# THE EFFECT OF MOTIVATION ON THE PERFORMANCE OF PUBLIC SERVICE EMPLOYEES

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A PROJECT REPORT PRESENTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF MASTER OF BUSINESS ADMINSTRATION (MBA) IN MANAGEMENT UNIVERSITY OF NIGERIA, ENUGU CAMPUS

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# **CERTIFICATION**

I, Okoye Evangeline with registration number, PG/MBA/12/63250 of the department of management. University of Nigeria Enugu Campus hereby declare that, this work was carried out by me, it is original work and has not been submitted in part or full to this University or any higher institution of learning.

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# APPROVAL

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# **DEDICATION**

This work is dedicated to God Almighty, The giver of wisdom, understanding and strength.

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.....

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## **ABSTRACT**

The purpose of this research work is to highlight the effect of motivation on performance of Federal Dental School. Specifically, the study aimed to pursue following objectives: To determine the effect of promotion on productivity of Federal Dental School, to ascertain the effect of adequate salaries and wages on creativity of Federal Dental School, to determine the effect of allowances on efficiency of Federal Dental School, and to ascertain the effect of good working environment on profitability of Federal Dental School. The study was carried out in Federal Dental School in Enugu state. The study had population size of 463 out which a sample size of 210 was selected using taro Yamane's formula at 5% error tolerance and 95% level of confidence. Instrument used for data collection was primarily questionnaire and interview. The total numbers of 210 copies of questionnaire were distributed while 190 copies were returned. The cross-sectional survey research design was adopted for the study. The four hypotheses were tested using chi square statistical tool. The findings indicate that promotion significantly affect productivity of federal dental, adequate salaries and wages significantly affect creativity of Federal Dental School, allowances significantly affect creativity that motivation affect productivity of federal dental school and that. Good working environment significantly affect profitability of Federal Dental School. The study concluded that motivation is tool for organizational effectiveness. The study recommends that Monetary rewards like bonuses, performance based rewards, should be provided to attract, retain and motivate employees for the performance of Federal Dental Schools.. Non-monetary rewards like autonomy, recognition and praise should be offered to employees to promote employee retention, loyalty and performance of employees.

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# CHAPTER ONE INTRODUCTION

## 1.1 BACKGROUND OF THE STUDY

Managers within companies or organizations are primarily responsible to ensure the tasks or job is done through employees in the right way. To achieve this, these managers must ensure that they have a competent personnel department for the recruitment of the best employees that are capable to do the job. For the company to optimize employee's performance there is need for the employees to be sufficiently motivated because excellent services provided and offered by employees can create a positive perception and ever lasting image in the eyes of customers and motivation of employee plays a major role in achieving high level of satisfaction among its customers (Petcharak, 2004).

Motivation guide people's actions and behaviors toward achievement of some goals (Analoui, 2000). In work and other contexts therefore, motivation is often described as being intrinsic or extrinsic in nature (SansoneandHarackiewicz, 2000). Intrinsic motivation, deriving from within the person or from the activity itself, positively affects behavior, performance, and well being (Ryan andDeci, 2000). Extrinsic motivation on the other hand, results from the attainment of externally administered rewards, including pay, material possessions, prestige, and positive evaluations among others.

One of the most important strategy in improving employee performance in the public service is motivation. As a fast growing field of Research public service motivation focus on the motives and action in the public domain that are intended to do good for others and shape the wellbeing of society (Paryand Hondelem, 2008). Nearly twenty years ago,

Pary and Wise defined public service motivation as "an individual predisposition to respond to motives grounded primary and unique in public Institution and organization (Paryand Wise 2008). As with any vibrant theory, Public service motivation has evolved in subtle but potentially important waysas organisation seeks to improve its workers performance severe challenges exist to achieve the overall objective of the organisation to extend adequate motivational incentives to its entire population

Contemporary research and observations show that well motivated employees are more productive and creative towards achieving company or organizational goals. On the other hand less motivated employees are less performance and tend to divert from attaining organizational goals. Motivation as incentive systems are fundamental to developing capacities and to translating developed capacities into better performance (Ramey and Steinbauer,1999)

The fact remains that the strategy in place & appropriate organizational architecture, an organization will be effective only if its members are motivated to perform at a high level. The types of motivation is a psychological forces that determine the direction of a person's behavior as a result of challenging or interesting work, giving autonomy to work designed scope to develop skills, abilities, opportunities to develop and grow etc. extrinsic is also psychological force that determines behavior change as a result of tangible and intangible benefit and special such as salary fringe benefit and special award (Gareth, James, Jenniferand George, 2003). Irrespective of the organization the concept

of motivation cannot be looked down upon. It is one of the driving forces that have direct impact on the organization productivity.

Motivation approaches definitely satisfy the needs of the employees and in return, the employee repays it through their hard work. Identifying the needs and answering it is the most basic approach of every organization to earn the commitment of the employees (Chughtai, 2008). With a well-motivated work force an employee's performance can be manifested on the organizational effectiveness, which allows the individuals to focus on the development of their work in terms of behavior, skills has been noted that motivation tends to energize the work force which can result in their expected job performance (Byham& Moyer,2005). However, no employees would resist higher pay or an increase in salary since it would offer him/her an opportunity to do a lot of things such as paying his/her utility bills, paying school fees, buying clothes, car, land and so forth.

## 1.2 STATEMENT OF PROBLEM

Many employers tends to use increase in salaries /wages as their motivational approach for better performance of their employees, just to motivate them to give in their best so as to increase productivity. Others also give transportation allowance, rent, and wardrobe allowances to their employees so that the employee can put their best to enhance their performance, yet the whole things seem to be a mirage.

Motivation and rewards of employees are very important variables for individual, team and organizational performance. However, it has been observed that some manufacturing

firms have poor attitude towards motivation of their workforce, inappropriate mix of rewards and ineffective reward systems. Workers have been subjected to inhuman working conditions, inadequate remuneration package, inequity in the distribution of rewards, and delay in payment of wages and salaries. There is also no room for innovation, creativity, and empowerment of employees in their various firms. Some companies' employees are not given adequate responsibility and decision making authority. Some employees with creative ideas are not allowed to express their views to management.

The foregoing scenario has culminated in staff turnover, poor employee performance, absenteeism, conflict between staff and management leading to strikes. This no doubt brings about the downward spiral in the performance and contribution of the manufacturing sub sector to the nation's economy. So it is apparently in the recognitions of these different variables and factors that the researcher has decided to investigate to find out details on the effect of motivation on performance of public service employees.

#### 1.3 OBJECTIVES OF THE STUDY

The broad objective of the research is to ascertain the effect of motivation on performance of public service employee specially; However, the sub-objectives are:

- 1. To determine the effect of promotion on productivity of federal dental school.
- 2. To ascertain the effect of adequate salaries and wages on creativity of federal dental school.
- 3. To determine the effect of allowances on efficiency of federal dental school.

4. To ascertain the effect of good working environment on profitability of federal dental school.

# 1.4 RESEARCH QUESTIONS

Based in the statement of research problem and the objectives of the study, this research will seek answers to the following questions.

- 1 What is the effect of promotion on productivity of federal dental school.
- What is the effect of adequate salaries and wages on creativity of federal dental school?
- 3 What is the effect of allowances on efficiency of federal dental school?
- 4 What is the effect of good working environment on profitability of federal dental school.

## 1.5 RESEARCH HYPOTHESES

Consistent with the statement of problem, the research objectives and the Research questions, the following hypotheses are formulated for the study.

- 1 Ho: promotion does not significantly affect productivity of federal dental school.

  Hi: promotion significantly affect productivity of federal dental school.
- 2 Ho: Adequate salaries and wages do not significantly affect creativity of federal dental school.
  - .Hi: Adequate salaries and wages significantly affect creativity of federal dental school.

- 3 Ho: Allowances does not significantly affect creativity as motivation affect productivity of federal dental school.
  - .Hi: Allowances significantly affect creativity as motivation affect productivity of federal dental school
- 4 Ho: Good working environment does not significantly affect profitability of federal dental school.
- . Hi: Good working environment significantly affect profitability of federal dental school.

#### 1.6 SIGNIFICANT OF THE STUDY

The study can be viewed from the following perspectives

The research will also help the managers and the workers, to realise their obligations and responsibility towards, the good performance of the organisation.

The research will also inform the policy makers to find ways to curb the Present undesirable situation and to understand pertinent motivational issues in regards to the organisation

The study has been undertaken with the explicit objective of enabling the researcher obtain a master's degree in management in University of Nigeria.

These will be of immense help and guide in understanding these effect of motivation on performance of public service employees.

The study is significant on the ground that it will benefit students and future researchers because it sheds more light on the theoretical framework of motivation, reward and

performance. Therefore the research work is a contribution to the existing body of knowledge.

#### 1.7 SCOPE OF STUDY

A study of this nature ought to be carried out in all public service sector in Nigeria. However, given the limitations experience by the researcher inform of inadequate fund to execute the study across all public service sector. The study scope was limited to federal dental school employees in Enugu State. This study looked at the effect of motivation on performance of public service employee in Enugu State.

## 1.8 LIMITATIONS OF THE STUDY

As part of the research experience by the researchers all over the globe. The study was exposed to certain limitations hindered the effective and smooth collection of data for work. These in specific terms include:

Financial Constraint

The researcher spent quite huge amount of money to source information from the Internet. Most of the journals sites are classified and require foreign currency for access to be obtained.

Power failure: during the course of doing project, there was no light, that causesthe price of project to go high that pose a threat to the research.

Negligent on part of the respondents: The uncompromising attitude of respondent in giving out vital relevant information.

#### 1.9 DEFINITION OF KEY TERMS

For the purpose of clarity, some conceptual definitions are proffered.

# Compensation

Compensation is what employee receives in exchange for their contribution to the organization (Werther, Davis, 1996).

#### Incentives

Incentives are payments made to an employee or group of employees based on the amount output or results achieved or payments made for the purpose of motivating employees' performance (Banjoko, 2000).

## Rewards

Rewards are incentives that are promised and given to a worker for doing a job in an organisation (Kreitner, 2007)

# **Monetary Rewards**

Monetary rewards are financial rewards or direct cash payments which consist of performance pay, competency pay, gain sharing and profit sharing to workers for their performance or contribution in an organization (Armstrong, Murlis, 1994).

# **Non monetary Rewards**

Non monetary rewards are non cash rewards which consist of all intrinsic motivators such as achievement, responsibility, opportunity for growth and extrinsic motivators such as recognition, job enrichment and praise (Armstrong et al, 1994).

#### Motivation

Motivation refers to the forces within a person that affects his or her direction, intensity and persistence of voluntary behaviour (Ezigbo, 2007).

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#### **CHAPTER TWO**

## REVIEW OF RELATED LITERATURE

## 2.1 THE CONCEPT OF MOTIVATION

Motivation is one of the key elements in employee performance and productivity. Indeed high performance will remain elusive to organisations without adequate staff motivation. Human efforts are required to achieve the goals of organisations. The overall performance of an organsiation is directly dependent on the amount of efforts positively applied by workers individually or collectively towards attaining the desired goals. Commitment of employees is a reflection of the level of their motivation. The concern of management about performance is indirectly a concern about motivation (Agu, 2003). The term motivation is derived from the latin word "movere" meaning to move. In this context, motivation represents the psychological processes that cause arousal, direction and persistence of voluntary actions that are goal directed (Kreitner, Campbell, McHenry, and Wige. 2007). According to Bateman, Chow, and Stede (2009), motivation means the forces that energize, direct, and sustain a person's efforts. Motivation is the psychological processes that arouse and direct people's goal-directed behaviour (Kinicki, Komaki, Heinzmann Lawson, 2003). Cole (2002) submits that motivation is a process in which people choose between alternative forms of behaviour in order to achieve personal goals. Although definitions of motivation vary, common theme can be found. First, The conceptualization points to energetic forces or needs experienced by individuals that direct them to behave in certain ways. Second, The notion of a goal orientation suggests that behaviour is directed towards some desirable end. Third, Individual motivation is more likely to be sustained when extrinsic and intrinsic outcomes are viewed as rewarding and satisfying. Besides, the definitions exclude the operations of instinctive or reflex behaviour and focuses on individual choice. Exercising choice is not just a rational process, but one which is considerably affected by the emotions and deeply held values of the individual. With respect to the definitions of the above scholars, motivation in the workplace simply means the extent to which an individual wants and tries hard to do well at a particular job.

