EFFECT OF MOTIVATION ON EMPLOYEE PERFORMANCE: A CASE OF PAM GOLDING PROPERTIES LIMITED, NAIROBI

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UNITED STATES INTERNATIONAL UNIVERSITY- AFRICA
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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University - Africa in Nairobi for academic credit.

Signed: ________________________  Date: ________________________

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This Project Report has been Presented for Examination with my Approval as the Appointed Supervisor.

Signed: ________________________  Date: ________________________

Dr. Zachary Mosoti

Signed: ________________________  Date: ________________________

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ABSTRACT
The main purpose of this study was to examine the effect of motivation on the performance of employees using the case of Pam Golding Properties, Nairobi. Motivation plays an integral role in all organizations, whether private or public. In order for organizations to achieve their objectives, they must motivate their employees to work towards them. It is easier for an organization to achieve its goals when its employees are motivated towards their personal, professional and organizational objectives. It is important for organizations to establish motivational programs that improve motivation and consequently, performance of both the organization and the individual employee. This study was guided by the following research questions (i) what is the impact of motivational goal-setting on performance of employees? (ii) What is the effect of financial incentives on employee performance? (iii) How do recognition and reward programs affect performance?
A descriptive research design was adopted with Pam Golding Properties being the focus organization. The population of this study comprised of all the employees of Pam Golding Properties in Nairobi. The study populace and sampling frame comprised of a list of all representatives that worked at Pam Golding Properties in Nairobi and was gotten from the Human Resources department. The census technique was used in the study to select the respondents from the list of employees provided by the human resource department in order to capture the entire population, thus, the sample size of the study was 50. The data collecting instrument that was used was a tailor-made structured questionnaire developed by the researcher, particularly for this study. The questionnaire made use of a five-point Likert scale to rate the importance of various motivational factors. The research was analyzed using Statistical Package for Social Scientists (SPSS) version 24.

The study revealed that the management of Pam Golding Properties partially used motivational goal-setting to motivate their employees. The management allowed the employees to be involved when setting goals, although they did not find them challenging or difficult at all, despite them being specific. The study also showed that there was a lack of regular training and development for the employees to improve their key skills and knowledge and this is an area that should be addressed. Additionally, there was no mentorship program for employees either during on-boarding or to achieve their goals and
this would be greatly beneficial to them. Therefore, the management should re-structure the goals they provide and implement mentorship and training programs.

The study concluded that the employees at Pam Golding Properties were highly dissatisfied with the monetary package provided by the organization. The study showed that the pay received and the benefits package was not viewed by the employees as being competitive when compared to other real estate organizations. The study concluded that money was a highly motivating factor for the employees and management should look into increasing the monetary and benefits package they give.

The study concluded that the company partially used recognition and reward programs but they were not effective in motivating employees to perform. The current recognition and reward programs were perceived by the employees as being inequitable and unfair, thereby making them ineffective in motivating the employees. Therefore, the study recommends that management re-evaluates and re-engineers the current recognition and reward program and therefore change the perception of the employees about it.
ACKNOWLEDGEMENT

My sincere thanks to the Almighty God for guiding and enabling me to work on this research project and gain academic insight into this topic. I am also grateful to my supervisor- Dr. Zachary Mosoti for the support and guidance he has accorded me during the project.
DEDICATION

This research project is dedicated to my mother- Mrs. Eunice Wamaitha Waiyaki, without whom, I would not be the woman I am. Her never-ending support and encouragement throughout my life is a gift that I will never take for granted and I am forever indebted to her. This project is also dedicated to my late father, Dr. Benjamin Githieya Waiyaki; thank you for instilling in me the importance of education and the desire to continuously gain more knowledge- your spirit lives on through us. Finally to my siblings, Roselyn Wanjiku Waiyaki and Tyrus Githieya Waiyaki; may you continue to pursue the best version of yourselves with unrelenting vivacity and endurance. And, in the famous words of Marianne Williamson, always remember that “Our deepest fear is not that we are inadequate. Our deepest fear is that we are powerful beyond measure. It is our light, not our darkness that most frightens us.” God bless you and I love you all immensely.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem:

The term motivation is derived from the Latin word ‘movere’ which means to move (Baron, Henley, McGibbon and McCarthy, 2012). Certo (2016) describes motivation as giving people incentives that cause them to act in desired ways. Motivation has also been described as the process of arousing and sustaining goal-directed behavior (Nelson, 2013).

It is commonly agreed that there are two types of motivation, namely extrinsic and intrinsic. Intrinsic motivation is that behavior which an individual produces because of the pleasant experiences associated with the behavior itself (Mosley, Pietri and Mosley Jnr, 2012). They stem from motivation that is characteristic of the job itself. Examples are receiving positive recognition, appreciation, a sense of achievement and meeting the challenge. According to Beer and Walton (2014), intrinsic rewards accrue from performing the task itself, and may include the satisfaction of accomplishment or a sense of influence. Mosley, Pietri and Mosley Jnr. (2012) describe extrinsic motivation as the behavior performed, not for its own sake, but for the consequences associated with it. Examples include salary, benefits and working conditions. Extrinsic rewards come from the organization as money, perquisites or promotions from supervisors and co-workers as recognition (Beer and Walton, 2014). Employees are motivated by a combination of both factors at any given point in time (Riggio, 2013).

Globalization is being experienced by most of the organizations in Kenya. Neeraj (2014) states that the opportunities and challenges of leadership and management are significantly different from that of the past and in particular, the last decade. Industrial psychologists and management practitioners have long been interested in searching for factors which influence motivation and productivity (Chung, 2013). According to Stanley (2012), in today's marketplace, where companies seek a competitive edge, motivation is key for talent retention and performance. No matter the economic environment, the goal is to create a workplace that is engaging and motivating, where employees want to stay, grow and contribute their knowledge, experience and expertise. Chung (2013) continues to state that in an effort to find the determinants of motivation and performance in industry, industrial psychologists and
managerial practitioners have developed a variety of theories of (and approaches to) human motivation. Many psychologists have developed motivational theories in terms of human needs or motives, while most management scholars have developed managerial theories in terms of incentives or inducements (Riggio, 2014).

Traditionally, the study of job performance has been based on two somewhat independent assumptions: that performance can be understood in terms of the individual's ability to perform the tasks, and that performance depends solely upon the level of motivation (Chung, 2013). Motivation is generally defined as the psychological forces that determine the direction of a person's level of effort, as well as a person's persistence in the face of obstacles (Stanley, 2012).

The responsibility for motivation is three-fold: it falls on the senior leadership, the direct manager and the employee (Bhuvanaiah and Raya, 2015). Numerous factors are involved, from trust, engagement and values (individual and organizational) to job satisfaction, achievement, acknowledgement and rewards. Motivation is essential for working autonomously, as well as for collaboration and effective teamwork (Stanley, 2012). Motivating employees for better performance encompasses these critical factors: employee engagement, organizational vision and values, management acknowledgment and appreciation of work well done, and overall authenticity of leadership (Neeraj, 2014).

Performance appraisal is one of the most important human resource (HR) practice, administered in organizations by which supervisors evaluate the performance of subordinates (Neeraj, 2014). Aguinis (2013) implies that the focus of the performance appraisal is measuring and improving the actual performance of the employee and also the future potential of the employee; it aims to measure what an employee does. Performance appraisal is generally regarded as one of the most crucial human resource management functions (Judge and Ferris 2013), furthermore; a competent performance appraisal and management system is an indispensable part of an organizations human resource management adequacies (Guest, 1997). Employee reactions to appraisal in terms of perceived employee fairness, accuracy, and satisfaction are important components of appraisal effectiveness because these perceived employee reactions can motivate employees to improve their performance (Taylor,
Tracy, Renard, Harrison and Carroll 2015). That is, performance appraisal serves as a means for providing feedback that can result in improved performance (Tornow, 2013).

Research in performance appraisal has demonstrated that performance appraisal characteristics (such as appraisal purpose and source) can elicit positive employee reactions to performance appraisal and, which in turn, can motivate employees to improve their performance (DeNisi and Pritchard 2016). Therefore, by focusing the attention on performance, performance appraisal goes to the heart of personnel management and sets out different objectives which are directly responsible for the Career development of employees and continued growth and development of the organizations (Selvarajan and Cloninger, 2016).

Employee turnover is a universal problem that all organizations around the world face (Stanley, 2012). One of the factors that contribute to high employee turnover is demotivation (Mosley, Pietri and Mosley Jnr, 2012). There is a growing consensus among managers and leaders about the significance of combining effective motivation incentives to encourage good performance (Cole and Kelly, 2011). In order for organizations to meet their objectives, they must have a workforce that is motivated and works towards achieving the said objectives (Steers and Porter, 2011).

Motivating employees is a challenge and keeping employees motivated an even greater challenge (Levy, 2013). Today, organizations are under intense pressure to identify and implement programs that will prove effective in improving employee productivity (Deci, 2013). It is no longer enough to increase salaries and expect increased performance; it is more complex than that (George and Jones, 2013).

Employee motivation affects productivity and a poorly motivated labor force will be costly to the organization in terms of lower productivity and performance, excessive staff turnover, increased expenses, frequent absenteeism and a negative effect on the morale of colleagues (Jobber and Lee, 2014). It is a well known fact that the success of an organization largely depends on the quality of its human resource, irrespective of the industry within which it operates (Deci, 2013). It is with this in mind that leaders and managers must strive to ensure that their workforce is motivated and therefore productive. Motivation is seen as one of the
most important factors in issues related to human resources management (HRM) and organizational behavior management (Nelson, 2013)

Theories of job performance offer that motivation is a key determinant of performance. The role of motivation in the work context has been studied to understand what causes employees to try hard to do well, or more specifically what causes the arousal, direction, and persistence of voluntary actions that are goal directed (Mitchell and Linden, 2012). It is therefore imperative that managers understand what motivates employees and also how to motivate them effectively (Deci, 2013).

There have been numerous researches done on motivation and employee performance. Many scholars have postulated theories to try and understand what motivation is, and how it affects individuals (Fincham and Rhodes, 2015). One particularly significant theory was developed by Abraham Maslow and is known as the hierarchy of needs (Riggio, 2014). At the core of Maslow’s theory is a hierarchy of five categories. They are psychological, security, social, esteem, and self-actualization needs (Kreitner and Kinicki, 2016).

Frederick Herzberg is another renowned motivation scholar. According to his two factor theory, dissatisfaction results from the absence of hygiene factors which include salary and relationships with others, while satisfaction results from the presence of motivating factors such as job opportunities and recognition (Kinicki and Kreitner, 2016).

Expectancy theory of motivation by V.H Vroom is a more recent theory. It says that people are most motivated to seek results they value highly and think they can achieve. It is based on employees’ perceptions of rewards and whether they are able to achieve them (Certo, 2016).

This study examined the effect of motivation on the employees at Pam Golding Properties (PGP). PGP is a high end real estate agency in Kenya that offers specialized real estate services in the residential fields, covering sales and letting as well as property management (Pam Golding Properties, 2014). Pam Golding Properties’ mission statement is: To provide all existing and future clients with a world-class standard of differentiated residential and commercial property service, while upholding our reputation for developing long-term customer relationships based on the cornerstones of honesty, integrity and professionalism.
The organization has two types of employees: property agents and support staff. The agents form the core of the company and the vital personal touch between the brand and its client. The remuneration packages are different for both sets of groups. The property agents salary is commission based while the support staff are on a monthly salary (Pam Golding Properties, 2014).

1.2 Statement of the Problem:
In a highly competitive, global environment, organizations are constantly under pressure to retain their workforce (Deci, 2013). Highly skilled, reliable and experienced employees are a valuable asset for any organization. It is evident that highly motivated employees are more likely to have high productivity. However, according to Certo (2006), good performance is not as a result of motivation only, but also includes ability i.e. skills, equipment, supplies and time.

