



St. Mary's **ቅድስት ማርያም**
University **የኢትዮጵያ**
Committed to Excellence **የኢትዮጵያ**

SCHOOL OF GRADUATE STUDIES DEPARTEMENT
OF MANAGEMENT (GENERAL MBA)
THE EFFECT OF EMPLOYEE MOTIVATION ON
ORGANIZATIONAL PERFORMANCE: THE CASE OF ETHIO
VEG-FRU PLC.

BY:

BINIYAM H/MESKEL

AUGUST, 2020,SMU

ADDISABABA, ETHIOPIA

**THE EFFECT OF EMPLOYEE MOTIVATION ON
ORGANIZATIONAL PERFORMANCE: THE CASE OF ETHIO
VEG-FRU PLC.**

BY:

BINIYAM H/MESKEL

ADVISOR NAME;-

MESFINE TESFAYE (Ph.D)

**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY COLLEGE,
SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION (GENERAL MANAGEMENT)**

SMU, AUGUST, 2020

ADDISABABA, ETHIOPIA

Declaration

I, declare that this study entitled “*The Effect of Employee Motivation on Organization Performance the case of Ethio VEG FRU. PLc*” is my own work. I have undertaken the research work independently with the guidance and support of the research advisor. This study has not been submitted for any degree or diploma program in this or any other institutions and that all sources of materials used for the thesis have been duly acknowledged.

Declared by

Name: Biniyam H/Meskel

Signature: _____

Date: JUNE, 2020

Place: Addis Ababa, Ethiopia

Certification of Advisor

This is to certify that **Biniyam H/Meskel** has done the study on the topic “*The Effect of Employee Motivation On Organization Performance the case of ETHIO VEG. FRU. Plc*”.

Advisor: Mesfine Tesfaye (PhD)

Signature: _____

Date: _____

Board of Examiners

This is to certify that the thesis prepared by Biniyam H/Meskel entitled “*The Effect of Employee Motivation On Organization Performance the case of Ethio VEG. FRU. Plc*”, and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration in Management complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Signed by the Examining Committee:

Examiner _____ Signature _____ Date _____

Examiner _____ Signature _____ Date _____

Advisor _____ Signature _____ Date _____

Table of Contents

Declaration.....	i
Certification of Advisor.....	ii
Board of Examiners	iii
Table and Figures	vi
Acknowledgment.....	vii
Acronyms.....	viii
ABSTRACT	ix
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the study.....	1
1.2 Statement of the Problem.....	3
1.3 Basic Research Questions.....	4
1.4 Objectives of the Study.....	4
1.4.1. General Objective.....	4
1.4.2. Specific Objectives.....	4
1.5 Hypothesis of the Study.....	5
1.6. Significance of the Study.....	5
1.7 Scope of the Research.....	7
1.8 Organization of the Study	7
REVIEW OF RELATED LITERATURE	8
2.1 INTRODUCTION	8
2.2 Theoretical Literature	8
2.3 Empirical Studies.....	17
2.4 Conceptual Framework.....	21
CHAPTER THREE	22
RESEARCH DESIGN AND METHODOLOGY	22
3.1. INTRDUCTION	22
3.2 Research Approach and Design.....	22
3.3. Sample Size and Sampling Procedures	23
3.4. Data Sources and Data Collection Method.....	25
3.5. Data Analysis Methods.....	25

3.6 Validity and Reliability	26
3.7. Ethical Considerations	27
3.8 Research Model Specification	27
RESULTS AND DISCUSSIONS	28
4.1 INTRODUCTION	28
4.2 Demographic Data of the Respondents	29
4.3 Reaction of Respondents (Yes or No Questions)	31
4.4 Descriptive Statistics	36
4.5 Data Analysis.....	40
4.6. Regression Analyses and Hypotheses Testing	46
4.7 Summary of the Proposed Hypothesis.....	51
CHAPTER FIVE	52
SUMMARY, CONCLUSION AND RECOMMENDATIONS	52
5.1 INTRODUCTION	52
5.2. Summary of Findings	52
5.3. Conclusions	54
5.4. Recommendations.....	56
5.5 Future Research	57
References.....	58
Appendix.....	60

Table and Figures

List of Tables

Table 3. 1 Target Population Distribution	23
Table 3. 2 Summary of Scale and Cronbach's alpha Values	26

Data Interpretation Table

Table 4.4. 1 Correlation	42
Table 4.4. 2 Collinearity Test	43
Table 4.4. 3 Durbin Waston Statistics	45
Table 4.4. 4 ANOVA	46
Table 4.4. 5 Direct Effect Statistics	46
Table 4.4. 6 Standardized Coefficients	47

List of Figures

Figure 4. 1 Employee Motivation Effect on Organization Performance	33
Figure 4. 2 Employee interest on their Job	33
Figure 4. 3 Employee work Easy to handle	34
Figure 4. 4 Employee Know the Tasks they do	35
Figure 4. 5 Reasonability of Employee Working Hours.....	35
Figure 4. 6 Scatter Plot with Line	42
Figure 4. 7 Histogram and P- Plot of Standardized Residuals	42
Figure 4. 8 Scatterplot of Standardized Residuals	44

Acknowledgment

First and for most, I would like to give my glory and praise to the Almighty GOD for his invaluable supports throughout the course of my life. Next, I'm grateful to appreciate my Advisor Dr.Mesfin Tesfaye who has taken all the trouble with me while I was preparing the paper. Especially, his valuable and prompt advice, his tolerance guidance and useful criticisms throughout the course in preparing the paper, constructive corrections and insightful comments, suggestions and encouragement are highly appreciated. My sincere gratitude goes to the HRM department of ETHIO VEG FRU for their frank response to my interview questions and questionnaires without which this paper would not come to life. Finally, I'm greatly indebted to my families for their encouragement, moral support and suggestions.

Acronyms

BRC = British Retail Consortium

SPSS = Statistical Package for Social Science

DW= Durbin Watson Statistics

ABSTRACT

The purpose of the study was to examine the effect of employee motivational factors on the organization performance with. The general objective and five specific objectives emanated from the research gap identified in the statement of the problem. Accordingly, the general objectives of the study were to assess the effect of motivational factors on the organizational performance of ETHIO VEG FRU PLC. The researcher adopted explanatory research design to explain, understand and predict the cause and effect relationship between variables. In order to gather primary data from the respondent a self-administered questionnaire applied for the study. The target population of the study were 400 employees in the organization the study selected 200 respondents, out of that 176 respondents return the questionnaires. The data analysed by using descriptive statistics that includes percentages, frequency distribution tables. Correlation analysis also used in this study to test the relation between dependent (organization performance) and independent (Employee motivational factors) variables. The finding of the study showed that, all employee motivational factors variables positive relationship or correlation with organization performance. Furthermore, the result of multiple linear regression variables like employee compensation and benefit, employee recognition, Job security and working condition has positive and statistically significant effect on organization performance. Therefore, from among the four variables, employee recognition contributes the strongest unique effect on organizational performance. This informs that the universal positive influence of motivational factors on organizational performance also holds true here in ETHIO VEG FRU PLC context too.

Key Words: *Employee Motivation, Organizational Performance, Compensation and Benefit, Recognition, Job security, Working condition.*

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

According to Robbins and Judge (2018), motivation is an intensity, direction, and persistence of an employee's effort in order to accomplish goal." Intensity is about how strongly an individual attempts. Majority of us concentrate on intensity when we think about motivation but high intensity not assure best output unless it is through with the right direction that consistent with the firm objective and benefits the firm. The persistence dimension is about how long an individual keep up its attempts. Motivated staffs staying on the job long enough to attain their objectives.

Motivation is the complex of forces starting and keeping a person at work in an organization in which something that puts the person, and continues him in the course of action already initiated. Motivation refers to the way a person is enthused at work to intensify his desire and willingness to use his energy for the achievement of organization's objectives. It is something that moves a person into action and continues him in the course of action enthusiastically. (Abioro, 2013)

Motivation is the force that makes employees choose a particular job, stays with that job for longer period, and work hard. In other words, people exert efforts hoping that their needs will be satisfied (Wilson, G. 2010).

Employee's motivation is very significant since the employees expect good working conditions, fair pay, fair treatment and being involved in decision making. These elements are not fairly given to employees in public enterprises in Ethiopia (Meseret Haile, 2015). These expectations vary from organization to organization. For the organization to resolve these challenges, an understanding of employees' motivation is required (Wilson, G. 2010). Therefore, motivation is very essential issue that can raise morale of employees in an organization. Without motivation employees cannot deliver the required outputs (Adams, 2002).

Employee motivation has always been a central problem for leaders and managers. Unmotivated employees are likely to spend little or no effort in their jobs, avoid the

workplace the maximum amount as possible, exit the organization if given the chance and produce low quality work.

In today's business world it is highly emphasized on firm performance. However, there are a lot of criteria used in studies and determining the performance. According to (Venkatraman and Vasudevan Ramanujam, 1986), performance can be measured with financial and operational (non-financial) indicators. Financial measures are related to economic factors such as profitability and sales growth (e.g. return on investment, return on sales and return on equity) and operational measures are related to non-financial success factors such as quality, market share, satisfaction, new product development and market effectiveness.

Employee motivation has always been a central problem for leaders and managers. Unmotivated employees are likely to spend little or no effort in their jobs, avoid the workplace the maximum amount as possible, exit the organization if given the chance and produce low quality work. On the opposite hand, employees who feel motivated to figure are likely to be persistent, creative and productive, arising top quality work that they willingly undertake.

Employee motivation is directly linked to employee commitment, productivity and business profits. An organization should know about their employees that who are its great workers, who need training. Every employee has its own motivational factors that motivate them to perform their work effectively and efficiently. Some employees are motivated by recognition and a few are by rewards. Organizations should know the needs of their employees. Motivated employees are productive, happy, committed and satisfied to their jobs.

The success or failure of any organization depends on its employee that how well they were motivated towards their work and with how dedication they're performing. Motivation plays a fundamental role in enhancing the worker productivity and performance.

In most Asia and Europe research findings have shown that some employees are motivated by compensation, some by recognition and rewards. Organizations should know the needs of their employees. Motivated employees are productive, happy, committed and satisfied to their jobs.

Ouchi (2004) reveals that an organization would be more profitable, effective and efficient when its workers have trust over them and this will lead to productivity, high level of involvement.

Every organization and business wants to be successful and have a desire to get constant progress (Manzoor et al, 2011). The strength of the successful organization or any aspect of any business is almost traced from its motivated employees whose hardworking yields organizational performance.

1.2 Statement of the Problem

Employee Motivation is a critical ingredient in organization 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. This 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).

The performance of organization and employee motivation has been the focus of intensive research effort in recent times. However the study shows that there is direct relation among employee motivation and organization performance, but some other scholars believed that there is no relation among the two.

The empirical evidences emerging from various studies about the effect of employee motivation on organizational performance have so far yielded mixed results that are inconclusive and contradictory. Because of these contradictory results, the question of whether employee motivation improves or worsens organizational performance is still worthy of further research such as the one being undertaken in this study.

This study, therefore intended to assess whether really the performance of the organization decreases due to poor motivation of employees. In the face of studies on employee motivation in the last few decades, there is no widely accepted fundamental relationship between employee motivation and organizational performance. Therefore, the purpose of the study is to investigate

the effect of employee motivational factors on the organization performance in the case of Ethio VEG. FRU. PLc..

1.3 Basic Research Questions

As per the problem specified above the study tried to answered the following basic research questions

- 1) What are the effects of employee motivation on the organization Performance?
- 2) How the organization working conditions affect the overall organization Performance?
- 3) How employee compensation and benefits affects the organization performance?
- 4) What are the effects of the employee recognition in the organization affect the overall performance of the organization?
- 5) What are the overall effects of employee job security over the organization Performance?

1.4 Objectives of the Study

The study has a general objective and a specific objective that are originate from the research topic, the gap identified in the study area, and the above specified research questions.

1.4.1. General Objective

The general objective of the study is emanated from the research gap identified and stated on the statement of the problem. Accordingly, the General Objective of the study is to assess the effect of Employee Motivation on the Organization the case of Ethio VEG. FRU. PLc.

1.4.2. Specific Objectives

The specific objectives of the study are emanated from the research question and the general objectives of the study. Therefore, the specific objectives of the study are: -

- 1) To identify the effect of Employee Motivation on the organization performance.
- 2) To Examine the effect of Employee Working Conditions over the organization performance.
- 3) To examine the effect of Employee Compensations and Benefits on the overall organization Performance.

- 4) To explore the effect of the Employee Recognition in the organization overall performance.
- 5) To explore the effect of employee Job Security on the organization overall Performance.

1.5 Hypothesis of the Study

Having the theoretical and empirical arguments that is explained in chapter two of the thesis, and the conceptual framework of the study used to formulate and the following hypotheses are proposed. The relationship between the independent variable (Employee Motivation) and the dependent variable (Organizations performance) is assessed; -

***H1:**Employee Motivation have positive and significant effect on the overall organization performance in that firms with higher level of motivations of employee will have higher organizational performance.*

***H2:**Employee working Condition have positive and significant effect on the overall organization performance in that firms without better employee working conditions there will be well organizational performance.*

***H3:**Employee Compensations and Benefits have positive and significant effect on the overall organization performance in that firms without employee compensation package there will be well organizational performance.*

***H4:**Employee recognition have positive and significant effect on the overall organization performance in that firms without employee rewards package there will be well organizational performance.*

***H5:** Employee Job Security have positive and significant effect on the overall organization performance in that firms without better employee job Security there will be well organizational performance.*

1.6 Definitions of Terms

Motivation refers to the forces within a person that affect the direction, intensity, and persistence of voluntary behavior. It is the process through which employees are given impetus to maintain high performance level and as discussed by Armstrong, 2010.

Performance - something that is carried out or accomplish. Performance is indeed often regarded as simply the outcomes achieved: a record of a person's accomplishments. Motivation is an important process that provides the basis for improving and developing performance (Armstrong , 2009).

Compensation and Benefit - refers to all forms of financial returns and tangible service and benefits employee receives as part of an employment relationship. The term compensation is used to mean employee' gross earnings in the form of financial rewards and benefits as part of employment relationship (Singh, 2012).

Recognition - is one of the most powerful methods of motivating people. Recognition can be provided by positive and immediate feedback from managers and colleagues that acknowledge individuals and team contributions. It is also provided by managers who listen to and act up on the suggestion of their team's members. Recognition of work is the essence of securing good work. It is one of the most powerful motivators.

Job security – refers to getting rewards for good work and their job is a secured one, the performance will automatically be better. Similarly, with Job security, an employee gets confident with the future career and they put their most efforts to achieve the objectives of the organization(Edward., 2005).

