

International Journal of Psychology (IJP)

**AN ASSESSMENT OF THE EFFECT OF MOTIVATIONAL STRATEGIES ON
ORGANIZATIONAL PERFORMANCE**

A CASE STUDY OF XYZ COMPANY

APHLINE AGINA ODONGO

MUTURI WACHIRA, MPhil, MSc,



AN ASSESSMENT OF THE EFFECT OF MOTIVATIONAL STRATEGIES ON ORGANIZATIONAL PERFORMANCE. A CASE STUDY OF XYZ COMPANY

^{1*} APHLINE AGINA ODONGO
POST GRADUATE STUDENT
DAYSTAR UNIVERSITY
[*aagina@kepsa.or.ke](mailto:aagina@kepsa.or.ke)

² MUTURI WACHIRA, MPHIL, MSC,
DEAN, SCHOOL OF BUSINESS AND ECONOMICS
DAYSTAR UNIVERSITY

ABSTRACT

Purpose: The purpose of the study was to assess the effect of motivational strategies on XYZ Company's performance.

Methodology: Descriptive research design was used in carrying out the study in which the target population under study consisted of 75 employees of XYZ Company were sampled. The study then used a stratified sampling method followed by simple random sampling. The research instrument used was a questionnaire. Data collected was analysed using SPSS 20.0 statistical software and findings presented in tabular descriptive frequencies and percentages.

Results: The findings implied that motivational strategies affect performance as motivated employees are able to produce quality products, satisfy customer needs leading to increased profitability. The study findings also indicated XYZ Company had adopted several motivation strategies which included job design, goal setting, career development and reward systems. Further, descriptive studies also showed that they did not have employee development schemes, modern technology, job security, mentorship and exposure to international processes.

Unique contribution to theory, practice and policy: The study provides recommendation that the organization should pursue other motivational strategies which include team work, a flat structure, adoption of modern technology, pool transport, International Benchmarking sessions to expose employees to best practices in the world, work environment and employee coaching and mentorship programs as this will improve the motivation of staff and a consequence lead to improved performance.

Keywords: *Motivation, Performance, Motivation strategies*

1.0 INTRODUCTION

Employee motivation has become a key component of performance in organizations. Greenberg (2010) defines motivation as the psychological process of arousing, directing, and maintaining behaviour toward a goal. Arousal involves the drive or energy behind our actions and direction of behavior is concerned with what directs behaviour towards a specific goal. Maintenance, is concerned with people's persistence, their willingness to continue to exert effort until a goal is met (Greenberg, 2010). Organizations operate in a very competitive environment and are concerned with what should be done to achieve sustained high levels of performance through people (Crouse, 2005). Giving close attention to how people can best be motivated enables organizations to develop motivation strategies and a work environment that encourage people to apply their efforts and abilities in ways that will further the achievement of the organization's goals as well as satisfying their own needs (Levesque, 2007).

People have different needs, establish different goals to satisfy the needs and take different actions to achieve those goals (Armstrong, 2009). It is therefore important for organizations to understand its workforce (employees) and their sources of motivation in order to come up with effective motivational strategies for enhanced performance (Schwartz, 2006). Employees are generally motivated by both internal and external factors. Internal factors include an employee's own personal thoughts processes and experiences while external factors are those such as the organizational culture, that either inspire them to perform through the use of rewards or by instilling a sense of fear in them (Armstrong, 2008). According to Griffin and Moorhead (2010) effective motivational strategies have a tremendous impact on performance in the organization. An engaged and motivated employee can mean the difference between a successful organization and a dying organization (Griffin & Moorhead, 2010).

XYZ Company is a limited liability company incorporated under the Company's Act Chapter 486. The XYZ Company was registered in 2002 as one of the dairy milk processors in Kenya (XYZ Company Strategic Plan, 2012/2017).

1.2 Problem Statement

Motivation is perhaps one of the biggest drivers of organizational performance (Towers, 2003). Organizations that are able to motivate their employees experience reduced employee turnover and high performance (Aswathappa, 2005). Aswathappa (2005) defines employee turnover as the process of employees leaving an organization and requiring to be replaced. High turnover involves increased costs on recruitment, selection and training. In addition, high labour turnover may lead to disruption of production, problems in quality control, and difficulty in building teamwork and morale.

The XYZ Company has recorded a significant employee turnover as its human resources moved on to the competitors (Daily Nation, Jan 2013). The company has been facing strong competition from other local processors including BTL Ltd which has risen to control the market with an estimated market share of 40% compared the XYZ Company of 20% (Kenya Dairy Board, 2012) and which is XYZ Company main competitor. The recent audit report revealed that the XYZ Company has been facing serious financial crises (Daily Nation, Jan 2013).

Its competitors are seen to be performing much better in terms of the product quality, portfolio and the ability to readily meet their customer's needs (Daily Nation, Jan 2013). Further the competitors' motivational strategies like employee career advancement and reward are more effective. BTL Ltd as a market leader plays a major role in establishing structures for attracting and retaining human capital. They also pay special attention to select and promote the right people in the right positions. BTL Ltd has an equal opportunity employer policy indicating that their employees are the most valuable resource and their growth within the organization is one of their key priorities (BTL, 2013). This study therefore aimed at assessing the effect of motivational strategies on XYZ Company's performance.