Some organizations have been known to experience a high staff turnover despite offering above average salaries (Aguinis, 2012). This tells us that money is not the only way to motivate employees. Additionally, different people are motivated by different factors. It is important for managers and supervisors to understand what motivates individual employees, and not assume a one-size-fits-all approach (George and Jones, 2013).

An organization is only as strong as its workforce. Human resources need to be treated with great care, since they are a special resource that needs to be given special managerial attention and time. (Storey, 2013). Therefore, studies like this are an invaluable resource in helping organizations identify and maximize on ways to motivate employees whilst mitigating employee turnover and under-performance (Steers and Porter, 2011).

With that in mind, I decided to carry out research in Pam Golding Properties, into the effect of motivation on employee performance. It is the human resource amongst other factors of production in the organization which really makes a distinction (Kreitner and Kinicki, 2013). Production is considered as satisfactory when gross commission brought in by an agent is high. It is human capability and commitment which ultimately differentiate successful organizations from those that fail (Deci, 2013).
1.3 Purpose of the Study:

The purpose of this study was to determine the effect of motivation on the performance of employees at Pam Golding Properties Limited.

1.4 Research Questions:

The study was guided by the following research questions:

1.4.1 How does motivational goal setting impact the performance of employees at Pam Golding Properties Limited, Nairobi?

1.4.2 How do financial incentives/monetary factors affect the performance of employees at Pam Golding Properties Limited, Nairobi?

1.4.3 How do recognition and reward programs affect the performance of employees at Pam Golding Properties Limited, Nairobi?

1.5 Significance of the Study:

1.5.1 Management of Pam Golding Properties

The findings would benefit the management of PGP implement and enhance programs that can motivate their employees and improve performance.

1.5.2 Contribution to Research

The study would contribute to the existing body of knowledge on the effect of motivation on employees. It will also help future scholars who will endeavor to undertake a study on motivation and performance.

1.5.3 Real Estate Firms

The study would help Real Estate firms to be more informed on what practices are most effective in motivating their employees.

1.6 Scope of the Study:

The primary focus of research was to determine the drivers of motivation and the impact it has on employee performance. In particular, a questionnaire was given to employees of Pam Golding Properties (PGP) located in Westlands, Nairobi. The research focused on PGP employees working as property consultants and support staff i.e. marketing, legal, admin and
finance. Demographic factors such as age and gender were also included in the study in order to understand the effect they might have on motivation and performance.

1.7 Definition of Terms:

1.7.1 Motivation
A person’s desire to do the best possible job or to exert the maximum effort to perform assigned tasks (Gomez-Mejia, Balkin and Cardy, 2015).

1.7.2 Performance
A continuous process for improving the performance of individuals by aligning actual performance with that desired organizational goal (Cole and Kelly, 2011).

1.7.3. Autonomy
The amount of control an individual has over his or her working life (Fincham and Rhodes, 2015).

1.8 Chapter Summary:
This chapter gives an overview of motivation theories and how they affect employee performance. A brief background of the organization being studied was also given. The chapter also provided information on the background and statement of the problem, purpose and significance of the study, the research questions and the scope of the study. In the next chapter, the researcher has reviewed literature based on aspects that influence employee motivation and its impact on performance with chapter three looking at the research methodology adopted. In chapter four, the researcher sums up the results and findings of the study and chapter five provides discussion, conclusions and recommendations furnished by the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter seeks to present a review of significant theoretical and empirical literature in relation to the research questions being analyzed. The purpose of this study is to determine the impact of extrinsic motivation on employees’ performance using the case of Pam Golding Properties Limited, Nairobi. This section will elaborate on the impact of motivational goal-setting on performance of employees, effect of financial incentives on employee performance and finally, the impact of recognition and reward programs on performance.

2.2 Goal-Setting

A goal is the aim of an action or task that a person consciously desires to achieve or obtain (Locke and Latham, 2002). Goal setting is a motivational technique used extensively in organizations as a method of directing individuals' efforts at work and providing a standard against which performance can be assessed (Lunenberg, 2011). Since it was first researched five decades ago, goal-setting theory has been the most researched, utilized, and established theory of work motivation in the field of industrial and organizational psychology (Buchanan, 2012).

Goal-setting theory was developed inductively within industrial/organizational (I/O) psychology over a 25-year period, based on some 400 laboratory and field studies (Locke and Latham, 2002; 2006). Goal setting is a cognitive theory of motivation based on the premise that people have needs that can be thought of as specific outcomes or goals they hope to obtain (Locke and Latham, 1990). The theory started with the initial work on levels of aspiration developed by Kurt Lewin and has since been primarily developed by Dr. Edwin Locke, who began goal setting research in the 1960s (Redmond, 2015). Kurt Lewins’ early work on “level of aspiration” provided the foundation for the most researched and well-established theory of work motivation- goal-setting theory (Levy, 2013). Goal- setting theory emphasizes the role of specific, challenging performance goals and workers’ commitment to those goals as key determinants of motivation (Newstrom, 2011).
Goal setting theory has guided the development of an immense body of empirical research about workplace motivation, and it is by far the dominant paradigm in the literature today (Kurose, 2013). According to Lunenberg (2011), goal setting is the underlying explanation for all major theories of work motivation—whether that is Vroom’s VIE theory, Maslow’s Hierarchy of Needs theory, Herzberg’s motivation theory or Bandura’s social cognitive theory. Goal setting has also been identified as one of the most effective methods of changing behavior in the workplace (Skinner, 2010). Goal setting theory is a framework for understanding the relationships among motivation, behavior, and performance (Kurose, 2013). Managers generally accept goal setting as a means to enhance and sustain performance (Dubrin, 2012).

Locke and Latham’s goal setting theory states that several conditions are particularly important in successful goal achievement. These include goal acceptance and commitment, goal specificity, goal difficulty, and feedback (Redmond, 2015). Goal-setting theory states that for employees to be motivated, goals must be clear, specific, attainable and whenever possible, quantified (Riggio, 2014). A goal is defined simply as what the individual is consciously trying to do (Lunenberg, 2011). Newstrom (2013) outlines goals as targets and objectives for future performance that help focus employees attention on items of greater importance to the organization, encourage better planning for the allocation of critical resources (e.g. time money and energy), illustrate the value of persistent effort, and stimulate the preparation of action plans for goal attainment. Research on goal-setting has also stressed the importance of getting workers committed to goals, for without such commitment, it is unlikely that goal setting will be motivating (Riggio, 2014). Evidence suggests that if workers participate in goal setting, as opposed to having supervisors set the goals, there is increased motivation (Gomez-Mejia, Balkin, and Cardy, 2015).

2.2.1 Goal Acceptance/ Goal Commitment

Goal commitment plays a crucial role in determining the success or failure in goal-setting. There is a substantial goal-performance relationship when people are devoted and committed to their goals (Locke and Latham, 2002). Bipp and Kleingeld (2011) define goal commitment as one's attachment to or determination to reach a goal and the cognitive, affective, and
behavioral aspects of the process of goal striving. Locke and Latham (2002) state that goal commitment is the degree of determination one uses to achieve an accepted goal.

Goals need to be accepted. Accepting a goal is the first step in creating motivation (Locke and Latham, 2002). Simply assigning goals to organization members may not result in their commitment to those goals, especially if the goal will be difficult to accomplish (Lunenberg, 2011). Commitment is most important and relevant when goals are challenging (Locke and Latham, 2006). The notion that goal commitment tempers the goal-performance relationship has clear intuitive appeal—goal setting can’t be expected to work if goals will be readily abandoned at the first sign of difficulty (Kurose, 2013). A compelling method of obtaining acceptance is to allow employees to engage in the goal-setting process. In other words, participation in the goal-setting process tends to enhance goal commitment (Lunenberg, 2011).

Two primary factors that help to enhance goal commitment are importance and self-efficacy (Locke and Latham, 2002). Self-efficacy is the belief an individual holds about his or her capability to succeed and correlates with both higher goals and stronger commitment to them (Latham, 2007). According to Locke and Latham (2006), self efficacy greatly enhances goal commitment and there are three ways leaders can raise the self-efficacy of their subordinates: one, by ensuring adequate training to increase mastery that provides success experiences; two, by role modeling or finding models with whom the person can identify, and three, through persuasive communication that expresses confidence that the person can attain the goal (Latham, 2007).

Importance refers to the factors that make attaining a goal important, including the expected outcomes (Locke and Latham, 2002). There are numerous ways to convince people that goal attainment is essential for example, making a public commitment to the goal thereby enhancing devotion, presumably because it makes one’s actions a matter of virtue in one’s own eyes and in those of others (Fried and Slowik, 2004).
2.2.2 Goal Difficulty/Task Complexity

The second moderator of goal setting is goal difficulty/task complexity. Difficult, specific goals lead to higher performance than do-your-best goals or easy goals and this forms the core of the high-performance cycle (Bipp and Kleingeld, 2011). Goal theory suggests that it is the goal itself that provides the driving force (Cole and Kelly, 2011). Goals should be set high enough to encourage high performance but low enough to be attainable (Latham, 2007). The key point is that a goal must be difficult as well as specific for it to raise performance (Lunenberg, 2011). According to Kurose (2013), performance increases with the level of goal difficulty, providing the individual working to attain the goal is committed to achieving it and has the ability to do so.

Goals that are too easy or too difficult negatively affect motivation and performance and therefore, one should set goals that are realistic, attainable, and challenging (Redmond, 2015). The greatest motivation and performance is achieved with moderately difficult goals (somewhere between too easy and too difficult) that are attainable, but at the same time challenging (Locke and Latham, 2002).

![The relationship between goal difficulty and performance](image)

**Figure 2.1: Relationship Between Goal Difficulty and Performance**

**Source:** (Redmond, 2015)

2.2.3 Feedback

Lastly, another important moderator of the effectiveness of goal setting is feedback. It goes without saying that without the presence of some kind of feedback in relation to goal pursuit,
goal setting loses its power because one cannot assess progress toward his or her goals (Kurose, 2013). Feedback helps employees attain their performance goals and is critical in order for goals to remain effective and retain commitment (Redmond, 2015). Without feedback, people are oblivious of their progression or regression; it also becomes difficult to measure the level of effort needed to pursue the goal effectively (Sorrentino, 2006). Feedback is most effective when it is directed at setting more challenging goals (Locke and Latham, 2002) because it allows for individuals and teams to identify any weaknesses in their current goals, which allows modifications to be made (Smith and Hitt, 2005).

Certain types of feedback, of course, can be more useful than others, and the influence of feedback can also vary depending on characteristics of the individual (Lunenberg, 2011). Positive feedback boosts motivation when provided in relation to personally valued goals, while negative feedback increases motivation when provided in relation to obligatory goals (Van-Dijk and Kluger, 2004). The general theme that emerges from research about feedback in the workplace is that feedback is an essential component of the goal setting process, but that the precise role of feedback varies depending on characteristics of the feedback as well as contextual and individual-level factor (Lunenberg, 2011). Feedback accompanying goal attainment may also enhance a workers job performance and ability to become more innovative and creative on the job (Fincham and Rhodes, 2015).

2.3 Financial Incentives
Money is the principal inducement and no other incentive comes close to it with respect to its influential value (Locke and Latham, 1990). Money has the dominancy to magnetize, retain and motivate individuals towards higher performance (Stanley, 2012). People do not work for free; employees want to be compensated for the work that they do. Employees must be motivated through adequate incentives plans and reward systems and this will invariably encourage them to be proactive and have right attitude to work, thereby promote organizational productivity (Armstrong, 2007).

McChilloh (2001), posits that financial incentives mean any inducement involving the payment of money and reduction in price paid for goods or services or any award of credit.
Financial incentives and rewards positively affect on employees commitment or loyalty. Employees stay in an organization because the benefits of being part of an organization far outweigh the cost of leaving the organization (Saleem, 2011). The fact that employees fear losing their job makes money an extremely effective motivator because it is indispensable for survival in an economy (Cole, 2000).