Working condition - is so describing or defining the physical environment by identifying those elements or dimensions of the physical environment. Employees having poor working conditions will only provoke negative performance, since their jobs are mentally and physically demanding, they need good working conditions.

1.7 Significance of the Study

The finding of this research is assumed to be beneficial to ETHIO VEG FRU PLC to look in toits weaknesses and implement motivational schemes based on merit. The research will also beneficial to other related agricultural sector based organizations having clear understanding of the importance of employee motivation and its outcome for their organizations, but also to the other organizations as well in understanding the importance of employee motivation. The study will yields useful findings to inform policy and decision makers for the purpose of most favourable effectiveness of motivational impacts towards organization performance. Furthermore, the

findings of this study will provide insight to other researchers who might be interested in carrying out the same investigations of motivational impact toward organization performance. It will add to the body of knowledge in the field.

1.8 Scope of the Research

Due to lack of sufficient literatures in the area, and specifically in Ethiopia and the company context, this study focuses on assessment of the impact's employee motivation on organizational performance in ETHIO VEG FRU PLC. It will be directed towards examining whether motivational tools provided by the company have an impact on employee's motivation and organizational performance or not. Regarding its conceptual scope, this study tried to cover employees motivation and its effect on organizational performance.

1.9 Organization of the Study

The study is presented on five chapters. The first chapter is introduction which covers the background to the problem, statement of the research problem, objective of the study, hypotheses, and significance of the study, scope of the study and organization of study. Chapter two comprised of conceptual definitions, theoretical literature review, empirical literature review, research gap, conceptual framework and theoretical framework. Chapter three is focused on research methodology which includes research design, study area, population of the study, sample size and sampling procedures, data collection methods, data collection tools, reliability and validity of the data, data presentation and analysis and study expected result of the study. Chapter four covers data analysis, and discussions. Chapter five comprised of summary, conclusions and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 INTRODUCTION

This chapter highlights the related literature on Employees' Motivation on Organisational performance that is to be reviewed. A review of relevant literatures are presented and discussed in this chapter in order to be informed about previous studies on motivation. Literature review describes the contributions of different scholars to the study undertaken. It also analyses both theoretical and empirical reviews related to the problem. Finally the chapter ends by looking at conceptual framework and research gap as it was developed by the researcher.

2.2 Theoretical Literature

2.2.1 Motivation

Motivation refers to the forces within a person that affect the direction, intensity, and persistence of voluntary behavior. There are three elements in this definition; Direction- refers to where people put their effort. Employee set goal and put their effort toward its achievement. One might set a goal as to finish a project in a specific hour so he/she direct their effort to the achievement of the goal. Intensity- the amount of effort employee is willing to exert toward the achievement to the stated goal. The extent to which an employee is willing to push his/her self to the completion of the goal. Persistence- how long the employee keeps its effort. Whether the employee sustain his/her effort until they attain their goal or not. Motivation is considered as one factor that influences employee behavior and performance along with ability, role perception and situational factor (Robbins, 2003).

“Motivation is the process by which a person's efforts are energized, directed, and sustained toward attaining a goal. This definition has three key elements: energy, direction, and persistence. The energy element is a measure of intensity, drive, and vigor. A motivated person puts forth effort and works hard. However, the quality of the effort must be considered as well as its intensity. High levels of effort don't necessarily lead to favorable job performance unless the effort is channeled in a direction that benefits the organization. Effort that's directed toward, and consistent with, organizational goals is the kind of effort we want from employees. Finally, motivation includes a

persistence dimension. We want employees to persist in putting forth effort to achieve those goals.” (Lotta, 2012).

Motivated workforce is an important predictor of an organization’s competitiveness, which is why managers and corporate leaders persistently concerned about their employee motivation. When employees become demotivated or not excited about their jobs they may put their time but not their energy and passion into their work. Thus, for an organization to be effective, it must tackle the motivational challenges involved in arousing individuals’ needs to be productive members of the organization (Lotta, 2012).

According to (Derek, T., Laura, H., Stephen, T., 2008) motivation is either internal or external force that influences the person to behave or act in a specific, goal-oriented manner. This force affects productivity of employee so managers must be certain that they channel employee motivation effectively toward organizational goal achievement.

Now a day’s motivating employee has become very challenging. Globalization, information technology and corporate restructuring and other organizational changes are thought to be one factor responsible for the increasing challenge. These changes dramatically affect employment relationship and undermine the level of trust and commitment necessary to make employee to put much effort beyond the minimum standards. The other factor is the flattening of organizational structure in order to reduce cost and because today’s professional workforce reject the old command- and- control approach to performance management. Due to this, supervisors now have too many employee so, they can't possibly concerned about who perform well or not and why (Steven, L., McShane., Mary Ann Von, G., 2008).

The entire success of an organization is based on how an organization keeps its employees motivated and in what way they evaluate the performance of employees for job compensation. The perceptions that employees have with regards to their reward climate influences their attitude towards their work effort. In addition, the commitment of managers towards their organization is also shown by how the manager rewards his/her employees. The effectiveness of skilled employees is likely to be limited if they are not motivated to perform. One of the means that organizations can use to enhance employee motivation and performance is to provide performance- related compensation (Serena, A., Muhammad, K. S., Md. Emran, A., 2012) .

There are two types of motivation intrinsic motivation and extrinsic motivation. Intrinsic motivation derives from the individual itself and one feels that he or she does not necessarily need external stimuli to obtain this motivation (e.g money). Extrinsic motivation which results from the external factors of the individual such as getting money. Individuals who are possessing extrinsic motivation will be motivated by the stimuli coming outside the individual and their motivation will be the sum of efforts made to motivate them in an organizational context in forms of rewards, promotion, pay increases and punishment The intrinsic motivation is more powerful in the long run and deeper in meaning as it is integrated in the individual and not controlled by external forces whereas the extrinsic motivation might have powerful and visible effects fast but these are not lasting long as the stimuli is coming outside the individual (Lotta, 2012).

How to keep employee motivated is the hardest issue manager's face this days. A number of theories are developed, and those theories explained how motivation is created and how managers can be benefited from the literatures. These motivation theories are supported each other and complimentary (Steven, L., McShane., Mary Ann Von, G., 2008).

Motivation begins from Individuals need and their underlying drives. Need is defined as deficiency that energize or trigger behavior into satisfying the needs. The tougher the needs the motivation become more strong. Unsatisfied needs pressure an individual to search for a way to satisfy those needs. Drive is tendency of an individual to pursue goal or maintain internal stability and it is more of intrinsic or innate. Need is produced by drives yet can be strengthened through reinforcement and social forces (Steven, L., McShane., Mary Ann Von, G., 2008).

2.2.2 Theory Of Motivation

Various thoughts where developed to enhance the understanding of motivation and uncover the factors leading to motivation. Given the focus of the study to explore the factors that lead the motivation, particular attention is paid to the following thoughts of motivation:

- Maslow's Motivation Need Theory
- Herzberg's two Factor Theory
- Alderfer's ERG Theory
- McClelland's 3 Need Theory

2.2.2.1 Maslow Motivation Theory

Understanding what motivate workers and how are inspired is the concentration of numerous analysts. Five noteworthy methodologies that will prompt comprehension of inspiration are Maslow's need progression hypothesis and Herzberg's two factor hypothesis. As indicated by Maslow workers have five levels of requirements which are physiological necessities, wellbeing needs, social needs, regard and self-realizing needs. Maslow contends that lower level needs must be fulfilled before the following more elevated amount needs will motivate workers. The investigation will be guided by inspiration scholars like Maslow's Hierarchy of needs and Herzberg's two factor hypothesis.

This hypothesis was propounded by Abraham Maslow. It depended on the suspicion that the representatives are propelled by arrangement of five general needs, these scope of necessities he asserted the individual will be persuaded to satisfy whichever is most effective at the desperate hour. There are bring down request needs which are asserted to be prevailing until the point that they are in event mostly fulfilled. From this edge it can be understood that any ordinary person would turn his thoughtfulness regarding fulfil needs at the following level offering ascend to higher arrange needs which bit by bit winds up noticeably prevailing. To make the hypothesis basic, Maslow positioned these requirements in a various levelled form (Mollahosseini, A., Kahnouji, K., Shamsiyeh, A., & Kahnouji, A., 2014).

A. Physiological Needs

Physiological necessities as indicated by (Kenrick, D. T., Neuberg, S. L., Griskevicius, V., Becker, D. V., & Schaller, M., 2010) are the essential requirements for survival and esteem to be the most reduced level needs. These requirements included needs like food, water and housing. These are fundamental necessities an individual needs to survive and in actuality can't manage without it. He was of the solid sentiment that regardless of the possibility that the various needs are unsatisfied then physiological needs will command.

Inasmuch as physiological needs are unsatisfied, there exist as a driving or inspiring power in man's life (Maslow, 1923). An eager individual has a felt need and this felt require touches off both (mental and physical) strain and show itself in a way coordinated towards diminishing the said pressure (motivating sustenance to eat) along these lines, individuals will concentrate on exercises that will enable them to survive. Once the craving is fulfilled pressure is decreased and

the requirement for nourishment stops to be a helper (Kenrick, D. T., Neuberg, S. L., Griskevicius, V., Becker, D. V., & Schaller, M., 2010)

B. Safety Needs

The following level in the progressive system was what named as wellbeing needs, the scan for shield, security, solidness, reliance, insurance, flexibility from (hesitation, dread and disorder) and a requirement for structure, request and law. In the work setting this needs convert into requirement for no less than negligible level of business security and the affirmation that we cannot be rejected or sacked on insignificant issues and that proper levels of exertion and efficiency will guarantee proceeded with business (Maslow, 1923).

C. Social Needs

As per (Maslow, 1923), if a man has initial two levels of requirements very much delighted, the rise of social needs (feeling of belongingness and love) turns into the following goal. At this phase in life, a man long for the friendship of others and would need to be set in a gathering or family. Relating this to the work setting, as active beings, people have a need to have a place and this must be fulfilled by a capacity to connect with one's associated and have the capacity to team up viably to accomplish authoritative objectives.

D. Self Esteem Needs

According (Kenrick, D. T., Neuberg, S. L., Griskevicius, V., Becker, D. V., & Schaller, M., 2010) esteem needs include self-esteem and esteem of others. Self-esteem involve self-respect, self-confidence, competence, achievement, knowledge and independence. Esteem of others includes reputation, status and recognition.

E. Self-Actualization Needs

These are the requirements for understanding one's maximum capacity, for preceded with self – development for being innovative. It is the longing of getting to be what one is fit for getting to be. It is a limitless and development requirement. It is mental in nature and not very many individuals fulfil it.

Strengths of Maslow Motivation Theory

The model is straightforward and consistent. It is good with the financial hypothesis of interest. The hypothesis clarifies why a man carries on contrastingly in two comparable circumstances. It gives an understanding into what is basic to all and finally it stretches out to all region of human life and it is not restricted to work circumstance alone(Maslow, 1923).

Weaknesses of Maslow's Need Hierarchy Theory

Necessities are by all account not the only determinant of conduct. There other propelling variables like recognitions, desires and encounters. The chain of importance of necessities is not generally settled. Distinctive individuals may have diverse requests. The hypothesis does not perceive singular contrasts. People contrast in the relative power of their diverse needs. The model gives a misrepresentation of human needs and inspiration. The hypothesis depends on a generally little specimen. It is a clinically inferred hypothesis and its unit of investigation is the person. At long last there is no certain proof that once a need is fulfilled it loses its propelling power (Maslow, 1923).

2.2.2.2 Herzberg Motivational Theory

The hypothesis was produced by Frederick Herzberg who was an American analyst who was conceived in 1923. Herzberg's work orders inspiration into two components: sparks and cleanliness. Spark or inborn elements, for example, accomplishment, acknowledgment, headway, open door for development create work fulfilment. Cleanliness or outward factors, for example, pay, status, working conditions specialized supervision and professional stability, deliver work disappointment (Herzberg, 1923).

The hypothesis was exceptionally questionable at the time it was distributed; cases to be the most imitated examination around there, and gave the establishment to various different speculations and systems in human asset advancement along these lines work fulfilment and disappointment can't be measured on a similar range (Schuler, R. S., and Jackson, S. E., 1996).

Strengths of Herzberg's Motivation Hygiene Theory

The hypothesis has awesome commitment to the effect of worker inspiration on association execution since it plots the sparks that can spur representatives at working environment in this manner respecting association execution. The hypothesis in other hand indicates what are the terrible sentiments that when representatives involvement with working environment demotivate

them accordingly help bosses to be family enough in guaranteeing that whatever is done to their workers will expand their inspiration rate so as toward the end to increase authoritative execution (Herzberg, 1923).

2.2.3 Employee Motivation

Worker inspiration is one of the techniques of chiefs and administrators to increment useful occupation administration among representatives in associations (Shadare et al, 2009). A motivated worker is responsive of the distinct objectives and destinations he/she should accomplish, in this way he/she coordinates its endeavors toward that path. Employee motivation is one of the most steady and assessment difficulties and this can be made conceivable through motivation (Manzoor, 2011). Rutherford (1990) detailed that motivation defines an association more fruitful on the grounds that incited representatives are always searching for enhanced practices to do a work therefore it is fundamental for associations to convince employees motivation (Kalimullah et al, 2010).

2.2.4 Levels of Employees' Motivation

(John, 2005) portray three levels of workers' motivation at workplace. The bearing of workers' practices. It identifies the practices which people perform. The level of exertion which alludes to how hard an individual will chip away at the conduct. The level of perseverance which alludes to person's readiness to carry on paying little respect to the difficulties. They found that administration can make utilization of various styles, tactics, strategies, plans and arrangements to inspire workers at workplaces, however extraordinary strategies procedures designs and approaches would have an alternate motivational effect on differing individuals.

2.2.5 Employee motivation and its effect on organizational performance

The purpose of this study is to check the effect of employee motivation on organizational performance. Performance is defined as all the activity of a given participant on a given occasion which serves to influence in any way any of the other participants. Performance is the doing of something up to the standards that entails success and excel. It marks identities; bends time, reshape and adorn the body, and tell stories (Pulakos, 2004). Employee performance is fundamentally relies upon many factors which are execution examinations, worker motivation, representative fulfilment, payment, training and development, professional stability authoritative structure and others. In this study, performance refers to all activities that an Ethio Veg Fru as an organisation may perform with success and excel in them.

This research was conducted on different level of management in oil and gas sector of Pakistan. It is concluded that by examining the work performance and recognizing employees' performance and motivating them by giving proper rewards, the employees get satisfied and thus their level of output increases and enhances the performance of the organization. The study recommends that organizations should make motivation as a habit to achieve improved performance. The paper presented that organization without motivating its human resources cannot achieve its objectives and cannot run efficiently.

