

**EFFECTS OF MOTIVATION ON EMPLOYEES' PERFORMANCE
(CASE STUDY OF SELECTED SMALL AND MEDIUM-SIZED ENTERPRISES IN
NIGERIA)**

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**BEING A PROJECT WORK SUBMITTED TO THE DEPARTMENT OF BUSINESS
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DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the Mountain Top University for academic credit.

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This Research Project has been presented for Examination with my Approval as the Appointed Supervisor.

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Dr. Patience Erigbe

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DEDICATION

This research project is dedicated to my mother- Mrs. Dorothy Aka, without whom, I would not be the boy I am. This research project is also dedicated to my father and my mentor- Dr. Samuel Aka. Thank you for always being a constant source of inspiration to me throughout my life. Finally to my lovely sisters, Mrs. Truth Ezeudoye and Engr. GraceAka, may you continue to prosper in all areas of life. As it is written in the Scriptures *“As many as are led by the Spirit of God, they are the sons of God” (ROMANS 8:14)*

God bless you and I love you all

Abstract

The following study is a self-conducted research on the effects of motivation on employees' performance in small and medium scale enterprises in Nigeria. In the Introductory chapter I discussed that Employees are the core of any organization. Employee cooperation cannot be substituted with anything else for any organization to function smoothly and without disruption. It is of utmost significance that an organization's staff not only have a good relationship with top management, but also keep a healthy and professional connection with their coworkers.

The Research was evaluated using techniques of descriptive statistical analysis. The findings acquired show that if staff are positively motivated, it increases both their effectiveness and efficiency to achieve organizational objectives. A sample of people was chosen and interviewed with a self-administered questionnaire this was done to get the primary data, my sample size is one hundred and twenty. The analysis was carried out using (SPSS) Statistical Package for social sciences

The results of this research shows that there is a relationship between motivation and employees performance in the sampled SME in Lagos, and there is a relationship between motivation and labor turnover in Small and medium scale enterprises. There is a significant relationship between motivation and employee performance because Table 4.8 shows that X^{2cal} (254.240) is greater than X^{2tab} (34.27) at 5% level of significance ($X^{2tab} = 34.37, v=16 H^1 = 0.05$). Hence the alternate hypothesis is accepted while the null hypothesis is rejected.

The study revealed that the management of Small and medium scale enterprises partially used motivational goal-setting to motivate their employees. According to Herzberg, the factors that trigger job satisfaction differ from those that cause work discontent. Thus, if the company attempts to cope with the variables that generate work discontent, such as wages, they can bring about peace but will not automatically motivate employees (Robbins, 2000). This means that "if you want people to do a good job, give them a good job to do," rather than simply trying to deal with de-motivating factors

Key words

Motivation, Employee performance, Small and medium scale enterprises, Management, Organization

CHAPTER ONE.

INTRODUCTION

1.1 Background to the study

An Organization is a rationally conceived entity (John 2000), in the sense that it is created to archive certain aims, objectives, and goals. Organizations are an inescapable feature of modern social experience for all human beings. (John Martin 2001). In the sense that from the rural to the urbanized areas, organization impacts on all aspect of human experience. In Organization all over the world, there are some resources that an organization needs in order to survive, and they are; production resources, financial resources, Inventories, human abilities, or IT and natural resources. Human resource is seen as the most valuable resource in an organization because human beings have the ability to control all other resources needed for organizational survival. The performance of individual employees in an organization is important to an organizations survival. The employees are individuals who are being hired to perform some specific task or duties, and the level at which employees would perform their tasks on a regular basis. Most employee work in an organization due to the different motivators used in the organization. Motivation plays an significant role in organizational employee performance.

According to Stephen P. Robbins (2001), motivation is the method that accounts for the intensity direction of an individual and persistence of effort to achieve a objective. Motivation can be said to be at the core of how an organisation does creative and productive stuff (Bloisi et al., 2003). Motivation has been shown to be concerned with the variables influencing individuals to act in some respects. Arnold and others (1991). In today's global market, where companies seek a competitive edge, motivation is key for talent retention and performance retention. Every employer's objective is to build an engaging and motivating workplace where staff want to remain, develop and contribute their understanding, experience and skills, regardless of the financial setting (Elizabeth 2017). In Small and medium scale enterprises, the nature of duties an employee performs and how the employee performs them is based on the level of motivation in the area of work. Motivation relates to the procedures of psychology that boost the enthusiasm and persistence of voluntary actions directed at some purpose. Since motivation can be extremely individualized, executives use a broad variety of methods to maintain their employees motivated and in excellent working circumstances.