The major objective of a manager is to ensure that business and corporate objectives are realized. This is only possible if employees, who are the key assets of an organization, have a positive attitude towards their organizations (Banjoka, 1996). To keep the pace of achieving goals organizations try to hire competent human resource. Employing competent human resource, organizations have to offer better working environment, market based salaries, job security, empowerment etc (Hersberg, 2009).

While there are a variety of ways to compensate a sales force, most companies use three main methods: straight salary, straight commissions and a combination of salary and commissions (Wiese and Coetzee, 2013). Besides salary and commission, financial compensation could also include reimbursement of sales expenses and transportation (Wiese and Coetzee, 2013). Fredrick Taylor has described money as the most fundamental factor in motivating the industrial workers’ to attain greater productivity (Steers and Porter, 2011). It is therefore imperative that organizations think critically about the remuneration packages that they offer to their employees.

Financial incentives enhance the employment relationship because it creates the basis for high levels of commitment and therefore, firms must develop strategies that include financial incentives and rewards for example promotion, bonus, profit sharing or gain sharing and employees stock ownership etc (Ismail, Guatleng, Chhekiong, and Ibrahim, 2009). In fact, some authors assert that the primary aim of incentives is to enhance extrinsic motivation by satisfying an individual employee’s needs indirectly through means of pay and bonuses (Anthony and Govindarajan, 2007). A natural way to motivate workers at any level is to offer them financial incentives; linking pay to performance improves the motivation value of money (Kinicki and Kreitner, 2016). Many jobs require financial rewards to motivate
employees and many people primarily work to make money or attain the recognition denoted by financial rewards (Giancola, 2011).

Using financial incentives to motivate people fits principles of positive reinforcement and punishment (Aguinis, 2012). A useful principle of using financial incentives to motivate workers at all levels is to investigate which incentives are most appealing to groups and individuals (Denisi and Pritchard, 2016). Many workers are extrinsically motivated by salaries and benefits while others are intrinsically motivated by recognition and rewards or better health benefits (Giancola, 2011).

According to Kinicki and Kreitner (2016), financial incentives are more effective when they are linked to (or contingent upon) good performance. A key principle is for managers to explain clearly to employees how performance is linked to pay, including the fact that unethical behavior will not be tolerated as a way of attaining a performance goal (Steers and Porter, 2011). An increasing effort of managers and compensation specialists to link pay to performance supports many business strategies—workers receive financial incentives for performing in ways consistent with the business strategy (Aguinis, 2012).

Literature has shown that remuneration issues play a critical role in organizations; however, there has been little advice that companies could use in terms of when certain incentive system designs have been more (or less) appropriate (Dubrin, 2012). The use of pay-for-performance plans is growing (Kepner, Wyoski, McKenzie and Ballentine, 2003) and there is a trend to increasing variable pay as a percentage of total remuneration (McChilloh, 2001).

Compensation is one of the physical needs that influence motivation which in turn will affect the employee performance (Hersberg, 2009). Compensation has a big influence in the recruitment of employees, motivation, productivity and employee turnover (Steers and Porter, 2011). Financial incentives are largely regarded as an adequate means to motivate employees and to improve their performance (Smith and Hitt, 2005).
2.3.1 Motivation

Motivation is a critical ingredient in employee performance and productivity. Even when people have the right skills, clear work objectives, and a supportive work environment, they would not get the job done without ample motivation to meet those work objectives (Mullins, 2006). He elaborates that motivated employees are enthusiastic to exert a certain level of effort (intensity), for a certain amount of time (persistence), toward a distinct goal or direction (Mullins, 2006).

With the prevailing uncertainty in the economy, coupled with an emphasis on customer satisfaction and long-term business relations, there is revived interest in the motivation of sales representatives. Social science literature, especially in organizational behavior and sales management, has long recognized the crucial importance of rewards and incentives as a means of motivating employees (Mehta, Anderson and Dubinsky, 2000). Employee motivation affects productivity, and part of a sales manager’s job is to channel subordinates’ motivation towards the accomplishment of the organization’s vision or goals (Bhuvanaiah and Raya, 2015). A poorly motivated sales force will be expensive to the organization in terms of decreased productivity and performance, excessive staff turnover, increased expenses, higher use of the sales manager’s time and a negative effect on the morale of colleagues (Jobber and Lee, 1994). Companies need to ensure that their sales forces are highly productive and motivated. As a result, they try to improve the productivity of their sales force through better selection, training, motivation and compensation. Of these, compensation and incentive or reward schemes play an important role in motivating sales people to perform better (Abratt and Klein 1999).

Motivation is central to any discussion of work behavior because it is believed that it has a direct link to good work performance; it is assumed that the motivated worker is the productive worker (Riggio, 2014). Not everyone is motivated by the same rewards, and sales managers must work towards tailoring the motivational environment to the individual, within the boundaries and policies of the company (Chonko, Tanner and Weeks 1992). Motivation and learning theories suggest that pay should be based on performance (Georges and Jones, 2013). However, having highly motivated workers does not automatically lead to high levels of productivity- the work dynamic is more complex than that (Riggio, 2014). Therefore, a
manager must approach a productivity problem very carefully - a detailed assessment of all other variables that can affect productivity must first be undertaken (Aguinis, 2012). The adoption of a performance management system can be seen as an attempt to integrate HRM processes with strategy (Cole and Kelly, 2011). Appraisals are used to ensure an individual’s performance is contributing to business goals and managers are encouraged to combine the perspectives of several models to create a complete motivational environment for their employees (Newstrom 2011; Riggio, 2014).

Fredrick Herzberg developed a theory of motivation that highlighted the role of job satisfaction in determining worker motivation (Riggio, 2014). He proposed that the determinants of job satisfaction were different from those of job dissatisfaction. The factors giving rise to satisfaction were called motivators (e.g. recognition, responsibility and achievement), while those giving rise to dissatisfaction were called hygiene factors (e.g. salary, company policy and working conditions) (Cole and Kelly, 2011).

Motivators are things that lead employees to be satisfied and motivated by their jobs and have to do with job content, they are inherent in the work itself: Their presence results in job satisfaction and motivation, but their absence results only in neutrality (Levy, 2013). Motivators include intrinsic factors such as possibility for promotion, demanding work, recognition, achievement and responsibility (Stanley, 2012). Motivator factors operate only to increase job satisfaction (Hansen, Smith and Hansen, 2012).

Hygiene factors are related to the context in which people perform their jobs e.g. supervisory problems, interpersonal relations, low salary, administrative practices, poor working conditions and unfavorable company policies. The presence of hygiene results in job dissatisfaction, but their absence leads not to job satisfaction or motivation - only to neutrality (Chung, 2013). Hygiene factors, also called dissatisfiers, operate only to decrease job satisfaction or create job dissatisfaction (Hansen, Smith and Hansen, 2012). The reverse of job satisfaction is not job dissatisfaction but instead, lack of job satisfaction; and similarly, the reverse of dissatisfaction is not job satisfaction, but lack of job dissatisfaction (Giancola, 2011).
2.3.2 Performance
Cole and Kelly (2011) describe performance as a continuous process for improving the performance of individuals by aligning actual performance with that desired (and with the strategic goals of the organization) through a variety of means such as standard-setting, appraisal and evaluation both informally, day-to-day, and formally/systematically through appraisal interviews and goal-setting. Job performance is defined as the value of the set of employee behaviors that contribute, either positively or negatively to organizational goal accomplishment while task performance are employee behaviors that are directly involved in the transformation of organizational resources into the goods or services that the organization produces (Colquitt, Lepine and Wesson, 2014).

2.3.3 Job Satisfaction
Job satisfaction is how fulfilled a person is from the job that they perform. It is linked with performance, motivation, absenteeism, mental/physical health and general life satisfaction of a particular employee (Saleem, 2011). Several Job Satisfaction studies have found that Job Satisfaction has a strong impact on Job performance, nonappearance, turnover, and psychological disorders (Storey, 2013). A number of research findings as cited by (Ismail, Guatleng, Chhekiong, & Ibrahim, 2009) have suggested a positive relationship between motivation and job satisfaction to the extent that Kreitner and Kinicki (2001), suggest that managers can potentially enhance employee motivation through employee job satisfaction. Jepsen (2003) posits that almost every worker tries to find satisfaction in his work, especially if the job matches his occupational choices he will nearly attain job satisfaction.

Herzberg’s motivation theory’s emphasis that only motivation factors have the probability of raising job satisfaction. In comparison to motivation factors, hygiene factors can only be used to preclude dissatisfaction and can therefore not be used as incentives to create satisfaction (Steers and Porter, 2011). An employee may therefore very well be satisfied with his/her overall working conditions, but not especially motivated to work and perform to his/her full potential (Storey, 2013).
Currently, there seems to be some reconciliation that the critical thread that differentiates employees motivated behaviors from other behavior is that it is goal directed behavior (Basset-Jones and Lloyd, 2005). Bandura (2003) argues that the core of motivating individuals lays in the goal directed aspect of behavior. Jones (2012) suggested “motivation is concern with how behavior gets started, is energized, is sustained, is directed, is stopped and what kind of subjective re-action is present in the organization while this is going on. Bassett-Jones and Lloyd (2005) stipulate that the “content theorist led by Herzberg, assumed a more complex interaction between both internal and external factors, and explored the circumstances in which individuals respond to different internal and external stimuli. Bandura (2000) affirms that the function of employee motivation begins because of tension within demands of an employee and thereafter, there is a pursuit within the company or within employee to fulfill his/her desires. When the employee is satisfied with his financial motivation he/she redefines his/her desires and needs and the process is started again (Basset-Jones and Lloyd, 2005).

2.4 Recognition and Rewards
The type of reward practices used by an organization plays an important role in motivating employees to perform (Beer and Walton, 2014). This ultimately affects the performance of the organization (Hansen, Smith and Hansen, 2012). Based on decades of research on operant conditioning and behavior modification, it is commonly believed that if rewards are used effectively, they can motivate individuals to perform at higher levels, and the use of proper rewards culminates in firm performance at the organizational level (Giancola, 2011).

The hygiene-motivator distinction clearly maps onto the reward-recognition distinction. In fact, Herzberg himself made this point: In his motivation–hygiene theory, Herzberg stated that work motivation is largely influenced by the extent to which a job is intrinsically challenging and provides opportunities for recognition and reinforcement (Giancola, 2011). In other words, reward represents the application of hygiene factors, and recognition represents the application of motivator factors (Allen and Helms, 2011).

Positive reinforcement for workers often takes the form of tangible rewards as well as recognition and praise. A combination of recognition and rewards, along with informal
praise, is likely to be the most motivational (Kinicki and Kreitner, 2016). In his popular book 1001 Ways to Reward Employees, Bob Nelson as cited by Giancola (2011), concluded that rewards must have a positive impact on performance, and he found that the most desired form of reward by employees was verbal appreciation or praise by their immediate boss.

Many organizations have formal recognition and reward programs and these recognition programs usually include rewards because good performers are recognized with rewards (Deci, 2013). Among the rewards given are plaques, gift cards, jewelry and on the spot cash awards (Allen and Helms, 2011). More sophisticated recognition programs recognize behavior that supports organizational values, so the awards are a reminder of what is important to the company (Aguinis, 2012). Teams, as well as individuals should receive recognition to enhance motivation (Riggio, 2014). As with most motivation and retention programs, recognition and rewards must be carefully planned, otherwise they may backfire and lose money for the company (Kinicki and Kreitner, 2016).

Increasingly, it has become clear that the battle for talent involves much more than highly effective, strategically designed compensation and benefit programs. While these programs remain critical, the most successful companies have realized that they must make a much broader look at the factors involved in attraction, retention, and motivation (Giancola, 2011) And they must deploy all of the factors—including compensation and benefits—to their strategic advantage (Hansen, Smith and Hansen, 2012).