The problem stated in the research is to learn the ways and effects of motivating the workers in an organization. The research was carried out from 400 staff of the manufacturing firms in Nnewi. The methodology used is being survey method. The findings of the research shows that salaries paid to junior staff were very low hence poorly motivated which leads to poor performance. Junior staff prefers financial incentives than non-financial. Management of the manufacturing firms in Nnewi does not focus for their employee's benefits, thus the study recommends that an increase in salary via promotion and other benefits should be used as motivational factors.

2.2.6 Organizational Effectiveness

Upon the achievement of its points and goals, rests the achievement and extreme survival of the organisation. Every work association is worried about being powerful (Peter and Waterman, 2012). Most associations by and large are looking to finish a few unique objectives in the meantime, and the accomplishment of one of these objectives frequently may restrain the acknowledgement of another (Reimann, 2014). Activities like on-going performance monitoring and continuous evaluation of organizational improvement has contributed a lot to organizational effectiveness (Martz, 2013). The principle challenge with adequacy is estimation. Pioneers who characterize hierarchical adequacy as a result, responsibility recognize inputs yield results and impacts and comprehend the issues related with assessment (Mitchell and Sevilla, 2011).

2.2.7 Basic Strategies to retain employees' motivation

2.2.7.1 Compensation and Benefit

These are Compensation and Benefits given to employees in addition to their salary/wage. Such Compensation and Benefits are those monetary and non-monetary given to the employees during

and post-employment period which are connected with employment but not to the employee's contribution to the organization.

They are also known by the name fringe benefits. Authors like (Caroline, K. and Stephen, M., 2012), claim that fringe benefits covers bonus, social security measures, retirement benefits like provident fund, gratuity, pension workmen's compensation, housing medical, canteen, Co-operative credit, consumer stores educational facilities, recreational facilities financial advice and so on.

Employee benefit is one of powerful motivator factors and it is element of remuneration given in addition to the various forms of cash pay. They also include items such as annual holidays, pension sick leave insurance cover, company cars, home, and transportation (Armstrong, 2012). It also taking into account, market stance is that internal rate of pay and compare with market rates.

2.2.7.2 Recognition

Recognition is one of the most powerful methods of rewarding people. Recognition needs are linked to the esteem needs in Maslow's hierarchy of needs. According to (Armstrong, 2012), he emphasized that recognition is the acknowledgement of an individual contribution showing appreciation and to reward the individual for an accomplishment of a task or sound performance. Recognition can be provided by positive and immediate feedback from managers and colleagues that acknowledge individuals and team contributions. It is also provided by managers who listen to and act up on the suggestion of their team's members. Other actions that provide recognition include acknowledge contribution, allocation to a high-profile project, and enlargement of the job to provide scope for more interesting and rewarding work.

Recognition of work is the essence of securing good work. It is one of the most powerful motivators. Efficient people would naturally like to get recognition for their skill and excellence in their work. Such recognition can do many things that what a cash reward can do. Armstrong, M. (2012), underlined on the point that, recognition is supposed to be given judiciously. That is, it must be related to real achievements of employees. The recognition given will have a great impact if it is followed by provision of achievement bonuses awards.

2.2.7.3 Job security

If an employee perceives they will be getting rewards for good work and their job is a secured one, the performance will automatically be better. Similarly, with Job security, an employee gets confident with the future career and they put their most efforts to achieve the objectives of the

organization. So we can say job satisfaction is the most in essential tool of motivation and put the employee very far out from mental tension and gives her/his best to the organization, ultimately it leads to profit maximization (Edward., 2005).

2.2.7.4 Working condition

(Michael A. and Helen M. , 2007) stated that good work environment and good work conditions can increase employee job satisfaction and an employee organizational commitment. So the employees will try to give their best which can increase the employee work performance. Similarly, (Martha, 2013) concluded that there were evidences of moderating effects of age on the associations between psychosocial work conditions and health. Now the importance and the need of working condition is so describing or defining the physical environment by identifying those elements or dimensions of the physical environment. Employees having poor working conditions will only provoke negative performance, since their jobs are mentally and physically demanding, they need good working conditions.

2.3 Empirical Studies

There are numerous attempts made by scholars to investigate the effect of employee performance on organizational performance in various sectors and countries. For instance, (Roberts, 2005) examine the Relationship Between Rewards, Recognition and Motivation. A questionnaire was distributed to 80 employees' of Unilever and data was analysed through SPSS version 16. The results showed that there is a statistically significant ($r=0.92$, $p<0.01$) direct and positive relation between recognition and employee work motivation. A study was conducted in Pakistan to examine the job satisfaction among bank employees in Punjab. A structured questionnaire survey was used and data was gathered from 4 bank's employees. The value of correlation coefficient for recognition was 0.251 which shows that its relationship with job satisfaction is positive. Job satisfaction is directly associated with internal work motivation of employees that enhances as the satisfaction of employees increases. That is why a study says that deficiency of appropriate recognition and rewarding reduces employees work motivation and job satisfaction (Robbins, 2003).

According to (Susan, W. M., Gakure, R. W., Kiraithe, E. K., & Waititu, A. G., 2012) surveyed the effect of motivation on execution in the general population security area with an attention on the Police Force in Nairobi, Kenya. The reason for the examination was to explore the effect of motivation on execution in people in general security part in Nairobi County, Kenya. The examination utilized a blended research outline of exploratory, enlightening and quantitative plans with the rundown of standard cops filling in as the testing outline. The poll was utilized to assemble pertinent data from the respondents. Information gathered was investigated utilizing both the expressive and inferential insights. The examination saw that, in spite of the administration change endeavours in the Security division, execution has kept on weakening with criminal exercises expanding by the day. Difficulties prompting this troubling execution have not been enough examined and surely knew, subsequently blocking execution by the security officers who assume a basic part in security issues. The examination prescribed that legislature and other concerned partners ought to enough propel the police for enhanced execution/benefit conveyance.

According to (Anyim, C. F., Chidi, O. C., & Badejo, A. E., 2012) inspected Motivation and Employees' Performance in the Public and Private Sectors in Nigeria. The examination analysed inspiration and workers' execution in general society and private segments in Nigeria. The investigation was closed by giving various proposals including association endeavour to introduce great pay base that is tempting and aggressive and furthermore guarantee instalment for expanded abilities or obligations, making a space revenue driven sharing through reward or offers. Moreover, pay execution reward in light of representatives' execution. Give acknowledgment and handshake for work well done. Be delicate to the necessities, emotions and predicament of the representatives and consistently stretch a sentiment pride in their work and execution among others.

According to (Nizam, K., & Shah, F. M. , 2015) examined on the Effect of Employee Motivation on Organizational Performance in Oil and Gas Sector of Pakistan. Their examination gone for investigating the significance of inspiration in the administration of individuals at work, no framework moves easily without it, and no association accomplish its target without motivating its HR. This examination was directed on various level of administration in oil and gas division of Pakistan. Survey was utilized to accumulate data. Relapse and Correlation strategy were together used to test the theory. Study result demonstrates that, representatives get fulfilled and in this way their level of yield increments and upgrades the work execution of their association.

Acknowledgment has an imperative effect for improving worker inspiration towards their work by perceiving representatives they feel inside propelled with their employment and conferred towards association accomplishment. The examination prescribes that associations should make inspiration as a propensity to accomplish enhanced execution.

According to (Sinha, S., Kr. Singh, A., Gupta, N., & Dutt, R., 2015) did an exact examination on Impact of Work Culture on Motivation and Performance Level of Employees in Private Sector Companies. The study had a purpose of distinguishing factors that influences worker inspiration and looking at the connection between hierarchical adequacy and representative inspiration. Three theories were fabricate in view of the writing and the model and were tried in context of the past investigations and writing. The writing and different investigations presumed that components: strengthening and acknowledgment have constructive outcome on worker inspiration. It was then discovered that, the greater amount of the strengthening and acknowledgment of representatives in an association is expanded, the more their inspiration to work will improve. The investigation was finished up by remarking that, valuing the representatives for their work done and giving them cooperation in basic leadership, inside fulfils them with their occupation, association and hierarchical condition. Hence their energy and inspiration towards achievement of errands increment.

According to (Madhuri, 2017) a research conducted on impacts of rewards with respect to overall levels of employee motivation in private sector organizations. This study collected primary data through questionnaire and secondary data from different journals and books. Sampling method employed to select sample organization was random sampling techniques. 30 private sector organizations were selected and response rate was 53%. According to this research finding there is strong relationship between level of reward and motivation. The finding also reveals employee in private sector gave much importance to financial rewards than non-financial rewards. Yet these may vary according to that status of employee, lower level and middle level employee give much importance to financial rewards and high level staffs like managers emphasis on non-financial rewards. Reward variables that are given a high rank by the respondents are retirement benefit, salary and bonus from financial reward and good interpersonal relationship and freedom of work from non-financial reward.

Another research conducted by (Berhan, 2007), this study examines the effect of intrinsic, extrinsic, and equity factors of work on employee's organizational commitment a case study in two selected private colleges in Addis Ababa. Questionnaire was used to collect primary data and different records of the institution reviewed for collection of secondary data. Random sampling method used to select respondent. The collected data analysed by using SPSS. The finding shows that instructors in private colleges were satisfied with intrinsic factors of work such as opportunity for achievement, challenging work, responsibility. On the other hand, instructors are generally dissatisfied with extrinsic content of work such as salary, fringe benefits, incentives, job security, and post-employment security. Moreover, there is also structural inequity. Consequently, employees were not committed to their organization which implies the availability of high turnover and lower performance.

Another research conducted on 'Reward and motivation in Addis Ababa Hospitals'. The objective of this research was to examine the impact of reward on employee motivation in hospitals administrated by Addis Ababa Health Bureau. Self-administered questionnaire was used to collect data. The collected data analysed by using descriptive statistics. By 88% respondent rate the result revealed that there is positive and significant relationship between reward and the employee's work motivation. Payment is the most significant variable among financial reward and recognition is the least significant from nonfinancial reward variable (Nebiat, 2010).

Another research conducted on 'The Effect of Reward Practices on Employee Motivation in Dashen Bank S.C.' The objective of this research was to examine the effect of reward on employee motivation in Dashen Bank. indicated that there is a statistically significant, direct and positive relationship between rewards (promotion, recognition, working conditions, benefits, the dimension of personal, leader/supervisor, general and work satisfaction and motivation .Hence, if rewards offered to employees were to be altered, then there would be a corresponding change in work motivation and satisfaction (Abera, 2017).

2.4 Conceptual Framework

The following diagram shows the variables included in the study and the conceptualization of the relationship between the independent and dependent variables.

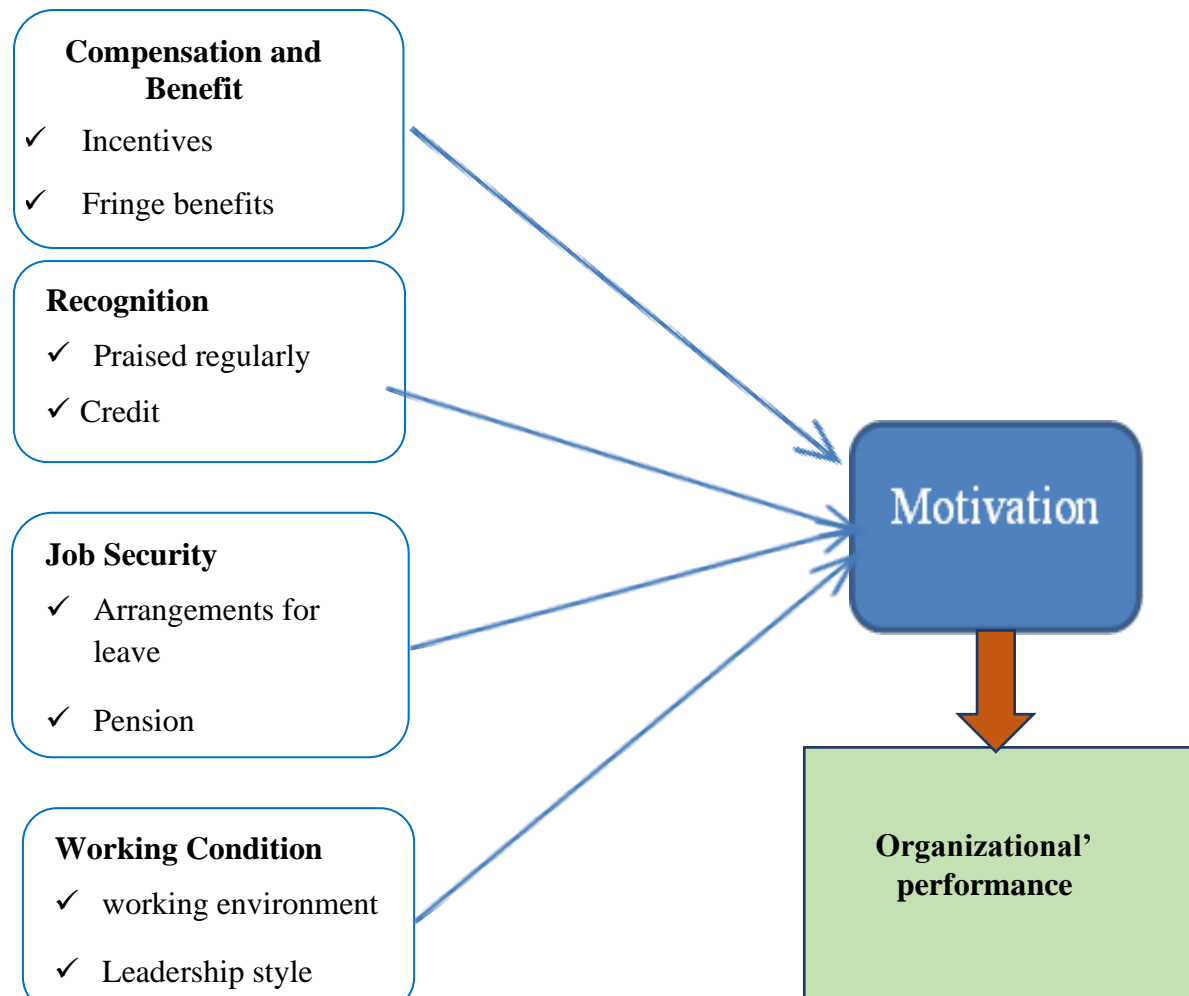


Figure 2. 1 Conceptual Framework

Over in organizational performance is to provide motivation to employee like Compensation and Benefits, Recognition, Job Security and Working Condition then employee who is motivated will automatically bring positive effect in the organization like hard work, increase of performance, reduce of labor turn over, increases of productivities, increases of morale to work. There for this concept encourage employers to provide all kind of motivations to initiate employees because it helps to brings positive effect on the organizational performance.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. INTRODUCTION

In order to analyze the potential effects of employee motivation on organizational performance, this study applied a research methodology. This section provides an overview of the study's research approach which lays within the mixed methods strategies. The chapter discusses procedures and activities under taken, focusing on namely the study's research design, questionnaire design, data collection, sampling strategy, data processing and analysis and instrument development. Besides, the section deals with a discussion on the validity, reliability and the ethical issues and the research model used in the study.