Motivation in work is often described as intrinsic and extrinsic in nature (Sansone,Dematteo, Eby, and Sundstrom , 2000). According to Jones, Mike,and Galbrath,2006), motivation of employee can come from intrinsic or extrinsic sources. In the view of harzberg,Locke,Faren, Mc Caleb, Shawk, and Denny (1957) cited in Armstrong (2000), intrinsic and extrinsic sources of motivation are classified as types of motivation. Intrinsic motivation is the self-generated factors that influence people to behave in a particular way or to more in a particular direction. These factors include responsibility (feeling that work is important and having control over one's own resources), autonomy (freedom to act), scope to use and develop skills and abilities, interesting and challenging work and opportunities for advancement. On the other hand, extrinsic motivation means what is done to or for people to motivate them. This includes rewards such as increased pay, praise, or promotion and punishments such as disciplinary action, withholding pay or criticism (Armstrong 2000).

#### 2.2 OVERVIEW OF PUBLIC SERVICE MOTIVATION

# What is Understood by Public Service Motivation

Motivation describes a reason or reasons for acting or behaving in a particular way. Typically a desire and willingness or enthusiasm is implied. It is these positive attributes that energies, direct and sustain the relevant behaviour.

People are motivated by many different considerations to work for and in government. As noted by Perry and Hondeghem (2008), the public sector has traditionally offered some strong extrinsic motivators that might attract people, such as security of tenure, career and development opportunities and the pension system. Vandenabeele (2008) has also identified 'quality of life' as an attraction of public sector work, with people having the impression that the public sector affords better flexibilities for those combining work with family or other commitments.

However, these extrinsic or rational considerations, which might lead a person to seek public sector employment lie outside what is widely understood by the terms 'public service motivation' (PSM). Rather PSM relates only to the notion that 'individuals are oriented to act in the public domain for the purpose of doing good for others and society' (Perry, Hondeghem and Wise, 2010).

A further important distinction in the literature is between public service motivation as compared to public sector motivation. Koumenta (2009) suggests that in part this reflects governments seeking to 'break with the tradition of bureaucracy towards one of customer oriented service'. Secondly, the substitution of service for sector is in recognition that

values traditionally upheld by those in public sector employment can also be found among those delivering a public service but employed by private organisations.

Thus, in summary, Perry and Hondeghem (2008) comment that public service motivation may be conceived 'as a type of motivation in the public sector, but it does not cover all motives in the public sector...[and it] may also transcend the public sector, that is, characterize motivations in other arenas of society that involve pursuit of public good'.

Does ownership matter? Public service motivation in the private and public sectors

At the core of PSM theory is the belief that public service motivation is higher among those employed in the public sector compared to the private sector. However, researchers have also queried whether PSM depends on the task or function being carried out rather than the sector of employment. It is difficult to investigate if this is the case because employees in the private and public sector perform different tasks and functions.

A group of Danish researchers (Andersen, 2011) explored the differences in the PSM levels for a single occupational group, physiotherapists, performing the same tasks in the Danish private and public sectors. The most important findings in the study are that there is no difference in the general level of PSM between employees performing the same tasks in public and private organisations. However, different types of PSM are expressed. While private sector physiotherapists seem to be more narrowly oriented towards the user, physiotherapists in the public sector have a broader orientation towards the public interest.(Andersen, 2011.)

# 2.2.1 Defining Public Service Motivation

The term public service motivation first emerged in the 1980s as a way of explaining differing reward preferences among public and private sector managers (Rainey, 1982). However, Perry and Wise (1990) were the first to explicitly define the concept. In an article examining motivational alternatives to merit pay in the US federal government, and reflecting, they defined public service motivation as 'an individual's predisposition to respond to motives grounded primarily or uniquely in public institutions and organizations'.

The focus in the Perry and Wise definition on motives and actions in the public domain that are intended to do good for others, encompasses thinking around a number of related concepts, especially altruism and pro-social behaviour. The former refers to an act that is or appears to be motivated mainly out of a consideration for another's needs rather than one's own, while pro-social behaviour has been described as 'a broad category of other regarding behaviour' or 'the desire to expend effort to benefit other people' (Perry and Hondeghem, 2008).

While Perry and Wise's definition of public service motivation is widely accepted, recent research has contributed to our understanding of how PSM is operationalised. In particular, it is now accepted that public service motivation may transcend the public sector and be experienced by those in both the voluntary and private sectors. Most recently, Vandenabeele (2008) has suggested that PSM can be influenced by the environment and context the individual finds themselves in. Consequently he suggests,

motivation, rather than only a predisposition depends on the interaction between values inherent to an individual and an opportunity for behaviour consistent with these values.

# 2.2.2 Techniques For Motivating The Employee

In proposing a motivation scheme for the employee, it is important to recognize this wants:

In the following paragraphs, we shall Endeavour to identify some of the techniques for motivating the employee based on his wants – which we are mentioning below:

**Pay**: This want helps in satisfying physiological, security and egoistic needs. Employee needs to believe that he is paid a decent living wage, which compares, favorably with what is offered in other organizations. However, the design of a monetary compensation system is exceedingly complex. Since it serves a satisfy multiple needs and cannot alone motivate the whole person.

**Security of Job**: We are living in the age of automation. Machines are replacing human labour fast. Many people lose jobs for this reason. In Nigeria today, socio-economic problems make both the private and public sectors retrench workers. People no longer have confidence in any sector. This has greatly demoralized an average Nigerian worker. To be effectively motivated, the employees must be constantly assured of t eh security of this job.

**Credit for Work done**: Excellent performance should be rewarded to boost the ego of the employee. This could be verbal praise, monetary, rewards for suggestions, awards, recognition for years of service, honesty. Opportunity to advance: Most employees want

opportunity for personal growth and development so as to be able to reach their greatest potential. This feeling is influenced by a cultural tradition of freedom and opportunity.

Comfortable, safe and attractive environment: The want for good working environment rests upon multiple needs. Safe working environment emanates from the security need. Specifically, attributes such as desks and rugs, good curtains, bright illumination constitute status symbols denoting a hierarchy of importance. Competent and fair leadership: Good leadership ensures that the organization and its jobs will continue to exist. Moreover, human ego demand that one respect the person from whom orders and directions are to be received. Ti is very frustrating to the subjected personally to a command from an individual who is deemed unworthy and incompetent.

**Meaningful job**: This wants issues from both the need for recognition and the drive towards self-realization and achievement. This is a very difficult want to supply, especially in large organizations where work is divided into minute parts. Here, the employee would want his contributions to be recognized and significant.

## 2.2.3 Symptoms of Poor Motivation

The symptoms of poor motivation are indications and not causes of poor motivation.

They include:

- Higher than the usual absenteeism and labour turnover.
- Dissatisfaction and low morale.
- Poor quality of work and higher spoilage rates.
- Soldering" is reduced productivity.

- Deterioration of general attitude to work such as lack of cooperation, obstructive attitudes even declining standards of dressing and general conduct.
- Numerous incidences of industrial disputes and stoppages.

# 2.2.4 Importance of Motivation

The following are some importance of motivation in an organization. They include:

- It energizes, intensifies, directs and brings about persistence of effort towards attaining a goal.
- It leads to improvement in the performance of task by the workers in an organization. Job enrichment leads to challenges, achievements, recognitions and responsibilities.
- It brings about opportunity for personal growth and development among employees so as to be able to reach their greatest potential.
- Motivation in the area where the employee is allowed to participate in management decision-making leads to self-esteem as stated in Abraham Maslow's Hierarchy of Needs Theory.

# Public service motivation versus public service ethos

Some writers use the terms public service ethos and public service motivation more or less interchangeably. According to Koumenta (2009) preference for either term depends on the discipline the researcher is coming from, with public service ethos more common

in the field of public administration, whereas psychologists and organization theory researchers have favoured the term public service motivation.

The country of origin of researchers is also a factor. The term public service motivation originated in the US and is used extensively there. Lawton and Rayner (2009) suggest that generally non-American authors do not use the term PSM when discussing the phenomenon that some individuals are highly attracted and motivated by public service work, rather they refer to a 'public service ethos'. In French speaking countries the commonly used expression is 'l'éthique du biencommun' (the ethic of common interest) (Vandenabeele, 2008).

Country of origin also influences what is understood by the respective terms and their 'ingredients'. However, as Koumenta (2009) concludes, 'while cross-cultural, institutional and administrative variations naturally produce different lists of values, they also confirm the universality of the construct'.

Public service ethos is certainly the much older term. Its modern roots can be traced back to the Northcote and Trevelyan (1854) report on the Organisation of the Permanent Civil Service which set out the principles that came to shape the public service in the UK and other countries including Ireland that followed the so-called Westminister model. In contrast, public service motivation is a much newer concept emerging in a defined manner only in the 1990s.

According to Horton (2008) traditionally the focus among researchers was 'on public service as an ideal and a prescription of behaviour expected of 'public servants'.

However, she continues 'today we are more interested in using empirical research to discover why people remain in the public service'. It is with this shift in mind that Perry and Hondeghem (2008) refer to public service motivation as 'a direct descendant of what philosophers and others have called the public service ethos.'

The two terms can perhaps be best understood as representing different sides of the one coin, one describing the 'system', and the other the disposition of those choosing the system.

# 2.2.5 What Motivates Public Servants?

The notion that people are motivated to work in the public service as a result of altruism, a desire to serve, or a wish to have an impact on society is a long-standing one. It is closely associated with the idea of public service ethos, which is rooted in an understanding that the public service is different from the private sector, both because of the tasks it performs and the behaviours it expects of its employees.

Public service motivation is not the only or even the most important criterion of individuals choosing to take up, or remain in, public service employment. Recent research cites the superseding importance of good, or at least market-rate, levels of pay and security of tenure. The prevailing economic situation in the country and long-standing cultural issues which impact on the prestige and social standing of public officials are likewise relevant. However, public service motivation does matter, and among the intrinsic reasons that come into play when individuals choose where to work it is highly significant.

Against a backdrop of global recession, many governments are increasingly seeking to reform their public service, reducing cost and increasing efficiency and effectiveness in the delivery of services. These changes are necessary. However, this report cautions against ignoring or minimizing the negative impact on employee motivation and engagement of changes to terms and conditions and ways of working.

In circumstances where extrinsic motivations are significantly constrained or even reduced, as is the case currently in the Irish public service, it is critical that managers are very aware of the importance of fostering and supporting the intrinsic motivations of employees.

# 2.2.6 Practices For Supporting Public Service Motivation

This report presents four central themes which help organizations develop an organization culture grounded in public service motivation.

# Transformational or Value-based Leadership

Strong, effective leadership is consistently shown to be a major driver of employee satisfaction and commitment. However, transformational leadership goes further than effective change management, good communications and other characteristics of good leadership. Value-based leadership requires the articulation of public service values and the communication of goals and objectives consistent with those values. It is also necessary that the leader themselves model these behaviours, leading by example in exhibiting values that transcend self-interest, and proving themselves to be trustworthy.

# **Person-organization Fit**

Person-organisation fit theory suggests that performance is enhanced when an employee's values match organisational goals, values and culture. Similarly, in situations where they do not, turnover rates will be high. To be credible, all HR practices need to be consistent with the message that 'public service matters'. Thus, recruiting individuals who are not only task qualified but who hold values consistent with the organisation's mission is important. Similarly, induction programmes, training, development and performance management all need to reflect and promote public service values. In particular, performance appraisals need to be based not just around the specific role of an employee, but should also review performance in terms of a demonstration of behaviours critical to the effective operation of the public service, such as customer awareness, collaboration and accountability.

# **Effective Goal Setting and Job Design**

Given that many people are attracted to public service work by their motivation to serve and make a positive difference in others' lives, it is essential that what is referred to as 'the line of sight' between their values and the task they are required to fulfil in the organisation is not lost. While clearly this is more feasible in service delivery work, showing all employees how their contribution matters to the overall objectives of the organisation is critical to maintaining their sense of motivation.

# **Creating a Supportive Work Environment**

This is a particularly wide-ranging concept, with factors including the nature of informal relationships, the quality of communication, the way conflict is managed, the collegiality of the organisation and, not least, the incentive systems, which together shape the relationship between an employee's public service motivation and their performance at work. At a basic level, aligning incentives with intrinsic motivations is an important element in managing the public service work environment.

# A Changing Public Management Environment

Recent developments have given the motivation of public servants new prominence. Since the 1980s to varying degrees across developed economies, there have been initiatives to reform the public service, with the objective of ensuring a well-managed workforce that delivers public services efficiently and effectively. These initiatives and programmes have been given new urgency by the current global economic recession and the need for governments to ensure fiscal restraint.

The drive to ensure cost savings within public services has resulted in the introduction of what are often referred to as 'private sector practices'. It is claimed that due to the imperative of the profit motive within the private sector that management practices are more rigorous. Consequently if these approaches, for example in respect of people management or financial management, are replicated in the public service, it will be possible to deliver better services while also reducing costs.