Employee performance can be described in the wide sense as the work-related operations a worker expects and how well those activities were executed, this being said, it means the expected actions that an employee is meant to carry out in an organization. These duties are already being stated ahead of time in the job description of that organization. In most organizations all over Nigeria, the performance of the workers/ employees, are being accessed by the superiors in the organization. This action is done on an annual basis or quarterly basis and this is being done in order to identify those specific areas in the organization that needs improvement.

In small and medium scale enterprises, the employees are being accessed in order to identify any area where there is a weakness or shortage of manpower. Regular accessing of the employees would play a crucial role of identifying the weak hands in the organization, a chain is as strong as its weakest link, so is likened to the aspect of an organization, an organizations survival is based on, how well her employees perform their stipulated duties. Employees serve important roles in an organization. These roles and duties are crucial to the survival of the organization. The way an employee performs his or her assigned duty is based on the factor “motivation”, motivation is important to an employee at the personal level, and the organization at large.

1.2 Statement of the problem

Small and medium scale enterprises are responsible for the creation and offering of goods and services to the general public. The enterprise is made up of an employer and a group of employees. Employees perform duties according to the level of motivation given to them. The function of motivation is to create and intensify every member of the organization's willingness to function efficiently and effectively (Boamah Richard 2014)

In the case whereby employees of small and medium scale enterprise are not being motivated accordingly, there would be low-performance level, absenteeism, dissatisfaction and lackadaisical attitude by employees. The level at which workers are disengaging from these small and medium scale enterprises are increasing as the day goes by, this is due to inadequate motivation.

Therefore, the purpose of this research study is to determine the Effect of Motivation on Employees' performance in selected small and medium scale enterprises in Lagos state, Nigeria.

1.3 Research objectives

1. To identify how Salaries and incentives improve the motivation of employees in small and medium scale enterprises.
2. To identify the role work environment has in motivating employees in small and medium scale enterprises.
3. To identify the effect company policies has on the motivation of employees in small and medium scale enterprises.

1.4 Research question

This section deals with the formulation of the research question that will help to achieve the Objectives of the study. They are:

1. How can salaries and incentives improve the motivation of employees in small and medium scale enterprise?

2. How can the work environment motivate employees in small and medium scale enterprises?
3. How can company policies motivate employees in small and medium scale enterprises?

1.5 Hypotheses

1. Salaries and incentives doesn't improve the motivation of employees in small and medium scale enterprises.
2. Work environment does motivate employees in small and medium scale enterprises.
3. Company policies doesn't motivate employees in small and medium scale enterprises.

1.6 Justification of the study

This research project will help in providing useful information on the effect motivation has on employees, this research work will not only be limited to small and medium scale enterprises.

With this research project, the owners of small and medium scale enterprises in Lagos would be able to know the importance of motivation on employees' performance.

The results will further assist scholars in their findings on the effect of motivation on workers performance in small and medium scale enterprise all over Nigeria.

The results of this study will help the Government to formulate better rules and regulations that can improve the system of work in Nigeria as a whole.

The study will help the general population of small and medium scale enterprises in Nigeria as a whole.

1.8 Scope of the study

The study will concentrate on the effects of motivation on employees' performance in selected Small and Medium Sized Enterprises in Lagos State.

1.9 Definition of terms

Small business; sometimes called a tiny business, a tiny company is a company that uses a tiny amount of employees and has no high sales volume. Such companies are usually sole proprietorships, companies or partnerships owned and operated by private individuals.

Medium scale business; this are enterprises with a total workforce of between 50 and 199 employees, A medium scale business is often the awkward middle child of Its industry—too large to provide small businesses with discounts and services and too small to have the weight and prestige granted to big business.

Employee; an employee is an person employed to do a particular work by an employer. After an application and interview process, the worker is employed by the employer resulting in his choice as an worker.

In a nonunion workplace, every employee negotiates on their own terms of their employment.

Motivation; Motivation is an internal process that makes a person move toward a goal. Motivation, like intelligence, can't be directly observed. Instead, motivation can only be inferred by noting a person's behavior.