3.2 Research Approach and Design

3.2.1 Research Approach

Quantitative research approach was considered as it is more appropriate to determine the extent of a problem, issue by quantifying the variation. This study also assess the relationship between employee motivation and organizational performance so that it has answer the question of the research by quantifying the variation also quantitative research answers questions through a controlled deductive process, allowing for the collection of numerical data, prediction, the measurement of variables, and use of statistical procedures to analyse and develop inferences from the data.

3.2.2 Research Design

Research design is a comprehensive plan for data collection in an empirical research project and answering research questions (John Adams, Hafiz T.A. Khan, Robert Raeside and David White, 2007) . It is an outline for empirical research aimed at answering specific research questions or testing specific hypotheses. The primary aim of this study is to investigate the effect of employee's motivation on organizational performance. To achieve this objective, descriptive and explanatory type of research designs with quantitative approach was employed.

Explanatory type of research design attempts to clarify why and how there is a relationship between two or more aspect of situation. So that, in this study the explanatory research design was

employed to explain, understand and predict the cause and effect relationship between variables that is employee motivation as independent variables and organizational performance as dependent variable. Moreover, identifying the factors affecting employee motivation of ETHIO VEG FRU Ethiopia is one of the specific objectives of the study. Therefore, explanatory study design is found to be an appropriate design.

3.3. Sample Size and Sampling Procedures

3.3.1 Target Population

The target population of this research is all permanent employees of ETHIO VEG FRU PLC. Currently, 400 employees are working in ETHIO VEG FRU PLC. Stratified sampling method was employed to select the study participants. The reason for Stratified sampling technique was, the target population used was relatively heterogenous. Since, researcher neither have time nor the resources to analysis the entire population so it is better to apply sampling technique to reduce the number of cases. To have representative sample from each stratum , the study used a proportionate stratified sampling techniques which is probability sampling method in which different strata in a population are identified and in which the number of elements drawn from each stratum is proportionate to the relative number of elements in each stratum using the following formula.

$$nh = \frac{N_h}{N} * n$$

Where nh = sample of the stratum

Nh = Population of sample

N= total Population

n = sample of the ppulation, thus each strutum represented as per the following table

Table 3. 1 Target Population Distribution

No.	Department Name	No of Employees	Sample Taken
1	HR and Administration	22	11
2	Technical	11	6
3	Grinding and Packing	82	41
4	Sales and Marketing	35	17
5	Production	204	102
6	Crop Protection	34	17
7	Budget and Finance	12	6
Total		400	200

3.3.2 Sampling Design and Procedures

Sampling involves a process of selecting a sub-section of a population that represents the entire population in order to obtain information regarding the phenomenon of interest. A sample is a sub-section of the population, which is selected to participate in a study. There are two methods of sampling, one yields probability samples in which the probability of selection of each respondent is assured. The other yields non-probability samples in which the probability of selection is unknown. Since, it is difficult to study all of the population those who are working in Ethio VEG. FRU Plc due to time, finance and other related representative sample selected through systematic and scientific approaches. Therefore, this study used stratified sampling procedures due to heterogeneous nature of the respondents. These techniques were used in order to give equal chances of being studied for each members of the stratified group.

3.3.3 Sample Size

The study took in to account different factors that determine the sample size. Because determine sample size has its own systematic and scientific approach, among the factors the study take in to account accessibility and availability of appropriate respondent, research cost, time, sample size of previous studies and other's experience. Therefore, the study incorporates the sample size of the study those who are working in Ethio VEG. FRU. Plc as per the above sampling techniques.

$$n = \frac{N}{1 + N (e)^2}$$
$$200 = \frac{400}{1 + 400 (0.05)^2}$$

Where N= Total Population

n = sample size

e= error term

Thus, at 95% confidence Interval, and 5% of Margin of error

Thus, from the target population of 400 employee in the organization the study selected 200 respondents as a sample by using stratified sampling technique. The sample size for this study is, therefore, 200 which is considered as representative and also large enough to allow for precision, confidence and generalizability of the research findings.

3.4. Data Sources and Data Collection Method

3.4.1 Data Source

In order to find the necessary data, the study was considered the quantitative type which the study used so as to get reliable data from the representative sample. Concerning sources of data, both primary and secondary sources were used for generating valuable and relevant data.

Primary source of data was collected through questionnaire whereas secondary data are those collected from publications from books, journals, reports, and bulletins collected from different sources that are directly related with the study problem on national and international journals and publications.

3.4.2 Data Collection Method

The study used quantitative method of data collection techniques. Survey Questionnaires are the main data collection instrument that used for the quantitative study methods. In this regard, the questioners were prepared and administered to meet study objectives, questioners were distributed for employees, for each stratified group of the organization. The researcher used primary data of employees of ETHIO VEG FRU PLC by starting distributing of questionnaires. The researcher distributed the questionnaire personally as well as through E-mail. Collection of the questionnaire was done with the help of the HR department of the company.

3.5. Data Analysis Methods

After collecting the relevant data, SPSS (Statistical Package for Social Sciences) software was used for data analysis and presentation. Quantitative tools of data analysis are used to analysed the collected data. Descriptive analyses are used to compute the demographic profile of respondents, determine respondents' Potential effect of employee motivation motivational variables on organizational Performance. Hence, frequency, percentage, means and standard deviation are used to present data with the help of tables. From inferential statistics, correlation analysis more specifically Pearson correlation coefficient is used to measure the degree of relationship between variables of motivation and organizational performance. Regression analysis is used to test the hypothesis and measure the causal relationship between the variables of employee's motivation and company's performance.

3.6 Validity and Reliability

Validity is defined as the extent to which a concept is accurately measured in a quantitative study. Construct validity refers to whether you can draw inferences about test scores related to the concept being studied (Roberta Heale & Alison Twycross, 2015). Therefore, the researcher was trying to search different literatures and select sustainability variables and their measurement. Validity and reliability are interconnected concepts. This can be demonstrated by the fact that a measurement cannot be valid unless it is reliable. Internal consistency is assessed using item-to-total correlation, split-half reliability, Kuder-Richardson coefficient and Cronbach ‘s α (Roberta Heale & Alison Twycross, 2015). In this test, Reliability was assessing using Cronbach ‘s α ; it is the most commonly used to test to determine the internal consistency of an instrument. Based on Roberta and Alison the Cronbach ‘s α result is a number between 0 and 1. An acceptable reliability score is one that is 0.7 and higher. The instrument will come across the test of validity and reliability as per the required standards.

Table 3. 2 Summary of Scale and Cronbach's alpha Values

No.	Variable of the study	No. Items	Cronbach's alpha values
1	Compensation and Benefit	4	0.870
2	Recognition	4	0.741
3	Job Security	4	0.681
4	Working Condition	4	0.653
5	Employee Motivation	6	0.804
	Total	22	

To estimate the reliability of the questionnaire a pilot sample of 30 employees from ETHIO VEG-FRU PLC were selected and Cronbach Alpha was computed by SPSS software. Table 4.1 shows both the total and the pilot sample test result of reliability in the questionnaire.

To ensure internal consistency among the items included in each of the scales, Cronbach’s coefficient alpha is estimated. Higher Alpha coefficients indicate higher scale reliability. Specifically, (George & Mallery 2003) suggested that scales with 0.60 Alpha coefficients and above are considered acceptable.

As shown in table 3.1 for the reliability test Cronbach’s Alpha coefficients for effects of motivation on organizational performance factors range from 0.653 to 0.870. And the overall Cronbach’s Alpha coefficient for expected-scale items is 0.713. Based on the examination of the research

scales and constructs, it can be concluded that each variable represents a reliable and valid construct it showed that the high reliability of the questionnaire.

3.7. Ethical Considerations

This study was guided by the ethical guidelines set out by Saint Mary’s University. The researcher applied first to the HR Department of ETHIO VEG FRU PLC ,to get permission to collect the required data that can help for the study. After getting an approval, the researcher explained about the propose of the study, the participants in the study, the data collection methods, confidentiality of respondents’ information and the expected outcome of the study. The researcher has paid attention to all aspects of research ethics regarding the rights and obligations of both the researcher and respondents.

3.8 Research Model Specification

To examine the direct effect of employee motivation on the organization’s performance and the effect of interactions between motivation and contingency variables on the same relationship, multiple regression were used with the following model.

$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \dots + \beta_n X_{ni} + \epsilon_i$

Where: Y_i is dependent variable for i th observation

X_i is independent variable for i th observation

β_0 is the intercept;

β_s are regression coefficients

ϵ_i is the error term for i th observation

Where Y_i =Organization Performance

β_0 = Constant

X_{1i} = Compensation and benefits

X_{2i} = Recognition

X_{3i} = Job Security

X_{4i} = Working Condition

Where the β_s are coefficients of independent variables, X_s are column vectors for the independent variables in this case; Compensation and benefits, Recognition, Job Security, and Working Conditions; while ϵ_i is a vector of errors of prediction.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 INTRODUCTION

In this chapter the researcher presented the main findings from which the analysis was made. The researcher analysed the results with respect to research objectives and research hypothesis from chapter one. For this purpose, statistical instruments called descriptive statistics such as: mean, mode, median, and frequency, standard deviation to perform data analysis is used. Besides the descriptive analysis inferential statistics is applied to find out the relationship. Performance of the firm with determinant factors hypothesized in the research model. In order to make the data analysis data was collected using questionnaire designed and prepared.

The chapter presents the study findings, starting with descriptive statistics. Data analysis for descriptive statistics was made possible with the help of Statistical Package for Social Science (SPSS-23) software.

Data Cleaning

According to Table 4.1.2 a total of 200 employees of Ethio VEG. FRU Plc were the targeted to represent the whole employees of the organization. Unfortunately, out of that 176 respondents given the questionnaires only, 176 employees who returned and answered questionnaires and 24 of the respondents did not return questionnaires completely.

Distribution of Questionnaires and Response Rate;

Table 4. 1 Response Rate

DETAILS	NUMBERS	PERCENTAGE
Total Questionnaires given	200	100%
Returned Questionnaires	176	88 %
Non-Returned Questionnaires'	24	12 %
Analyzed Questionnaires'	176	88%

Source: Researcher, 2020

As indicated earlier, this study attempts to assess the effects of employee motivation on the organization performance of Ethio VEG. FRU plc in which considers the four motivational factors under considerations as per the conceptual framework on the organizations' performance. A total of 200 questionnaires were distributed among these 176 usable were obtained and used for analysis. Even though, a total of 200 questionnaires were distributed to respondents those who are currently working in Ethio VEG. FRU Plc in different departments, however 176 (88%) of them were returned with full information successfully and 24(12%) of them were not returned. Hence, the questionnaire, which is coded and analyzed, had represented 88% response rate. This high response rate increases confidence for the generalization of the study findings.

4.2 Demographic Data of the Respondents

The samples of this study have been classified according to five demographic background information collected during survey. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents" proportion of males and females" in the sample, range of age, academic qualification of respondents, the responsibility of the respondent, and year of service in the area. The demographic composition of the respondents is summarized. The following tables summarized the demographic compositions of the respondents.

Table 4. 2 Demographic Data of The Respondents

Personal Data	Category	Frequency	Percent	Cumulative Percent
Gender	Male	111	63%	63%
	Female	62	35%	98%
	Missing	3	2%	100%
	Total	176	100%	
Age Category of Respondents	18 -25	49	28%	28%
	26 -34	46	26%	54%
	35 – 45	41	23%	77%
	46 – 55	26	15%	92%
	Above 56	10	6%	98%
	Missing	4	2%	100%
	Total	176	100%	
	Education Level of Respondents	9-12 th Grade	31	18%
Certificate		35	20%	38%
Diploma		39	22%	60%
First Degree		61	35%	94%
Master’s Degree		8	5%	99%
Missing		2	1%	100%
Total		176	100%	
Service year		Less than 5 year	101	57%
	6 – 10 year	41	23%	81%
	11 – 15 year	14	8%	89%
	16 – 20 year	9	5%	94%
	21 and Above	7	4%	98%
	Missing	4	2%	100%
	Total	176	100%	
	(Source:Researcher finding 2020)			

The respondent's gender profile indicates, as shown in the table 4.2 above, the majority of the respondents are male which accounts 64 percent of the sample respondents whereas female respondents account for 36 percent of the sample respondents. This shows that women lag behind men in serving ETHIO VEG-FRU PLC which means that this kind of Companies are more preferable organization for males.

Regarding the age of majority of the respondents as shown from table 4.2 is between 18-25 years of age numerically 28 percent. Whereas 27 and 24 percent falls between the ages of 26-34 and 35-45 respectively that means more than 79 percent of the workers are within the age of 18-45 years. The fact that the majority of the respondents are young and adult implies it is an opportunity of ETHIO VEG-FRU PLC that mean young and adults are more energetic.

Educational level attained by respondents as indicated by the table 4.2 above majority of the respondents were first degree holders which is 35 percent of the total respondents which is followed by TVET/diploma holders' 22 percent. That means most of ETHIO VEG-FRU PLC have higher educational status which is an opportunity to the organization that lead the employees to perform well.

Respondents service year as indicated by the table 4.2 above majority of the respondent were service year of less than 5 years which is 59 percent of the total respondents which is followed by other 6 – 10-year experienced workers which accounts 24 percent. That means most of ETHIO VEG-FRU PLC workers are under 10 years of experience.