Another development, and related to the financial and economic crisis, is public loss of trust in both politics and in public administrations. Twice a year the Eurobarometer measures the level of public confidence in national government (Boyle, 2012). For both the EU-15 and EU-27 there has been a decline in levels of trust in government since 2008, to levels of 37 per cent and 32 per cent respectively. While the extent to which the Eurobarometer survey data includes both political and administrative elements of government is unclear, it has been suggested (Christensen and Laegreid, 2005) that there is a strong correlation between trust by citizens in different institutions of government, ranging from parliament to the civil service.

In parallel with these trends, debate is ongoing in respect of the distinctiveness or otherwise of the public service and the relevance of a public service ethos. Can we treat the public service like any other business or is the public service different? Is it important to retain a public service ethos founded on core characteristics including partisan neutrality, anonymity, and accountability to and through ministers, or do such features impinge on good management? Should terms and conditions of employment for public servants be distinct from those of private sector workers? Are there important benefits for example of guaranteed tenure that override the business case for treating public servants in a manner similar to all other employees? And what are the consequences of changing the long-standing image, identity and psychological contract of public servants?

While not definitively answering these questions the OECD (2004) points to one important consideration in the debate: that 'we must not forget that the fundamental purpose of the public service is government, not management. This means paying

attention to fundamental values like fairness, equity, justice and social cohesion to maintain confidence in the governmental and political system as a whole. Managerial aspects, while important, must be considered secondary.'

According to Perry and Hondeghem (2008), the intersection of these developments - economic collapse and drives to reform public management; the relevance of trust in government and public administration; and whether there are fundamental values embedded in a national public service that are important to society and need to be safeguarded in any reform process – has given ideas and debate around the motivation of public servants new salience and prominence.

The importance of feeling valued Conventional wisdom says it's on the retreat and may even be dead. A feature of a collectivist age now gone, markets and contracts were always going to do for it. But no, the public sector ethos is alive and well. Blossoming even. Working for government does have a special quality, for those in it. And, even more remarkably, the strength of the public service ethos has been growing during the twenty-first century, despite contracting and competition. That, broadly, is the conclusion reached by a report of the UK National Centre for Social Research titled 'Is There Still a Public Service Ethos?'

We're talking dispositions here, of course, not passion. And we are talking proportions. Many public sector workers aren't especially committed or motivated. Nothing here contradicts the findings that teachers and nurses regularly go home and slag off schools and the NHS to their friends and families. Yet people in the public sector are different in

that they are more likely to value their job because it is socially useful and brings intrinsic rewards.

The survey on which the report is based found that 45 per cent of public service staff judged their work useful to society, compared to only 14 per cent of private sector employees.

## 2.2.7 Measuring Public Service Motivation

Much of the early research on public service motivation focused on establishing the existence of public service motivation by showing that public sector employees value intrinsic rewards more, and extrinsic rewards less, than their private sector counterparts (Wright, 2008). Public service motivation was seen to be only connected to altruistic motives. Consequently the level and type of an individual's public service motivation, and other research propositions such as the prevalence of public service motivation and its impact on performance remained unanswered.

Initial steps to develop a public service motivation scale that could be used for research were made by Perry (1996). The twenty-four item scale is divided across a range of distinct dimensions or reasons why people are attracted to public service work (Perry, 1996; Wright, 1998):

• Attraction to public policy making: From a rational or individual utility maximisation perspective, it is suggested that people are attracted to public policy making as a way of maximising their own need for power, sense of importance or as a way of advocating a special interest that would provide personal benefits.

- A desire to serve the public interest: In other words, having a sense of obligation to society
- Compassion and self-sacrifice: Dimensions that represent service as an emotional response to humankind.

According to Wright (2008) Perry's contribution was significant as it provided 'a more comprehensive and theory-based conceptualisation of public service motivation than previous approaches which only recognized altruistic motives for public service while ignoring the possibility that self-interested or rational motives might also exist.'

While many research studies have relied on the Perry scale, controversy still exists around the measurement of PSM (Vandenabeele and Van de Walle, 2008, Wright, 2008 and Wright and Grant, 2010). A first disadvantage cited is the length of the Perry scale, which is not easily integrated into large employee surveys. In addition, European researchers have identified difficulties in achieving a shared understanding of language when using the Perry scale outside of the United States, with, for example, terms like 'community' (statements 4 and 8 in the Perry scale) or 'self-sacrifice' (statement 22) implying something different to American and European respondents.

However, perhaps more significantly, it has been suggested that the public service values which inform the measurement scale may differ depending on geographic, historic, political and institutional context. This has led to further variations in Perry's scale. For example, Vandenabeele (2008) found that it was appropriate to add a further dimension – democratic governance – when measuring PSM. This was to capture public values or principles of public service considered appropriate in a European context, such as

'equality', 'permanence' and 'accountability'. Subsequently other scholars have added other dimensions to reflect the specific values guiding the administrative work in their country of research (Giague, Lawrence and Lorch, 2012).

## 2.2.8 Criticism of Public Service Motivation

One of the central tenets of PSM research is that individuals with greater PSM are more likely to be found working for a government organization because of the opportunities it affords to provide meaningful public service. In respect of the first part of this proposition, research to date has provided considerable evidence that public employees have higher PSM than private sector employees. As noted by Wright and Grant (2010:692), notwithstanding the measurement difficulties detailed above, 'our confidence in this relationship has been strengthened by the numerous studies that have replicated these findings in samples that vary by occupation, organization, jurisdiction and nationality'.

However, we cannot be certain that PSM actually influences job decisions or performance. In this regard, Wright and Grant (2010) note that it remains unclear to what degree public sector jobs either attract, select and retain employees who already possess high levels of PSM and/or cultivate, increase and encourage the expression of PSM among employees. In other words, there is a lack of clarity around whether PSM is an antecedent or a consequence of employee job decisions.

A further aspect of this question is whether PSM is a static or dynamic trait. The former implies that PSM is a stable characteristic or disposition that is difficult or slow to

change. In contrast if this doesn't hold it leaves open the possibility that PSM can be influenced in organisational settings.

Exploring these propositions involves testing individual's levels of public service motivation before they choose their job or career and then subsequently. However, longitudinal studies of this nature are not easy to design or construct, and so evidence remains tentative with research findings in favour of both the 'attraction-selection' and 'adaptation-socialization' effects (Wright and Grant, 2010). Ultimately Wright and Grant (2010) conclude that 'it may be likely that both mechanisms play some role' and that PSM may be a relatively stable disposition but one that still can be changed over time and influenced by the organization.

A further central principle of public service motivation research is that employees with greater PSM are likely to perform better in public sector jobs. It is thought that employees with high PSM are motivated to perform more effectively because their jobs provide opportunities to express and fulfil their values. Although there is some evidence linking PSM to higher levels of performance, as emphasized by Wright and Grant (2010), 'causality is unclear and much more research is needed'. Two particular difficulties arise in respect of research studies to date: the possibility of reverse causality and/or that some other factor is at play that is causing both PSM and performance to increase and creating a spurious connection between them.

Reverse causality implies the possibility that PSM may be a consequence, not a cause of improved performance. According to Wright and Grant (2010), this is grounded in extensive research that shows high performance builds self-efficacy – belief in one's

capability, confidence and capacity to succeed. It is suggested that these traits may lead to higher PSM. For example, when a government official performs a task effectively, she may feel more convinced in her capabilities to develop policy or carry out other civic duties, grounded in a desire to serve the public (Wright and Grant, 2010).

As emphasized by Wright (2008), it is also possible that the consequences of public service motivation may be moderated or mediated by other factors. For example, he cites research that suggests that education moderates the relationship with PSM and only predicts public sector employment for college graduates.

A further concern in identifying a positive relationship between PSM and performance noted by Wright and Grant (2010) is the need for research studies to control for conscientiousness, which refers to the extent to which individuals tend to be industrious, disciplined, goal oriented and organized. They note that there is considerable evidence that of all personality traits, conscientiousness is the most robust and reliable predictor of job performance across a wide range of occupations.

However, conscientiousness is just one of a range of potential common causes of a spurious relationship between PSM and performance being identified. In order to demonstrate that PSM motivates higher levels of job performance, and rule out rival explanations, Wright and Grant (2010) recommend field experiments whereby interventions (e.g. to increase PSM) are examined and assessed in 'the real world'. However, to date, research of this nature has not been carried out in respect of PSM.

# 2.2.9 Reasons for Choosing Public Sector jobs – 'Good pay, a Secure Job and a Tad of PSM

People choose public sector jobs for a variety of reasons and although the importance of PSM for public career choice cannot be disputed, research findings are inconclusive about how important it is.

According to Van de Walle and Steijn (2012) research findings have been contradictory in respect of the determinants of this choice. In other words, the relative importance of extrinsic factors (such as pay, security, pension arrangements and work-life balance opportunities) as compared to intrinsic, value-based reasons, that include the concept public service motivation.

Furthermore, it would seem that there are large differences between countries with regard to public sector preference. Van de Walle and Steijn cite research by Norris who found preference ratings that varied from around 20 per cent in New Zealand to over 80 per cent in Bangladesh. These variations reflect both the economic situation in a country and also long-standing cultural differences, with government employment regarded as more prestigious and remunerated in some countries than in others—'compare for instance the social standing of public officials in Korea or Singapore, or the prestige of top officials in France, to the general condescending attitude towards government and its employees in, for example, Eastern Europe' (Van de Walle and Steijn, 2012).In order to explore these issues in greater detail Van de Walle and Steijn used data for twenty-three countries drawn from a work orientations survey that formed part of the International Social Survey programme.

With regard to work values, they find (2012) that 'respondents who chose public employment highly value [extrinsic] job characteristics such as job security, a high income, and opportunities for advancement'. However, 'public service motivation is also associated with choosing public sector employment: respondents who choose public employment think it is important to have a job that is useful to society'.

### 2.3 MOTIVATION - PERFORMANCE LINKAGE

Money, in the form of pay or some other sort of remuneration, is the most obvious extrinsic reward. Money provides the carrot which most people want. However, doubts have been cast in the literature on the effectiveness of money. It is argued that while the lack of money can cause dissatisfaction, its provision does not result in lasting satisfaction either (Herzberg *et al* (1957).

There is something in this, especially for people on fixed salaries or rates of pay who do not benefit directly from an incentive scheme. They may feel good when they get an increase; apart from the extra money, it is a highly tangible form of recognition and an effective means of helping people to feel that they are valued. But this feeling of jubilation can rapidly die away

## **Drawing**

Locke and Henne (1986) argue that there is a strong link between an employee's performance, pay and motivation.

As noted by Goldthorpe, Luthans, and Stojkovic(1968) from their research into the 'affluent worker', pay is the dominant factor in the choice of employer and considerations

of pay seem most powerful in binding people to their present jobs. Financial incentives do motivate people who are strongly motivated by money and whose expectations that they will receive a financial reward are high. But less confident employees may not respond to incentives, which they do not expect to achieve. It can also be argued that extrinsic rewards may erode intrinsic interest - people who work just for money could find their tasks less pleasurable and may not, therefore, do them so well. What we do know is that a multiplicity of factors is involved in performance improvements and many of those factors are interdependent. Money can therefore provide positive motivation in the right circumstances not only because people need and want money but also because it serves as a highly tangible means of recognition. But badly designed and managed compensation and reward systems can demotivation Verhellen (1994) argues that motivation strategies aim to create a working environment and to develop policies and practices, which will provide for higher levels of performance from employees. According to Tarkenton (1986), they will be concerned with measuring motivation to provide an indication of areas where motivational practices need to be improved; ensuring, so far as possible, that employees feel they are valued; developing behavioural commitment; developing an organisation climate which will foster motivation; improving leadership skills; job design; PM; compensation and reward management; and the use of behavioural modification approaches.

#### 2.4 DEFINITION OF PERFORMANCE

The concept of performance is an old phenomenon in a working environment especially in the private sector. If you can't define performance, you can't measure or manage it (Armstrong andBaron, 1998). Daniels (op. cit.) defines the term performance as a process, which entails a number, or series, of behaviours, directed towards the achievement of some predetermined goal. The Oxford English dictionary defines performance as the "accomplishment, execution, carrying out, and working out of anything ordered or undertaken". The Longman's Dictionary of Contemporary English (new edition) defines performance as '...the action or manner of carrying out an activity, piece of work, etc.; the ability of a person to do something well; behaviour.' This refers to outcomes/outputs (accomplishment), but also states that performance is about doing the work, as well as being about the results achieved.

Armstrong and Murlis (1994) argue that "performance is a multi-dimensional construct, the measurement of which varies, depending on a variety of factors." They also state that it is important to determine whether the measurement objective is to assess performance out comes or behaviour. That is one should distinguish between outcomes (results/output) and behaviour(the process).