Organization; an organized group of people with a particular purpose, such as a business or government department

Small and medium enterprise (SME); Business segment term used differently in different countries, sometimes differently in different industries in the same country. In the US, any firm from a small-office-home-office (SOHO) to a large corporation may be called an SME. In the European Union, a firm with 50 to 250 employees. The International Chamber Of Commerce (ICC) defines an SME as having 100 to 2000 employees.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The purpose of this study is to show the effect of motivation on employees' performance in selected small and medium scale enterprises in Lagos State, Nigeria. The research design that will be used in this research study is the descriptive survey design, for the purpose of this research study, the data used is being collected using primary and secondary sources of collection, the primary source is questionnaires and personal interview. The secondary source consists of journals books newspapers magazine and business reports.

2.1 Conceptual review

Motivation is probably one of the most researched areas of management. If a manager can grasp what will motivate his/her employees, that manager will have more productive force (Mullins, 1996). Knowing how and why to motivate employees is an important managerial skill. Motivation can be simply defined as the set of forces that cause people to choose certain behaviors from among the many alternatives open to them (Anja Kollmuss & Julian Agyeman 2002). This means that motivation can influence positively the decisions of an individual, i.e. the decisions and actions that are being carried out by individuals is in relations to motivation.

An employee's performance typically is influenced by motivation, ability, and the work environment. The level of duties that can be performed by a member of staff in an SME can be greatly affected by the level of motivation being exposed to on a daily basis. This means that nature and how an individual employee or group of employees will perform their tasks and duties are based on the key independent variable 'motivation'. Motivation is a managerial function, whereby the will of workers and members of staff are being influenced positively in order to perform their tasks optimally. (Hammer, 1979)

Some deficiencies can be addressed by providing training or altering the environment, motivation problems are not as easily addressed. Motivation is important because of its significance as a determinant of performance and its intangible nature. This being clearly stated, motivation serves as an independent variable that can affect the level of performance being exhibited by workers in an organization both positively and negatively, this is to say that; when there is adequate level of motivation, the level of workers performance will be increased, while if there is low or inadequate level of motivation to the dependent variables ‘employees’ the level of their performance will be reduced.

In this research work, we would look at the effects of motivation on employees’ performance in an organization. So that we can see the cause and effect that motivation has on the members of staff in Small and medium scale enterprises.

2.1.1 Motivation

There are several competing theories that attempt to explain the nature of motivation (Hammer, 1979). These theories try to give meaning to the ends and means of motivation, throughout time various scholars have given their views on the meaning of motivation. Each theory seeks to explain the mode of conduct of individual human beings and suggest what managers can do to affect their employees’ behavior. The word motivation is derived from the Latin word “movere”, which means, “to move” (Kretiner, 2004). According to Higgins, (1994), motivation has been defined as a psychological process that serves as an internal drive to satisfy an unsatisfied need (Lindner, 1998)

According to Greenberg and Baron (2000), motivation can be divided into three major parts. The first part looks at the stimulation that deals with the drive, or energy behind an individual’s action. The second part referees to the choices people make and the direction their behavior takes. Lastly, the third part deals with maintaining behavior, which clearly defines how long people, have to persist at attempting to meet their goals. According to Antomioni (1999), motivation can be described as “the number of effort people is willing to put in their work depending on the degree to which they feel their needs will be satisfied.”

It is evident from the above definitions that, in general, motivation mainly deals with factors that propel certain human actions over a given period of time provided that the prevailing conditions are present. Furthermore, the definitions imply that it is necessary that there exists “an invisible force” to impel people to do something in return (Freemantle, 2001). Consequently, individuals become de-motivated if they feel something in the organization hinders them from attaining positive outcomes. According to Laurie J Mullins (1993), Motivation study talks about the way and mode of behavior of people, Laurie J Mullins went on to stress the fact that motivation is the persistence of action. Motivation is an individual phenomenon, meaning everyone is different.

Motivation is intentional, this simply means that it is a choice of action being taken by an individual, and an individual can be able to become motivated on his own will. Motivation is multifaceted, in the sense that it has many factors affecting it.

2.1.1.1 Types of motivation

Jones and George (2004) can be split into two and they are the sources of motivation ; inherent motivation and extrinsic motivation. An intrinsically motivated behavior, therefore, is a behavior that is performed for one’s own purpose, however, extrinsically motivated behaviors are performed to obtain rewards or to avoid punishment. Thus, a manager can attempt stimulating the employee’s intrinsic motivation, but cannot create the intrinsic motivation for that employee. This implies that, for example, a manager should rather try to discover factors would drive an employee to smile at customers than simply instruct the employee to smile at customers (Freemantle, 2001).

