job Satisfaction in ITS Park (Software House) Sector of Peshawar, Pakistan. *International Journal of Academic Research in Business and Social Sciences*. 2016; 6(9):297-310. <https://doi.org/10.6007/ijarbss/v6-i9/2311>
- Aluf W. Assessing the Impact of Motivation, Job Satisfaction, And Work Environment On The employee Performance In Healthcare Services. *International Journal of Scientific & Technology Research*. 2017; 6(10):337-341.
- Isah Baba A, Ghazali SB. Effects of motivation, working conditions, and perceived organizational justice on employee performance. *Asian Journal of Multidisciplinary Studies*. 2017; 5(8):2348-7186.
- Kuranchie-Mensah EB, Amponsah-Tawiah K. Employee motivation and work performance: A comparative study of mining companies in Ghana. *Journal of Industrial Engineering and Management*. 2016; 9(2):255-309. <https://doi.org/10.3926/jiem.1530>
- Lameck J. the role of motivation on employee performance in the public sector: a case study of bariadi district, 2014. [http://scholar.mzumbe.ac.tz/bitstream/handle/11192/1399/MPA\\_Lameck John 2015.pdf?sequence=1](http://scholar.mzumbe.ac.tz/bitstream/handle/11192/1399/MPA_Lameck%20John%202015.pdf?sequence=1)
- Mbah T. Assessing Motivation as a Tool to Enhance Employee Performance. *Applied Animal Behaviour Science*. 2015; 52:365-371. <https://doi.org/10.6007/IJARAFMS/v4-i1/630>
- Mhlanga PM. The Impact of Workplace Motivation on Employee Performance within the Ministry of Health in Swaziland. *Texila international journal of management*. 2016; 2(2): 154-164. <https://doi.org/10.21522/tijmg.2015.02.02.art011>
- Seniwoliba AJ, Nchorbono AD. Examining the role of motivation on employee performance in the public sector in Ghana. 2013; 1(10):227-249.
- The International Bank for Reconstruction and Development. Consultative Citizens Report Card, 2010, 1-122.
- Waiyaki EW. Effect of motivation on employee performance: a case of pam Golding properties limited, Nairobi, 2017, 6.
- Zaaba NAB. Assessing the Role of Work Motivation on Employee Performance. 2014. <https://doi.org/10.5901/mjss.2014.v5n17p39>