There are different views on what performance is. This is a challenge to public sector managers because the overwhelming debate on performance today is whether it entails behaviour, results, or both. Performance is referred to as being about doing the work, as well as being about the results achieved (Otley, 1999). It could be regarded as simply there cord of outcomes achieved. On an individual basis, it is a record of the person's accomplishments (Armstrong and Baron, 1998). Performance can be regarded as behaviour -i.e. the way in which organisations, teams and individuals get work done (ibid).

Campbell (1990) believes that "performance is behaviour and should be distinguished from the outcomes because they can be contaminated by system factors." What is implied in the Campbell's argument is that performance measurement can only focus on an individual/group's final output, if and only if, system factors are controllable. That is, after a person has performed and produced a quality output, this product may deteriorate due to system factors that are outside the control of the performer.

Others argue that performance should be defined as the outcomes of work because they provide the strongest linkage to the strategic goals of the organisation, customer satisfaction, and economic contributions (Rogers, 1994; Fitzgerald and Moon, 1996). In contrast, both Edis(1995) and Kane (1996) argue that performance is something that the person leaves behind and that exists apart from the purpose. Bevan & Thomson (1991) are concerned that:

"Performance should be defined as the outcomes of work because they provide the strongest linkage to the strategic goals of the organisation, customer satisfaction, and economic contributions."

System failures, if any, though uncontrollable by the performer are still within the horizon of the organisation and should not be taken as a scapegoat. Hood (op. cit.) also supports this view that: "Performance means both behaviours and results. Behaviours emanate from the performer and transformed performance from abstraction to action. Not just to the instruments for results, behaviours are also outcomes in their own right - the product of mental and physical efforts applied to tasks - and can be judged apart from results."

Performance is about *how* things are done as well as *what* is done. This is the so-called "mixed model" of PM (IPM, 1992), which covers competency levels and achievements as well as objective setting and review.

## **2.4.1 Factors Affecting Performance**

According to Armstrong and Baron (op. cit.) performance as defined above is affected by a number of factors, including the following: (a) personal factors - the individual's skill, confidence, motivation and commitment. (b) Leadership factors - the quality of encouragement, guidance and support provided by the managers and team leaders. (c) Team factors - the quality of support provided by colleagues. (d) System factors - the context of work and facilities (instruments of labour) provided by the organisation; and (e) Contextual (situational) factors -internal and external environmental pressures and changes. All these factors should be takeninto account when measuring performance for pay decisions.

Research has proved that traditional approaches to performance appraisal attribute variations in performance to personal factors, when, in fact, they could actually be caused in part or entirely by situational or systems factors (Atkinson and McCrindell, 1997). Essentially, the assessment of individual performance must necessarily consider not only what individuals have done (theresults), but also the circumstances in which they have had to perform (Deming, 1986). This assessment process should extend to the performance of the manager as a leader, because what the performer does is mainly a reflection of the manager's behaviour in terms of on-the-job training, coaching and guidance. Campbell (1993) argues that determinants of job performance are knowledge, skill and motivation factors. In his model of performance3, Campbell argues that the three

variables have a functional relationship the impact of which determines or influences an individual's performance. What is being hypothesised here is that there is a functional or causal relationship between an individual's level of performance and determinants of that performance. That is the direct cause of what people do (their performance) is some function of knowledge/skills, systems and employee motivation/attitudes. Therefore, any performance measurement process for PRP

purpose must incorporate these variables to achieve objectivity and desired effectiveness. Whereas knowledge refers to facts and things (knowing *what* to do), skill refers to ability to perform and motivation is a function of whatever independent variables are stipulated by a person's favourite incentive theory.

### **2.4.2. Dimensions of Performance**

Fitzgerald and Moon (1991) suggest a results-determinants performance measurement model of six dimensions. Two of the performance dimensions are the results of strategy consisting of *competitiveness* and *financial success* measures. The remaining four measures are *determinants* of the success of these strategies: *quality*, *flexibility*, *resource utilisation* and *innovation*. Similarly, Atkinson *et al* (1997) differentiate between primary objectives (i.e. *results*) and secondary objectives (i.e. *determinants*). They argue that primary objectives are externally oriented in the sense that they aim to achieve results that are the (long-term) mission of the organisation. The concern is mainly with measurable deliverables. In contrast, they say that secondary (operational) objectives are internally oriented and are concerned with how goods and services will be delivered. In a similar argument, Kaplan and Norton's (1992, 1996) balanced scorecard recommends a performance measurement model of *four* dimensions of performance: *financial*, *customer* 

satisfaction, internal business processes, and innovation or growth and learning. Kaplan andNorton effectively consider the three dimensions of quality, flexibility and resource utilisation in Fitzgerald *et al*'s model to be the single dimension of internal business processes.

## **2.4.3** Performance Management Theory

Performance management (PM) is a novel concept in developing countries relative to developed economies. There are various versions of theoretical, practical descriptions and conceptions of PM. However, they all agree that PM is the process of optimal management and allocation of resources to achieve a common end in an organisation. Edis (1995) says that PM entails the managerial approach that links people and jobs to the strategy and objectives of the organisation. Slater, Fitzgerald, Rusbult and Farrel, (1998) argue that PM is a 'Value Adding' process of organisational performance. It is defined within the context of private sector organisations as a systematic, data-oriented approach to managing people's behaviours at work that relies on positive reinforcement as the major way of optimising performance (Daniels (op. cit.). Furthermore, you must develop a way to measure these behaviours and their results, and determine the methods for changing or modifying them if necessary. The final steps are to use those methods, evaluate the results and give feedback to performers. Data-oriented means that an organisation must use performance data to evaluate the effectiveness of the strategies employed (secondary objectives) to achieve the primary objectives (Fitzgerald, et al 1991).

The techniques and practices of PM are derived from the field study of Applied Behaviour Analysis

The term used to describe the scientific study of behaviour (Baer, et al 1968). In order to understand behaviour, applied behaviour analysts use the same scientific methods that physical sciences employ, i.e. precise definition of the behaviour under study, experimentation, and consistent replication of the experimental findings. PM is also defined as an integrated set of planning and review procedures, which cascades down through the organisation to provide a link between each individual and the overall strategy of the organisation (Rogers, 1994). Similarly, the National Association of Head Teachers (NAHT, 1991) describes PM as a mix of managerial techniques through which individual jobholders: have greater clarity about what their organisation is trying to achieve; understand what is expected of them in their job; are entitled to regular feedback on how well they are doing; have continuous support from their managers; and have an opportunity to assess their overall performance achievements over a given period. PM is a much broader concept than just appraisal. Performance appraisal (or evaluation or measurement) is an important element in performance management and it is part of an integrated approach, incorporating processes, attitudes and behaviours which together produce a coherent strategy for raising levels of individual performance achievements. The LGMB (1993) and the Audit Commission (1995) in UK have adopted a broad definition of the PM model that encompasses the functions and processes that may be used to manage both organisational and individual performance. This kind of vision of PM concept creates a more integrated approach to the management of performance and enhancing of accountability in local authorities in general.

These two institutions, suggest that in order to improve both organisational and individual performance the following management functions are important: defining and

setting organisational and individual aims and objectives; corporate planning; linking organisational strategy and service objectives to jobs and clients; identifying staff training and development needs; assessing the results through personal appraisal using relevant performance indicators; performance agreements or contracts; using the knowledge gained through training to modify performance attitudes; external and internal communication systems; and organisation development (OD) and performance review.

The term PM refers to any integrated, systematic approach to improving organisational performance to achieve corporate strategic aims and promote its mission and values (Edis,1995). This implies that a PM system aims at improving the results of people's efforts by linking these to the organisation's corporate objectives. That is, PM is the means through which employees' performance can be improved by ensuring appropriate recognition and reward for their efforts, and by improving communication, learning and working arrangements as stipulated in the balanced scorecard model (Kloot and Martin, 1998).

Therefore, installing a PM system in an organisation entails creating and supporting the 'achievement culture' and thus ensures that effort is generated that results in performance which in turn results in real achievements. By 'achievement culture', it means a combination of performance orientation and professional excellence (Edis, ibid). The PM model (Mwita, op.cit.) stems from a clear understanding by every member of the organisation's mission and values, and what it wants to achieve. The stages in the PM model System

The PM can be implemented by observing several stages. The stages constitute a jobrelated PM model as recommended by the NAHT (1991) in UK and are outlined in a form of steps below. In practice, they should not necessarily follow one another rigidly as shown here, but this is just a general operational framework of what needs to be done in the PM model system.

**Step 1:** Accountabilities describe the purpose for which a job exists. They do not change from year to year unless the job changes. They are generally about eight in number and should describe measurable results. By reference to the accountabilities, a jobholder can quickly assess whether all the responsibilities of a post are being met.

**Step 2:** Performance Measures are ways of measuring the achievement of key accountabilities or goals. They can be objective or subjective. The selection of appropriate methods of performance measurement will help the job-holder and the appraiser assess effectiveness.

**Step 3:** Performance Standards are target levels of performance. Once a system to measure performance has been determined, a standard can be used either to set a goal or to determine a level of achievement.

**Step 4:** Goals should reflect the immediate priorities of a job. They indicate specific, measurable levels of achievement expected within a given period of time. They can be related to standards and can be used to influence how a job-holder meets particular accountabilities.

**Step 5:** Action Plans are the steps taken to fulfil accountabilities and defined goals. They help a job-holder to plan work and monitor its completion. Good action plans describe the assumptions, constraints and deadlines which affect each task.

**Step 6:** Progress Reviews should occur regularly during a performance period, which is usually one year, so that the job-holder and the appraiser may review progress and revise plans as necessary.

**Step 7:** Performance Appraisal is normally held at the end of the performance period. Jobholders are assessed to see if they have fulfilled their accountabilities and achieved their goals, using the agreed performance measures. The job-holder and the appraiser review accountabilities, test performance measures for rating and rewarding, identify development and training needs, work on career plans and agree goals for the next year. In evaluating PM systems in a LG perspective, several issues need to be noted.

## 2.4.4. The PM Model Approach to Service Delivery

## (i) Accountabilities to focus on results

First, accountabilities should normally focus on results. Traditionally, job descriptions concentrate on the tasks, duties and actions expected of a job-holder, i.e. on what a person does. In contrast, however, PM model is concerned with the results – with what a person achieves.

### (ii) Principal Accountabilities to Define key Responsibilities

Secondly, principal accountabilities should be capable of clearly defining the areas of responsibility of a job and the results, which a job-holder must produce if the purpose of the job is to be fulfilled. In most well-structured jobs there are about eight principal or key accountabilities, each of which represents an activity within the job-holder's control (Campbell,1996). Accountabilities are continuing. They do not change unless the job itself is reshaped. Results to be achieved in any given period of time are termed goals (ibid.).

## (iii) Statements of Accountabilities for Precision

Thirdly, statements of accountabilities should be straightforward, authoritative short statement sand to the point. A statement of accountability should guide the appraising manager by pinpointing specific key areas of concern. According to Cambridgeshire County Council (1992)such a statement should consist of a single sentence in the following form: In the performance appraisal meeting the appraiser will judge performance not only on the number of safety measures introduced and the outputs of the safety officer but also on the reduction in the rate of accidents, the effectiveness of the work, the results. In the same example, the implied criterion of measurement is the current rate of accidents. The performance standard could be set at an agreed percentage figure. It is helpful to be as specific as possible when selecting a verb. It is recommended that the use of general terms such as 'manage' should be avoided but used only when more precise action verbs will not do (NAHT,op. cit.).

The accountabilities of supervisors and subordinates must be properly related to each other. A single accountability of a supervisor may give rise to several distinct accountabilities among subordinates. Care should be taken such that accountabilities for the same result are not needlessly carried elsewhere in the organisation.

## (iv) The Purpose of Performance Measures

Fourthly, considering performance measures in evaluating PM system should provide evidence of whether the intended result has been achieved and the extent to which the job-holder has produced the output. These two aspects should not be confused: part of the review process is to check the implicit assumption in the accountability that the action produces the desired result.

## (v) Performance Measures to be Related to Accountabilities

Fifthly, is about the relationship of performance measures to accountabilities. Performance measures will work only if they are directly related to adequate and clear accountability statements. If accountability statements conform to rules, they will focus on the end-results and suggest measurement criterion. Thus, the key question to be answered in forming a performance measure is 'how progress towards the end result may be determined?' Implementation of the PM model will not be effective unless specific performance plans, measurement and control techniques are laid down. In practice there are various approaches the application of each one of which depends on the nature of an organisation. However, following recent public sector reforms it is becoming hard to draw a line between a private or public sector organisation because the same managerial techniques which have been predominant in the private sector for decades, are becoming widespread the public sector.