2.1.1.1.1 Measures of motivation

1. Cognitive and Affective Measures of Motivation

Experimental social psychologists conceptualize an objective as the cognitive depiction of a desired end state (Fishbach & Ferguson, 2007 ; Kruglanski, 1996). According to this perspective, objectives are structured in associative memory networks that connect each objective to the respective constructs. Goal-relevant constructs could be activities or items that contribute to the achievement of the objective (i.e., means; Kruglanski et al., 2002), as well as activities or items

that hinder the achievement of the objective (i.e., temptations; Fishbach, Friedman, & Kruglanski, 2003). For instance, the objective of eating healthily may be connected with constructs such as apple, physician (facilitating means) Or French fries (inhibiting the temptation). Cognitive and affective motivation measures include the activation, assessment and interpretation of these goal-related constructs and the subjective experience they evoke.

2.1.1.1.2 Activation of goal: memory, accessibility and inhibition of goal-related constructs **Constructs related to a goal can activate or improve the pursuit of that goal.**

For example, the presence of one's study partner or the word "exam" in a scrabble game can activate the academic goal of a student and thus increase their motivation to study. The motivational scheme, once an goal is active, prepares the person for action by activating objective data (Bargh & Barndollar, 1996 ; Gollwitzer,1996; Kruglanski, 1996). Thus, motive manifests itself in terms of how readily goal-related constructions are brought to mind (i.e., accessibility; Aarts, Dijksterhuis, & De Vries, 2001; Higgins & King, 1981; Wyer & Srull, 1986. The activation and subsequent pursuit of an objective can be conscious, so that one is aware of the signals that led to goal-related decisions and behaviors this activation may also be unconscious, such that one is unaware of the primary objective or even displays goal-related decisions and behaviors. Whether goals are known or not, a basic feature of goal-driven procedures is the persistence of goal-related constructs accessibility as long as the goal is active or as long as the goal is disengaged from the objective. (Bargh, Gollwitzer, Barndollar, Lee-Chai, & Trotschel, 2001, Goschke & Kuhl, 1993). Motivation decreases and accessibility is inhibited once the objective has been achieved (Liberman & Förster, 2000 ; Marsh, Hicks & Bink, 1998) enables people to direct their cognitive resources to other functions at hand without being distracted by the ideas of a finished objective. Motivation can thus be evaluated by the degree to which goal-related ideas are available in memory. Specifically, the higher the motive to pursue / attain a objective, the more probable people are to remember, notice, or acknowledge ideas, items, or persons linked to that objective. Zeigarnik, for instance, in a classic research (1927) ordered respondents to conduct 20 brief assignments, ten of which they were unable to complete because they were disrupted by the experimenter. At the end of the studies, Zeigarnik inferred the power of motivation by requesting respondents to remember as many of the duties as necessary. Consistent with the idea that unfulfilled objectives are connected with increased

motivational states, while fulfilled goals inhibit motivation, the findings indicate that respondents recalled more unfinished assignments (i.e., unfulfilled goals) than finished assignments (i.e., met goals; Zeigarnik effect). Recently, Förster, Liberman, and Higgins (2005) replicated these results; inferring performance motivation on a lexical decision-making assignment. Their research evaluated the velocity at which words linked to a focal objective – i.e. identifying as words versus non-words – were recognized before (as opposed to after) finishing that objective. An associated measure of motivation is to inhibit competing constructs. In situations where the achievement of the objective is confronted with conflicting wishes that may interfere with the focus objective, the motivation to achieve the objective can be expressed by inhibiting constructs linked to these conflicting objectives. (Shah, Friedman, and Kruglanski, 2002). Functionally, this inhibition enables people to pursue the focus objective without being distracted by ideas linked to other objectives.