1.3 Study Objectives

1. To assess the motivational strategies adopted by the XYZ Company
2. To examine the effect of motivational strategies XYZ Company's performance
3. To establish whether there are other motivational strategies not currently adopted that can enhance employee performance in XYZ Company.

2.0 LITERATURE REVIEW

2.1 Theoretical Literature Review

Content or Need Theories

Content theories deal with what motivates people, it assumes that factors exist within the individual that energizes, direct and sustain behaviour. In this category belong the needs theories (Maslow's hierarchy of needs, Alderfer's modified hierarchy (ERG) theory and McClelland's achievement theory), job content theory (Herzberg's two factor theory). The need theories maintain that an individual is motivated to do something if he or she experiences a specific need that may be fulfilled directly or indirectly by performing that action. Consequently, the job content theories maintain that only aspects related to job content satisfy and motivate people to work (Porter, Bigley and Steers, 2003).

Maslow (1954) suggests that there are five major categories that apply to people in general, starting from the fundamental physiological needs and leading through a hierarchy of safety, social and esteem needs to the need for self-fulfilment, the highest need of all. According to Greenberg and Baron (2003), the five needs identified by Maslow correspond to the three needs of Alderfer's (1972) ERG theory. Alderfer's theory indicates that there exist three main needs which include existence, relatedness and growth. These needs are not in any order and can be activated at any time (Greenberg & Baron, 2003). The existence needs are concerned with sustaining human existence and material requirements for survival.

McClelland (1961), developed an alternative way of classifying needs, this was mainly based on the study of managers. He identified three needs as being most important: Need for achievement concerned with competitive success measured against a personal standard of excellence; need for affiliation and need for power (Armstrong, 2009). The three needs may be given different priorities at different levels of management.

Herzberg (1957) proposed a two factor (motivator – hygiene) motivation theory of satisfiers and dissatisfiers. Herzberg reported that employees tended to describe satisfying experiences in

terms of factors that were intrinsic to the content of the job itself. These factors are called “motivators” and include such variable as achievement, recognition, work itself, responsibility, advancement and growth. Conversely, dissatisfying experiences called “hygiene” factors resulted largely from extrinsic, non-job-related factors such as company policies and administration, supervision, salary, co-worker relations, working conditions, personal life and security (Porter, Bigley & Steers, 2003)

Instrumentality Theory

According to Armstrong (2009), instrumentality is the belief that if one does one thing it will lead to another. The theory emphasizes the need to rationalize work on economic outcomes. It assumes that people will be motivated to work if rewards and penalties are tied directly to their performance. The theory has its roots in the scientific management methods of Taylor (1911), who wrote: ‘It is impossible, through any long period of time, to get workmen to work much harder than the average men around them unless they are assured a large and permanent increase in their pay.’

Reinforcement Theory

Reinforcement theory as developed by Hull (1951) suggests that successes in achieving goals and rewards act as positive incentives and reinforce the successful behaviour, which is repeated the next time a similar need emerges. The more powerful, obvious and frequent the reinforcement, the more likely it is that the behaviour will be repeated until, eventually, it can become a more or less unconscious reaction to an event. Conversely, failures or punishments provide negative reinforcement, suggesting that it is necessary to seek alternative means of achieving goals. Skinner (1974) explains that new behaviours or responses become established through particular stimuli, hence getting people to repeat behaviour by positive reinforcement in the form of feedback and knowledge of results. The concept suggests that people behave in ways they expect will produce positive outcomes.

Process or Cognitive Theories

Process or cognitive motivation theories attempt to understand how and why people are motivated. According to Porter, Bigley and Steers (2003), cognitive development motivation tries to explain how people initiate, sustain, and terminate work motivation. Vroom’s Expectancy Theory, Adam’s Equity Theory and Locke’s Goal Setting Theory are examples of process theories. Vroom’s expectancy theory is founded on the basic notions that people desire certain outcomes of behavior and performance, which may be thought of as rewards or consequences of behavior, the performance they achieve, and the outcome they receive (Nelson & Quick, 2003). Equity theory is concerned with the perceptions people have about how they are being treated compared with others (Adams, 1963). To be dealt with equitably is to be treated fairly in comparison with another group of people (a reference group) or a relevant other person (Armstrong, 2009). The goal setting theory assumes that motivation and performance are higher when individuals are set specific goals, when goals are difficult but accepted, and when there is feedback on performance (Armstrong, 2009).

2.2 Empirical Literature Review

According to Armstrong (2009) motivation strategies aim to create a working environment and to develop policies and practices that will provide for higher levels of performance from employees. The strategies include the development of reward systems, the design of intrinsically motivating jobs, goal setting, empowerment and participation, flexible work arrangements and career development (Griffin & Moorhead, 2010)

Job Design

Hyer and Wemmerlov (2002) define job design as the process of planning and specifying the tasks that a particular job will include, and the way in which the job will be performed. The purpose of the job design is to create jobs that satisfy the requirements of the organization and its technology and to design jobs that are consistent with the individual employee's requirements; in other words, to make jobs safe, satisfying and motivating for the individual employee (Hyer & Wemmerlov, 2002). Griffin and Moorhead (2010) highlights some of the approaches to job design which are job enrichment, job rotation and job enlargement.

Goal Setting

It contributes to improved shareholders value, greater profitability, increased revenue, inspired innovation which cannot be realized without an organized process that reviews strategies and cascades relevant and measurable elements of those strategies appropriately through the workforce (Gergen & Vanourek, 2009).