## 2.4.5 Implication of the PM Model for Organisational Strategy

The linkage between organisational strategy and performance is the cornerstone of the Kaplanand Norton's balanced scorecard and has been enormously acknowledged in the literature(Atkinson and McCrindell,1997; Atkinson and McCrindell(1997). When strategic concerns are impounded into a PM system, rather than the more limited concept of measurement, they become the focus of performance in an organisation. In the government sector, given that objectives are often stated in non-financial terms, non-financial performance measures needed as conventional financial reporting will not fully capture performance (Guthrie and English1997). Performance measurement is essential for choosing between alternative strategies and prioritising activities.

Kloot and Martin (1998) examine how PM systems incorporating strategic and operational issues are developed and integrated across LG in the State of Victoria, Australia. The aim of their research was to understand how in the LG environment, performance measurement systems are linked in an integrated holistic way to strategic choices of councils such that their overall operations efficiency and effectiveness are improved. Their argument is that when this occurs across the organisation a performance management system is in place. This study has extended this argument further by examining not only the capacity of local authorities to establish this linkage, but also the role of motivation in managing performance with particular interest in the rewards systems which are related to performance.

## 2.4.6 Performance Measurement Systems

In examining the development and use of performance measurement in British local government, the British experience approximately half of the respondents indicated that the introduction of performance measurement was not part of a coherent strategy (Palmer, 2000). This is clear evidence that there is no overarching, holistic performance management approach in a significant proportion of UK local government. The preoccupation is with measurement for purposes of compliance and control. This is clearly an important point when we consider the myriad of issues people in Australian local government experience as this industry faces significant, on-going change.

Recent Australian research confirms that prior to the 1990's reforms performance measurement, let alone performance management, was not a high priority in Victorian local government (Kloot,1997). Managerialist changes instituted by the State Government, consistent with managerialist changes in other Australian government

sectors, New Zealand, the UK, Canada and the USA (Dixon *et al*, op. cit.) now demand a focus on performance measurement. The most obvious managerialist change is the introduction of compulsory competitive tendering which requires performance information for the purposes of contract specification and management (Palmer, 2000.). The primary focus in the UK was, as Palmerand Ghobadian and Ashworth (1994) report, on financial information. This is also the case in Australia.

Another major driver for the establishment of performance information systems in BLG was the legislative requirement for councils to prepare annual performance management plans containing measures and indicators, designed to increase accountability. Over the last few years councils have refined and improved the quality of this process as they provide feedback to stakeholders: councillors, council employees, the community and the Government. The adoption of managerialist private sector practices by British local government suggests that there should be an increased focus on performance management. Strategic planning, businesses-engineering, customer service, quality assurance, performance management, risk management and accrual accounting under-pin managerialism (Dixon, 1999.). The first five of these practices are central to the research reported in this study, linking as they do the concepts of Fitzgerald *et al* (1991), Kaplan and Norton (1996) and Atkinson et al (1997).

# 2.4.7 Performance measurement and reward policy themes

Performance-related pay is a logical component of reforms aimed at more efficient and more effective, delivery of public services and is consistent with the rationalist economic philosophy that began to influence policy makers in OECD countries in the 1980s. The

rationale for the shift toward economic policies of smaller government, privatisation and low inflation was outlined in an OECD report dealing with structural adjustment and economic performance (1987).

These policies were, in a general sense, a response to the economic malaise that struck many OECD countries in the 1970s and early 1980s, the symptoms of which were low growth, low productivity and weak investment in conjunction with high unemployment and inflation. Flynn(1990) has identified several themes in the policies and reform agendas of the economic rationalists.

Some of these themes, but not all of them, are consistent with the measurement and rewarding of performance in the public sector. These include, among others, use of market mechanisms to allocate resources; competition amongst service providers; public choice as policy theme; transaction cost theory as policy theme; and strategic performance measurement

#### 2.5 THEORETICAL FOUNDATIONS OF MOTIVATION AND IMPLICATIONS

There are many competing theories of motivation. These theories may all be at least partially true, and help to explain the behavior of certain people of specific times. However a search for a generalized theory of motivation at work appears to be in vain. Therefore the manager must judge the relevance of these theories, how best to draw upon them and how they might be effectively applied in particular work situations. Reviewing these theories of motivation helps us to understand how the variables such as monetary and non-monetary rewards can motivate and the extent to which each reward type can motivate employees to perform in organizational setting.

Motivation theories are generally studied under three categories: content theories, process theories, and reinforcement theory (Sansone et al, 2002:260). Content theories focus on the analysis of underlying human needs. They provide insight into the needs that motivate people in the organisation. These needs convert into an internal drive that motivates specific behaviour in an effort to fulfill the needs. Process theories deal with the thought process that influence individuals' behaviour. Individuals assess their interaction with the work environment and consider what people are thinking about when they decide whether or not to exert effort in a particular activity. They are also concerned how employees seek rewards in the work circumstance, how they select behaviours with which to meet their needs and determine whether there choices were successful. Reinforcement theory on the other hand is concerned with the process employees learn the desired work behavoiur. Reinforcement theory merely looks at the relationship between behavoiur and its consequences (Yavuz, 2004)

# 2.5.1 Maslow's Hierarchy of Needs

In 1943, Brandeis University Psychologist Professor Abraham Maslow, one of the first researchers to study motivation, put forth his hierarchy of needs theory, which proposes that people are motivated by five levels of needs; physiological, safety, belongingness, esteem and self-actualization (Kinicki et al, 2003). These needs, Maslow maintains, are arranged in order of importance under the assumption that lower level needs must be satisfied before the next higher need becomes a motivating factor.

## **Implications for Managers**

There are some very important leadership implications to enhance workers motivation in this theory. The opportunity to motivate each employee is through adoption of the style of management, compensation plan, role definition and company activities.

**Physiological Needs:** Provide ample breaks for lunch and recuperation and pay salaries that allow workers to buy life's essentials.

Safety Needs: Provide working environment which is safe, relative job security, and freedom from threat.

**Social Needs:** Generate a feeling of acceptance, belonging and community by reinforcing team dynamism.

**Esteem Needs:** Recognize achievements, assign important projects and provide status to make employees feel valued and appreciated.

*Self Actualization:* Offer challenging and meaningful work assignments which enables innovation, creativity, and progress according to long-term goals (Kreitner*et al.* 2007: 237; Kinicki *et al.* 2003:380).

In view of the Maslow's Hierarcy of needs theory, monetary rewards are very important in meeting the basic needs of water, food, clothing, shelter. Therefore, monetary reward strategies like performance related pay, competence related pay, employee stock option, profit sharing plans has a potential to motivate workers. Employees have diverse needs; hence the extent to which a reward motivates an employee differs at the material time. Besides monetary rewards, non-monetary rewards are also required in the work setting to fully motivate workers to put in their best to realize set goals of the organization. With the higher order needs of self esteem and self-actualization, Maslow stresses the

importance of non-monetary rewards in motivating employees. The recognition, appreciation and commendation remind the performance of employees before coworkers. This creates esteem in the eyes of the co-workers. Other non-monetary rewards like opportunity for growth, challenging job, empowerment, and autonomy meet the needs of self-actualisation

## 2.5.2 Herzberg's Two Factor Theory

Frederick Herzberg arrived at his needs – based theory as a result of a landmark study of 203 accountants and engineers, who were interviewed to determine the factors responsible for job satisfaction and dissatisfaction. The outcome of Herzberg's research was *TWO-FACTORTHEORY*, which proposed that work satisfaction and dissatisfaction arise from two different set of factors and are classified thus:

**Table 1 Factors Affecting Job Attitude** 

Hygiene Factors	Motivators
Pay and security	Achievement
Working conditions	Recognition
Interpersonal relationship	The work itself
Company policy	Responsibility
Supervisors	Advancement
	Growth

**Source:** Marthis .L R, and Jackson H. J (2004:87) Human Resources Management (3<sup>rd</sup>Edn), Singapore, Thompson SouthWestern.

The hygiene factors are characteristics of the workplace. These factors are lower level needs and can make people unhappy if they are poorly managed. If they are well

managed and viewed as positive by employees, the employees will no longer be dissatisfied but hygiene factors lack the quality that truly satisfy or motivate employees to do a good job. According to Herzberg, the key to true job satisfaction and motivation to perform lies in the second category referred to as motivators. The motivators describe the job itself, which is what people do at work. When these factors are present, jobs are presumed to be both satisfying and motivating for most people (Kreitner *et al.*, 2007:240).

## **Implications for Management**

Based on the motivation — Hygiene theory, management must not only provide hygiene factors to avoid employee dissatisfaction but also must provide factors intrinsic (motivators) to the work itself in order for employees to be satisfied with their jobs. Hertzberg argued that job enrichment is required for intrinsic motivation and that it is a continuous management process. Based on the argument of Hertzberg, the job should have sufficient challenge to utilize the full ability of the employees. Employees who demonstrate increasing levels of ability should be given increasing levels of responsibility; management should concentrate on spurring motivation by providing opportunities for achievement, recognition, responsibility and personal growth. Motivation-hygiene theory constitutes a good framework for the validity of the argument that non-monetary rewards can be as effective as monetary rewards in the motivation of personnel. Hertzberg points out that what really motivates employees is the assignment of a challenging job, achievement, work it self, recognition, responsibility, opportunity for growth in the job. They have the potential to motivate employees intrinsically.

## 2.5.3 McClelland's Acquired Needs Theory

In his acquired-needs theory David McClelland proposed that an individual's specific needs are acquired over time and are shaped by one's life experiences. David McClelland has contributed to the understanding of motivation by identifying three types of basic motivating needs. He classified them as the need for Power (n/PWR), need for affiliation (n/AFF) and need for achievement (n/ACH) (Welhrich andLand, 2002). McClelland believes that the need for power, affiliation and achievement are the major motives determining people's behaviour in the work environment.

## **Implications for Management**

People with different needs are motivated in different ways.

*High Need for Achievement:* High achievers should be given challenging projects with reachable goals. They should be provided frequent feedback, while money may not be an important motivator; it is an effective form of feedback.

**Need for Affiliation:** Employees with a high affiliation need perform best in a cooperative environment.

**Need for power:** management should provide power seekers the opportunity to manage others.

It is worthy of note that McClelland's need theory allows for shaping of a person needs. Training programmes can be used to modify one's need profile. McClelland's acquired need theory is otherwise known as Learned Needs theory. According to this theory, high achievers strive to attain challenging goals, they prefer tasks that enable them to use their skills and initiative for problem solving and enjoy something not done before. People with need for affiliation like joining groups, participating in pleasant social activities and

to obtain great satisfaction for being accepted by other, such workers with affiliation needs perform best in corporative environment (Yavuz, 2004). Power motivated individuals should be provided with opportunity to manage others. They like to influence and direct others in the work environment. Carefully looking at this theory, non-monetary rewards like autonomy, influence, recognition, job enrichment, job enlargement and empowerment are required to motivate employees in the organization

## 2.5.4 Alderfer's Erg Theory

A theory of human needs that is more advance than Maslow's is Alderfer's ERG theory. Maslow's theory has general applicability but Alderfer aims his theory expressly at understanding people's need at work. Alderfer's ERG theory postulates three sets of needs: existence needs are all material and physiological desires. Relatedness needs involve relationships with other people and satisfaction through the process of mutually sharing thoughts and feelings. Growth needs motivate people to productivity or creatively change themselves or their environment. Satisfaction of growth needs comes from fully utilizing personal capacities and developing new capacities (Bateman Landy, 2009).

### **Implications for Management**

Unlike Maslow's theory, managers must recognize that employee has multiple needs to satisfy simultaneously. Furthermore, if growth opportunities are not provided to employees, they may regress to relatedness needs. If the manager is able to recognise this situation, these steps can be taken to concentrate on relatedness needs until the subordinate pursues growth needs. The existence needs imply that employee must be provided with monetary rewards to motivate them. Monetary reward meets nutritional and material needs of life. On the part of relatedness needs, Alderfer stresses the

importance of meaningful social relationships with family, friends, and colleagues at work. This means that team spirit is required in the work setting. Growth needs emphasise the importance of non-monetary rewards like achievement, creativity, discretion, participation for decision. Alderfer proposes that hierarchy among these needs is more complex due to the frustration-regression principle (Samson et al, 2002:60). It means that failure to meet a higher-order need may activate a regression to an already fulfilled lower-order need. For example, an employee who is not appreciated for doing a good job at work may not realize his self esteem needs. Thus, this need may revert to a lower order need and the employee may re-direct his/her effort towards making a lot of money.

## 2.5.5 Expectancy Theory

According to Jones *et al* (2000), expectancy theory was formulated by Victor H. Vroom in the 1960s. They further posit that motivation will be high when workers believe that high level of effort will lead to high performance and high performance will lead to the attainment of desired outcomes. Expectancy theory is one of the most popular theories of work motivation because it focuses on all the three parts of the motivation equation: Inputs, performance and outcomes. The theory identified three variables (factors) that determine a person's motivation. Such variables are expectancy, instrumentality and valance.