2.1.1.1.3 Evaluation, devaluation, and perception

Motivational states affect the assessment of goal-related objects and in turn encourage these evaluative procedures the conscious and unconscious pursuit of successful goals. In particular, the assessment of target-relevant objects is more positive for active and inactive objectives (Brendl & Higgins, 1996; Ferguson & Bargh, 2004; Herek, 1987; Markman & Brendl, 2000; Tesser & Martin, 1996). Thus, motivation can be measured by the degree to which a target-relevant item is assessed favorably using explicit measures (e.g. readiness to pay, liking) or implicit measures such as evaluative priming tasks (Fazio, Sanbonmatsu, Powell, & Kardes, 1986) and implicit association tests (Greenwald, McGhee, & Schwartz, 1998). For example, using an evaluative priming task, Ferguson and Bargh (2004) showed that participants with an unfulfilled achievement goal were quicker to identify positive adjectives (e.g., excellent) compared to adverse ones (e.g., disgusting) following phrases related to achievement (e.g., compete). By comparison, respondents who had just met the objective and those without an objective did not react considerably quicker to positive versus adverse adjectives. The devaluation of competing constructs, including objects that compete with or hinder the objective, can also serve as a motivation measure. For instance, Brendl, Markman, and Messner (2003) showed that starving customers – with an active eating objective – expressed reduced assessment

of goods serving unrelated objectives (e.g. shampoo) Compared to customers who were not hungry and therefore did not have an active eating objective. In connection with this, counteractive self-control theory suggests that self-control includes an asymmetric change in the Subjective evaluation of goal-relevant stimuli such that people facing a self-control dilemma not only improve their valuation of goal-consistent stimuli but also reduce that of temptation-related stimuli (Fishbach & Trope, 2005 ; Fishbach & Trope, 2000). Researchers also evaluated how quickly respondents behave to move beneficial and negative stimuli towards and away from them to evaluate people's performance. Basic motivation for approaching good stuff and avoiding bad stuff (Markman & Brendl, 2005). Since goal-relevant items are naturally valenced, individuals have automatic tendencies Approach goal-congruent items (which they assess favorably) and prevent items This may interfere with the pursuit of efficient goals (which they evaluate negatively). Fishbach and Shah, for instance (2006) it was discovered that respondents displayed quicker pushing reactions to temptation-related stimuli in self-control dilemmas, but quicker pulling reactions to goal-related stimuli.

2.1.1.1.4 Experience

Researchers also evaluated motivation by evaluating the subjective experience of an individual while pursuing a goal-related activity (Aarts, Custers, & Holland, 2007; Aarts, Custers, & Veltkamp, 2008; Fishbach, Shah, & Kruglanski, 2004; Koo & Fishbach, 2010). For example, the Intrinsic Motivation Inventory measures intrinsic motivation by assessing an individual's degree of interest/enjoyment, Perceived skill, effort, value / usefulness, felt pressure and tension, and perceived choice when performing a specified activity (Ryan, 1982; Ryan, Koestner, & Deci, 1991).

2.1.1.1.5 Perceptual biases

Motivational states can also change something as basic as visual perception. Thus, Bruner and Goodman (1947) showed that kids from reduced socio-economic backgrounds—and who probably have a powerful motive to obtain cash—estimated coin sizes as bigger than their wealthier counterparts. Likewise, Balcetis and Dunning (2006) Research participants automatically recognized an unclear figure (e.g., I3) as letter B or number 13 depending on whether seeing a letter or number leads to a favorable result within the experimental framework. Lastly, Proffitt and his peers showed that fear—which is associated with a

basic avoidance motivation—increases judgment of the steepness of a hill or the height of a building (Stefanucci, Proffitt, Clore, & Parekh, 2008; Teachman, Stefanucci, Clerkin, Cody, & Proffitt, 2008). Although these studies explored perceptual distortions as a consequence of motivation, these distortions can also serve as measures of motivational strength.

2.1.1.1.6 Behavioral Measures of Motivation

Ultimately, motivation allows goal-driven conduct and is apparent through action. However, conduct is not simply the result of motivation; scientists often use conduct to infer motivation and capture the power of motivation by the extent to which they are Actions are compatible with a focus objective. Indeed, when describing the degree of motivation of an individual, researchers (and lay people) often refer to the goal congruence of the behavior of the individual. Engaging in goal-consistent conduct needs some type of mental, physical, or psychological effort.

Measures such as selection, pace, efficiency, or persistence exercised during goal pursuit capture the goal congruence of conduct and can thus evaluate the power of one's motivation to achieve the objective.