Career Development

Kroth and Christensen (2009) state that providing training for ongoing career development is a vital element of the performance management process that influences organizational performance..

Reward system

Kreitner (2008) defines reward as the material and psychological payoffs for performing tasks in the organization. Managers have found that job performance and satisfaction may be improved by properly administered rewards.

Motivational Strategies and Performance

Griffin and Moorhead (2010) identified job design as one of the strategies that organizations use to enhance performance. Job design (Griffin & Moorhead, 2010), increases the motivation of employees to perform well in their jobs. Employees with high needs for growth and development are likely to respond most positively to these complex, redesigned jobs, since, in these jobs, it is more likely that they can satisfy their higher level expectations by performing well. Goal setting is another motivational strategy that organizations apply to improve on performance. Scholars such as (Locke & Latham, 2012) have examined the effects of goal setting on employee performance and concluded that challenging goals accepted by employees produce a higher level of employee performance than easy goals. Goal setting can have a positive impact on employee motivation and performance as they enhance employees understanding of the task at hand as well as to provide the employee with a clear target at which to direct his/her effort (Griffin &

Moorhead, 2010). Employees should be encouraged to set Specific, Measurable, Achievable, Realistic and Time bound (SMART) goals.

Employee empowerment and participation in organization decision making is a key motivational strategy (Griffin & Moorhead, 2010) that organizations can use to enhance employee motivation for improved performance. Empowerment enable employee to remain on top of their activities thus fulfilling the organizational set objectives (Roman, 2003). According to Bowen and Lawler (2005), empowerment with proper training can be a powerful employee motivational strategy to enhance performance. Alternative forms of work arrangements are generally intended to enhance employee motivation and performance by providing employees with greater flexibility in how and when they work (Griffin & Moorhead, 2010). This schedule benefits the organization through lower absenteeism and improved performance. Research has confirmed that employees with alternative work arrangements demonstrate increased performance, report fewer distractions, enjoy the freedom to be their own boss, and appreciate the benefit of having more time for themselves.

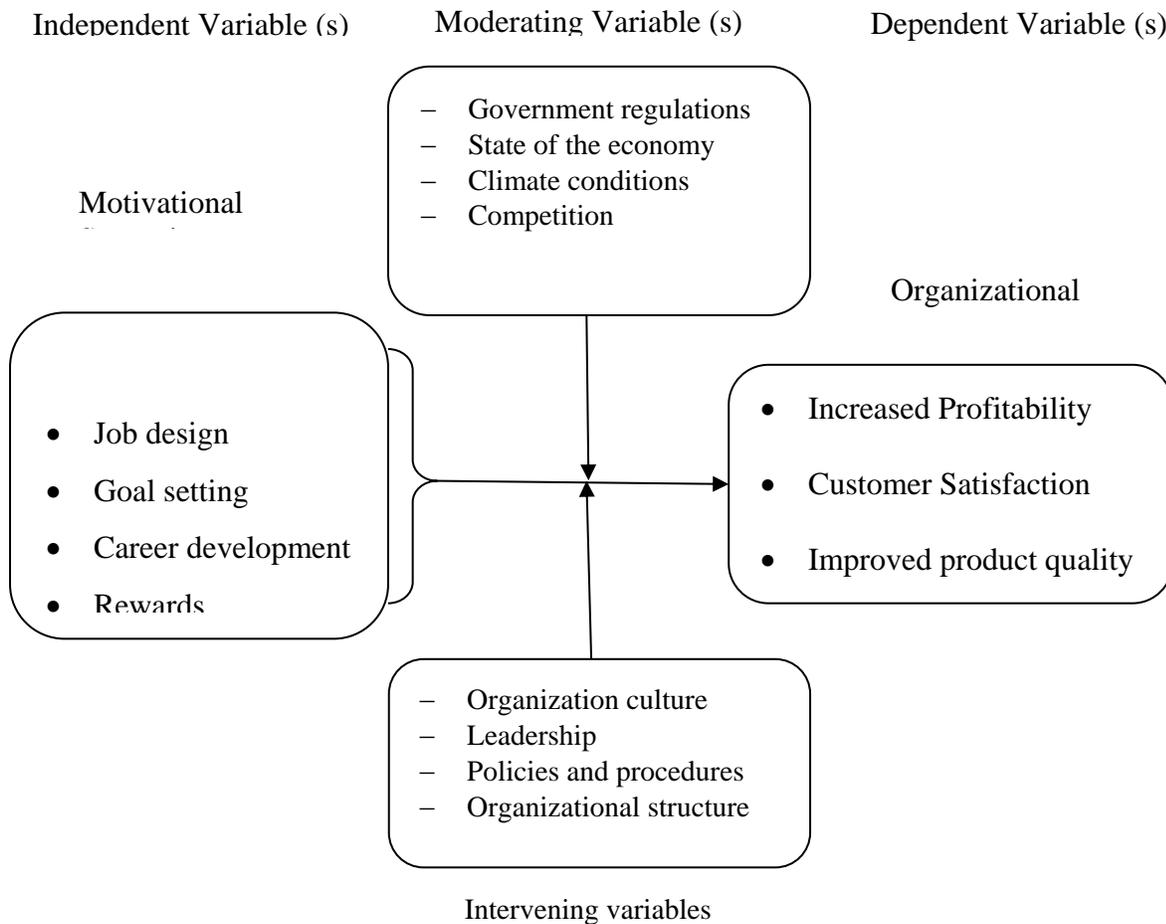
Career development strategy encourages improved performance, strengthens job-related skills and competencies, and helps employees keep up with changes in the organization, such as the introduction of new technology (Watkins & Leigh, 2009) and lastly, organizations have found that job performance and satisfaction may be improved by properly administered rewards. The effective use of reward as a motivational strategy is essential in any organization (Griffin & Moorhead, 2010). Rewards are known to motivate employees to greater performance. Green (1992) states employees have distinct beliefs (Vroom expectancy theory), employees believe that they can perform well enough to get what is offered, they secondly believe that they will get what they want if they perform well and that what is offered will be satisfying. Reward systems have six kinds of impact that can influence organizational performance. These include attraction and retention of skilled employees, motivation of performance, motivation of skill development, cultural effects, reinforcement of structure and cost (Porter, Bigley & Steers, 2003). The study confirms that employee's work performance can be shaped if the rewarding/punishing systems are manipulated correctly.