**Expectancy:** Means employees perception of the likelihood that their effort will enable them to attain their performance goals.

*Outcomes:* Mean the perceived results of actions. A consequence a person receives for his or her performance.

*Instrumentality:* Refers to the perceived relationship between performance and outcomes or rewards.

*Valence:* Refers to the person's preference for something. The value an outcome holds for the person contemplating it.

## 2.5.6 Equity Theory of Motivation.

Equity Theory suggests that employees' perceptions of a working situation in terms of how fairly they are treated compared with others influences their level of motivation. Motivation is a consequence of perceived inequity (Adams 1965). Thus, employees make comparisons and determine their work outcomes versus the efforts or inputs required to achieve the outcomes and compare these with outcomes and efforts of other employees. If they recognise that their compensation is equal to what others receive for similar inputs, they believe that their treatment is fair and equitable. Education, experience, efforts, ability and others are the inputs to the job by the employees. Outcomes employees receive from the job are pay, benefits, promotion and rewards etc.

Equity theory of motivation concentrates on people's perceptions of the fairness of their work outcomes relative to or in proportion to their work inputs. It focuses on how people perceive the relationship between the outcomes they receive from their jobs and organizations and the inputs they contribute. Equity theory was formulated in the 1960's by J. Stacy Adams who stressed that what is important in determining motivation is the *relative* rather than the *absolute* level of outcomes a person receives and inputs a person contributes. Specifically, motivation is influenced by the comparison of one's own outcome/input ratio with the outcome/input ratio referent. The referent could be another or a group of people who are perceived to be similar to one's self, the referent also could

be one's self in a previous job or one's expectations about what outcome /input ratio should be (Jones et al, 2000).

## **Implications**

Equity theory of motivation has a good framework for reward distribution in the work environment and the reward systems. To avoid inequity and low level of motivation of employees in the work organization, the distribution of rewards must be properly tied to attainment of performance goals. Competence related reward, performance related reward and employee stock option should be meted out based on skills and performance of employees in the organisation with fairness. It also implies that rewards like non-financial recognition, verbal commendation, newsletters, trophies, gift items and plaques should be given to employees who meet performance targets. Furthermore, the extent to which an employee is motivated with reward in the organization depends on 'feltfairness' in the allocation of rewards (monetary and non-monetary) to employees and the ratio of outcomes to his or her job inputs.

# 2.5.7 Organisational Justice and Equity

Recent theory development specifies that equity theory can be extended into what is now commonly known as organizational justice. Organizational justice reflects the extent to which people perceive that they are treated fairly at work. This in turn led to the identification of three different components such as distributive, procedural, and interactional justice (Luthans, 2008; Krietner et al, 2007). This theory explains the attitude and behaviour of employees based on their perception of how fairly they are treated with regard to distribution of monetary and non-monetary rewards in the organisation. It is also concerned with the procedure of reward design, and the manner

superiors and subordinates relate in the organization. This has either negative or positive effect on employee motivation, and individual, team, and organizational performance. Therefore, management of any organisation must consider how 'feltfairness' principle is ensured to properly motivate employees and promote performance.

The components of organizational justice are:

- Distributive justice is the perceived fairness of how recourses and rewards are distributed.
- Procedural Justice is the perceived fairness of the process and procedures used to make allocation decisions.
- Interactional Justice is the extent to which people felt fairly treated when procedures are implemented (Kreitner et al, 2007).

## 2.5.8 Goal Setting Theory

Goal setting theory suggests that employees can be motivated by goals that are specific, and challenging but achievable. According to psychologists Edwin Locke, and Garry Latham, who developed the theory, it is natural for people to set and strive for goals. However, the goal setting process is useful only if people understand and accept the goals. Thus, the best way to motivate employee performance is to set the right objectives (Kiniki et al, 2003). The benefits of setting goals is that a manager can tailor rewards to the needs of individual employees, clarity of what is expected of them, provide regular reinforcement, and maintain equity.

## **Practical Application of Goal Setting**

In developing employee goals, make sure the goals are not only specific, challenging and achievable but also are as follows:

- > Set goals jointly with the employees
- > Promote goal commitment
- ➤ Provide support and feedback
- ➤ Goals are measurable
- ➤ Have a target date of attainment

The idea behind goal setting theory is that through goal setting, an employee knows what needs to be done and how much effort will be exerted. It is assumed that individuals compare their current performance to the required level of performance for the accomplishment of a goal (Donnelly et al, 1984 cited in Peretomode and Leavitt, 2005; Yavuz 2004).

## 2.5.9 Reinforcement Theory

Reinforcement theory considers the use of positive (praise, recognition, pay bonus) or negative reinforcers to motivate individuals or create an environment of motivation. That is behaviour is considered to be environmentally caused (Donnelly et al,1984:cited in peretomode et al, 2005). The approach used to influence behaviour in organisations through the manipulation of reinforcement is referred to as *operant conditioning or behaviour modification techniques*.

Basically, the management of behaviour in an organisation is based on two principles. The first is *Thorndike's Law of effect*. It states that behaviour that results in a pleasing outcome (rewarding consequences) is likely to be repeated; behaviour that results in an unpleasant outcome (punishing consequences) is not likely to be repeated. The second principle is that by B. F. Skinner. It states that by providing properly scheduled rewards, it is possible to influence individual behaviours. *Continuous reinforcement* schedules are

most likely to result in the fastest learning than intermittent reinforcement schedules. The theory is a different approach than content and process theories in that it simply looks at the relationship between behaviour and its consequences. It analyses the effects of rewards and punishments on changing or modifying the employees' job related behaviour (Yavuz, 2004).

## **Using Reinforcement to Motivate Employees**

**Positive Reinforcement:** There are several aspects of positive reinforcement which should definitely be part of the toolkit of managerial skills.

- Reward only desirable behaviour.
- > Give rewards as soon as possible.
- ➤ Be clear about what behaviour is desired.
- ➤ Have different rewards and recognise individual differences.

**Punishment:** There will be times when there would be need to threaten or administer an unpleasant consequences to stop an employee's undesirable behaviour.

- > Punish only undesirable behaviour
- ➤ Give reprimands or disciplinary actions as soon as possible.
- ➤ Be clear about what behaviour is undesirable.
- Administer punishment in private.
- Combine punishment and positive reinforcement (Kinicki et al 2003:394).

#### 2.6 EMPERICIAL REVIEW

John (2002) conducted a study on the Role of Motivation in Performance Management: The case of performance-related-pay schemes in British local authorities. The objectives of the study: To understand the impact of pay on organisational performance; To find the effect of reward on organisational. The research uses data from in-depth interviews, questionnaires, and desk research based on a case study of performance-related pay schemes in UK local authorities. Findings of the study indicate that pay significantly impact on organisational performance; reward significantly affect organisational performance

Aacha(2005) Carried Out a Work on Motivation and The Performance of Primary School Teachers in Uganda, The study had the following objectives to find out whether motivation of teachers has any effect on their morale to perform, to find out the effect of intrinsic motivation on the performance of teachers, to find out the effect of extrinsic motivation on the performance of teachers. findings of the study findings indicated that the majority of the respondents were intrinsically motivated by the responsibilities they performed in the school that gave them a sense of control over others, interaction and development of relationship with people from many areas, recognition and respect accorded to teachers by the community and the challenging nature of the teaching profession; findings revealed that the extrinsic motivators available to teachers in various primary schools in Kimaanya-Kyabakuza division were free meals, prompt salary payments, advance payment from the schools in case teachers had financial problems, leave of absence in case a teacher had a reason to justify it and, extra teaching allowances to teachers.

Thomas (2012)investigate on the effects of Motivation on Employee Performance. The study revealed that if management withdrew motivational packages it will have serious repercussions on employees" performance. There was a positive relation between

employee performance and corporate performance since employees were able to achieve the bank's performance indicators in terms of deposits, loan recovery, profitability and also ensuring the liquidity of the banks. The conduciveness of the office environment has first time impression on the customers and the welfare of the employees. Management can develop new theories such as equity, maclland theory, Abraham Maslow and Hertzberg two factors to ensure employees achieve work targets.

Opu (2008) conducted a study on motivation and work performance: complexities in achieving good performance outcomes. The study had the following objectives: to establish which motivational measures are currently in place and how effective are these, to establish whether a positive relationship exists between motivationalmeasures and improved performance, to establish ways to improve the performance and motivation of workers. Findings of the study reviews that there is positive relationship between motivational measure and improve performance, pay, Training funds ,good working environment are the ways to improve the performance and motivational measure.

#### 2.7 SUMMARY OF LITERATURE REVIEW

Motivation of employees is an essential element in any work environment because it has a significant impact on job performance of the workforce and helps in the attainment of corporate goals. Motivation means the inner desires of employees expressed in the form of actions and efforts towards job roles. The efforts of employees are triggered towards subunit and corporate goals attainment. This is realized through monetary and non-monetary rewards provided by any organization in alignment with employee needs and business strategy of any entity. Rewards are cash or non-cash incentives allocated to employees for their contribution to organizational goal attainment. It is the consideration that flows from the performance of the contract of employment relationship.

Diverse motivational theories were considered in this study. They are Maslow's Hierarchy of needs theory, Herzberg Two-factor theory, McClelland Acquired needs theory, Alderfer ERG theory, Equity theory, Expectancy theory, Goal Setting theory and Reinforcement theory. These theoretical propositions enable us to have a basic understanding of employee work behaviour and underscore the need for the articulation of integrated and sound rewards strategies and policies. In order words, the design of total rewards strategies should be on the basis of the theoretical underpinnings with a view to influencing individual employee and subunits employee work behaviour for achieving organizational goals.

From the review of theoretical frameworks and empirical studies, there were inconsistencies, skepticism and debate about the motivational potency of the rewards on employee job performance. Organizational behaviours scholars conducted studies on the relationship between extrinsic, intrinsic rewards and employee performance, the use of non-monetary rewards in public sector organizations, relationship between job satisfaction and employee performance

## 2.8 CRITIQUES OF MOTIVATION THEORIES

Maslow can be criticized from many angles. He was not very scientific in his investigations, as he readily admitted. He liked lists. Read Maslow and you find lists of B-values, lists of characteristics of self-actualizers, lists of objectives for future humanistic psychologists, even lists of possible research projects...but never actual research. What are some criticisms of Maslow? Maslow said he "studied" and "discovered" characteristics of self-actualizers, and he objected to complaints that he had merely invented the self-actualizer syndrome. But the complaint seems valid. Maslow never presented data to prove that his lists of characteristics of self-actualizers were accurate. He just said it was obvious, or that every healthy person he knew acted this way, or that "my research showed me" how self-actualizers acted. This does not mean

Maslow was wrong, but it does mean that his opinions were not validated in the normal scientific way, by finding independent sources of evidence

The procedure that Herzberg used is limited by its methodology. When things aregoing well, people tend to credit themselves. Contrarily they blame future on the extrinsic environment. The reliability of this methodology is questioned. Raters make to interpretations so they may contaminate the findings by interpreting one response in one manner while treating a similar response differently. No overall measure of satisfaction was utilized as a person may dislike a part of a job yet still think the job is acceptable overall. He assumes that a relationship between satisfaction and productivity, but the researchmethodology he used looked only at satisfaction and not at productivity.

Traditionally, equity theory has been tested by monitoring there action of individuals to experimentally induced situations of inequity by intentionally under- or overpaying them (Landy & Conte, 2010; p. 375). It was expected that underpaid participants would lower the quality or quantity of their output, whereas people who were overpaid would raise the quality or quantity. In general, results supported the under payment predictions, but not the overpayment ones, which may be due to the fact that inequity due to overpayment is not as stressful as inequity because of under payment.

Most criticisms on equity theory concern the artificial laboratory conditions in which the theory has been tested. Yet, an even more pertinent issue is whether the theory as suggested by Adams (1965) really holds. Most studies are unable to answer this question as this requires the theory to be evaluated within each person's value system. In particular, equity theory predicts a decrease (increase) in work effort in a situation of underpayment (overpayment), with the exact decrease (increase) in work effort depending on the person's valuation of the effort and the underpayment (overpayment). However, traditional research on equity theory only measures whether the work effort increases or decreases, but fails to test whether the magnitudes of these increases or decreases are in line with what equity theory would predict. Hence, at best, these studies provide weak

support for the model because a variety of alternative models are able to make exactly the same predictions.

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# CHAPTER THREE

#### RESEARCH METHODOLOGY

#### 3.1 RESEARCH DESIGN

According to Onwumere (2005) a research design is a kind of blueprint that guides the researcher in his/her investigation and analysis it is a format which the researcher employs in order to systematically apply the scientific method in the investigation of problems. The researcher made use of descriptive research method. This method is appropriate because it helped the Research to describe, examine record, analyze, and interpret the variables that exist in the study. It is also useful because of the relatively lager population form which the information was collected. The design is thus justified since the respondents are spread all over the departments that make up the case originations and researcher is interested in collecting their responses through the use of questionnaires. In addition the researcher also used oral interview b'scos of its factual implication on the study.