2.1.1.1.7 Speed

In many instances, motive can manifest itself in terms of how long it takes an person to behave in search of a objective. This measure of length (i.e. velocity) can be applied to different dimensions of conduct to assess the power of motivation. Speed behavioral measures include how quickly an person completes a job or how quickly he moves from one taskTo the next one. For instance, respondents in a research by Kivetz, Urminsky, and Zheng (2006) rated songs for reward certificates online. These scientists evaluated the incentive to receive the reward by evaluating the frequency of participants ' visits to the rating site (inter-visit times) as they advanced towards the reward. The findings showed the respondentsProgressively shifted from one step to the next as they got closer to receiving the reward. This well-documented effect – labeled as the goal-gradient or "goal looms larger" effect – suggests an increase in motivation with proximity to the goal (Brown, 1948; Förster,

Higgins, & Idson, 1998; Heath, Larrick, & Wu, 1999; Hull, 1932; Kivetz et al., 2006; Nunes and Dreze, 2006). Because learning (practice) can influence the pace of finishing sequential assignments, scientists interested in evaluating motivation through velocity often monitor (For these variables (e.g., the provision of practical tests, the use of well-practiced assignments) or the use of experimental assignments and habits for which such variables are meaningless (e.g. purchase frequency).

2.1.1.1.8 Performance

Motivation can also be evaluated in terms of level of performance in a goal-related assignment – particularly if performance is variable and integral to the goal. Performance measures include precision, quantity

(I.e. how much was achieved) and the greatest level of accomplishment. For instance, Bargh et al. (2001) evaluated motivation through respondents to show the impact of priming on motivation.

Performance in five word search puzzles and showed that respondents with accomplishments discovered more words than control respondents, that is, they were more driven to accomplish. To demonstrate that proximal (sub)goals are more motivating than distal objectives, Bandura and Schunk (1981) measured mathematical achievement motivation of children through their performance on a subtraction set of issues. The findings showed that kids induced to set proximal objectives during a previous training period (e.g. full six pages in each of seven training sessions) solved more correctly than those who set distal objectives

(E.g. finishing all 42 pages of educational products by the end of seven sessions).

Another element of success is persistence, or the extent to which a person continues steadfastly to pursue an objective despite intrinsic problems. For instance, a highly motivated student may spend hours studying for an exam despite being tired or tempted by more interesting operations. Persistence can be expressed in terms of the duration of moment a person spends on goal-

related operations, in terms of the amount of goals/tasks an employee completes or to the extent to which the person continues to participate in the objective (rather than leaving the objective; Carver & Scheier, 1998; Reed & Aspinwall, 1998).

Accordingly, in the song rating research outlined above, Kivetz et al. (2006) recorded the motive

of respondents to receive a reward by examining whether participants left or continued to participate in the song rating task and discovered that respondents were less likely to leave the assignment (i.e., more encouraged) as they approached the reward – a pattern consistent with the goal-gradient impact. Similarly, scientists used the "unsolvable task" paradigm to infer the power of motivation by the quantity of momentum the respondents pursue an unsolvable assignment – which they think is solvable (Baumeister, Bratslavsky, Muraven, & Tice, 1998; Fishbach, Dhar, & Zhang, 2006).

2.1.1.1.9 Choice

We use the word decision widely to define the act of choosing between objects (e.g., apple versus cookie) and courses of action (e.g. donation, exercise). Because of their binary nature, choices often appear to be simply indicative of the direction rather than the intensity of motivation. However, a selection may also show the power of motivation.

For example, when an individual chooses between conflicting goals (e.g., a student chooses to socialize with friends rather than study for an exam), we can infer that their motivation for the chosen (socializing) goal is stronger than their motivation for the exam. (Academic) objective not chosen. In addition, scientists can evaluate the number / frequency of goal-consistent decisions in repeated sequential-choice paradigms and thus infer the power of motivation. Self-control research often depends on choice measures to evaluate motivation. To show, for instance, that concurrent (versus sequential) decisions increase the incentive to adhere to long-term (intellectual) objectives, Read, Loewenstein, and Kalyanaraman (1999)

Measured motivation by whether respondents chose high-brow films (goal congruent) over low-brow films (goal incongruent). They discovered that respondents who made a concurrent decision (i.e., choosing three films on the first day) chose more high-brow films than those who produced a sequential decision (i.e. choosing each film on the day they watched it). In another research, Fishbach and Zhang (2008) evaluated motivation by whether respondents chose a good snack (carrots) from a set of choices consisting of carrot sticks and chocolates.