Other studies that identify motivational strategies in food processing firms include Collins and Clark (2003); Cardon and Stevens (2004) who noted that performance-based compensation is the dominant HR practice that firms use to evaluate and reward employees' efforts. Evidently, performance-based compensation has a positive effect upon employee and organizational performance. However, there is scarce evidence on the effects of compensation policy on performance of milk processing firms. Empirical studies on the relationship between performance-related pay and company performance have generally found a positive relationship, but a growing body of empirical evidence suggests that it is not just pay level that matters, but pay structure as well (Wimbush, 2005; Singh 2005).

According to Manzoor (2011) an employee team is a collection of individuals who are interdependent in the tasks and who share responsibility for the outcomes. Team's enables people to cooperate, enhance individual skills and provide constructive feedback with out any conflict between individuals (Jones et al., 2007). Teamwork is an important factor for smooth functioning of an organization. Most of the organizational activities become complex due to

advancement in technology therefore teamwork is a major focus of many organizations. One research study concluded that teamwork is necessary for all types of organization including non-profit organizations (Pfaff & Huddleston, 2003). Team members enhance the skills, knowledge and abilities while working in teams (Froebel & Marchington, 2005).

Conceptual Framework



Source: (Researcher, 2013)

Figure 2. 1: Conceptual Framework

3.0 RESEARCH METHODOLOGY

For this study, a descriptive survey research design was adopted. The researcher also used a case study for in-depth analysis of motivational strategies adopted by XYZ Company and their effect on performance. The target population in this study was the two XYZ Company plants in Nairobi (head office) and Dandora with a population of 500 employees. For the purpose of this study, researcher used stratified random sampling technique by grouping the employees according to

management levels. There after simple random sampling was applied to select respondents in the different management levels. A sample of 75 respondents was selected which comprised employees of XYZ Company from Nairobi and Dandora plants. The study used primary and secondary data.

Primary data was generated from the respondents through the questionnaires while the secondary data was generated from existing literature. The study used both qualitative and quantitative data. The researcher used the questionnaires to collect data. The coded data representing responses was analyzed using SPSS.

4.0 RESULTS AND DISCUSSIONS

Response Rate

The response rate is the proportion of the sample that participated in the research ad intended in all the research procedures. A total of 75 questionnaires were administered to the respondents and 51 (68%) completed and returned

Background Information of the Respondents

Factory operations department had the highest number of respondents at 47.1% (24). The factor operations also had the highest number of employees who work on shifts to cover the 24 hours' operations. All other departments comprised of 52.9% (27) of the respondents distributed as follows; Human resource and administration 17.6% (9), sales and marketing 9.8% (5), finance 7.8% (4), information communication technology and procurement 2% (1) respectively, logistics and inventory control 11.8% (6) and raw milk and extension services 2% (1). These findings show that factory operations, which involve production, the core activity of the XYZ Company plants, need to be given much attention in terms of motivation for optimum performance. Otherwise there will be a lot of wastage in terms of products and the organization can also end up producing less products or products with poor quality when the employees who are incharge of production are not well motivated. The factory operations team also needs the support of other departments to ensure that what they produce is well marketed. This therefore means that even the support staff and especially the sales and marketing team must be well motivated to enable them to portray a positive image of the organization as they sale and market the products.

Generally, the respondents were spread all over the various departments hence the data collected is more representative of the motivational strategies and their effects on organizational performance.

The study findings were presented as shown in table 4.2 below:

Table 2: Department of Respondents

	Frequency	Percent
Human Resource and administrations	9	17.6
Factory operations	24	47.1
Sales and marketing	5	9.8
Finance	4	7.8
Information communication technology	1	2.0
Procurement	1	2.0
Logistics and Inventory control	6	11.8
Raw milk and extension services	1	2.0
Total	51	100.0

The findings showed that majority (45. %) (23) of the respondents were college graduates, followed by 39.% (20) of the respondents who were university graduates, while 8% of the respondents had secondary level certificate. The level of education of employees in an organization contributes to improved performance, strengthens job related skills and competencies, and enables the employees to keep up with changes in the organization, such as introduction of new technology (Watkins & Leign, 2009).