#### 3.2 SOURCES OF DATA

In the course of conductivity this Research work two types of data will be collected. The nature of each of these types is briefly described below.

## 3.2.1 Primary Data

Data were collected through the administration of questionnaire, observation and the holding of personal interview which are instruments of the survey method research.

## 3.2.2 Secondary Data

Secondary sources comprise of existing literatures: materials in the libraries, archives, public offices and Internet. Together this vital data, the following sources were employed by the researcher, textbooks, journal, magazines, internet and unpublished articles.

#### 3.3 POPULATION OF THE STUDY

The study population consists of the entire staff of Federal Dental School, Trans-Ekulu, Enugu State Nigeria. The target population of this study includes the Junior(280) and Senior staff (183). With a total number of (468) employees, are the available records as at the time of the study. The table below gives a picture of the staff distribution in two forms.

**Table 2 POPULAIOTN DISTRIBUTION** 

Categories of Staff	Number	
Senior Staff	183	
Junior Staff	280	
TOTAL	463	

**Source: Human resource Management, 2014** 

## 3.4 SAMPLE SIZE

Sample is a fraction of the total population whose characteristic is used to represent the entire population.

Since it is not impossible for the research to study all the items that make up the population in this studythe researcher will select a representative figure of employees in the organization.

To determine the size of the sample representative of the population in this study, the researcher will make use of mathematical and statistical formula. TheResearch will make use of Taro Yamane formula indicated below

$$\frac{N}{N = 1 + N(e)2}$$

Where n = sample size

e = level of significant/error

Margin (5%)

N = Total population of the study

1 = constant value.

From the study the sample size is computed as :.

$$\begin{array}{rcl}
 & = & \underline{463} \\
 & = & 1+463(0.05)^2 \\
 & \underline{463} & = & \underline{463} & = 210 \\
 & = & 1+1.1575 & 1.1975
\end{array}$$

This gives a sample size of

$$n = 210$$

. Therefore 210 represent the sample size for the population, the sample size for each, stratum or category of staff to be sample is estimate using Bowley's proportional allocation statistical technique stated below.

$$nh = \underline{nNh}$$

N

Where nh = The number of unit allocated to each stratum/category of staff.

Nh = The number of staff in each stratum category of staff

n = The total sample size

N = The actual or total population

Thus:

Proportion of senior management staff to be sampled.

$$nh = 183 \times 210 = 83$$
 $463$ 

Proportion of junior staff to be sampled

$$nh = 280x 210 = 127$$
 $463$ 

## 3.5 INSTRUMENT FOR DATA COLLECTION

The instrument for the data collection that will be utilized for this study is self-developed structured questionnaire. The questionnaire will be structured in the line with variables of the study already stated in the hypothesis.

Itsuokor (1995) consider the use of questionnaire a one of the best instrument for measuring personal background factual knowledge, attitude, and opinion in a descriptive survey design. A questionnaire consists of different kinds of information and questions. It is usually divided into parts,. The major part of the questionnaire are the introductory or convey letter, various instruments for competing the questionnaire, a classification section requesting profile information about the subjects of the study and the section containing questions relating to the subject matter of the investigation, this approach according to Osuola (1993) is appropriates for a descriptive survey design.

Furthermore, staff of the organization will be interviewed orally the responses from the interview will be used to complement the questionnaire. Also, the researcher will make a direct observation on what is going on in the company.

#### 3.6 DATA ANALYSIS TECHNIQUES

Data presentation analysis involves the conversion and processing of the data generated in a study into information. Based on this study Chi-square will be used to calculate the three hypotheses.

$$X^{2} = \underline{\sum (\text{Fo-F e})^{2}}$$
Fe

where:

Fo = observed frequency

Fe = Expected Frequency

## 3.7 VALIDATION OF INSTRUMENT

Chisnall(1989) defines validity as the extent to which a measuring instrument measures what it tends to measure to validate the research instrument the researcher will ensure that the self-structured questionnaire will be subjected content and construct validities under the experience hands of some erudite scholars in management and statistics. A proper structuring of the questionnaire will be carried out to ensure that they are valid.

#### 3.8 RELIABILITY OF THE RESEARCH INSTRUMENT

To test for reliability of the instrument, a test re-test method was adopted in which 10 copies of the questionnaire were distributed to staff of the federal dental school, trans-Ekulu Enugu state Nigeria. After some days, the instrument was collected and readministered for second time, using the spearman rank Correlation, coefficient of reliability which was found to be r=0.56 showing that there is consistency in the items of the survey.

Table 3 Spearman rank Correlations coefficient

	-	-		Performanc
			MVT	e
Spearman's	MVT	Correlation	1.000	.560(**)
rho		Coefficient	1.000	.300(**)
		Sig. (2-tailed)		.000
		N	25	25
	Performance	Correlation	.560(**)	1.000
		Coefficient	.300(**)	1.000
		Sig. (2-tailed)	.000	
		N	10	10

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

# 3.9 DECISION RULE

Reject Ho if the calculated value of  $X^2$  is greater than the value of  $X^2$  obtained from the table at 5% level of significance and 5 degrees of freedom and do not reject Ho if otherwise.

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## **CHAPTER FOUR**

## PRESENTATION AND ANALYSIS OF DATA

This chapter present analysis and interprets the data collected for the study. Data were collected in frequency table and percentage were used for data analysis. From a total two hundred and Ten (210) questionnaire sent to the respondents. One hundred and ninety (190) respondents 90% were daily completed and returned, while twenty (20) representing 10% copies were not returned.

Table 4 Distributions and Return of the questionnaire

Organiza	ation	No	%	No	%	No	%
		Distributed		Returned		Returned	
Federal School	Dental	210	100	190	90	20	10

 Table 5 Academic qualification respondents

Qualification	Frequency	%
OND	8	4
HND	20	11
BSC	154	81
MSc/MBA	8	4
Total	190	100

Sources: field survey, 2014

Table 5 reveals that 4% of the respondents hold OND, 11% were HND holders, 11% were HND holders, 81% were B.Sc degree holders, MSc/MBA degree holder constitute 4%. This implies that majority of the respondents hold BSc followed by HND.

**Table 6 Sex of the respondents** 

Sex	frequency	%
Male	55	29
Female	135	71
Total	190	100

**Sources: field survey 2014** 

From table 6, it was observed that 55 respondents representing 29% were male while 135 respondents representing 71% were females. This indicated that female were more than the males.

**Table 7 Marital Status of the respondents** 

<b>Marital Status</b>	frequency	%
Single	105	55
married	80	42
Widowed	5	3
Total	190	100

**Sources: field survey 2014** 

From table 7, it was observed that 105 respondents representing 55% were single, 80 respondents representing 42% were married while 5 respondents representing 3% were widowed.

**Table 8 Age of the respondents** 

Age	frequency	%
Under 30 years	97	51
31-40 years	53	28
41-50 years	29	15
51 years above	11	6
Total	190	100

Sources: field survey 2014

From table 8, it was observed that 97 respondents representing 51% were under 30 years, 53 respondents representing 28% were 31- 40 years, 29 respondents representing 15% were 41- 50 yearswhile 11 respondents representing 6% were 51 years above.

**Table 9 working experience of the respondents** 

Working experience	frequency	%
Blow 5 years	85	45
5-10 years	43	23
11-20 years	50	26
21 years above	12	6
Total	190	100

Sources: field survey 2014

From table 9, it was observed that 85 respondents representing 45% had a working experience below 5 years, 43 respondents representing 23% had working experience between5- 10 years, 50 respondents representing 26% had working experience between 11- 20 years while 12 respondents representing 6% had a working experience from 21 years and above.

**RESEARCH QUESTION:** I What is the effect of promotion in productivity Federal dental School.

Question 10 Employee Get More Committed when they get Promotion

Rating	Frequency	%
Strongly Agree	90	47
Agree	85	45
Undecided	5	3
Disagree	6	3
Strongly Agree	4	2
Total	190	100

Source: field survey 2014

Table 10 reveals that 47% of the respondents indicated strongly agree, 45% of the respondents indicated undecided, 3% of the respondents indicated disagree while 2% of the respondents indicated strongly disagree. This implies that employee get more committed why they get promotion.

Question 11 Employee Development & Training Contribute to Organizational Productivity.

Rating	Frequency	<b>%</b>
Strongly Agree	120	63
Agree	55	29
Undecided	2	1
Disagree	6	3
Strongly Agree	7	4
Total	190	100

Table 11 reveal that 63% of the respondents indicated strongly agree, 29% of the respondents indicated agree, 1% of the respondents indicated undecided, 3% of the respondents indicated disagree while 4% of the implies employee development and Training contribute to productivity.

**Question 12 Promotion Increase Employee Salary which Increase Output** 

Rating	Frequency	<b>%</b>
Strongly Agree	70	37
Agree	90	47
Undecided	15	8
Disagree	8	4
Strongly Agree	7	4
Total	190	100

**Source: Field survey 2014** 

Table 12 reveals that 37% of the respondents indicated strongly agree, 47% of the respondents indicated agree, 8% of the respondents indicated undecided, 4% of the respondents indicated disagree while 4% of the respondents indicated strongly disagree. This implies that production increase employee salary which in turn increases output.

Question 13 Employee advancement significantly increase productivity

Rating	Frequency	<b>%</b>
Strongly Agree	100	53
Agree	40	21
Undecided	10	5
Disagree	25	13
Strongly Agree	15	8
Total	190	100

**Source: Field survey 2014** 

Table 13 reveals that 53% of the respondents indicated strongly agree, 21% of the respondents indicated agree, 5% of the respondents indicated undecided, 13% of the respondents indicated disagree while 8% of the respondents indicated strongly disagree. This implies that employee advancement significantly increase productivity.

## **Research Question 2**

What is the effect of adequate salaries and wages on creativity of federal dental school.

Question 14 Adequate salaries induce employees to job creativity

Frequency	%
115	61
57	30
6	3
10	5
2	1
190	100
	115 57 6 10 2

**Source: Field survey 2014** 

Table 14 reveals that 61% of the respondents indicated strongly agree, 30% of the respondents indicated agree,3% of the respondents indicated undecided, 5% of the respondents indicated disagree while 1% of the respondents indicated strongly disagree. This implies that adequate salaries induce employees to job creativity.

Question 15 Decrease in salary reduce employee participation in creative activities

Rating	Frequency	%
Strongly Agree	135	71
Agree	38	20
Undecided	4	2
Disagree	5	3
Strongly Agree	8	4
Total	190	100

**Source: Field survey 2014** 

Table 15 reveals that 71% of the respondents indicated strongly agree, 20% of the respondents indicated agree, 2% of the respondents indicated undecided, 3% of the respondents indicated disagree while 4% of the respondents indicated strongly disagree. This implies that decrease in salary reduce employee participation in creative activities.

Question 16 Attachment of organizational creativity with wages and bonus increase organizational effectiveness

Rating	Frequency	<b>%</b>
Strongly Agree	158	83
Agree	21	11
Undecided	4	2
Disagree	7	4
Strongly Agree	_	_
Total	190	100

Source: Field survey 2014

Table 16 reveals that 83% of the respondents indicated strongly agree, 11% of the respondents indicated agree, 2% of the respondents indicated undecided, while 4% of the respondents indicated disagree. This implies that attachment of organizational creativity wages and bonus increase organizational effectiveness.

Question 17 Creativity can be Promoted, it Workers are Allowed to Participate in Decision Making

Rating	Frequency	%
Strongly Agree	111	58
Agree	70	37
Undecided	4	2
Disagree	3	2
Strongly Agree	2	1
Total	190	100

**Source: Field survey 2014** 

Table 17 reveals that 58% of the respondents indicated strongly agree, 37% of the respondents indicated agree, 2% of the respondents indicated undecided, 2% of the respondents indicated disagree, while 1% of the respondents indicated strongly disagree. This implies that creativity can be promoted, if workers are allowed to participate in decision making.

Research Question 3: What is the effect of allowances on efficiency of federal dental school

Table 18 Bonus and Compensation Motivate Employees and Improve Organizational Effectiveness

Rating	Frequency	0/0
Strongly Agree	91	43
Agree	84	44
Undecided	8	4
Disagree	7	4
Strongly Agree	_	_
Total	190	100

Source: Field survey 2014

Table 18 reveals that 48% of the respondents indicated strongly agree, 44% of the respondents indicated agree, 4% of the respondents indicated undecided, 4% of the respondents indicated disagree, while non was recorded for strongly disagree. This implies that Bonus and compensation motivate employees and improve organizational effectiveness.