Praising workers for good performance is a major type of informal recognition (Allen and Helms, 2011). Although praise costs no money and only requires a few moments of time, many workers feel that they do not receive enough praise (Aguinis, 2012) managers therefore have a good opportunity to increase motivation by the simple act of praising good deeds (Kinicki and Kreitner, 2016).

Rewards reflect both personal and institutional goals, and stand to assist an understanding of what directs both individuals’ engagement and workplace affordances (Allen and Helms, 2011). In this way, rewards capture the goals for both workplace and personal trajectories, and permit a consideration of the degree to which there is consonance between these trajectories (Judge and Ferris, 2013). Hence they richly inform the relational interdependence
between the personal and social. In general, there seems to be agreement that recognition and rewards are important motivators for individual and for organizational performance (Hansen, Smith and Hansen, 2012).

2.4.1 Recognition

According to Daniel and Metcalf (2009), recognition is a return on an employee's effort and dedication at work, as well as his or her results. An employee recognition program can be a great morale-building tool for any organization, whether large or small. An effective recognition program can lead to innovation, higher productivity and greater job satisfaction for the workers (Beer and Walton, 2014). Employee recognition programs could include several levels of recognition, from a simple Certificate of Appreciation to Employee of the Month to awards given on the division and companywide level, recognition should be provided to those who exceed expectations and earn the award (Steers and Porter, 2011). Recognition is one of the strong motivation factors; employees feel comfortable when they are praised and recognized (Armstrong, 2007).

No resource is more critical to an organization’s success than its human resources are (Denisi and Pritchard, 2016). The concept of reward and recognition has gained much importance in the current times and has captured the attention of organizational managers and researchers equally (Mandal and Dalal, 2006). Consequently, different organizations use reward and recognition as motivational techniques for employee’s better performance (Beer and Walton, 2014). These reward and recognition are provided in the form of monetary and non-monetary benefits for certain desirable behaviors (Storey, 2013). Employees don't only want a good salary and benefit package, they also want to be valued and appreciated for their work (Wiese and Coetzee, 2013). When employees feel recognized and involved, they're much less likely to worry about money and security (Elton & Gostick, 2006).

A recognition program can help employers meet their organizational goals by helping attract and retain high-performing employees. Daniel and Metcalf (2009) reported that companies are aligning their employee recognition programs directly to the strategies of the organization due to the following nine reasons listed according to order of importance a) Create a positive
work environment b) Creating a culture of recognition c) Motivating high performance d) Reinforcing desired behaviors e) Increasing employee morale f) Supporting the organization mission and vision g) Increasing retention and decreasing turnover h) Encourage loyalty and i) Supporting a culture change. Other reasons for adapting a recognition program included: reducing costs, retaining key employees, increasing employee productivity, competitiveness, revenues and profitability, improving quality, safety and customer service, and lowering stress, absenteeism, and turnover (Daniel and Metcalf, 2009).

All organizations experience turnover and therefore retention of valuable employees is critical for the success of any business. The Jackson Organization (Elton and Gostick, 2006), an independent research firm, indicates that investing in recognizing employee excellence is strongly associated with the best financial performance. Companies that have implemented employee recognition programs enjoy a return on equity that is more than triple the return of companies who don't implement recognition programs (Elton and Gostick, 2006).

2.4.2 Rewards
The most important human resource management issue nowadays is rewards structure (Milkovich and Newman, 2008). Bowen (2002) describes reward as something which is given or received in return for a success or achievement. Allen and Helms (2002) describe reward as a material or financial expression of appreciation that is conditional on results.

Employees who are effective and efficient are likely to be confined if they are not motivated to perform (Sajuyigbe, Olaoye, and Adeyemi, 2013). Mendonca, (2002) sees reward and compensation as a system that is based on the expectancy theory, which suggests that employees are more likely to be motivated to perform when they perceive there is a strong link between their performance and the reward they receive. Reward is a critical element that motivates employees to perform as expected (Armstrong, 2007).
Employee performance plays crucial role in an organization’s performance. Further, in performance and growth of organization, rewards employees play an important role (Aguinis, 2012). Rewards are focal device to improve motivation among employees and no organization can imagine reaching their goals and objectives without motivating their
employees (Kumari, 2014). Baron (1983) posits that when we recognize and reward the employees in terms of their identification, their working capacity and performance is very high. Reward schemes are designed to enhance company performance by aligning the interests of employees with the financial performance of their companies (Chin-Ju, 2010). Reward is a system (e.g. Bonus and profit sharing) that contributes to performance by linking the interests of employees to those of the team and the organization, thereby enhancing effort and performance (Armstrong, 2007).

There are two types of rewards; financial and non-financial. Nonmonetary incentives are to reward employees for excellence job performance through opportunities (Kepner, Wyoski, McKenzie, and Ballentine, 2003). It usually come in form of more enabling authority, award, participating in the management, promotion, holidays, better working environment, written recognition, gifts, formal dinners, informal parties, plaques, etc. (Allen and Helms, 2011). Rewards play a vital role in determining the significant performance in job and it is positively associated with the process of motivation (Huselid, 2005).

Freedman (1978) as cited in (Beer and Walton, 2014) is of the view that when effective rewards and recognition are implemented within an organization, favorable working environment is produced which motivates employees to excel in their performance. The level of motivation of employees increases when employees get an unexpected increase in recognition, praise and pay (Dubrin, 2012). One valuable reason for recognizing employees is that studies show that people who feel appreciated are more positive about themselves and their ability to contribute, i.e., employee recognition can boost productivity and increase job satisfaction (Hansen, Smith, and Hansen, 2012).

2.5 Chapter Summary

This chapter has presented a preview of pertinent literature on employee motivation and performance in organizations and various research theories have been presented. The section has highlighted the impact of goal setting on employee performance. The section also discusses the impact of monetary incentives on performance. It also highlights the impact of
rewards and recognition on employee performance. The next chapter will present essential research methods that will be used to carry out this research.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction
This chapter details the methodology that was used in conducting the research study. This chapter presents the research design and focuses on the following: sampling techniques, population, data collecting methods and data analysis methods.

3.2 Research Design
The exploratory research design used in this study was a case study of Pam Golding Properties Limited. A case study focuses on one organization selected from the total population of organizations in the same industry (Kapel, 2015). Cooper and Schindler (2011) state that a case study is designed as a learning vehicle with specific educational objectives in mind; it places more emphasis on a full contextual analysis of fewer events or conditions and their interrelations. Cohen, Manion and Morrison (2013) imply that case studies are capable of providing a major challenge to a theory and can provide a source of new hypothesis.

Descriptive research design was used in this study. Descriptive research involves gathering data, describes phenomenon and then organizes, tabulates, depicts and describes data collection, in the form of graphs and charts, in order to help the reader understand the distribution of data (Cooper and Schindler, 2011).

3.3 Population and Sampling Design
3.3.1 Population
The study population was composed of a total of 50 employees of the organization. The study population refers to the total collection of elements which one would like to study or make inferences (Cohen, Manion and Morrison, 2013). The population aspect however refers to the individual participant or object on which the measurement is taken; it is the unit of study (Cooper and Schindler, 2011). The population of this study comprised of all the employees of Pam Golding Properties Limited, Nairobi (50 in total), because they were the foundation of the study and provided the relevant answers to the research questions. The
study population comprised of all the staff members who came from various departments within the organization.

### Table 3.1 Population Distribution

<table>
<thead>
<tr>
<th>Section</th>
<th>Population Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employee Numbers</td>
</tr>
<tr>
<td>Agent</td>
<td>23</td>
</tr>
<tr>
<td>Marketing</td>
<td>5</td>
</tr>
<tr>
<td>Administration</td>
<td>7</td>
</tr>
<tr>
<td>Finance</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source: (Pam Golding Properties, 2014)

#### 3.3.2 Sampling Design

Cooper and Schindler (2001) state that sampling refers to the process by which part of the population is selected and conclusions are drawn about the entire population. Saunders (2007) defines research design as the general plan of how the research questions would be answered. The research design for this study was the survey research design to assess the relationship between the effect of motivation and employee performance. This was therefore qualitative and quantitative in nature.

#### 3.3.2.1 Sampling Frame

A sampling frame is the list or quasi list of elements from which a probability sample is selected (Denscombe, 2014). The sampling frame for this study consisted of all employees of Pam Golding Properties (total of 50) and the list was obtained from the human resource department. According to Cooper and Schindler (2011), a sampling frame refers to the list of elements from which the sample is actually drawn, and is closely related to the population. Cooper and Schindler (2011), state that it is important to note that the sampling frame often differs from the theoretical population because of errors and omissions; it is therefore a
matter of judgment when it comes to exactly how much inaccuracy one can accept while choosing a sampling frame.

3.3.2.2 Sampling Technique

The sampling technique used was convenient sampling. According to Mugo (2010), a convenient sample results when the more convenient units are chosen from a population for observation. The study population will be segmented into four groups: Real-estate agents, Finance, Admin and Marketing. This will ensure representation across the various departments.

3.3.2.3 Sample Size

This refers to the number of elements selected from a given population (Denscombe, 2014). Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample (Singh, 2008). Considering that, the nature of the sampling technique selected for the study was a census, the sample size of the study was all the 50 employees that work at Pam Golding Properties Limited, Nairobi.

Table 3.2 Sample Size Distribution

<table>
<thead>
<tr>
<th>Section</th>
<th>Sample Size Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agent</td>
<td>23</td>
</tr>
<tr>
<td>Marketing</td>
<td>5</td>
</tr>
<tr>
<td>Administration</td>
<td>7</td>
</tr>
<tr>
<td>Finance</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

Source: (Pam Golding Properties, 2014)

3.4 Data Collection Methods

The type of data collected was primary data and the collection tool was a self administered questionnaire given to all 50 Pam Golding Properties Limited, Nairobi employees. Cooper and Schindler (2011) state that data collection methods refer to the process of gathering data after the researcher has identified the types of information needed which is; the investigative
questions the researcher must answer, and has also identified the desired data type (nominal, ordinal, interval or ratio) for each of these questions and also ascertained the characteristics of the sample unit that is, whether a participant can articulate his or her ideas, thoughts and experiences. The first part of the questionnaire collected demographic data of the respondents such as age group, gender and department. The second part was concerned with the effect of goal setting on motivation. There were five multiple choice options representing five levels of preference, that is; Strongly disagree, Disagree, Neither Agree or Disagree, Agree, Strongly Agree. The third part of the questionnaire looks at rewards and recognition and their effect on employee motivation with five preferences indicated, that is; Strongly disagree, Disagree, Neither Agree or Disagree, Agree, Strongly Agree. The fourth part looks at the effect of financial incentives on employee motivation and performance and offers multiple choice options representing five levels of preference, that is; Strongly disagree, Disagree, Neither Agree or Disagree, Agree, Strongly Agree.

3.5 Research Procedures
A letter addressed to management of the company was written requesting for permission to carry out the research. A tailor-made questionnaire was developed by the researcher, specifically for this study. The data collection method that was used was a structured questionnaire and more specifically a self-administered one. The questionnaire was also pre-tested with selected respondents before it was administered to all the employees. A letter addressed to the respondents, assuring anonymity was also attached to the questionnaire. In order to improve returns (response rate), the researcher employed the drop and pick later method and stationed a drop box at the office.

3.6 Data Analysis Methods
The purpose of data analysis is to reduce accumulated data to a manageable size, developing summaries, looking for patterns, and applying statistical techniques (Cooper and Schindler, 2011). The data collected was coded and captured into the computer for analysis using Statistical Package for Social Sciences (SPSS) version 24. The data was then presented in a convenient and informative way including frequency tables, graphs and charts for easier analysis and interpretation.
Descriptive analysis was used to determine the proportions and frequency of the variables. Correlation tests were used to draw inferences about the population from the sample and Statistical Package for Social Scientists (SPSS) was used to facilitate the data analysis. The results were presented in the form of tables and figures.