Table 3: Level of Education

	Frequency	percentage
University	20	39%
College	23	45%
Secondary	8	16%
Total	51	100%

Level of Management

Organizations have several levels of management ranging from top to low levels of management. The study sought to establish the level of management of the XYZ Company employees. The data from the respondents were analyzed and the findings presented as in table 4.6 below;

The outcome gave a good representation of opinions across board about the organization's motivational strategies. Top and middle management were able to understand the importance of the research, the topic of research and its impact on the organization's performance. The study established that majority of the respondents were the support staff at 39.2% (20) followed by lower manager at 31.4% (16), middle management at 23.5% (12) and lastly the top management at 5.9% (3). The response from the support staff and lower management were below the target by 13 for the support staff and 7 for the lower management, because most of them were on leave due to the low production season. The study coincided with the Kenya's general elections and most employees had been released to travel to their various counties in preparation for the voting exercise.

Table 4: Level of Management

	Frequency	Percentage
--	-----------	------------

Top Management	3	6%
Middle level Management	12	24%
Lower Management	16	31%
Support staff	20	39%
Total	51	100%

Goal Setting

Respondents were asked whether they set clear goals every year and the results analyzed as shown in table 4.11 below. 11.8% (6) of the respondents strongly disagreed, 3.9% (2) disagreed, 17.6% (9) were neutral, 45.1% (23) agreed while 21.6% strongly agreed. Majority of the respondents agreed that they set clear goals every year. This shows that XYZ Company allows its employees to set goals. These findings are in agreement with the earlier revelations made by Locke and Latham (2012) who asserted that people must set clear goals in order to perform to their best always.

Table 5: Goal Setting

	Frequency	Percentage
Strongly disagree	6	11.8%
Disagree	2	3.9%
Neutral	9	17.6%
Agree	23	45.1%
Strongly Agree	11	21.6%
Total	51	100.0%

Effect of Motivational Strategies on Employee Performance

Different aspects of motivation strategies can help to improve employee performance. The research results in table 4.22 indicated that a majority of 56.8% of the respondents strongly agreed that goal setting among employees helps to improve employee performance, while 2% strongly disagreed. Goal setting has a positive effect on employee motivation and performance as they enhance employees understanding of the task at hand as well as to provide the employees with a clear target at which to direct his/her effort (Griffin and Moorhead, 2010). Employees are motivated and obtain internal rewards when they learn that they personally have performed well on a task they care about (Robbins & Judge, 2009). XYZ Company should continue to clarify organizational goals to the employees for improved performance.

On the aspect of job design, 54.9% of the respondents strongly agreed that job design greatly improves employee performance. Properly designed jobs have a positive impact on the motivation, performance, and job satisfaction of those who perform them (Griffin & Moorehead, 2010). The high percentage could be because employees find well designed jobs challenging and fulfilling. The jobs also allow them to work when they are most productive. XYZ Company should continue to design jobs that meet their performance requirements, jobs which are safe, satisfying and motivating for the individual employees for improved performance (Hyer & Wemmerlov, 2002).

A majority of 45% of the respondents agreed that career development improves employee’s capabilities to perform, while 2% disagreed. Many organizations recognize that career advancement has an effect on motivation and performance (George & Scott, 2010). The development of talent is key to securing the type of knowledge, experience and skills required for an organization to perform effectively and cope with future challenges. Career advancement is an essential element required for optimal performance (Kroth & Christensen, 2009). Lastly on the aspect of overwhelming number of 62.7% strongly agreed that rewarding employees improves their performance, however, 2% strongly disagreed with this statement. Well-managed employee rewards programs have tangible affirmative effects on the employer’s motivation and performance. Employees are the only scarce resource organizations have which cannot be copied by their competitors and must therefore be treated well (Trevor, 2008).

Table 6: Effect of Motivational Strategies on Performance

Extent of agreement	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
Goal setting among employees helps to improve their performance	1	2.0	1	2.0	3	5.9	17	33.3	29	56.8
Job design greatly improves employee’s performance	3	5.9	1	2.0	4	7.8	15	29.4	28	54.9
Career development improves employee capability to perform	1	2.0	2	3.9	5	9.8	23	45.0	20	39.2
Rewarding employees improves their performance	1	2.0	1	2.0	1	2.0	16	31.3	32	62.7

Motivated Employees and Organizational Performance

Organizations have several reasons for motivating their employees. Majority of them believe that motivated employees work harder which can reduce costs. They also work more enthusiastically which can lead to more creativity in increasing product quality and even developing new products as well as improving customer services (Dessler, 2003). Based on this fact, the researcher sought to examine the influence of motivation strategies on the employee performance at the XYZ Company.

The respondents were required to indicate the level of their agreement with various statements on motivation and performance. The study computed frequency and percentages to help measure the respondents feeling about the influence of motivation on the performance. The findings were as shown in the table 4.23 below;

Table 7: Motivated Employees and Organizational Performance

Extent of agreement	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
Motivated employees enable the organization to increase profitability	3	5.9	3	5.9	8	15.7	9	17.6	28	54.9
Motivated employees leads to customer satisfaction	3	5.9	1	2.0	2	3.9	19	37.3	26	51.0
Motivated employees leads to improved product quality	3	5.9	2	3.9	5	9.8	12	23.5	29	56.9

From the findings of the study, on whether motivated employees enabled the organization to increase profitability, 5.9% of the respondents strongly disagreed and disagreed respectively. 15.7% were neutral, 17.6% agreed and 54.9% who are the majority strongly agreed. These responses indicate that well motivated employees lead to increase profitability of the organization. This is largely because of the effect that well motivated employees have on the quality of products produced and the amount of commitment in marketing for the employees in sales and marketing division/department which will help boost the performance of the organization.