4.3 Reaction of Respondents (Yes or No Questions)

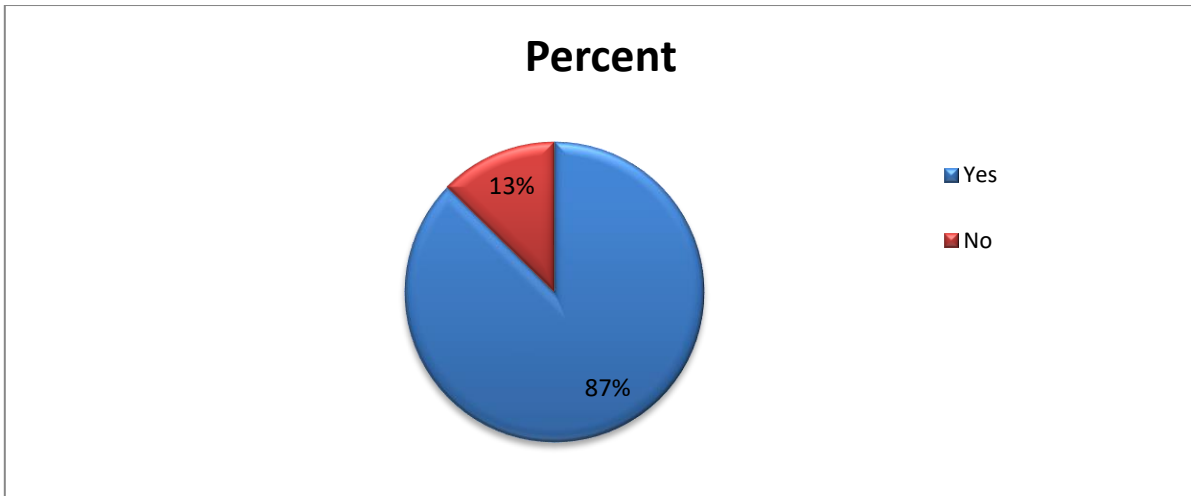
The respondents were asked to react over the overall questions related with employee motivation and work related questions. Accordingly in these category the respondents were asked to respond five questions, such as employee motivation and its effect on the organization performance, whether they are interested in their work or not, is the task they assigned easy to handle, whether they know about their task and the reasonability of the their working hour.

Accordingly the response of the above questions are analyzed and interpreted in the following table 4.2.

Table 4.2 Demographic Data of the Respondents

	Category	Frequency	Percent	Cumulative Percent
Employee motivation has an effect on organizational performance	Yes	152	86%	86%
	No	22	13%	99%
	Missing	2	1%	100%
	Total	176	100%	
Are you interested in your work	Yes	70	40%	40%
	No	103	59%	98%
	Missing	3	2%	100%
	Total	176	100%	
Is that your work is easy to handle	Yes	75	43%	43%
	No	99	56%	99%
	Missing	2	1%	100%
	Total	176	100%	
Do you know what tasks do you have	Yes	114	65%	65%
	No	61	35%	99%
	Missing	1	1%	100%
	Total	176	100%	
Working hours are reasonable	Yes	110	63%	63%
	No	64	36%	99%
	Missing	2	1%	100%
	Total	176	100%	

Figure 4. 1 Employee Motivation Effect on Organization Performance

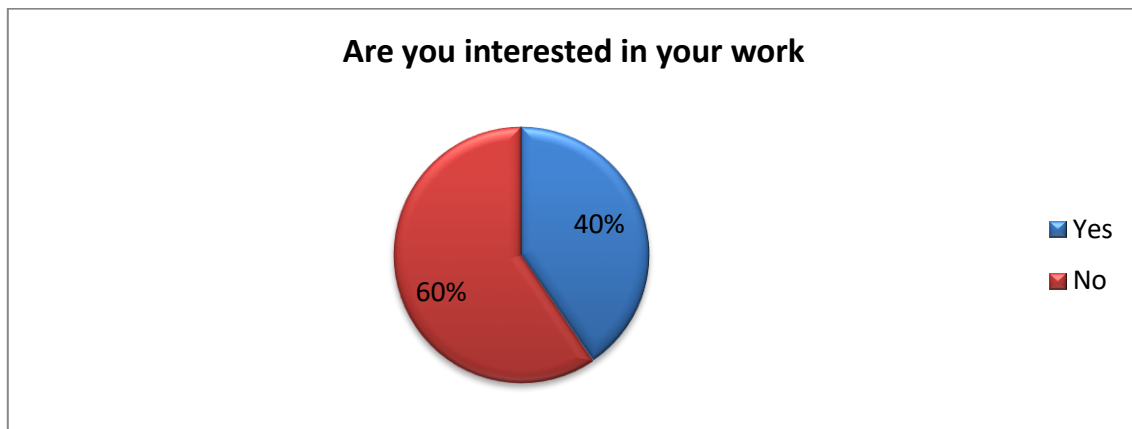


(Source: Research Data, 2020)

With regard to the dependent variable that employee motivation has an effect on organizational performance as shown above in table 4.3 is 87 percent of the sample respondents replied that they agreed with the dependent variable that employee motivation has an effect on organizational performance. On the other hand, 13 percent of the respondents replied that employee motivation has no effect on organizational performance.

The implication of this finding is that the dependent variable employee motivation is the necessary point in organizations to perform well since the majority of ETHIO VEG-FRU PLC workers are motivated depends on the reward. And in fact, this finding will lead us to raise the question what are the independent variables that affects the employee's motivation when most of them have a positive attitude towards reward?

Figure 4. 2 Employee interest on their Job

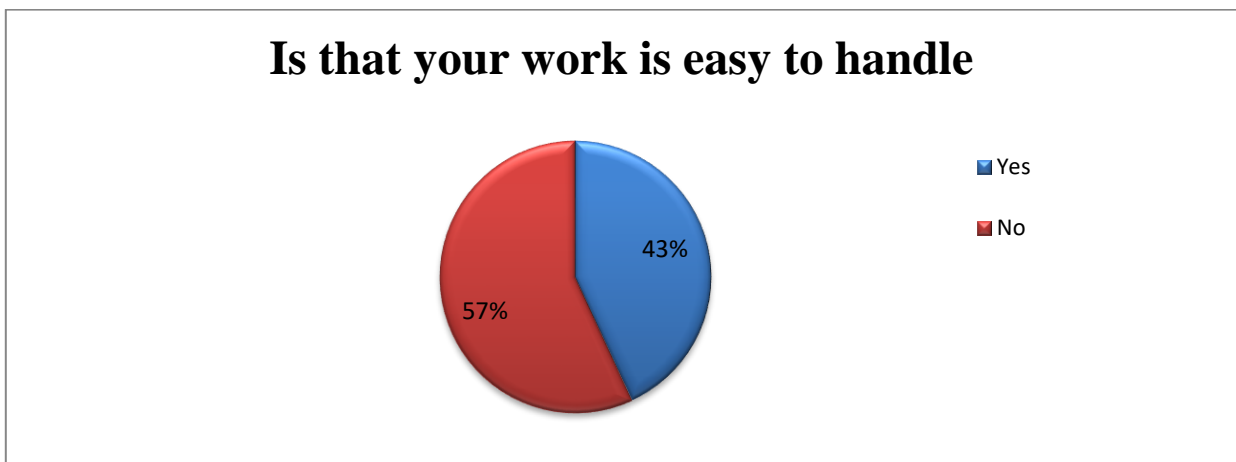


(Source: Research Data, 2020)

The sample respondents' response with regards to their interest on their work as stated above in table 4.3, 60 percent of respondents are not interested in their work whereas only 40 percent of the respondents are interested in their work.

This implies that most ETHIO VEG-FRU PLC employees now a days are not interested due to a lot of reason as we have seen above most employers think that reward have an effect on employee motivation but due to its implementation process, they are not interested in their work. If one worker is not interested in his work, he/she can't have motivated on his/her work so because of this he/she may not perform well.

Figure 4. 3 Employee work Easy to handle

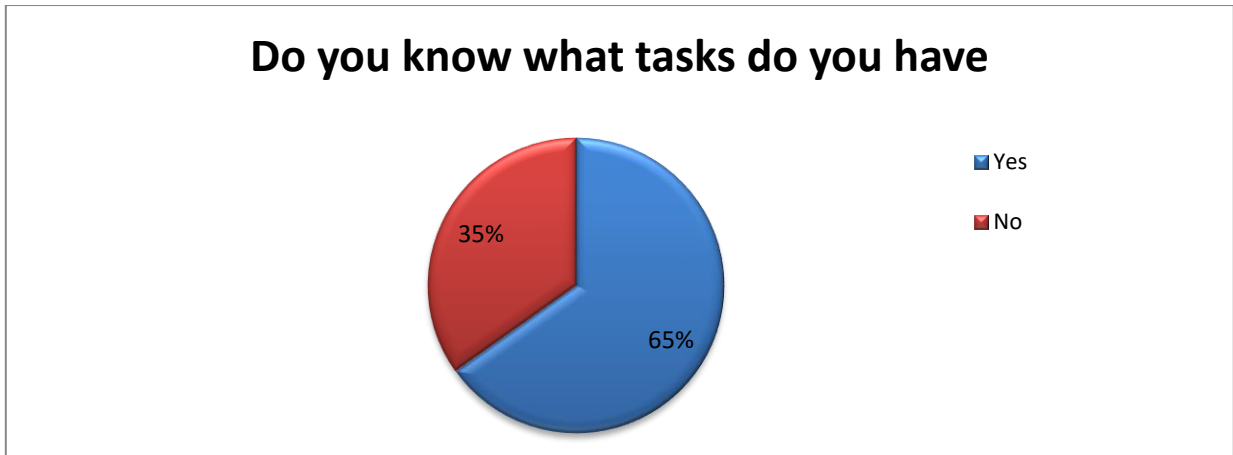


(Source: Research Data, 2020)

In terms of easily handling of job the respondents reply indicates that among respondent's 57 percent of respondents' think that their work is not easily handling as can be seen from the table 4.3 above. Whereas 43 of the sample respondents handle their work easily as per the data from table above.

The finding implies that working in the such organization is difficult without motivation. As we have seen above most employers know that employee motivation has an effect on organizational performance due to lack of its implementation and/or due to hardness of the job most of them are not interested. This shows us ETHIO VEG-FRU PLC need to support the workers easily to handle their work and motivated them for their job.

Figure 4. 4 Employee Know the Tasks they do

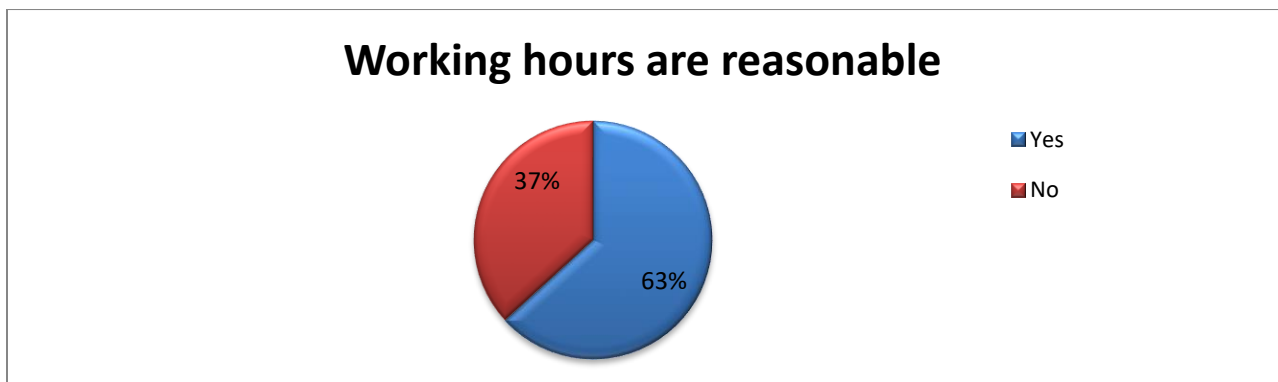


(Source: Research Data, 2020)

The sample respondents' response with regard to their knowledge about what tasks do they have as stated above in table 4.3, 65 percent of respondents are say yes, that they know what tasks they have whereas only 35 percent of the respondents are say no, that they have no knowledge about what tasks they have.

This implies that most ETHIO VEG-FRU PLC employers are educated and trained about their work and they have well understanding about what tasks they have, which are a necessary point and an opportunity for organizational performance.

Figure 4. 5 Reasonability of Employee Working Hours



(Source: Research Data, 2020)

Referring to the table 4.3 above among the sample respondent's 63 percent think that the working hours are reasonable whereas only 37 percent of the respondent thinks that the working hours are not reasonable so that know a days working hour of ETHIO VEG-FRU PLC has no effect on organizational performance.

4.4 Descriptive Statistics

Concerning the perceptions of the respondents on the effects of employee motivational factors on the Organization Performance in Ethio VEG. FRU Plc. There were twenty-one statements categorized on motivational factors of employee (Employee Compensation, Employee Reward and Recognition, Job Security, Working Conditions) on the organization performance and the results are a summary of a five-point Likert scale containing mean, standard deviation (SD) and Skewness.

Accordingly the mean value of the descriptive statistics analyzed and interpreted based on the following range. Therefore, when the mean value ranges from 1- 1.80 (Strongly Disagree), from 1.81- 2.60 (Disagree), 2.61- 3.40 (Neutral), 3.41-4.20 (Agree) and from 4.21 – 5.00 (Strongly Agree) respectively.

Table 4. 3.1 Descriptive Statistics

Descriptive Statistics								
	N	Minimum	Maximum	Sum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
Employee Motivational Factors	176	1.13	5.00	612.12	3.6007	1.20243	-.408	.186
Organizational Performance	176	1.20	5.00	706.40	4.1310	1.03998	-1.028	.186
Valid N (listwise)	176							

Source: researcher's own compilation of Survey data 2020

The results, presented in table 4.5, indicate that motivational factors with a mean value of (m=3.60). This implies that employees agree that motivational factors affects the organization performance. Furthermore, organization performance within the premises of employee motivation factors are significant. Consequently, respondents' have in general have a positive perception towards motivational factors on organization performance.

Table 4.3 1 Employee Compensation and Benefits

Descriptive Statistics			
Employee Compensation and Benefits	N	Mean	Std. Deviation
Compensation is not accordance with the employee's qualification	176	3.76	1.395
Incentives are distributed in unfair and dishonest manner	176	4.22	1.189
My compensation is not good	176	3.54	1.484
My Fringe benefits are not good in relation to what I do	176	4.23	1.187
Valid N (listwise)	176		

From the above table 4.1, we can see that the two highest mean score of $M=4.23$; $SD=1.187$ and $M= 4.22$; $SD= 1.189$ was for the fringe benefits of employee relation to what they do are not good to employee and unfair incentives distributions among employee. Furthermore, compensation as per employee qualification and compensation is not good offered by the organization for employee relatively have a high mean value of $M=3.76$; $SD=1.395$, and $M=3.54$; $SD=1.484$, respectively. This showed employee compensation such as fringe benefits for employee, and unfair incentives have higher effect on employee motivation, whereas compensation which is not as per employee qualification and poor compensation offered by the organization are discouraging for the employees. Therefore, employees of Ethio VEG. FRU. Plc are not satisfied with the compensation and benefit packages of the organization. Since the Mean (M) values of the above variables ranges from a positive lowest mean value to a highest mean value of ($M=3.54$ and $M= 4.27$) respectively there is a positive relationship among the variables and employee performance. An increase in one variable (independent variable) will increase weakly or strongly the employee performance which will affect the organization performance (dependent variable) depending the mean values of the independent variable. For instance, in the above table, if there is an increase of employee fringe benefit ($M=4.23$) available, there is an increase in employee motivation which increase the organization performance. Therefore, there is a strong relationship between employee Fringe benefits and the organization performance.