3.7 Chapter Summary
In this chapter, the methods that were used to carry out the research were identified as well as the sampling design, sampling frame and sampling technique. The researcher conducted a case study and administered a questionnaire to each respondent. The study was based entirely on primary data collected from the respondents. After the data was collected, the researcher used SPSS to analyze and derive the findings. The next chapter looks at the data collected and presents it in the form of graphs, tables and charts in order to ease understanding and interpretation.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction
This chapter discusses the results of the findings of the data analyzed from the questionnaires. The data was analyzed based on the research objectives and questionnaire items using a statistical tool to generate frequency distribution tables, means, charts and the results are hereby presented. The chapter is divided into various sections. Section 4.1 presents the introduction; section 4.2 tackles general information; section 4.3 presents the results for the impact of goal setting on employee performance; section 4.4 presents finding for the impact of monetary incentives on employee performance; section 4.5 presents the results for the impact of recognition and reward performance on employee performance; and section 4.6 summarizes the entire chapter.

4.2 General Information

4.2.1 Response Rate
50 questionnaires were distributed to the population and 48 were received. After cleaning the data by carefully scrutinizing the data to ensure all questions were filled appropriately, 46 remained, giving this study a response rate of 92%. The response rate is the extent to which the final set of data includes sample members and is calculated from the number of people with whom interviews are completed, divided by the total number of people in the entire sample, including those who refused to participate and those who were unavailable (Koltler, 1997).

4.2.2 Gender
The respondents were asked to indicate their gender and the results are shown below. Figure 4.1 is indicative of the results which were obtained where 61% of the respondents were female and 39% were male, thereby indicating that Pam Golding Properties Limited, Nairobi has more female employees compare to male employees.
4.2.3 Age Group

The respondents were asked to indicate the age group they belonged to and the results are as shown. Figure 4.2 shows that 17% of the respondents are below 25 years of age, 26% are between 26-30 years, 28% are between 31-35 years, 20% are between 36-40 years while 9% are above 41 years of age. This shows that majority of the respondents are aged between 31 and 35 years.
Figure 4.2 Age Group

Source: Survey Data (2017)

4.2.4 Department

The respondents were asked to indicate the department they worked in and the results are shown below. Figure 4.3 shows that 37% of the respondents are agents, 9% work in the marketing department, 24% are in administration, 20% are in finance and 11% are in other departments namely legal and architectural departments respectively. The results show that agents constitute the largest department with 37% of the total respondents.
4.2.5 Tenure

The respondents were asked to indicate the number of years they had worked in the organization and the results are shown below. Figure 4.4 shows that 17% of the respondents have worked for less than one year, 22% have worked for 1-2 years, 30% have worked for 2-3 years, 22% have worked for 3-4 years and 9% have worked for 5 years and above. This shows that majority of the respondents have worked for 2-3 years.
4.3 Impact of Motivational Goal-setting on Employee Performance

The respondents were asked to rate various goal-setting factors using the scale ‘SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree’. The results of the study were as follows:

4.3.1 Participation in Setting Goals

The respondents were asked to indicate whether their manager allows them to participate in setting their goals and the results are shown. Table 4.1 shows that 13% strongly disagreed, 15% disagreed, 22% were neutral, 41% agreed while 9% strongly agreed. This indicates that majority of the employees participate in setting their goals.
### Table 4.1 Participation in Setting Goals

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Neutral</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Agree</td>
<td>19</td>
<td>41</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

### 4.3.2 Importance of Goals

The respondents were asked to indicate whether they understand the importance of their goals in relation to the overall objective of the organization and the results are shown. Table 4.2 shows that 2% strongly disagreed, 9% disagreed, 15% were neutral, 57% agreed while 17% strongly agreed. This indicates that majority of the employees understand the importance of their goals in relation to the overall objective of the organization.

### Table 4.2 Understands Importance of Goals

<table>
<thead>
<tr>
<th>Understands Importance of Goals</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Disagree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Neutral</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Agree</td>
<td>26</td>
<td>57</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>8</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

### 4.3.3 Specific Goals

The respondents were asked to indicate whether they have specific goal to aim for within their job and the results are shown. Figure 4.5 shows that 9% strongly disagreed, 9% disagreed, 24% were neutral, 35% agreed while 24% strongly agreed. This indicates that majority of the employees have specific goals to work towards within the context of their jobs.
4.3.4 Realistic and Achievable Goals

The respondents were asked to indicate whether they have realistic and achievable goals to aim for within their job and the results are shown. Table 4.3 shows that 13% strongly disagreed, 17% disagreed, 22% were neutral, 35% agreed while 11% strongly agreed. This indicates that majority of the employees agree that they have realistic and achievable goals at work.

Table 4.3 Realistic and Achievable Goals

<table>
<thead>
<tr>
<th>Realistic and Achievable Goals</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Disagree</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Neutral</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)
4.3.5 Satisfaction with Work Challenges
The respondents were asked to indicate whether they are satisfied with the challenges provided by their jobs and the results are shown. Table 4.4 shows that 9% strongly disagreed, 24% disagreed, 17% were neutral, 35% agreed while 15% strongly agreed. This indicates that majority of the employees agree that they are satisfied with the challenges provided at work.

Table 4.4 Satisfaction with Work Challenges

<table>
<thead>
<tr>
<th>Satisfaction with Work Challenges</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Disagree</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Neutral</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

4.3.6 Difficult Goals at Work
The respondents were asked to indicate whether they have difficult goals at work and the results are shown. Table 4.5 shows that 17% strongly disagreed, 22% disagreed, 37% were neutral, 15% agreed while 9% strongly agreed. This indicates that majority of the employees thought their goals at work were neither difficult nor easy.

Table 4.5 Difficult Goals at Work

<table>
<thead>
<tr>
<th>Difficult Goals at Work</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Neutral</td>
<td>17</td>
<td>37</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

4.3.7 Regular Training
The respondents were asked to indicate whether the organization regularly trains them to
acquire knowledge and skills and the results are shown. Figure 4.6 shows that 20% strongly disagreed, 26% disagreed, 13% were neutral, 26% agreed while 15% strongly agreed. This results show that an equal number of the employees both agree and disagree that they undergo regular training to acquire knowledge, skill and attitudes towards their work.

![Regular Training](image)

**Figure 4.6 Regular Training**  
*Source: Survey Data (2017)*

### 4.3.8 Mentorship

The respondents were asked to indicate whether the organization has assigned them mentors to guide them in achieving their goals and the results are shown. Table 4.6 shows that 35% strongly disagreed, 20% disagreed, 24% were neutral, 17% agreed while 4% strongly agreed. This results show that majority of the employees do not have a mentor to guide them in achieving their goals.
Table 4.6 Mentorship

<table>
<thead>
<tr>
<th>Mentorship</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Disagree</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Neutral</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

4.3.9 Constructive Feedback

The respondents were asked to indicate whether they received constructive feedback regularly related to their goals and the results are shown. Table 4.7 shows that 11% strongly disagreed, 20% disagreed, 35% were neutral, 28% agreed while 7% strongly agreed. This results show that majority of the employees are neutral regarding constructive feedback that they receive in relation to their goals.

Table 4.7 Constructive Feedback

<table>
<thead>
<tr>
<th>Constructive Feedback</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Disagree</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Neutral</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data (2017)

4.3.10 Goal-setting

The respondents were asked to indicate whether setting goals had improved their overall performance goals and the results are shown. Figure 4.7 shows that 17% strongly disagreed, 15% disagreed, 30% were neutral, 28% agreed while 9% strongly agreed. This results show that majority of the employees have not seen an improvement of their performance as a result of setting goals.
4.3.11 Relationship between Goal-setting and Employee Performance

The Pearson correlation test was conducted on goal-setting factors to determine the significance of the factors (the independent variables) and their impact on employee performance (the dependent variable). The study required P value ranged between 0.00 and 0.05 for significant factors.

Table 4.8 shows that participation in setting of goals was significant (P=0.001). Importance of goals in relation to the overall objective of the organization was significant (P=0.007). Use of specific, clear goals to aim for was significant (P=0.002). Use of goals that are realistic and achievable was significant (P=0.000). Satisfaction with challenges provided by work was significant (P=0.000). Difficult and challenging goals to be met at work was significant (P=0.000). Use of training to acquire and improve knowledge, skills and attitudes towards work was significant (P=0.001). Use of mentors at work for guidance in achieving goals was significant (P=0.001). Receiving fair and constructive feedback related to goals was insignificant (P=0.187). Setting of goals has improved overall performance was significant (P=0.000).

Figure 4.7 Goal-setting

Source: Survey Data (2017)
Table 4.8 Relationship between Goal-setting and Employee Performance

<table>
<thead>
<tr>
<th>Goal-setting Factors</th>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation in the setting of goals</td>
<td>.355&quot; .001</td>
</tr>
<tr>
<td>Importance of goals in relation to the overall objective of the organization</td>
<td>.422&quot; .007</td>
</tr>
<tr>
<td>Use of specific, clear goals to aim for</td>
<td>.487&quot; .002</td>
</tr>
<tr>
<td>Use of goals that are realistic and achievable</td>
<td>.638&quot; .000</td>
</tr>
<tr>
<td>Satisfaction with challenges provided by work</td>
<td>.555&quot; .000</td>
</tr>
<tr>
<td>Difficult and challenging goals to be met at work</td>
<td>.459&quot; .000</td>
</tr>
<tr>
<td>Use of training to acquire and improve knowledge, skills and attitudes towards work</td>
<td>.423&quot; .001</td>
</tr>
<tr>
<td>Use of mentors at work for guidance in achieving goals</td>
<td>.544&quot; .001</td>
</tr>
<tr>
<td>Receiving fair and constructive feedback related to goals</td>
<td>.598&quot; .187</td>
</tr>
<tr>
<td>Setting of goals has improved overall performance</td>
<td>.648&quot; .000</td>
</tr>
</tbody>
</table>

4.4 Effect of Financial/ Monetary Factors on Employee Performance

The respondents were asked to rate various monetary factors using the scale ‘SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree’. The results of the study were as follows:

4.4.1 Satisfaction with Pay

The respondents were asked to indicate whether they were satisfied with the pay/salary they receive and the results are shown. Figure 4.8 shows that 54% strongly disagreed, 11% disagreed, 15% were neutral, 15% agreed while 4% strongly agreed. This results show that majority of the employees are dissatisfied with the level of pay they receive.
4.4.2 Competitive Pay

The respondents were asked to indicate whether the pay they receive is competitive when compared to other companies in the industry and the results are shown. Figure 4.9 shows that 44% strongly disagreed, 29% disagreed, 20% were neutral, 7% agreed while 2% strongly agreed. The results show that majority of the employees do not think that the pay offered by the organization is competitive when compared to other companies in the industry.
4.4.3 Competitive Benefits Package

The respondents were asked to indicate whether the benefits package they receive is competitive and the results are shown. Table 4.9 shows that 28% strongly disagreed, 26% disagreed, 20% were neutral, 24% agreed while 2% strongly agreed. The results show that majority of the employees do not think that the benefits package offered by the organization is not competitive.

Table 4.9 Competitive Benefits Package

<table>
<thead>
<tr>
<th>Competitive Benefits Package</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Neutral</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Agree</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>
4.4.4 Monthly Expense Allowance
The respondents were asked to indicate whether they would be satisfied if they received a monthly expense allowance and the results are shown. Figure 4.10 shows that 11% strongly disagreed, 20% disagreed, 15% were neutral, 33% agreed while 22% strongly agreed. The results show that majority of the employees would be satisfied with a monthly expense allowance.