On whether motivated employees led to customer satisfaction, 5.9% strongly disagreed, 2% disagreed, 3.9% were neutral, and 37.3% were agreed while 51% strongly agreed. These findings show that well motivated employees boost the level of customer satisfaction which is important in determining repeat purchase and improving organizational performance. According to Barney and Clark (2007), customer satisfaction increases the willingness to pay and thus the value created by an organization. Employees are also customers and should be motivate to increase the retention rate. Retaining talented employees is very important for growth and development of an organization, employee retention depends on their job satisfaction and organization commitment. Organizations benefit from stable workforce as experience gained by the employee will remain with the organization (Manjunath & Nagendra, 2010).

On whether motivated employees led to improved product quality, 5.9% of the respondents strongly disagreed, 3.9% disagreed, 9.8 were neutral, 23.5% agreed while 56.9% strongly agreed. These findings show that with well-motivated employees, the level of product quality is likely to increase hence better organizational performance.

Other motivational strategies that have not been adopted that can enhance employee performance in XYZ Company

The study sought to establish whether there were other motivational strategies the organization needed to adopt to enhance employee performance. The findings were analysed as below;

Table 8. Other motivational strategies that have not been adopted that can enhance employee performance in XYZ Company

Strategy	Frequency	Percentage
Team work	28	55%
A flat structure that maximizes employees creativity and encourage efficiency	30	59%
Adoption of modern technology	42	82%
Pool transport	33	65%
International Benchmarking sessions to expose employees to best practices in the world	36	71%
Work environment that allow creativity and sharing of ideas without discrimination	29	57%
Employee coaching and mentorship programmes	39	76%

From the quantitative content analysis findings, 55% of respondents indicated that team work is a motivational strategy that can be adapted by the XYZ Company Ltd in an effort to boost performance. The findings agree with those of Manzoor (2011) Froebel and Marchington (2005); Jones et al (2007) and Pfaff and Huddleston (2003) who noted that there is clear evidence that teamwork and other measures of employee performance are positively related with employee performance.

Content analysis results also indicate that 59% stated that a flat structure that maximizes employees creativity and encourage efficiency is crucial for motivation. The findings agree with those in Shah and Ali (2011) who note that the informality of simple structures creates advantages. On the plus side, the flexibility offered by simple structures encourages employees' creativity and individualism.

The majority (82%) indicated that the organization needed to adopt modern technology, pool transport (65%); International Benchmarking sessions to expose employees to best practices in the world (71%); Work environment that allow creativity and sharing of ideas without discrimination (57%) and Employee coaching and mentorship programs(76%). This is because doing so would improve the motivation of staff and a consequence lead to improved performance.

Chapter Summary

The chapter presented the findings. The study sought to identify which motivational strategies are adopted by the XYZ Company. Results indicated that revealed that the job design, goal setting, career development and rewards were motivational practices being practiced at XYZ company.

The study also sought to investigate the effect of motivational strategies on XYZ Company's performance. Results indicated that that goal setting, job design, career development and rewards system motivate employees leading to improved performance. There was a therefore a positive relationship between the motivational practice of goal setting and performance as employees had

targets which they could beat. In addition, rewards motivated the staff to be more productive and this enhances organization performance. Job design positively affected organization performance as it led to an improvement in employee productivity since employee found the jobs to be challenging enough. Career development was important to organization performance as it led to better skilling for employees which was translated into higher employee productivity.

The study also sought to find out whether there are other motivational strategies not currently adopted that can enhance employee performance in XYZ Company. It was found that other motivational strategies included team work, a flat structure that maximizes employees creativity and encourage efficiency is crucial for motivation. The study also revealed that the organization needed to adopt modern technology, pool transport, international Benchmarking sessions to expose employees to best practices in the world Work environment that allow creativity and sharing of ideas without discrimination and Employee coaching and mentorship programs This is because doing so would improve the motivation of staff and a consequence lead to improved performance.

Discussion of the Findings

Motivational Strategies adopted by the XYZ Company

The study found out that the XYZ Company has adopted several motivational strategies These include; goal setting, career development, job design and reward system. The organization rewards excellent performance through recognition as stated by 66.7% (34) of the respondents, followed by 19 % (10) who said it was by being praised, 5.9 % (3) indicated that it was by promotion, and 3.9% (2) indicated it was both by Salary raise and Bonus. On the issue of career advancement only 29.4% (15) agreed that they had been promoted while no respondents denied the fact that they had attended a training sponsored by the organization as shown by a score of 0. This confirms the commitment XYZ Company has in ensuring that they motivate their employees. While 33.3% of the respondents confirm that they have been rewarded for excellence performance, 49% are not satisfied with the reward system and want it reviewed. The findings agree with those in Armstrong (2009) who noted that motivation strategies aim to create a working environment and to develop policies and practices that will provide for higher levels of performance from employees. The strategies include the development of reward systems, the design of intrinsically motivating jobs, goal setting, empowerment and participation, flexible work arrangements and career development (Griffin & Moorhead, 2010).