**Question 19 Extra Allowances Make Employees to Put in their Best** 

Rating	Frequency	%
Strongly Agree	49	26
Agree	104	55
Undecided	10	5
Disagree	25	13
Strongly Agree	2	1
Total	190	100

**Source: Field survey 2014** 

Table 19, Reveals that 26% of the respondents indicated strongly agree, 55% of the respondents indicated agree, 5% of the respondents indicated undecided, 13% of the respondents indicated disagree, while 1% of the respondents indicated strongly disagree. This implies that extra allowances make employees to put in their best.

Question 20 Organizations can Achieve Efficiency through Attaching Work with Allowance

Rating	Frequency	<b>%</b>
Strongly Agree	109	57
Agree	77	41
Undecided	52	1
Disagree	2	1
Strongly Agree		
Total	190	100

Source: field survey 2014

Table 20 reveals that 57% of the respondents indicated strongly agree, 41% of the respondents indicated undecided, 1% of the respondents indicated undecided, 1% of the respondents indicated disagree. This implies that organizations can achieve efficiency through attaching work with allowance.

Question 21 Holiday and Giving Party to Staff Kids are part of Allowance that Promote Organizational Performance

Rating	Frequency	%
Strongly Agree	56	29
Agree	106	56
Undecided	15	8
Disagree	10	5
Strongly Agree	3	2
Total	190	100

Source: field survey 2014

Table 21 reveals that 29% of the respondents indicated strongly agree, 56% of the respondents indicated agree, 8% of the respondents indicated undecided, 5% of the respondents indicated disagree, while 2% of the respondents indicated strongly disagree. This implies that holiday and staff children party are part of allowance that promote organizational performance.

RESEARCH QUESTION 4 What is the effect of Good Working Environment on Profitability of Federal Dental School.

Question 22 Friendly and clean environment induce workers to put their effort which increase organizational profit.

Rating	Frequency	0/0
Strongly Agree	110	57
Agree	70	37
Undecided	-	-
Disagree	5	3
Strongly Agree	5	3
Total	190	100

Source: field survey 2014

Table 22 reveals that 57% of the respondents indicated strongly agree, 37% of the respondents indicated agree, 3% of the respondents indicated disagree, while 3% of the respondents indicated strongly disagree. This implies that friendly and clean environment induce workers to put their effort which increase organizational profit.

Question 23 There is a Positive Relationship BetweenWorking Environment and Organizational Performance.

Frequency	%
85	55
65	34
10	5
15	8
15	8
190	100
	85 65 10 15

Source: field survey 2014

Table 23 reveals that 55% of the respondents indicated strongly agree, 34% of the respondents indicated agree, 5% of the respondents indicated undecided, 8% of the respondents indicated disagree while 8% of the respondents indicated strongly disagree..

This implies that there is a positive relationship between working environment and organizational performance

# **Hypothesis One**

Ho:1 promotion does not significantly affect productivity in federal dental school.

H<sub>A</sub>: 1 Promotion significantly affect productivity in federal dental school.

**Table 24 Chi-Square Tests** 

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi- Square	45.483(a)	12	.000
Likelihood Ratio	44.700	12	.000
Linear-by-Linear Association	.281	1	.596
N of Valid Cases	760		

.Source: SPSS Version 15.00.

Table 24 is the output of the computed Chi-Square values from the cross tabulation statistics of observed and expected frequencies with the response options of agree to disagree based on the responses of the research subjects from federal dental school. Pearson. Chi-Square computed value ( $X_c^2 = 45.485$ ) is greater than the Chi –Square tabulated value ( $X_t^2 = 21.03$ ) with 12 degrees of freedom (df) at 0.05 level of alpha ( $X_c^2 = 45.483$ , p,< .05)

## **Decision Rule**

The decision rule is to accept the alternate hypothesis if the computed Chi- Square value is greater than tabulated Chi-Square value otherwise reject the null hypothesis.

## Decision

Since the Pearson Chi- Square computed  $X^2_c$ = 45.483 is greater than Chi- Square table value  $X^2_t$  =21.03 , the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that ppromotion significantly affect productivity in federal dental school.1

## **HYPOTHESIS TWO**

Ho: 2 Adequate salaries and wages do not significantly affect creativity of federal dental school.

.  $H_A$ : 2 Adequate salaries and wages significantly affect creativity of federal dental school.

**Table 25 Chi-Square Tests** 

	Value	df	Asymp. Sig.(2-sided)
Pearson Chi- Square Likelihood Ratio Linear-by-Linear Association N of Valid Cases	79.176(a ) 79.213 21.204 760	12 12 1	.000 .000 .000

.Source: SPSS Version 15.00.

Table 25, is the output of the computed Chi-Square values from the cross tabulation statistics of observed and expected frequencies with the response options of agree to disagree based on the responses of the research subjects from federal dental school. Pearson. Chi-Square computed value ( $X_c^2 = 79.176$ ) is greater than the Chi –Square

tabulated value ( $X_t^2$ =21.03 ) with 12 degrees of freedom (df) at 0.05 level of alpha ( $X_c^2$ =79.176, p,< .05)

#### **Decision Rule**

The decision rule is to accept the alternate hypothesis if the computed Chi-Square value is greater than tabulated Chi-Square value otherwise reject the null hypothesis.

#### **Decision**

Since the Pearson Chi- Square computed  $X^2_c$ = 79.176 is greater than Chi- Square table value  $X^2_t$  =21.03, the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that adequate salaries and wages—significantly affect creativity of federal dental school.

#### HYPOTHESIS THREE

Ho:3 Allowances does not significantly affect creativity hat motivation affect productivity of federal dental school.

H<sub>A</sub>:3 Allowances significantly affect creativity hat motivation affect productivity of federal dental school.

Table 26 Chi-Square Tests computed from the frequency cross tabulation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi- Square Likelihood Ratio Linear-by-Linear Association N of Valid Cases	153.665( a) 168.203 52.110	12 12 1	.000 .000 .643

Source: SPSS Version 15.00.

Table 26, is the output of the computed Chi-Square values from the cross tabulation statistics of observed and expected frequencies with the response options of agree to disagree based on the responses of the research subjects from five banks . Pearson. Chi-Square computed value ( $X_c^2 = 153.665$ ) is greater than the Chi-Square tabulated value ( $X_c^2 = 153.665$ ) with 12 degrees of freedom (df) at 0.05 level of alpha ( $X_c^2 = 153.665$ , p,< .05)

#### **Decision Rule**

The decision rule is to accept the alternate hypothesis if the computed Chi-Square value is greater than tabulated Chi-Square value otherwise reject the null hypothesis.

#### **Decision**

Since the Pearson Chi- Square computed X2c= 153.665 is greater than Chi- Square table value X2t =21.03, the null hypothesis is rejected and alternate hypothesis is accepted.

Thus, we conclude that allowances significantly affect creativity hat motivation affect productivity of federal dental school.

#### HYPOTHESIS FOUR

- Ho:4 Good working environment does not significantly affect profitability of federal dental school.
- .  $H_A$ :4 Good working environment significantly affect profitability of federal dental school.

Table 27 Chi-Square Tests Computed from the Frequency Cross Tabulation

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi- Square Likelihood Ratio Linear-by-Linear Association N of Valid Cases	153.665( a) 168.203 52.110 380	6 6 1	.000 .000 .000

Source: SPSS Version 15.00.

Table 27, is the output of the computed Chi-Square values from the cross tabulation statistics of observed and expected frequencies with the response options of agree and disagree based on the responses of the research subjects from federal dental school. Pearson. Chi-Square computed value ( $X_c^2 = 153.665$ ) is greater than the Chi –Square

tabulated value ( $X_t^2 = 12.59$ ) with 6 degrees of freedom (df) at 0.05 level of alpha ( $X_c^2 = 153.665$ , p,< .05)

## **Decision Rule**

The decision rule is to accept the alternate hypothesis if the computed Chi-Square value is greater than tabulated Chi-Square value otherwise reject the null hypothesis.

## **Decision**

Since the Pearson Chi- Square computed  $X_c^2 = 153.665$  is greater than Chi- Square table value  $X_t^2 = 12.59$ , the null hypothesis is rejected and alternate hypothesis is accepted. Thus, we conclude that good working environment significantly affect profitability of federal dental school

#### **CHAPTER FIVE**

## SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

#### **5.1 SUMMARY OF FINDING**

- 1 Promotion significantly affects productivity offederal dental school ( $X_c^2 = 45.483$  is greater than Chi- Square table value  $X_t^2 = 21.03$ )
- 2. Adequate salaries and wages significantly affect creativity of federal dental school(computed  $X_c^2=79.176$  is greater than the Chi –Square tabulated value  $X_t^2=21.03$ )
- 3. Allowances significantly affect creativity hat motivation affect productivity of federal dental school (chi- Square computed X2c= 153.665 is greater than Chi-Square table value X2t = 21.03).
- 4. Good working environment significantly affect profitability of federal dental school (chi-Square computed value  $X_c^2=153.665$  is greater than the Chi –Square tabulated value  $X_t^2=12.59$ ).

#### **5.2 CONCLUSION**

It is concluded that workers place great value on the different rewards given to them by their employers. Hence, when these rewards are not given, workers tend to express their displeasure through poor performance and non-commitment to their jobs. Therefore, organizations should consider the needs and feelings of their workforce and not just over look them in order to guard against industrial disharmony.

Employees from the three firms prefer monetary reward to non-monetary reward. This suggests that monetary reward had more effect on the work behaviour of employees than non-monetary reward for performance.

There is also an association between monetary rewards made available for employees with their level of job satisfaction and performance in the Federal Dental Schools. Nonetheless, non-monetary rewards also have motivational potential to influence employee work behaviour for performance.

#### 5.3 RECOMMENDATIONS

Based on the findings of the study, the following recommendations were made;

- Monetary rewards like bonuses, performance based rewards, should be provided to attract, retain and motivate employees for the performance of Federal dental schools.
- 2. Non-monetary rewards like autonomy, recognition and praise should be offered to employees to promote employee retention, loyalty and performance of employees.
- Reward preferences of employees should be considered in the distribution of reward types (monetary and non-monetary) to deserving employees for maximum employee performance.
- 4. There should be a periodic review of financial rewards to reflect the economic realities over time and ensure that such rewards remain valuable to employees, possess motivational and job satisfaction potential for optimum employee output.

# **5.4 AREA FURTHER STUDY**

Impact of non- monetary on performance of federal dental school

Effect of motivation on organizational commitment

Influence of monetary on organizational performance

Reward and implication for organizational effectiveness

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APPENDIX I: QUESTIONNAIRE

Department of Management,

Faculty of Business Administration,

University of Nigeria,

Enugu Campus.

Dear Respondent

I am a postgraduate student of the above mentioned university, currently conducting a research on effect motivation on organizational performance.

The research is strictly academic. It will be of immense assistance if answers to the questions in the questionnaire are given without bias. Your response will be treated with utmost confidentiality and will be used solely for the purpose of this research.

Thanks in anticipation of your special co-operation

Yours Faithfully,

**OKOYE EVANGELINE** 

# **SECTION A**

<b>BIOGRAPHICAL</b>	<b>QUESTIONNAIRE</b>
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1	Sex (a) Male [ ] (b) Female [ ]
2	Marital Status (a) single [ ] (b) Married [ ] (c) Widowed [ ]
3	Educational Qualification  (a) OND/NCE [ [ (b) HND/BSC [ ] (c) MBA/MSC [ ]
4	Age (a) Under 30 years [ ] (b) 31-40 years [ ]
	(c) 41-50 years [ ] (d) 51 years above [ ]

# **SECTION B**

**INSTRUCTION:** please indicate your views about the statements by ticking the option which most closely matches your opinion. Use the responses of Strongly Agree (SA) = 5, Agree (A) = 4, Disagree (D) = 3, Strongly Disagree (SD) = 2.

		AS	A	UD	D	SD
1	Employee Get More Committed when they get Promotion					
2	Employee Development & Training Contribute to Organizational Productivity.					
3	Promotion Increase Employee Salary which Increase Output					
4	Employee advancement significantly increase productivity					
5	Adequate salaries induce employees to job creativity					
6	Decrease in salary reduce employee participation in creative activities					
7	Attachment of organizational creativity with wages and bonus increase organizational effectiveness					
8	Creativity can be Promoted, it Workers are Allowed to Participate in Decision Making					
9	Bonus and Compensation Motivate Employees and Improve Organizational Effectiveness					
	Extra Allowances Make Employees to Put in their Best					

10	Organizations can Achieve Efficiency through Attaching			
	Work with Allowance			
11	Holiday and Giving Party to Staff Kids are part of			
	Allowance that Promote Organizational Performance			
12	Friendly and clean environment induce workers to put their			
	effort which increase organizational profit			
13	There is a Positive Relationship Between Working Environment			
	and Organizational Performance			