Table 4.3 2 Employee Recognitions

Descriptive Statistics			
Recognitions	N	Mean	Std. Deviation
Hard working employees are not recognized	176	3.81	1.352
I am not Praised regularly for my work	176	3.27	1.525
Recognition is implemented in unfair and Dishonest manner	176	3.82	1.358
I am not getting credit for What I do	176	4.37	1.041
Valid N (listwise)	176		

Unlike the employee compensation and benefit, the organization recognition and reward system were relatively having a high mean value. The minimum mean value for the non-financial variables “Reward and Recognition” were $M=3.27$ while the maximum mean $M=4.37$ which shows employees of Ethio VEG. FRU. Plc are relatively not satisfied on the non-financial compensation program. The table also shows the employees did not get credit for what they are doing which is high ($M=4.37$, $SD= 1.041$). This is followed by recognition is made on unfair and dishonest manner with the mean value of ($M= 3.82$, $SD= 1.358$), and hardworking employees of the organization not yet recognized with a mean value of ($M= 3.81$, $SD= 1.352$) respectively. In addition to this, we can see that employees are not recognized regularly with their works in the organization the average ($M=3.27$; $SD=1.525$). Overall, the minimum and maximum means were ($M=3.27$ & $M=4.37$) which is moderate and strong respectively which means if there is a moderate and high increase in the independent variables(employee work Recognition), there will be a moderate and strong relationship with employee motivation that can affect the organization performance. For instance, in the above table, if there is recognitions and rewards of employee in their Job ($M=4.37$) available, there is an increase in employee motivation which increase the organization performance. Therefore, there is a strong relationship between employee recognition and the organization performance.

Table 4.3 3 Employee Job Security of the Organization

Descriptive Statistics			
Job Security of the Organization	N	Mean	Std. Deviation
I have problems with my arrangement for leave	176	3.68	1.442
My pension benefit are not good	176	3.30	1.526
My organization has no Formal monitoring program	176	3.22	1.521
I don't expect am assign to higher level role in this organization	176	2.73	1.525
Valid N (listwise)	176		

As we can see from the above table, the minimum mean value ranges M=2.73 to the maximum mean ranges M=3.22 to 3.68. We can see that the motivation of the employee affected by the job security of the organization, this indicated by (M=3.68; SD=1.442) employee faced a problem with their leave arrangements in the organization. Followed by the organization pension benefit are not good at (M= 3.30, SD= 1.526). The remaining mean value indicates that the organization employee feel that the organization has no formal monitoring program for its employee performance which indicated by (M= 3.22, SD= 1.521) which is a moderate effect of the employee motivation on the organization performance. Finally, the lowest men value (M= 2.73, SD= 1.525) employees in the organization expected that they will assign for higher level role in the organization. Therefore, when we look at the aggregate result, the employees of Ethio VEG. FRU. Plc agreed that the organization does not have job security for its employee. Thus, the employee moderately feel job insecure which contributes the weak performance of the organization. Since the organization has a moderate mean value of (M= 3.68, 3.30 and 3.22) respectively. This shows that there is a moderate positive relationship between the independent variables (employee motivation) and the dependent variable that is organization performance.

Table 4.3 4 Employee Working Condition in The Organization

Descriptive Statistics			
Working Condition	N	Mean	Std. Deviation
The working environment does not motivate you to do more on your work	176	3.22	1.497
Leadership style of my organization is demotivating employees	176	3.31	1.531
Leaders are not allowing you to fully utilize your ability	176	3.21	1.522
There is no teamwork among the employees to exert more effect on employee motivation	176	3.42	1.430
Valid N (listwise)	176		

The above table, shows that the minimum mean value ranges are $M=3.21$ and 3.22 while the maximum mean ranges are $M=3.31$ to 3.42 . This indicates that all the variable under the organization working condition for employee moderately affect the organization performance. Since the working condition like the environment where employees are working, leadership style of the organization and team work among employee motivates employee to work with their full potential, the organization can perform better than others. The employee has a moderate working environment that affect the overall organization performance. This shows that there is a moderate positive relationship between the independent variables (working Condition) and the dependent variable (Organization performance).

Table 4.3 5 Employee Motivation

Descriptive Statistics			
	N	Mean	Std. Deviation
Employee Motivational Factors	176	3.5760	1.18982
Organizational Performance	176	4.0946	1.04789
Valid N (listwise)	176		

Ethio VEG. FRU. Plc employee motivation moderately affect the organization performance's grand mean is ($M=3.57$). The employees' motivation level has reached about 71.4%. Therefore, Ethio VEG. FRU. Plc employees' performance level is relatively high.

4.5 Data Analysis

4.5.1 Correlation Analysis

The correlation coefficient depicts the basic relationship across two variables: "Do two variables tend to increase together (Co-together) or to change in opposite directions and, if so, by how much? The two most commonly used statistical techniques to analyze relationships between continuous variables are the Pearson correlation and linear regression.

The Pearson correlation coefficient is used to quantify the strength and direction of the relationship between continuous variables. The primary objective of correlation analysis is to measure the strength or degree of linear association between two variables. The correlation coefficient examines the strength and direction of the linear relationship between two variables. Since the correlation analysis shows the degree of association between variables and that indicates the direction in which the variables associate - positively or negatively. The strength of association can be categorized from very low with correlation coefficient (r) less than 0.2 to very high with

coefficient greater than 0.9. The sign of the relationship indicates the direction of relationship. A correlation of 0 indicates there is no straight-line relationship at all (SPSS v.23 manual). Correspondingly, the effect size for a correlation measures the strength of the relationship. For correlation, r serves as the numeric measure of the effect size whose strength can be interpreted as follows;-

Correlation Coefficient Interpretation

(-1.00 to -0.8]	Strong	Negative
(-0.8 to -0.6]	Substantial	
(-0.6 to -0.4]	Medium	
(-0.4 to -0.2]	Low	
(-0.2 to 0.2)	Very Low	
[0.2 to 0.4)	Low	Positive
[0.4 to 0.6)	Medium	
[0.6 to 0.8)	Substantial	
[0.8 to 1.00)	Strong	

Table 4.4.1 below shows, Ethio VEG. FRU Plc organization performance and employee motivational factors construct strong and positively correlated ($r=0.881$, $P<0.01$). Specifically, each factors of employee motivation of organization performance such as Employee recognition which is the highest correlational value ($r = 0.883$, $p < 0.01$), followed by employee job security ($r = 0.881$, $p < 0.01$), Employee working condition ($r = 0.692$, $p < 0.01$), and Employee Compensation and Benefits ($r = 0.339$, $p < 0.01$). Thus, the aggregate correlation among the independent variable (employee motivation) and the dependent variable (Organization Performance) is ($r = 0.881$, $p < 0.01$). This indicates that there is a strong and, statistically significant positive relationship between employee motivation and organization performance in Ethio VEG. FRU. Plc.

Table 4.4. 1 Correlation

		Correlations					
		Organizational Performance	Employee Compensation and Benefit	Employee Recognition	Employee Job Security	Employee working condition	Employee Motivational Factors
Organizational Performance	Pearson Correlation	1	.339**	.883**	.881**	.692**	.881**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	176	176	176	176	176	176
Employee Compensation and Benefit	Pearson Correlation	.339**	1	.079	.082	.231**	.578**
	Sig. (2-tailed)	.000		.297	.280	.002	.000
	N	176	176	176	176	176	176
Employee Recognition	Pearson Correlation	.883**	.079	1	.793**	.728**	.840**
	Sig. (2-tailed)	.000	.297		.000	.000	.000
	N	176	176	176	176	176	176
Employee Job Security	Pearson Correlation	.881**	.082	.793**	1	.733**	.842**
	Sig. (2-tailed)	.000	.280	.000		.000	.000
	N	176	176	176	176	176	176
Employee working condition	Pearson Correlation	.692**	.231**	.728**	.733**	1	.816**
	Sig. (2-tailed)	.000	.002	.000	.000		.000
	N	176	176	176	176	176	176
Employee Motivational Factors	Pearson Correlation	.881**	.578**	.840**	.842**	.816**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	176	176	176	176	176	176

** Correlation is significant at the 0.01 level (2-tailed).

4.5.2 Diagnostics of Assumptions in Regression

Regression analysis is about predicting the future (the unknown) based on data collected from the past (the known). A regression analysis determines the mathematical equation to be used to figure out what will happen, within a certain range of probability. It analyzes one variable, the dependent variable, taking into consideration the effect on it by one or more factors, the independent variables. The analysis determines that some independent variables have more effect than others, so their weights must be considered when they are the basis of a prediction. Regression analysis, therefore, is the process of looking for predictors and determining how well they predict.

Regression and correlation are closely related. Both techniques involve the relationship between two variables, and they both utilize the same set of paired scores taken from the same subjects. However, whereas correlation is concerned with the magnitude and direction of the relationship, regression focuses on using the relationship for prediction. In terms of prediction, if two variables were correlated perfectly, then knowing the value of one score permits a perfect prediction of the score on the second variable. Generally, whenever two variables are significantly correlated, the researcher may use the score on one variable to predict the score on the second (Robert Ho, 2006). Since from the correlation analysis we found that the employee motivational factors have significant relationship with organization performance. Then, to find out how significantly it affects the organization performance a regression analysis was conducted.

Formerly conducting a regression analysis, the basic assumptions concerning the novel data must be made. This is a required prerequisite in explaining the relationships between dependent and explanatory variables. Four major assumptions have to be checked and proved to be met reasonably well. In this study these important least square assumptions were checked and explained as follows.

4.5.2.1 Linearity

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables (Darlington, 1968). To determine whether the relationship between the dependent variable organization Performance and the predictor variable employee motivation, is linear; plots of the regression residuals through SPSS V23 software had been used. To test the linearity of associations, scatter plot diagram with line of fit can be used to see if the distribution can be represented by linear relationship.

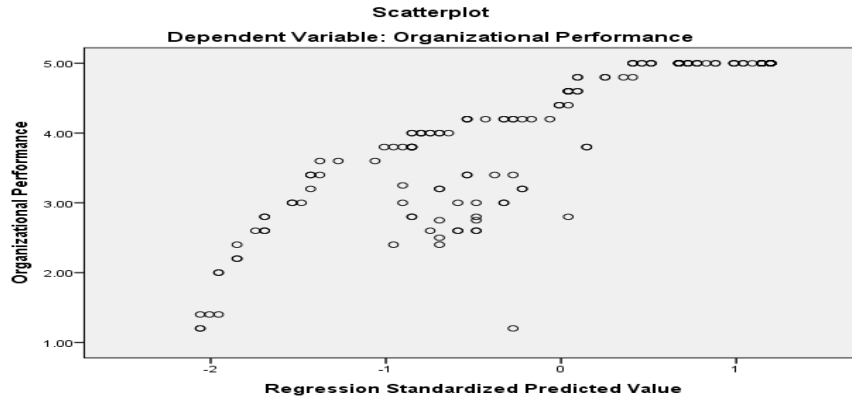


Figure 4. 6 Scatter Plot with Line

Source: Own Survey, SPSSv23, 2020

From the above graph the scatter plot of residuals shows no large difference in the spread of the residuals as you look from left to right on the diagonal on figure above. This result suggests the relationship we are trying to predict is linear. as shown in Figure, all the two relationships between dependent and independent variables (Performance with employee motivation) fit reasonably with linear pattern and it holds that linearity assumption is met.

4.5.2.2. Normality

Secondly, the linear regression analysis requires all variables to be multivariate normal (Darlington, 1968). This assumption can best be checked with a histogram and a fitted normal curve or a P-P Plot. As per the Classical Linear Regression Models assumptions, the error term should be normally distributed or expected value of the error's terms should be zero ($E(u_t) = 0$). Thus, the closer the dots lie to the diagonal line, the closer to normal the residuals are distributed.

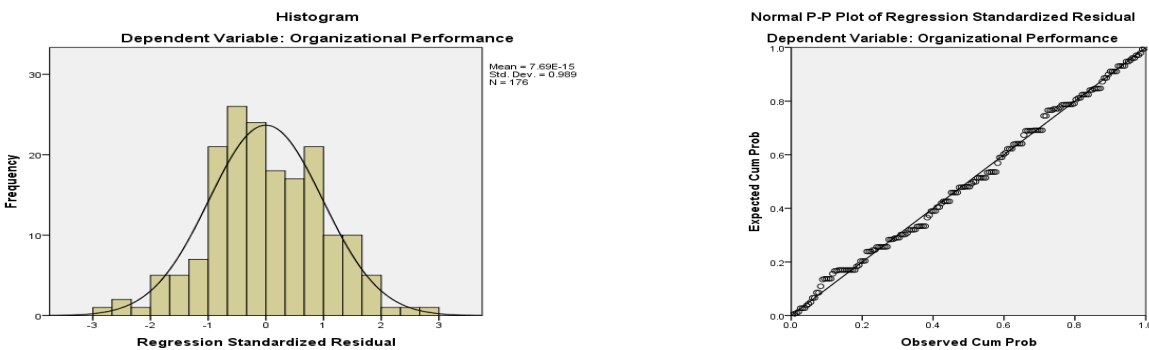


Figure 4. 7 Histogram and P- Plot of Standardized Residuals

Source: Own Survey, SPSSv23, 2020

The histogram in Figure looks normal and, in the P-P plots also the dots are reasonably closer to the normal line. The combination of both inspections support that the residuals are normally distributed. As you can see, although there are some residuals (e.g. those occurring around 0) that are not that much far away from the curve, many of the residuals are fairly close to 0. Moreover, the histogram is bell shaped which lead to infer that the residual (disturbance or errors) are normally distributed. Thus, no violations of the assumption normally distributed error term.

4.3.2.3. Multicollinearity Test between Study Variables

Thirdly, linear regression assumes that there is little or no multi-co linearity in the data. Multicollinearity is a Statistical phenomenon in which predictor variable in a logistic regression model are highly correlated. Multicollinearity occurs when the independent variables are not independent from each other. A second important independence assumption is that the error of the mean has to be independent from the independent variables.