Conclusion

From the foregoing discussion, it is evident that XYZ Company has adopted several motivational strategies to enhance its employee performance. It can be concluded that the strategies have been effective to a certain extend. However, there is need to review the strategies in respect to; age distribution in the organization and the fact that most of its employees are between the age group of 25-35 who are very energetic and can be very productive when well motivated. Gender is another areas of that the organization should improve on to ensure that prospective women who can contribute greatly to its performance are not deterred from join the organization due to the gender disparity.

The knowledge base at the XYZ Company is also commendable and should be tapped into by using suitable motivational strategies. Miner (2012), argue that motivation ensures best and efficient utilization of all types of resources, bridges the gap between capacity of work and willingness to work as employees will be willing to present their best performance (Miner, 2012). Employee rewards and appreciation is another area that XYZ Company should look into. Whereas they are good with recognition and praise which are indicated as the most efficient intrinsic rewards (Nelson, 2004). They should also consider improving on other motivational strategies like bonuses, salaries and promotion. Appreciating employees and making them feel valued is something that organizations should do on a regular basis. Employees who do not feel valued in an organization will take the first opportunity they get to leave the organization. Employees are motivated and perform well when they feel valued in an organization. The more the employees feel valued the greater will be their motivation, performance, and satisfaction and the lower their absenteeism and likelihood of leaving the organization (Robbins & Judge, 2009).

It was concluded that other motivational strategies included team work, a flat structure that maximizes employees creativity and encourage efficiency is crucial for motivation. The study therefore concluded that the organization needed to adopt modern technology, pool transport, International Benchmarking sessions to expose employees to best practices in the world. It was also concluded that work environment that allow creativity and sharing of ideas without discrimination and employee coaching and mentorship programs were other motivational strategies that can enhance employee performance. This is because doing so would improve the motivation of staff and a consequence lead to improved performance

Recommendations

From the above presentations of discussions and conclusion, there seems to be lack of clear information on critical organization matters as reflected in a number of questions where there was indifference (neutral). The study recommends that the organization should make clear its information on motivational strategies to help in managing employees expectations early enough for continued performance. It is also important to get their input for ownership of the information and relevant documents.

Employees at different ages and job groups are motivated differently. As such, the study recommends that the organization finds ways of motivating employees in different age groups and cadres in the organization to enhance employee motivation and retention leading to better performance. The study also recommends that the organization should diversify the nature of its work to encourage women to join the workforce.

It was recommended that the organization should pursue other motivational strategies which include team work, a flat structure that maximizes employees creativity and encourage efficiency is crucial for motivation, adoption of modern technology, pool transport, International Benchmarking sessions to expose employees to best practices in the world, work environment that allow creativity and sharing of ideas without discrimination and employee coaching and mentorship programs. This is because doing so would improve the motivation of staff and a consequence lead to improved performance.

Recommended Areas for Further Studies

The study sought to establish the effects of motivational strategies on organizational performance. The study adopted a case study and descriptive research designs. The research designs were aimed at getting in-depth information on the motivational strategies adopted by XYZ Company and therefore the findings could not be generalized. Given this limitation, further studies could adopt cross-sectional research design to allow for generalization. The study should be replicated in other organizations within the dairy industry. Finally, since motivation is key to performance and is context dependent, similar studies can be conducted in different industries

References

- Adams, J. S. (1965). *Injustice in social exchange: L Berkowitz, Advances in Experimental Psychology*. New York: Academic Press.
- Alderfer, C. (1972). *Existence, relatedness and growth*. New York: The Free Press.
American customer satisfaction index: nature, purpose and findings. *Journal of marketing*, 60(4), 7-18.
- Armstrong, M. (2009). *Handbook of human resource management practice (11thed.)*. London: Kogan Page.
- Barney, J., & Clark, D. N. (2007). *Resource-based theory*. New York: Oxford Press.
- Bowen, D.E. & Lawler, E.E. (2005). Conceptualization of employee empowerment. *Sloan Management Review*, 36:73-84.
- Brookside dairy, (2012) *Kenya dairy industry* . <http://www.brookside.co.ke>. Retrieved California: Berrett-Koehler
- Canadian HR reporter. Vol 17. No 10.on 28th December, 2012.performance link. *Strategic Management Journal*, 18 (4): 303-319.
- Cardon, M. S., Stevens, C. E., 2004. Managing human resources in small organizations: What do we know?, *Human Resource Management Review*, 14: 295–323.
- Cascio, W. (2005). *Managing human resources*. Boston, MA: Irwin/McGraw-Hill

- Chandran, E. (2004). *Research Methods: A quantitative approach with illustrations from Christian Ministries*. Nairobi: Star bright services Ltd.
- Collins C. J., and Clark K. D., (2003). Strategic human resource practices, top management commitment, team social networks and firm performance: the role of human resource practices in creating organizational competitive advantage, *Academy of Management Journal*, 46(6): 740-751.
- Collins, J., & Hussey, D. (2009). *Business research a practical guide for*
- Cooper, C. R., & Schindler, P. S. (2008). *Business research methods (10 Ed.)*. Boston: McGraw-Hill Publishing Company Limited.
- Cooper, D. & Schindler, P. (2003). *Business Research Methods, (3rd Ed)*. New
- Cooper, D.R., & Schindler, P. S. (2006). *Business Research Methods, (9th Ed)*. New Corporation.
- Crouse, N. (2005). *Motivation is an inside job: how to really get your employees to*
- Dairy Australia (2013). *Working out a Remuneration Package*. Retrieved on 22nd may 2013 from <http://www.thepeopleindairy.org.au/engagement-reward/working-out-a-remuneration-package.htm>
- Delhi: Sanguine Technical.Delhi: Tata McGraw-Hill Publishing Company Limited.
- .
- Kothari, C. R. (2004). *Research methodology: methods and techniques. (2nd ed.)* New Delhi: New Age International.
- Kreitner, R. (2008). *Management. (11th Ed.)* Canada. Houghton Mifflin Harcourt
- Kroth, M. & Christensen M. (2009). *Career development basics*. USA. ASTD Press
- Kumar, R. (2003). *Workforce motivation*. New Delhi. A.P.H Publishing Corporation.
- Kumar, S. Y. (2005). *Research Methodology*. New Delhi: A.P.H Publishing
- Levesque, P. (2007). *Motivation: powerful motivators that will turbo-charge your*
- Locke, R. & Latham, G. (2012). *Goal setting: industrial and organizational psychology*. Hong Kong. Wiley –Blackwell.