![Monthly Expense Allowance](image)

Figure 4.10 Monthly Expense Allowance
Source: Survey Data (2017)

4.4.5 Monetary Reward
The respondents were asked to indicate whether the organization uses monetary rewards e.g. bonus’s or allowances to motivate and the results are shown. Table 4.10 shows that 26% strongly disagreed, 30% disagreed, 22% were neutral, 11% agreed while 11% strongly agreed. The results show that majority of the employees do not think that the company uses monetary rewards to motivate them.
Table 4.10 Monetary Rewards

<table>
<thead>
<tr>
<th>Monetary Rewards</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>30</td>
</tr>
<tr>
<td>Neutral</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Agree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.6 Money as an Incentive

The respondents were asked to indicate whether money is a crucial incentive to work motivation and the results are shown. Table 4.11 shows that 7% strongly disagreed, 15% disagreed, 17% were neutral, 20% agreed while 41% strongly agreed. The results show that majority of the employees agree that money is a crucial incentive to work motivation.

Table 4.11 Money as an Incentive

<table>
<thead>
<tr>
<th>Money as an Incentive</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Neutral</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Agree</td>
<td>9</td>
<td>29</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>19</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>

4.4.7 Salary Dissatisfaction

The respondents were asked to indicate whether their salary and other hygiene factors have led to a dissatisfaction of their employment and the results are shown. Figure 4.11 shows that 11% strongly disagreed, 24% disagreed, 20% were neutral, 28% agreed while 17% strongly agreed. The results show that majority of the employees are dissatisfied with their employment as a result of their salaries, company policies, working conditions and supervision.
4.4.8 Value on Services

The respondents were asked to indicate whether the money they are paid is a strong indication of the value the organization has placed on their services and the results are shown. Table 4.12 shows that 17% strongly disagreed, 15% disagreed, 22% were neutral, 35% agreed while 11% strongly agreed. The results show that majority of the employees believe that the money they are paid is a strong indication of the value placed on their services.

Table 4.12 Value on Services

<table>
<thead>
<tr>
<th>Value on Services</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Neutral</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>
4.4.9 Attract and Retain Employees

The respondents were asked to indicate whether the company pay policy attracts and retains high performance employees and the results are shown. Figure 4.12 shows that 26% strongly disagreed, 30% disagreed, 26% were neutral, 17% agreed while no respondent strongly agreed. The results show that majority of the employees do not believe that the company pay policy attracts and retains high performance employees.

![Attract and Retain Employees](image)

**Figure 4.12 Attract and Retain Employees**

**Source:** Survey Data (2017)

4.4.10 Profit Sharing

The respondents were asked to indicate whether a profit sharing scheme would motivate them to perform and the results are shown. Table 4.13 shows that 13% strongly disagreed, 11% disagreed, 24% were neutral, 26% agreed while 26% strongly agreed. The results show that majority of the employees would be motivated to perform better if the company implements a profit sharing scheme.
Table 4.13 Profit Sharing Scheme

<table>
<thead>
<tr>
<th>Profit Sharing Scheme</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Disagree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Neutral</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.4.11 Relationship between Financial/Monetary Incentives and Employee Performance
The Pearson correlation test was conducted on financial/monetary factors to determine the significance of the factors (the independent variables) and their impact on employee performance (the dependent variable). The study required P value ranged between 0.00 and 0.05 for significant factors.

Table 4.14 shows that the satisfaction with pay received was significant (P=0.000). Pay being competitive compared to other companies in the industry was significant (P=0.001). Company maintains competitive pay and benefits package was significant (P=0.005). Satisfaction if monthly expense allowance is given was significant (P=0.000). Use of monetary rewards like base pay, commission and bonus was significant (P=0.000). Money being a crucial incentive to work motivation was significant (P=0.000). Salary and other hygiene factors leading to dissatisfaction of employment was significant (P=0.000). Money as a strong indication of the value the organization has placed on services offered was significant (P=0.060). Company pay policy attracts and retain high performing employees was significant (P=0.000). Profit-sharing scheme would motivate employees to perform was significant (P=0.000).
Table 4.14 Relationship between Financial/Monetary Factors and Employee Performance

<table>
<thead>
<tr>
<th>Financial/Monetary Factors</th>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with pay received</td>
<td>-.124”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Pay is competitive compared to other companies in the industry</td>
<td>.513”</td>
</tr>
<tr>
<td></td>
<td>.001</td>
</tr>
<tr>
<td>Company maintains competitive pay and benefits package</td>
<td>-.478”</td>
</tr>
<tr>
<td></td>
<td>.005</td>
</tr>
<tr>
<td>Would be satisfied if monthly expense allowance is given</td>
<td>.494”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Use of monetary rewards like base pay, commission and bonus</td>
<td>-.434”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Money is a crucial incentive to work motivation</td>
<td>.262”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Salary and other hygiene factors have led to dissatisfaction of employment</td>
<td>-.507”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Money as a strong indication of the value the organization has placed on services offered</td>
<td>.279”</td>
</tr>
<tr>
<td></td>
<td>.060</td>
</tr>
<tr>
<td>Company pay policy helps attract and retain high performing employees</td>
<td>-.672”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>If there was a profit-sharing scheme, it would motivate employees to perform</td>
<td>.353”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
</tbody>
</table>

4.5 Effect of Recognition and Reward Factors on Employee Performance

The respondents were asked to rate various recognition and reward factors using the scale ‘SD=Strongly Disagree, D=Disagree, N=Neutral, A=Agree, SA=Strongly Agree’. The results of the study were as follows:

4.5.1 Non-monetary Rewards

The respondents were asked to indicate whether the organization uses non-monetary rewards and the results are shown. Table 4.15 shows that 8% strongly disagreed, 13% disagreed, 7% were neutral, 13% agreed while 5% strongly agreed. The results show that an equal number of employees both agree and disagree that the company uses non-monetary rewards to motivate them.
Table 4.15 Non-monetary Rewards

<table>
<thead>
<tr>
<th>Non-Monetary Reward</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Disagree</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>Neutral</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>

4.5.2 Recognition by Management

The respondents were asked to indicate whether it is important to them to be formally recognized by management and the results are shown. Figure 4.13 shows that 9% strongly disagreed, 9% disagreed, 20% were neutral, 33% agreed while 30% strongly agreed. The results show that majority of the employees would like to be formally recognized by management for a job well done.

Figure 4.13 Recognition by Management

Source: Survey Data (2017)
4.5.3 Recognition by Co-workers

The respondents were asked to indicate whether it is important to them to be recognized by their co-workers and the results are shown. Figure 4.14 shows that 9% strongly disagreed, 13% disagreed, 24% were neutral, 28% agreed while 26% strongly agreed. The results show that majority of the employees would like to be formally recognized by their co-workers for a job well done.

![Recognition by Co-workers](image)

**Figure 4.14 Recognition by Co-workers**

*Source: Survey Data (2017)*

4.5.4 Vouchers

The respondents were asked to indicate whether the company uses gift vouchers, movie tickets or meal vouchers to motivate them and the results are shown. Table 4.16 shows that 39% strongly disagreed, 26% disagreed, 24% were neutral, 7% agreed while 4% strongly agreed. The results show that majority of the employees would be motivated if the organization used gift and meal vouchers.
Table 4.16 Vouchers as Incentive

<table>
<thead>
<tr>
<th>Vouchers as Incentive</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>18</td>
<td>39</td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Neutral</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Agree</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>100</td>
</tr>
</tbody>
</table>

4.5.5 Wellness Programs
The respondents were asked to indicate whether the implementation of a wellness program like gym membership would motivate them and the results are shown. Figure 4.15 shows that 17% strongly disagreed, 9% disagreed, 17% were neutral, 24% agreed while 33% strongly agreed. The results show that majority of the employees would be motivated if the organization implemented a wellness program.

Figure 4.15 Wellness Programs
Source: Survey Data (2017)
4.5.6 Rewards as Goals
The respondents were asked to indicate whether rewards are used as goals that are strived for and the results are shown. Table 4.17 shows that 9% strongly disagreed, 20% disagreed, 42% were neutral, 22% agreed while 9% strongly agreed. The results show that majority of the employees were neutral in how they viewed the rewards given by the company.

Table 4.17 Rewards as Goals

<table>
<thead>
<tr>
<th>Rewards as Goals</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Disagree</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Neutral</td>
<td>19</td>
<td>42</td>
</tr>
<tr>
<td>Agree</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.5.7 Training and Development as Rewards
The respondents were asked to indicate whether training and development is used as a reward and the results are shown. Table 4.18 shows that 11% strongly disagreed, 35% disagreed, 22% were neutral, 26% agreed while 7% strongly agreed. The results show that the company does not use training and development as a reward that can motivate employees.

Table 4.18 Training and Development as Rewards

<table>
<thead>
<tr>
<th>Training and Development as Rewards</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>Disagree</td>
<td>16</td>
<td>35</td>
</tr>
<tr>
<td>Neutral</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.5.8 Equitable Reward Scheme

The respondents were asked to indicate whether the current reward scheme was equitable and the results are shown. Figure 4.16 shows that 28% strongly disagreed, 20% disagreed, 44% were neutral, 7% agreed while 2% strongly agreed. The results show that the employees do not consider the current reward scheme as equitable or inequitable and may have a sense of apathy towards it.

Figure 4.13 Equitable Reward Scheme

![Equitable Reward Scheme](chart)

Figure 4.16 Equitable Reward Scheme

Source: Survey Data (2017)

4.5.9 Increased Performance

The respondents were asked to indicate whether the current recognition and reward program had increased their performance and the results are shown. Figure 4.17 shows that 35% strongly disagreed, 20% disagreed, 30% were neutral, 11% agreed while 4% strongly agreed. The results show that the current recognition and reward program does not motivate the employees to increase their motivation.
The respondents were asked to indicate whether the current reward program had observed any long-term improvement of the quality of work and the results are shown. Table 4.19 shows that 33% strongly disagreed, 24% disagreed, 33% were neutral, 0% agreed while 5% strongly agreed. The results show that the reward system did not motivate the employees to improve the quality of work they did.

<table>
<thead>
<tr>
<th>Long-term Improvement</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Disagree</td>
<td>15</td>
<td>33</td>
</tr>
<tr>
<td>Disagree</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Neutral</td>
<td>15</td>
<td>33</td>
</tr>
<tr>
<td>Agree</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Strongly Agree</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.4.11 Relationship between Financial/Monetary Incentives and Employee Performance

The Pearson correlation test was conducted on financial/monetary factors to determine the significance of the factors (the independent variables) and their impact on employee performance (the dependent variable). The study required P value ranged between 0.00 and 0.05 for significant factors.

Table 4.20 shows that the use of non-monetary factors like inclusive decision-making and flexible working hours was significant (P=0.057). Formal recognition by management for a job well done was significant (P=0.000). Recognition by co-workers for a job well done was significant (P=0.001). Use of non-monetary rewards like gift and meal vouchers was significant (P=0.000). Wellness benefit program for motivation was insignificant (P= 0.079). Use of rewards as goals that employees strive for was insignificant (P= 0.413). Use of training and development for motivation was significant (P=0.003). Company has a fair and equitable reward scheme was significant (P=0.00). Current recognition and reward program boosts motivation was significant (P=0.000). Organization has observed long-term improvement on the quality of work as a result of the reward system in place was insignificant (P= 0.525).
Table 4.20 Relationship Recognition, Rewards and Employee Performance

<table>
<thead>
<tr>
<th>Recognition and Reward Factors</th>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Use of non-monetary factors like inclusive decision-making and flexible working hours</td>
<td>.283”</td>
</tr>
<tr>
<td></td>
<td>.057</td>
</tr>
<tr>
<td>Formal recognition by management for a job well done</td>
<td>-.471”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Recognition by co-workers for a job well done</td>
<td>-.341”</td>
</tr>
<tr>
<td></td>
<td>.001</td>
</tr>
<tr>
<td>Use of non-monetary rewards like gift and meal vouchers</td>
<td>.350”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Wellness benefit program for motivation</td>
<td>.262”</td>
</tr>
<tr>
<td></td>
<td>.079</td>
</tr>
<tr>
<td>Use of rewards as goals that employees strive for</td>
<td>.293”</td>
</tr>
<tr>
<td></td>
<td>.413</td>
</tr>
<tr>
<td>Use of training and development for motivation</td>
<td>.433”</td>
</tr>
<tr>
<td></td>
<td>.003</td>
</tr>
<tr>
<td>Company has a fair and equitable reward scheme</td>
<td>.326”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Current recognition and reward program boosts motivation</td>
<td>.444”</td>
</tr>
<tr>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>Organization has observed long-term improvement on the quality of work as a result of the reward system in place</td>
<td>.096”</td>
</tr>
<tr>
<td></td>
<td>.525</td>
</tr>
</tbody>
</table>

4.6 Chapter Summary

This chapter has presented the findings of the study by giving brief explanations on the figures presented. Demographics of the population were presented in the form of charts and frequency analysis was used to give percentages. The demographics analyzed were gender, age group, department and tenure in the organization. This chapter also presented the findings (in the form of figures and tables), to the impact of motivational goal setting on performance, the effect of financial incentives on performance and the effect of recognition and reward programs on performance. Pearson’s Correlation was also used for analysis and the results presented in the form of tables for ease of understanding. The next chapter gives the study’s discussion, conclusion and offers recommendations.
CHAPTER FIVE

5.0 DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
This chapter summarizes the study. The chapter gives the study summary and the discussions guided by the study objectives. The chapter gives the study conclusions that have been derived from the study findings. The chapter also proposes recommendations for the study categorized by recommendations for improvement and those for additional studies.