Table 4.4. 2 Collinearity Test

Model		Coefficients ^a						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.655	.082		7.984	.000		
	Employee Compensation and Benefit	.450	.117	.516	8.884	.000	.411	2.187
	Employee Job Security	.528	.132	.628	2.603	.000	.379	2.642
	Employee working condition	.200	.206	.236	.973	.000	.640	1.562
	Employee Motivational Factors	.245	.037	.345	6.647	.000	.570	1.755
		.529	.280	.520	2.539	.010	.450	2.220

a. Dependent Variable: Organizational Performance

Source: Own Survey, SPSSv23, 2020

Correlation matrix: - when computing the matrix of Pearson's Bivariate Correlation among all independent variables the correlation coefficients need to be smaller than 1. Thus, from this research finding correlation table indicates that the independent variable has correlation coefficient less than one.

Tolerance: - the tolerance measures the influence of one independent variable on all other independent variables; the tolerance is calculated with an initial linear regression analysis. If this

value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi Collinearity

Tolerance is defined as $T = 1 - R^2$ for these first step regression analysis. Thus, from the finding in coefficient table the tolerance value except Control variable tolerance value were equal to one.

Variance Inflation Factor (VIF): -the variance inflation factor of the linear regression is defined as $VIF = 1/T$. Similarly, with $VIF > 10$ there is an indication for multicollinearity to be present; with $VIF > 100$ there is certainly multicollinearity in the sample. Thus, from the coefficient table all VIF values are less than 10. Simply the value is not more than 5.0, this confirms there is no violations of little or no Multicollinearity between independent variables.

According to the collinearity statistics result showed that VIF are less than 10. This implies that if the VIF result lies between 1-10 thus there is no multicollinearity among the independent variable. So far the above table showed that in all models that indicated to show their multicollinearity the statistics result all are less than 10 in model, Which indicates that there is no multicollinearity problem.

4.5.2.4. Homoscedasticity

Homoscedasticity test, which refers to whether residuals are equally distributed, or presence of equality of variance/homogeneity of variance (Osborn & Waters, 2002). Homoscedasticity can be checked by visual examination of a plot of the standardized residuals by the regression standardized predicted value. If the error terms are distributed randomly with no certain pattern, then the problem is not detrimental for analyses. Figure below shows that the standardized residuals in this research are distributed evenly indicating heteroscedasticity is not a serious problem for this data.

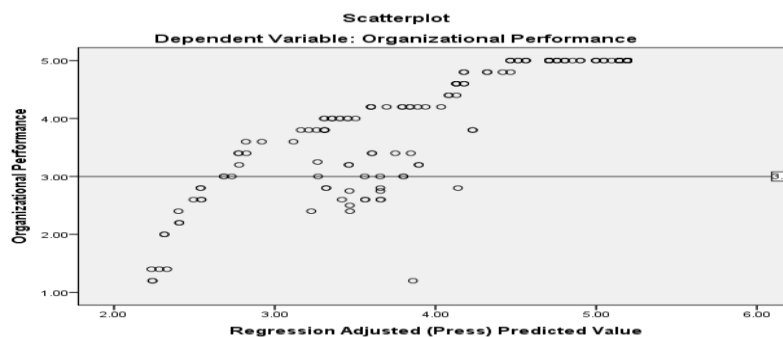


Figure 4. 8 Scatterplot of Standardized Residuals

Source: Own Survey, SPSSv23, 2020

4.5.2.5 Autocorrelation

Autocorrelation refers to the degree of correlation between the values of the same variable across different observations in the data. Thus, autocorrelation or the independence of errors refers to the assumption that errors are independent of one another, implying that subjects are responding independently (Stevens, 2009). Durbin-Watson statistic can be used to test the assumption that our residuals are independent (or uncorrelated). This statistic can vary from 0 to 4. For this assumption to be met, the DW value needs to be close to 2. Values below 1 and above 3 are problematic and causes for concern that implies greater positive or negative autocorrelation.

The table above implies that the DW value is close to 1, and autocorrelation is not a concern with Durbin-Watson value of 1.869. Therefore, it is possible to say the auto-correlation test has been met.

Table 4.4. 3 Durbin Waston Statistics

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.724 ^a	.524	.519	.49109	1.864

a. Predictors: (Constant), Employee Motivational Factors

b. Dependent Variable: Organizational Performance

Source: Own Survey, SPSSv23, 2020

A measure of the strength of the computed equation is R-square, sometimes called the coefficient of determination. R-square is simply the square of the multiple correlation coefficients R in the Model Summary that we can see on 4.4.3 table above, and represents the proportion of variance accounted for in the dependent variable (Organization performance) by the predictor variable (employee motivation). As we can see from the above table, the correlation coefficients are 0.724, and the R-square is 0.524. Thus, the predictor variables of the employee motivation have shown 72.4% of the variance in the dependent variable (Organization performance). Therefore, The Adjusted R squared is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable, from the findings in the above table the value of adjusted R squared was 0.519, an indication that there was variation of 52 % on organization performance due to changes in employee motivation 95% confidence level. Hence, 72

.4% of organization Performance explained by employee motivation.

Table 4.4. 4 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	146.788	1	146.788	562.894	.000 ^b
	Residual	45.375	174	.261		
	Total	192.162	175			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Employee Motivational Factors

The ANOVA table above, presented results from the test of the null hypothesis that R-square is zero. An R-square of zero indicates no linear relationship between the predictor and dependent variable. The ANOVA table showed that the computed F statistic is 562.894, with an observed significance level of less than 0.001. Thus, the null hypothesis employee motivation has significant relationship with organization performance is accepted.

4.6. Regression Analyses and Hypotheses Testing

Hypothesis testing is based on standardized coefficients beta and P-value to test whether the hypotheses are rejected or not. Regression analysis, therefore, is the process of looking for predictors and determining how well they predict. When only one independent variable is considered, it's called a simple regression. But this study uses more than one independent variable, it uses multiple regressions analysis that shows the influence of two or more variables on a designated dependent variable. The variable we want to predict is called the dependent variable (or sometimes, the outcome, target or criterion variable). The variables we are using to predict the value of the dependent variable are called the independent variables (or sometimes, the predictor, explanatory or regressor variables).

Multiple regression also allows you to determine the overall fit (variance explained) of the model and the relative contribution of each of the predictors to the total variance explained. Multiple regression has been used to test the research hypotheses.

The results of multiple regression analysis where enter entry method used a dependent variable and any number of predictor (independent) variables are designated are presented in the table.

Table 4.4. 5 Direct Effect Statistics

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.724 ^a	.524	.519	.49109	1.864

a. Predictors: (Constant), Employee Motivational Factors

b. Dependent Variable: Organizational Performance

From the above table 4.4.5, it has been seen that R value is 0.724 Therefore, R value for the overall employee motivational factors such as Employee compensation and Benefits, employee recognition, Job security, and working condition of employee in the organization suggested that there is a strong effect of independent variables on the organization performance. From the table 4.4.5 also observed that the coefficient of determination i.e. the R-square (R²) value is 0.524, which representing that 52.4% variation of the dependent variable is due to the independent variables, which in fact, is a strong explanatory power of regression and the other unexplored variables may explain the variation in organization performance. The researcher concludes that 72.4% of the portion of the dependent variable is explained by the four variables that are included in this thesis.

Table 4.4. 6 Standardized Coefficients

Model		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.655	.082		7.984	.000
	Employee Compensation and Benefit	.450	.117	.516	8.884	.000
	Employee Recognition	.528	.132	.628	2.603	.000
	Employee Job Security	.200	.206	.236	.973	.000
	Employee Working Condition	.245	.037	.345	6.647	.000
	Employee Motivational Factors	.529	.280	.520	2.539	.010

a. Dependent Variable: Organization Performance

The coefficient table indicates level of effect of each variable has on the dependent variable. The highest beta value of Time $\beta = 0.528$ indicates that the variable “Employee Recognition” has a strong degree of importance for Organization performance followed by Employee Compensation and benefits with the value of $\beta = 0.450$ than any other variables in the study. Employee Working condition also play its own importance on the organization performance with a beta values $\beta=0.245$

and Employee Job Security ($\beta = 0.200$) has positive importance for the organization performance. This indicates that once the organization keeps the employee motivational factors, like employee recognition, compensation and benefits, Safe working condition and employee job security would the organization performance enhanced. Therefore, all the above predictor variables are statistically significant and have a positive impact on the Organization Performance since their p- value is < 0.05 .

Standardized coefficient (Beta value) indicates the degree of importance each variable has towards organization performance as a result, the affecting variables can be ranked in the following order on the basis of their contribution.

Employee Recognition comes first with the highest standardized beta value ($\beta = 0.628$) followed by Employee Compensation and benefit ($\beta = 0.516$), and Employee working Condition ranked third with beta value ($\beta = 0.345$), the least one is Employee Job security with beta value ($\beta = -0.236$). Therefore, from among the four variables, employee recognition contributes the strongest unique effect on organization performance. The overall employee motivational factors has a positive and statistically significant effect on the organization performance with the standardized beta value ($\beta = 0.520$)

H1: Employee Motivation will have positive and significant effect on the overall organization performance in that firms with higher level of motivations of employee will have higher organizational performance.

In the regression analysis, Employee motivation has been introduced in Model 1 (Table 4.4.6) to see the direct effect on organizations performance. Consistent with the initial proposed hypothesis, Employee Motivation has positive and statistically significant effect on the overall organization performance (standardized $\beta = 0.520$, $p < 0.01$). These statistics supported hypothesis one which posits employee motivation is positively related to organizations performance in that organizations with higher level of employee motivation achieve higher organizational performance compared to those with lower employee motivation. It means that if there is an increase employee motivation towards their work, then organization performance also increases. So, there is direct relationship. Therefore, the alternative hypothesis employee motivation has positive and significant effect on organization performance is accepted.

H2: Employee Compensations and benefit will have positive and significant effect on the overall organization performance in that firms without employee compensation package there will be well organizational performance.

According to the regression analysis, Employee compensation and benefit has been introduced in Model 1 (Table 4.4.6) to see the direct effect on organizations performance. Inconsistent with the initial proposed hypothesis, Employee compensation and benefit has positive and statistically significant effect on the overall organization performance on table 4.4.6 (standardized $\beta = 0.516$, $p < 0.01$). These statistics supported the proposed hypothesis one which posits employee compensation and benefit have positive and significant effect on the organization performance. Thus, in that organizations with better employee compensation and benefits can achieve higher organizational performance compared to those with lower employee compensation and benefits. It means that if there is an increase employee compensation and benefits towards their work, then organization performance also increases. So, there is direct relationship. Therefore, the alternative hypothesis employee compensation and benefits have positive and significant effect on organization performance is failed to reject.

H3: Employee recognition will have positive and significant effect on the overall organization performance in that firms without employee rewards package there will be well organizational performance.

According to the regression analysis, Employee recognition has been introduced in Model 1 (Table 4.4.6) to see the direct effect on organizations performance. Inconsistent with the initial proposed hypothesis, Employee recognition has positive and statistically significant effect on the overall organization performance on table 4.4.6 (standardized $\beta = 0.628$, $p < 0.01$). These statistics supported the proposed hypothesis one which hypothesizes employee recognition have positive and significant effect on the organization performance. Thus, in that organizations with better employee recognition can achieve higher organizational performance compared to those with lower employee recognition. It means that if there is better employee recognition in their work, then they become motivated and work well which will increase the organization performance as well. So, there is direct relationship between employee recognition in their work and organization performance. Therefore, the alternative hypothesis employee recognition has positive and significant effect on organization performance is failed to rejected.

H4: Employee Job Security will have positive and significant effect on the overall organization performance in that firms without better employee job Security there will be well organizational performance.

Similarly, the regression analysis, Employee Job Security has been introduced in Model 1 (Table 4.4.6) to see the direct effect on organizations performance. Consistent with the initial proposed hypothesis, Employee Job Security has positive and statistically significant effect on the overall organization performance on table 4.4.6 (standardized $\beta = .236$, $p < 0.01$). These statistics in line with the proposed hypothesis and the related literatures one which employee feel job secure have positive and significant effect on the organization performance. The result showed that the organizations with better employee Job Security mean that the organization achieve higher performance compared to those employee who fell Job insecure. This indicates that there is a direct relationship among employee job security and organization performance, which is directly related with a prior studies and theories. Therefore, the alternative hypothesis is accepted.

H5: Employee working Condition will have positive and significant effect on the overall organization performance in that firms without better employee working conditions there will be well organizational performance.

The regression analysis, Employee working condition has been introduced in Model 1 (Table 4.4.6) to see the direct effect on organizations performance. Consistent with the initial proposed hypothesis, Employee working Condition has positive and statistically significant effect on the overall organization performance on table 4.4.6 (standardized $\beta = 0.345$, $p < 0.01$, $r =$). These statistics supported the proposed hypothesis one which posits employee working conditions have positive and significant effect on the organization performance. Thus, an organization with better employee working condition can achieve higher organizational performance compared to those with poor employee working conditions. It means that if there is better working condition for employee in an organization employee becomes motivated to work then organization performance also increases. So, there is direct relationship. Therefore, the alternative hypothesis is accepted.

4.7 Summary of the Proposed Hypothesis

The hypotheses of the study are tested through multiple regression analysis by taking direct main effect on dependent and Independent variable the results are summarized below:

Table 4.4. 7 Summary of the Proposed Hypothesis

Hypothesis	Result
<i>H1: Employee Motivation will have positive and significant effect on the overall organization performance in that firms with higher level of motivations of employee will have higher organizational performance.</i>	Failed to Reject
<i>H2: Employee working Condition will have positive and significant effect on the overall organization performance in that firms without better employee working conditions there will be well organizational performance.</i>	Failed to Reject
<i>H3: Employee Compensations will have positive and significant effect on the overall organization performance in that firms without employee compensation package there will be well organizational performance.</i>	Failed to Reject
<i>H4: Employee Recognition will have positive and significant effect on the overall organization performance in that firms without employee rewards package there will be well organizational performance.</i>	Failed to Reject
<i>H5: Employee Job Security will have positive and significant effect on the overall organization performance in that firms without better employee job Security there will be well organizational performance.</i>	Failed to Reject

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter will present summary of the findings and conclusion in section 5.2 and 5.3, respectively. Afterwards, the possible important recommendation and suggestion for further research methods will be presented in section 5.4 and 5.5, respectively.