- Mackinnon, B. (2011). *Ethics: theory and contemporary issues* USA: Baxter publishers.Macmillan.
- Manjunath, V. S & Nagendra, S. (2010). *Entrepreneurship and management..* New
- Manzoor, S. H., Ullah, H., Hussain, M., & Ahmad (2011). Effect of Teamwork on Employee Performance. *International Journal of Learning & Development* ISSN 2164-4063 2011, Vol. 1, No. 1
- Maslow, A. H (1954) *Motivation and personality*. New York: Harper & Row.
- McClelland, D. C. (1961). *Testing for competence rather than intelligence*, American
- Miler, J. B. (2012). *Role of motivation theories*. Canada. Wiley Press
- Miles, A.M. (2004). *Index of Economic Freedom*. Heritage Books: Amazon
- Ministry of Livestock and Fisheries Development. (2006). *Dairy Policy*. Nairobi:
- Muensterberg, H. (2004). *Psychology and Industrial Efficiency*, York University,
- Mugenda, O.M. & Mugenda, A. G. (2003). *Research methods: quantitative and*
- Nelson, B. (2004). *Misunderstanding rewards hampers motivation*.
- Pfaff, E., & P. Huddleston. (2003). Does it matter if I hate teamwork? What impacts student attitudes toward teamwork. *Journal of Marketing Education* 25:37–45.
- Porter, L., Bigley, G. & Steers, R. (2002). *Motivation and work behaviour*. (7th Ed.). USA. McGraw-Hill. Prentice-HallPrentice-Hall.
- Promar International (2013). *Strategic Development Plan for the Irish Dairy Processing Sector*. Retrieved from <http://www.prospectus.ie/documents/4257508IrishDairyProcessingSectorStrategicReportMar03.pdf>
- Psychologist, 28 (1), 1–14.*qualitative approaches*. Nairobi, Kenya: Act Press.
- Review*, 11(4). 801-814.
- Robbins, S. (2003). *Organizational behaviour* (10th ed.). Upper Saddle river, New Jersey: Prentice Hall
- Robbins, S. P. & Judge, A. (2009). *Organizational behavior. Global and southern African perspective*. (2nd Ed.). South Africa: Pearson Education.Inc
- Roman, E. L. (2003) *Business of employee empowerment*. (3rd Ed). Jossey-Bass. San Francisco.

- Rowe, W. G. & Morrow Jr. J. L. (1999). *A note of the dimensionality of the firm financial performance construct using accounting, market, and subjective measurers*. Canadian Journal of Administrative Science, 16(1), 58-71.
Schwartz & Associates
- Schwartz, E. A. (2006). *Motivation: linking performance to goals*. USA. A.E:
- Shah, J & Ali, B. (2011). Super-leadership: An approach to maximize idea generation and creative potential for creative culture. *African Journal of Business Management* Vol. 6(1), pp. 388-401
- Singh, K., (2005). The effect of human resource practices on firm performance in India, *Human Resource Development International*, 6 (1): 101-116.
- Skinner, B. F. (1974). *About behaviourism*. London.
South Western Cengage Learning.
strategy research: a comparison of approaches. Academy of Management
- Taylor, F. W. (1911). *Principles of scientific Management*, New York: Harper.
- Thomas, W. K. (2009). *What really drives employee engagement*. (2nd Ed.).
- Tjahjadi, R. (2011) *Firms performance*: Jakarta, Indonesia: Bio Tani Indonesia Foundation.
Toronto, Canada
- Trevor, J. (2008). *Can pay be strategic in rethinking reward*. London: Palgrave
undergraduate and postgraduate studies. (3rd ed.). London: Macmillan Publishers
- Venkatraman, N., & Ramanujam, V. (1986). *Measurement of business performance in*
- Vlachos, I.P (2009). The effects of human resource practices on firm growth. *Int. Journal of Business Science and Applied Management*, Volume 4, Issue 2, 2009.
- Vroom, V. (1964). *Work and motivation*. New York: Wiley.
- Waddock, S. A., & Graves, S. B. (1997). The corporate social performance financial
Washington Times,
- Watkins, R. & Leigh, D. (2009). *Handbook of improving performance in the workplace*. USA:
Wiley
- Whetten, D. A. (1987). *Organizational growth and decline process*. Annual Review of
Sociology, 13(1), 335-358

Wimbush, J. C., (2005). Spotlight on human resource management, *Business Horizons*, 48: 463—467.
workforce. London: CWL Enterprise.