5.2 Summary
The purpose of this study was to determine the impact of motivation on employees’ performance using the case of Pam Golding Properties Limited, Nairobi. The study was guided by the following research questions: How does motivational goal setting impact the performance of employees at Pam Golding Properties Limited, Nairobi? How do financial incentives/monetary factors affect the performance of employees at Pam Golding Properties Limited, Nairobi? And, how do recognition and reward programs affect the performance of employees at Pam Golding Properties Limited, Nairobi?

The study adopted a descriptive research design. The population of this study comprised of all the employees of Pam Golding Properties Limited in Nairobi. The sampling frame for this study comprised of a list all employees that work at Pam Golding Properties Limited in Nairobi and was procured from the Human Resources department. The census technique was used in the study to select the respondents from the list of employees provided by the human resource department in order to capture the entire population, thus, the sample size of the study was 50. Primary data for the study was collected using a structured, tailor-made questionnaire. Descriptive analysis was used to determine the proportions and frequency of the variables. Correlation tests were used to draw inferences about the population from the sample and Statistical Package for Social Sciences (SPSS) version 24 was used to facilitate the data analysis.
The study revealed that Pam Golding Properties Limited used motivational goal-setting to motivate its employees. The study showed that management allowed employees to participate in the setting of their goals although they didn’t have difficult and challenging goals to meet. The study also showed that employees understood the importance of their goals and had specific, clear and realistic goals to achieve. The study also showed that employees were satisfied with the challenges provided by their job and that they received feedback regularly related to their goals. The study showed that employees were not regularly trained to acquire key skills and knowledge towards their work. Additionally, they were not provided a mentor to help guide them in achieving their goals.

The study revealed that Pam Golding Properties Limited did not use monetary incentives to motivate their employees. The study showed that the employees were unhappy with the level of pay they received and did not think that the pay received is competitive to other companies in the industry. The study showed that the company did not maintain a competitive benefits package and did not also use monetary rewards like allowances and commissions to motivate their staff. Additionally, the study revealed that employees would be happy to receive a monthly expense allowance which was not currently being provided by the company. The study showed that the salary paid to employees had led to dissatisfaction with employment and that it was an indication of the value the organization had placed on employee services. The study also showed that the employees placed high importance on money because they believe it is a crucial incentive to work motivation. The study showed that the company does not have a pay policy that attracts and retains high performing employees. Additionally, if the company implemented a profit-sharing scheme, the study shows that this would be a motivating factor for employees.

The study revealed that Pam Golding Properties Limited used recognition but did not use rewards to motivate their employees. The study showed that the current recognition and reward programs do not motivate the employees. The study showed that it was important for employees to be recognized by both management and co-workers for a job well done. The study showed that the company uses recognition, inclusive decision making and flexible working hours. However, the company did not use rewards like gift and meal vouchers to
motivate employees and rewards were not viewed as goals that employees generally strive for. The study revealed that if the company implemented a wellness benefit reward program, it would motivate the employees. Additionally, the company did not use training and development to motivate employees and long term improvement to quality of work has not been observed. Moreover, the study revealed that the current recognition and reward system is seen as being inequitable.

5.3 Discussions

5.3.1 Impact of Goal-setting Factors on Employee Performance

The study revealed that Pam Golding Properties Limited used motivational goal-setting to motivate its employees. 50% of employees agree that management allows them to participate in the setting of their goals while 28% disagree. This is consistent with Dubrin (2012) who states that managers widely accept goal-setting as a means to improve and sustain performance.

The study showed that 75% of the employees understand the importance of their goals in relation to the overall objective of the company while only 11% do not understand. Additionally, 59% of employees agree that they have specific goals that motivate them while 18% disagree. This is congruent with Locke and Latham (2002) who state that specific goals increase desirable organizational goals such as high performance thereby reducing undesirable ones such as turnover and absenteeism.

The 46% of employees agree that their goals are realistic and achievable while 30% disagree. This is in tandem with what Riggio (2014) states that for employees to be motivated, goals must be important, specific and realistic. Moreover, Locke and Latham (2002) state that employees will work hard towards challenging goals only if they believe that they are realistic and achievable.

The study revealed that 50% of employees agreed that they were satisfied with the challenges at work while 33% disagreed. Additionally, 24% agreed that they had difficult and challenging goals to meet at work while 39% disagreed. Locke and Latham (2002) state that
the greatest motivation and performance is achieved with moderately difficult goals that are attainable and at the same time challenging.

The study showed that employees at Pam Golding Properties Limited were not trained to acquire and improve their knowledge, skills and attitudes towards their work as shown by 41% of the respondents that agreed compared to the 46% that disagreed with the statement. These results differ with Cole (2011) who states that, the main purpose of training is to acquire and improve knowledge, skills and attitudes towards work related tasks. Cole (2011) further states that training is one of the most important motivators and has both long and short term benefits both for the organization and the individual.

The study showed that, the employees were not given a mentor to guide them in achieving their goals as shown by 21% of the respondents agreed compared to 55% who disagreed with the statement. Deci (2014) states that, mentoring offers a wide range of advantages for achievement of goals, development of the responsibility and relationship building. Furthermore, Cole (2011) asserts that mentorship is a crucial ingredient in motivating employees to enhance their performance.

The study showed that 35% of respondents agreed that the feedback they received was constructive while 31% disagreed. 34% of the respondents neither agreed or disagreed which indicates a lack of clear feedback practices in the organization. Feedback helps employees attain their performance goals and is critical in order for goals to remain effective and retain commitment (Redmond, 2015). Lunenberg (2011) states that feedback helps employees attain their performance goals by highlighting the areas they need to improve and also by boosting their morale in areas where they are excelling.

The study showed that goal-setting had an impact on improving employees overall performance. This is shown by 37% of respondents agree that setting of goals greatly improved overall performance while 32% disagreed. This is in tandem with Lunenberg (2011) who stipulates that goal setting enhances commitment and performance.
5.3.2 Impact of Financial/Monetary Factors on Employee Performance

The study showed that employees at Pam Golding Properties Limited were not satisfied with the level of pay they received. This is shown by 19% of the respondents who agreed compared to 65% who disagreed. This indicates that Pam Golding Properties Limited is not paying its employees well and they are unhappy with their salaries. Giancola (2011) states that people primarily work to make money and therefore, it is a good way to motivate employees.

The study revealed that the organization did not offer competitive salaries when compared to other organizations in the industry. The study showed 9% of respondents agreed that the salary was competitive while 73% disagreed. Additionally, the study showed that organization did not offer a competitive benefits package with 26% agreeing with the statement and 54% disagreed. This is in tandem with Locke and Latham (1990) who state that money is the principal inducement and no other incentive comes close to it with respect to its influential value.

The study revealed that employees at Pam Golding Properties would appreciate a monthly expense allowance to cover fuel and telephone airtime costs. Majority of the employees are property agents which means that majority of their work involves driving around, showing houses and making phone calls to clients. 55% of the respondents agreed that they would be satisfied with the monthly expense allowance while 31% disagreed. Denisi and Pritchard (2016) state that a useful principle of using financial incentives is to investigate which incentives are most appealing to employees.

The study showed that the company does not use monetary rewards such as base pay, commission, allowances or bonus’s and this is evident by 22% of respondents who agreed with the statement and 56% who disagreed. Giancola (2011) states that financial incentives are more effective when they are linked to pay for performance plans such as bonus’s or commission. Additionally, Armstrong (2007) states that compensation is among some of the physical needs that affect motivation, which consequently affects employee performance.
The study showed that the employees of Pam Golding Properties Limited, Nairobi believed that money was a crucial incentive to work motivation as shown by 70% of the respondents that agreed compared to the 22% that disagreed to the statement. These results are similar to Kreitner and Kinicki Robbins (2016) study where they found that, money was the crucial incentive to work motivation because it was the means by which employees could buy the numerous need-satisfying things they desired.

The study showed that the salary and other hygiene factors at Pam Golding Properties Limited had led to a dissatisfaction of the employees as shown by 45% of the respondents that agreed compared to 35% of the respondents that disagreed with the statement. These results are in tandem with Stanley (2012) who points out that, salary and other hygiene factors yielded dissatisfaction and only motivators directly influence motivation beyond the psychological neutral level.

The study showed that the employees of Pam Golding Properties Limited, Nairobi believed that the money they are paid is a strong indication of the value the organization has placed on their services. This is shown by 46% of the respondents who agreed as compared to 32% who disagreed. These results concur with Abratt and Klein (1999) who state that employees view compensation as the value placed on their services by an organization and therefore, invest their time, knowledge and skills in proportion to how they perceive their value to be.

The study showed that the employees of Pam Golding Properties Limited, Nairobi believed that the pay policy of the organization does not help attract and retain high performing employees. This is shown by 17% of the respondents who agreed with the statement and 56% who disagreed. To an extent, this is congruent with Banjoka (1996) who posits that employees who are not satisfied with their remuneration package, tend to view the organization as having below par attraction and retention policies. Furthermore, compensation has a significant influent on the recruitment of high level employees, motivation, productivity and employee performance (Beer and Walton, 2014).
The study showed that the employees of Pam Golding Properties Limited, Nairobi would be motivated if the organization implemented a profit-sharing scheme. This is shown by 52% of respondents who agreed and 24% who disagreed. These outcomes agree with Anthony and Govindarajan (2007) who stipulate that in order to satisfy an employees’ needs and increase levels of commitment, organizations must implement financial incentives such as bonus, profit and gain sharing and stock ownership. Additionally, when employees perceive themselves as profit-sharing or stock ownership stakeholders, they are more likely to be more committed to the success of the organization (Kepner, Wyoski, McKenzie, and Ballentine, 2003).

5.3.3 Impact of Recognition and Reward Factors on Employee Performance

The study showed that the organization does not use non-monetary rewards like inclusive decision making and flexible working hours to motivate the employees. This is shown by 39% who agree as compared to 45% who disagree. These results differ from Storey’s (2013) stipulation that states majority of organizations utilize non-monetary incentives as a way to motivate employees.

The study showed that it is important for employees to be formally recognized by management for a job well done and the results are shown by 63% of respondents who agreed compared to 18% who disagreed. These results are in tandem with Giancola (2011) whose study concluded that the most desired form of recognition by employees was verbal appreciation by their immediate boss.