5.2. Summary of Findings

This part of the study aims to summarize the finding and results that have emerged from the data analysis presented in chapter four. The general objective of this study was to examine the effect of employee motivation on organizational performance in ETHIO VEG FRU PLC. The study was focused on four motivational factors whose influence on the dependent variable organization performance was assessed: Compensation and Benefits, Recognition, Job Security and Working Condition. With the objective of assessing the effect of this motivation factors on the organization performance of ETHIO VEG FRU PLC.

The effect of motivational factors on organizational performance of ETHIO VEG FRU PLC has been investigated as direct and main effect. These relationships are examined using stratified sampling technique to collect data from the employees. All the variables and the respective measurements in this research are based on theory adopted from literatures. The reliability and validity of the constructs and items were tested as per the recommendations made in literatures. From the study the following particular finding were observed:

- ✓ The respondent's demography indicates that the majorities are male which accounts 64 percent and most of them are young and adult and their educational background indicates first degree holders and under 10 years of experience.
- ✓ With regard to the dependent variable 87 percent of the sample respondents replied that they agreed with the dependent variable that employee motivation has an effect on organizational performance but the majority of the respondents are not interested in their work, they think that their work is not easily handle, they know what tasks they have and their working hours are reasonable.

- ✓ Organizational performance within the premises of employee motivation factors are significant and respondents' have a positive perception towards motivational factors on organizational performance.
- ✓ ETHIO VEG FRU PLC employee motivation moderately affect the organizational performance's grand mean is (M=3.57). The employees' motivation level has reached about 71.4%. this indicates that employees' performance level is relatively high.
- ✓ Organizational performance and employee motivational factors construct strong and positively correlated ($r=0.874$, $P<0.01$).
- ✓ The aggregate correlation among the independent variable (employee motivation) and the dependent variable (Organization Performance) is ($r = 0.881$, $p < 0.01$). This indicates that there is a strong and statistically significant positive relationship between employee motivation and organization performance.
- ✓ R value (0.874) for the overall employee motivational factors such as Employee Compensation and Benefits, Recognition, Job security, and Working condition of employee in the organization suggested that there is a strong effect of independent variables on the organizational performance.
- ✓ Employee Recognition comes first with the highest standardized beta value ($\beta =0. 628$), followed by Employee Compensation and benefit ($\beta =0.516$) and Employee working Condition ($\beta =0.1345$), the least one is Employee Job security with beta value ($\beta=-0.236$). Therefore, from among the four variables, Employee Recognition contributes the strongest unique effect on organizational performance.

5.3. Conclusions

Based on the findings summarized in the above section the following major conclusions are drawn.

From the yes or no seeking question the most respondents replied that they agreed with the dependent variable that employee motivation has an effect on organizational performance but because of the implementation system the majority of the respondents are not interested in their work and they think that their work is not easily handle.

From the correlation analysis it is concluded that there is a strong association between employee motivation and organizational performance. In line with each hypothesis, the findings of the regression analysis have shown that each motivational factors explains reasonable variation in organizational performance with positive relationship and it is statistically significant. It is, therefore, concluded that motivational factors in ETHIO VEG FRU PLC play substantial role in organization performance.

The direct effect analysis in regression with organizational performance; Recognition, Job security, Working condition and, Compensation and Benefits, independently explained variations in performance indicating that they are substantial predictors of performance.

According to the findings and the summary found out in this study we can conclude that working conditions of the organization have a positive and significant effect over the organization performance. Therefore the organization must strongly working towards employee working condition so as to motivate them and brings change towards organization performance.

Regarding the employee compensation and benefit the proposed hypothesis is accepted. This indicates that the employee compensation and benefits has a positive and significant effect on the organization performance. Thus, this implies that the organization has to work stifferly towards the employee benefit which will bring substantial change over the employee motivation that brings organization performance.

As one of the factors of employee motivation the study incorporates the employee recognition and its effect on the organization performance. The findings showed that there is a positive and significant relation among employee recognition and organization performance. This indicates that the organization has to work towards the non- financial rewards like recognition for employee as per

their work performance. This is because employee motivation is not only the matter of having financial rewards but also non-financial including recognition that brings motivation for employee so as to affect the overall organization performance.

Employee job security also addressed in this study as a motivational factors of the organization performance. The study result showed that there is a positive relation between employee job security and organization performance.

Consequently, major discoveries made in the study is that motivational factor have significant positive effect on organizational performance in ETHIO VEG FRU PLC. This discovery attribute rapid increase in organizational performance to the effect of Compensation and Benefits, Recognition, and Working condition.

5.4. Recommendations

Effective, fair and equitable reward administration should be put in place to help encourages, support and sustained improvement in work motivation that in turn contributes to the overall success of organizations. Therefore, it should place the right reward tools that can boost the motivational level of its employees. If rewards offered are not competitive, it will be difficult to recruit staff since potential employees can obtain better rewards from competitors. Existing staff may also be tempted to leave the organization if they are aware that their reward system is uncompetitive. High staff turnover can lead to higher costs of recruitment and training of new staff. Losing existing employees may also mean that some of the organizations accumulated knowledge is lost forever and hence it leads to uneconomical cost. As distinguished in the study, respondents have shown their interest that employee motivation play a critical role in increasing organizational performance. Therefore, the management of ETHIO VEG FRU PLC should keep these motivational factors more attractive to increase employee work motivation which will affect the overall organization performance. Based on conclusion the following recommendations have been mentioned.

- ✓ ETHIO VEG FRU PLC should pay competitive, reasonable and attractive compensation and benefits in order to motivate employee towards their job that will brings substantial change over the organization performance. Such that, Optimum benefit package and quality supervision also enhancing employee work motivation should be further encouraged. Since from result compensation and benefits are found to be best predictors and most contribution factors of employee motivation.
- ✓ ETHIO VEG FRU PLC should also give for its employee opportunity for recognize them and their work too, it should be fair and transparent and acceptable criteria in order to get the best out of motivated employee. Since recognition is highly significant and predictors of employee motivation.
- ✓ In general, the effectiveness of reasonable Compensation and Benefit, Employee Recognition, Employee Job security and Working condition are directly affects employee motivation. Therefore, the proper implementation of all these aspects leads to high employee motivation that enhance the organization performance. Since organization cannot achieve its objectives without employee motivation.

5.5 Future Research

- ❖ The main objective of this research is to understand the effect of employee motivation on organizational performance. This research focus on ETHIO VEG FRU PLC employee and in order to increase the research generalizability power the researcher recommend other researchers to broaden the scope of the research outside ETHIO VEG FRU PLC and include other such kind of organizations.
- ❖ Besides other motivational factors in addition to compensation and Benefit, Recognition, Job security and Working condition which may motivate employers shall be considered by future researchers to better understand employees' motivation in the organizations.
- ❖ The study also recommends that future research may explore to find out other un addressed variables, since motivation of employees affected by many factors other than this motivational factors.

References

- Abera, B. (2017). *The Effect of Reward Practices on Employee Motivation in Dashen Bank S.C.* Addis Ababa: Addis Ababa University.
- Abioro, M. (2013). Effect of employee motivation on organizational performance. 1 (3), 17-27.
- Anyim, C. F., Chidi, O. C., & Badejo, A. E. (2012). Motivation and Employees' Performance in the Public and Private Sectors in Nigeria. *International Journal of Business Administration*, 31-40.
- Armstrong, M. (2012). *Human Resource Management Practice*. New York: Handbook.
- Berhan, A. (2007). *The Impact of Intrinsic and Extrinsic Factors of Motivation towards Organizational Commitment in Private Colleges - A Case Study of Two Selected Private Colleges*. Addis Ababa: Addis Ababa University.
- Caroline, K. and Stephen, M. (2012). *The Effect of Motivational Practices on Volunteer Motivation to Volunteer and Perform*. Kenya: Lessons from Volunteer Organizations.
- Cascio. (2006). *Managing Human Resources: Productivity: Quality of Life, Profits*.
- Derek, T., Laura, H., Stephen, T. (2008). *Human Resource Management*. England: Prentice: 7th Edition.
- Edward., L. I. (2005). Creating high performance organizations. *Asia Pacific Journal of Human Resources*, 10-17.
- Herzberg. (1923). Organizational behavior and human performance. *Jornal of Higher Education*, 235.
- John Adams, Hafiz T.A. Khan, Robert Raeside and David White. (2007). *Research Methods for Graduate Business & Social Science Students*. California, Sage.
- John, S. (2005). *An Introduction to Human Resource Management*. Great Britain: Elsevier Butterworth-Heinemann. Second Edition.
- Kenrick, D. T., Neuberg, S. L., Griskevicius, V., Becker, D. V., & Schaller, M. (2010). *Goal-Driven cognition and functional behavior: The fundamental motive framework*. New York: Current Directions in Psychological Science.
- Lotta, L. (2012). *The Impact of Financial and Non-Financial Rewards on Employee Motivation*. TURKU : UNIVERSITY OF APPLIED SCIENCES.
- Madhuri, K. (2017). Impact of Financial and Nonfinancial Rewards on Employee Motivation. *International Research Journal of Management and Commerce Volume-1*, 40-66.
- Martha, H. (2013). The Impact of Monetary and Non-Monetary Rewards on Motivation among Lower Level Employees in Selected Retail Shops. *African Journal of Business Management*, 392-347.

- Maslow, M. A. (1923). *A theory of human motivation*. India: Pearson Education.
- Michael A. and Helen M. . (2007). *Reward Management: a Handbook of Remuneration Strategy and Practice*. London: Kogan.
- Mollahosseini, A., Kahnouji, K., Shamsiyeh, A., & Kahnouji, A. (2014). An Assessment of the Relationship between Managers' Power Resources and Employees Commitment of Governmental Organizations in Rafsanjan South Eastern Iran. *International Journal of Acade. International Journal of Acade.*
- Nebiat, N. (2010). Relationship between Rewards and Nurses' Work Motivation in Addis Ababa Hospitals. *Ethiopian Journal of Health Sciences.*
- Nizam, K., & Shah, F. M. . (2015). *Impact of Employee Motivation on Organizational Performance in Oil and Gas Sector*. Pakistan: Performance in Oil and Gas Sector.
- Robbins, S. (2003). *Organizational Behavior*. New Jersey: Prentice Hall: 10th edition.
- Roberta Heale & Alison Twycross. (2015). Validity and reliability in quantitative studies. *Evid Based Nurs*, 66-68.
- Roberts, R. L. (2005). *The Relationship Between Rewards, Recognition and Motivation at an Insurance Company*. Western Cape, Johannesburg, South Africa: Western Cape Masters thesis.
- Schuler, R. S., and Jackson, S. E. (1996). *Human Resource Management: Positioning for the 21st Century*. New York: West Publishing Company.
- Serena, A., Muhammad, K. S., Md. Emran, A. (2012). The Impact of Rewards on Employee Performance in Commercial Banks of Bangladesh. *Journal of Business and Management Volume 6*, 149-151.
- Sinha, S., Kr. Singh, A., Gupta, N., & Dutt, R. (2015). *Impact of Work Culture on Motivation and Performance Level of Employees in Private Sector Companies*. Acta Oeconomica Pragensia: 49-67.
- Steven, L., McShane., Mary Ann Von, G. (2008). *Organizational Behavior*. United States: McGraw-Hill: 4th edition.
- Susan, W. M., Gakure, R. W., Kiraithe, E. K., & Waititu, A. G. (2012). Influence of Motivation on Performance in the Public Security Sector with a Focus to the Police Force. *International Journal of Business and Social Science*, 19.

Appendix



SCHOOL OF GRADUATE STUDIES

Masters of Business Administration (General -MBA) Program

Questionnaire to be filled by employees

This questionnaire is designed by Biniyam H/meskel, the final year MBA student of ST. MARY'S UNIVERSITY for research project entitled "Effect of employee motivation on organizational performance: The case of ETHIO VEG-FRU PLC". The information that you offer me with this questionnaire will be used as a primary data in which I am conducting as a partial requirement of Masters of Business Administration. Hence, this research is believed to be evaluated in terms of its contribution towards investigating the Effect of employee motivation on organizational performance along with its contribution to enhance organizational productivity. The information supplied by you is strictly held confidential and used for academic purpose only.

General Instructions

- *There is no need of writing your name.*
- *In all cases, where answers to options are available, please tick "✓" in the appropriate box.*
- *For questions that demand your opinion, please try to honestly describe your responses on the space provided.*

Thank you in Advance for your kind cooperation in filling up this questionnaire.

Section I: Personal Data

Please, indicate your response by placing "✓" in the box

1. Gender Male Female
2. Age 18 -25 26 -35 36 – 45 46 – 55 Above 56
3. Educational Background Illiterate Primary Education
 Secondary Education TVET/Diploma First Degree
 Master's Degree PHD
4. Service year Less than 2 year 2 – 6 year 7 – 10 year
 11 – 15 year 16 – 20 year 21 and Above

Section II: Yes or No Answers Seeking Questions

Please, indicate your response by placing “v” in the box

1. Do you think that employee motivation have an effect on organizational performance?

Yes

No

2. Are you interested in your work?

Yes

No

3. Is that the amount of work is easy to handle?

Yes

No

4. Do you know what tasks do you have?

Yes

No

5. Do you think that your working hours are reasonable?

Yes

No

Section II: Five Point Likers Scale

Please complete the following questionnaire on scale of 1 to 5. Please, indicate your response by placing “v” in the box

1- Strongly disagree, 2- Disagree, 3- Neutral, 4- Agree, and 5- Strongly agree

1. Effect of motivation on organizational performance

No	Construct	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
1	The organization has improved the overall quality of the product from time to time					
2	The overall organization sales growth increased from time to time					
3	The organization revenue increased for the last five years (2007-2011 E.C)					
4	The overall organization profitability has increased for the last five years (2007-2011 E.C)					
5	Overall, the customers are satisfied on the product of the organization in related with the competitors in the market					
6	The organization overall performance has improved from time to time					

2. Compensation and Benefit

No	Construct	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
6	Compensation is not in accordance with the employee's qualification					
7	Incentives are distributed in unfair and dishonest manner					
8	My compensation is not good					
9	My fringe benefits are not good in relation to what I do					

3. Recognition

No	Construct	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
10	Hard working employees are not recognize					
11	I am not praised regularly for my work					
12	Recognition is implemented in unfair and dishonest manner					
13	I am not get credit for what I do					

4. Job security

No	Construct	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
14	I have problems with my arrangements for leave					
15	My pension benefits are not good					
16	My organization has no formal mentoring Program for jobs like mine					
17	I don't expect am present at higher-level role in this organization					

5. Working condition

No	Construct	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
18	The working environment is not motivates you to do more on your work					
19	Leadership style of my organization is demotivate employees					
20	Leaders are not allows you to fully utilize your ability					
21	There is no team work among the employees to exert more effect on employee motivation					

Thank you Very Much!