The study showed that it is important for employees to be recognized by their co-workers for a job well done and the results are shown by 54% of respondents who agreed compared to 22% who disagreed. These results are in tandem with Armstrong (2007) who posits that recognition is one of the strong motivation factors and employees feel comfortable when they are praised and recognized. Moreover, when employees are recognized by their peers for a job well done, it increases motivation and performance in the long run (Allen and Helms, 2011).
The study showed that the organization does not use non-monetary rewards like gift and meal vouchers to motivate the employees. This is shown by 11% who agree as compared to 65% who disagree. These results differ from Huseilid’s (2005) stipulation that states that most organizations opt to use non-monetary incentives such as gift vouchers, written recognition, informal parties and plaques as a way to motivate employees.

The study showed that the organization does not have a wellness benefit program but if they implemented one, it would motivate the employees. This is shown by 57% who agreed and 265 who disagreed. The results are congruent with Armstrong (2009) who states that nowadays, employees are concerned with enhancing their health and work-life balance activities.

The study showed that employees view rewards as goals that they strive for and the results are shown by 31% of respondents who agreed compared to 29% who disagreed. These results concur with Huseilid (2005) who posits that rewards play a vital role in determining the significant performance in a job and is positively associated with the process of motivation. Furthermore, rewards can also be perceived as a way to incorporate fun into the workplace, which can significantly increase motivation and performance (Lunenberg, 2011).

The study revealed that the training and development incentives of the organization did not boost morale and motivation among employees as shown by 33% of the respondents who agreed compared to 46% who disagreed to the statement. These results differ with Cole (2011) who states that, there are many benefits associated with training, which include: high morale and increased motivation which leads to increased productivity.

The study showed that employees view the reward scheme at the organization as inequitable and the results are shown by 9% who agree and 48% who disagree with the statement. These results concur with Elton and Gostick (2006) who state that employees who perceive a recognition and reward scheme as inequitable, are likely to be highly de-motivated and perform poorly. This is further shown by the study where employees were asked to show if
the current recognition and reward program motivates them to perform and the results are show by 15% of respondents who agree and 55% of respondents who disagree.

The study revealed that the employees did not believe that there was long-term improvement as a result of the reward system in place and the results are shown by 11% who agree with the statement as compared to 57% who disagree. These results differ with Elton and Gostick (2006) who state that companies that implement employee recognition programs are strongly associated with best financial performance, return on equity and increased productivity.

5.4 Conclusions

5.4.1 Impact of Goal-setting Factors on Employee Performance
From the study, it can be concluded that management at Pam Golding Properties Limited allowed its employees to participate in setting their goals and the employees understood the importance their goals have on the overall performance of the organization. The study also concluded that the goals set were specific and clear but not challenging. Additionally, there was also a lack of constructive feedback, mentorship and training which had an impact on the overall motivation of the employees.

5.4.2 Impact of Financial/Monetary Factors on Employee Performance
The study concluded that employees were not happy with the monetary incentives given by Pam Golding Properties Limited. It can be observed that the organization did not use monetary rewards to motivate employees and that the employees perceive money as a crucial incentive to work motivation. It can also be concluded that the organization did not have a competitive payment and benefits package when compared to other companies in the industry and additionally, the current pay policy did not attract and retain high performing employees.

5.4.3 Impact of Recognition and Reward Factors on Employee Performance
The study concluded that Pam Golding Properties Limited did not use non-monetary incentives such as recognition and rewards to motivate its employees. Moreover, the employees viewed the current recognition and reward program as being inequitable. It was
also observed that the employees of the organization found it important to be recognized by both management and co-workers for a job well done. From the study, it can be concluded that the organization had not increased performance or observed long term improvement as a result of the reward system in place.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Impact of Goal-setting Factors on Employee Performance
The study revealed that inasmuch as the employees had specific, clear goals that they were allowed to set, the goals in themselves were not challenging or difficult for them. The study recommends that the organization re-evaluate the goals that are set, and also implement constructive feedback in relation to the goals. Additionally, the study recommends that the organization includes mentorship and regular training as a way of keeping the workforce motivated and accountable to their goals.

5.5.1.1 Impact of Financial/Monetary Factors on Employee Performance
The study revealed that the organization did not satisfy the financial/monetary needs of the employees. This study therefore recommends that the organization re-evaluates its salary and benefits package as the employees perceive the money they are paid as a direct indication of the value the organization has placed on their services. This can help boost the morale and motivation of the employees and consequently, their performance.

5.5.1.1 Impact of Recognition and Reward Factors on Employee Performance
The study showed that the current recognition and reward program was perceived as being inequitable by the employees. Therefore, to that end, the organization should re-evaluate the current program and also get feedback plus buy-in from the employees on how to make it fair and equitable for all. Additionally, the study recommends that the organization implement non-monetary rewards as a cost-effective way of boosting morale of the workforce.
5.5.2 Recommendations for Further Studies

The direct focus of this study was Pam Golding Properties Limited, Nairobi and its employees. The results therefore were limited with regard to generalizations, and therefore are not a complete representation of the entire organization and other companies in the real estate industry. Considering the numerous complex issues that surround the topic of employee motivation that have not been addressed by this study, additional research should be carried out in order to improve the current study and increase information and understanding on employee motivation.
REFERENCES


Chin-Ju, T. (2010). *Reward and Incentive Compensation and Organizational...*


Research Methods: http://www.socialresearchmethods.net/tutorial/Mugo/tutorial.htm


APPENDIX 1: LETTER OF INTRODUCTION

Dear Respondent,

I am a student at United States International University (USIU) pursuing a Masters Degree in Organizational Development. As a partial fulfillment of the Masters course, I am conducting a study on the effect of motivation on employee performance, a case study of Pam Golding Properties Limited, Nairobi.

Please take a few moments to answer the attached questionnaire. Your contributions and answers will be treated with utmost confidentiality and no names of staff members will be published in the final research document.

Your assistance and cooperation will be highly appreciated.

Yours Sincerely,

Elizabeth Waiyaki
APPENDIX 2: QUESTIONNAIRE

The general objective of this study is to determine the impact of motivation on employees performance in an organization. The study will focus on Pam Golding Properties Limited based in Nairobi. The following questionnaire has been developed to help the researcher gather information necessary to answer the research questions of the study. Kindly fill it appropriately.

PART A: Demographics

Gender:
Male [ ] Female [ ]

Age Group:
Below 25 [ ] 26-30 [ ] 31-35[ ] 36-40 [ ]
41 and above [ ]

Department:
Agent [ ] Marketing [ ] Administration [ ] Finance [ ]
Other (please state)…………………….

Tenure: How long have you worked at Pam Golding Properties Limited?
Less than 1 Yr [ ] 1-2 Yrs [ ] 2-3 Yrs [ ] 3-4 Yrs [ ]
5 Yrs and above [ ]

PART B: Impact of Motivational Goal-setting on Performance?

1. The questions in this section concern characteristics related to goal/targets within the context of the job itself. Using the key below, please indicate the extent to which you agree with each statement.
1= Strongly Disagree
2=Disagree
3=Neutral
4=Agree
5= Strongly Agree
My manager lets me participate in the setting of my goals/targets

I understand the importance of my goals/targets in relation to the overall objective of the organization

I have specific, clear goals/targets to aim for in my job

My goals/targets are realistic and achievable

As an employee, I am satisfied with the challenges provided by my work

As an employee, I have difficult and challenging goals to meet at work

As an employee, I am regularly trained to acquire and improve my knowledge, skills and attitudes towards my work

I have a mentor assigned to me within the organization to guide me in achieving my goals/targets

I get fair and constructive feedback regularly related to my goals/targets

The setting of goals/targets has greatly improved my overall performance within the organization

---

PART C: Effect of Financial/Monetary Incentives on Employee Performance

2. The questions in this section concern characteristic related to financial incentives/monetary factors and their effect on employee performance. Using the key below, please indicate the extent to which you agree with each statement.

1= Strongly Disagree
2=Disagree
3=Neutral
4=Agree
5= Strongly Agree

---

Financial Incentives/ Monetary Factors

<table>
<thead>
<tr>
<th>I am satisfied with the level of pay I receive</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>The pay offered by the company is very competitive compared to other companies in the industry</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Our company maintains a competitive pay and benefits (e.g. medical insurance) package</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I would be satisfied if I received a monthly expense (e.g. fuel and telephone) allowance

Our company uses monetary rewards like base pay, commission, bonus, incentives and healthy allowances to motivate us

I believe that money is a crucial incentive to work motivation because it is what I use to purchase the things I need and desire

My salary and other hygiene factors (e.g. company policies, working conditions, supervision) have led to a dis-satisfaction of my employment

I believe the money I am paid is a strong indication of the value the organization has placed on my services

Our company pay policy helps attract and retain high performing employees

If the company had a profit-sharing scheme, it would motivate me to perform

**PART D: Effect of Recognition and Reward Programs on Performance?**

3. The questions in this section concern characteristics related to recognition and reward programs, and their effect on employee performance. Using the key below, please indicate the extent to which you agree with each statement.

1= Strongly Disagree
2=Disagree
3=Neutral
4=Agree
5= Strongly Agree

<table>
<thead>
<tr>
<th>Recognition and Reward</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our company uses non-monetary rewards like recognition, inclusive decision-making and flexible working hours to motivate us</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>It is important to me to be formally recognized by management/supervisor for a job well done</td>
<td></td>
<td></td>
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<tr>
<td>It is important to me to be recognized by my peers and co-workers for a job well done</td>
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<tr>
<td>Our company uses non-monetary rewards (e.g. gift vouchers, movie tickets, or Lunch/Dinner for two) to motivate us</td>
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<tr>
<td>Statement</td>
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<td>--------------------------------------------------------------------------</td>
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<tr>
<td>If our company had a wellness benefit program e.g. gym or sports club</td>
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<tr>
<td>membership, I would be motivated</td>
<td></td>
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<tr>
<td>In our organization, rewards are viewed as goals that employees generally</td>
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<tr>
<td>strive for, and an instrument that provides valued outcomes</td>
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<tr>
<td>Our organization uses training and development (e.g. Seminar,</td>
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<tr>
<td>sponsorship) as a way to motivate us</td>
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<tr>
<td>Our company has a fair and equitable reward scheme</td>
<td></td>
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<tr>
<td>Our current recognition and reward program motivates me to perform</td>
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<tr>
<td>better</td>
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<tr>
<td>Our organization has observed a long-term improvement of the quality of</td>
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<tr>
<td>work as a result of the reward system in place</td>
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</tbody>
</table>

Thank you for completing the survey! 😊
## APPENDIX 3: BUDGET

<table>
<thead>
<tr>
<th>Budget Line Items</th>
<th>Cost in (KShs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Proposal Development</strong></td>
<td></td>
</tr>
<tr>
<td>Materials</td>
<td>7,000.00</td>
</tr>
<tr>
<td>Printing</td>
<td>25,000.00</td>
</tr>
<tr>
<td>Photocopying</td>
<td>5,000.00</td>
</tr>
<tr>
<td><strong>Data Collect (Fieldwork)</strong></td>
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</tr>
<tr>
<td>Photocopying</td>
<td>7,000.00</td>
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<tr>
<td>Transport</td>
<td>20,000.00</td>
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<tr>
<td><strong>Data Analysis &amp; Interpretation</strong></td>
<td></td>
</tr>
<tr>
<td>Data Analysis</td>
<td>15,000.00</td>
</tr>
<tr>
<td><strong>Report Writing &amp; Dissemination</strong></td>
<td></td>
</tr>
<tr>
<td>Report Writing</td>
<td>9,000.00</td>
</tr>
<tr>
<td>Binding &amp; Dissemination</td>
<td>11,000.00</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td><strong>99,000.00</strong></td>
</tr>
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</table>
APPENDIX 4: IMPLEMENTATION PLAN

<table>
<thead>
<tr>
<th>Activity</th>
<th>2016/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Nov Wk3</td>
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<tr>
<td>Allocation of Supervisor</td>
<td></td>
</tr>
<tr>
<td>Data Collection</td>
<td></td>
</tr>
<tr>
<td>Data Analysis and Interpretation</td>
<td></td>
</tr>
<tr>
<td>Reporting and Dissemination</td>
<td></td>
</tr>
</tbody>
</table>