2.1.1.2 ADVANTAGES OF MOTIVATION

Motivation basically deals with a commitment to doing something. In an organization, motivation means the willingness of an individual to work. Motivation in the workplace can provide the following advantages.

i. Better productivity

Motivation has the ability to lower unit cost of production, and with this being done an organization can sell its goods and services at a reduced price to customers.

ii. Low level of absenteeism

Motivation has the ability to lower the rate at which workers absent themselves from the organization. There would be lower levels of absenteeism because workers are now contented with their individual working lives.

iii. Lower levels of staff turnover

Turnover means the total number of employees that leaves the business at a particular time. Motivation has the ability to reduce the turnover rate in an organization, and this will help in lowering recruitment and as well as training costs.

iv. Improved industrial relations

According to Fajana (2006) industrial relations is defined broadly as a discipline concerned with the systematic study of all aspects of the employment relationship. Motivation has the ability to influence the way activities are being carried on a daily basis in the organization between the employer and the employee.

v. **Good reputation for the organization**

When workers are motivated and contented, workers will give the organization a good reputation, and this can aid easy recruitment exercise.

vi. **Improved product quality**

Motivated workers are most likely to improve the quality of the products and also the customer care/ service in line with a product.

2.1.2 Employee performance concept

Organizational performance is strongly linked to the amount of production, quality of production, timeliness of output, presence / assistance in the workplace, efficiency of the work done and efficacy of the work finished "(Mathis & Jackson 2009). Employee performance in an organization can be defined as the successful completion of duties and tasks by employees, these tasks are put in place by a supervisor or organization, in order to pre-determine the acceptable standards also while making use of the available resources in the organization.

Aguinis (2009) described that "the performance definition does not include the results of the behavior of an employee, but only the behavior itself. Performance is not all about what is being produced or the possible outcomes of work, it is about what is done by employees and their behavior. Employee performance means the general belief or perception of the individual employee about his contributions to the organization and his behavior Employee performance can be derived from three variables that enable better performance than others, performance determinants may be "declarative knowledge," "procedural understanding" and "motivation" (McCloy et al., 1994). Carlson et al. (2006) suggest five human resource management practices which can affect performance, and they are setting competitive compensation level, training and development, performance appraisal, recruitment package, and maintaining morale. Tessema and Soeters (2006) conducted a survey on eight HR methods, including recruitment and selection methods, placement procedures, training, compensation, performance assessment of staff, promotion, grievance and retirement or social safety related to employee performance. We can

conclude that these human resources practices have a significant and positive association with the performance of employees in organizations.

2.1.2.1 Measures of Employee performance

Productive employees is the lifeblood of every recruiting company, but how do you evaluate their performance levels? Do they know your objectives and your expectations? Are they meeting their private goals? Every business should monitor and assess its staff on an ongoing basis; here are seven simple methods to rapidly gauge efficiency and guarantee that your business is on the correct track:

- 1. Punctuality:** Employees who regularly arrive late for job or are commonly absent from the office are unlikely to meet their performance goals. The fundamental problem needs to be resolved here –have they been adequately trained?
Do they get along with their coworkers and managers? Punctuality issues imply that a worker is not doing their work to their complete potential, and an adverse attitude may also affect their peers.
- 2. Work quality:** a key indicator in measuring employee performance is the timely completion of projects to the desired standard. Is the job performed on average or exceptional? Are they putting the highest effort into projects?
Does their behavior affect their capacity to satisfy your expectations? Do they know the goals of their private success? The responses to these issues will assist you know the root causes of any issues.
- 3. Observe private habits:** Perpetual poor habits may detract from employee performance. This may include office gossip, unlawful breaks, disruptive conduct and the use of computers for private purposes (Such as social media, shopping online). To avoid their coworkers from adopting these practices, you must be clear about what is acceptable in your company and issue and suitable code of conduct.
- 4. Check their attitude:** In insubordinate behavior, a poor attitude often manifests itself. Again, this is indicative of a person who is unlikely to meet their performance goals. Typically, these employees will not comply with company policies and are likely to display disrespect for your company and co-workers.

5. Review private presentation: Most companies have a suitable professional dress code for work and company culture. Employees who ignore your expectations and present a disheveled or careless appearance are badly reflecting on your picture. It's probable that their output will also fail to satisfy your expectations.

6. Conduct a customer survey: the consequences of poor employee performance will ultimately manifest in customer service. A client survey can identify problems with people rapidly. A positive response means that your employee performance meets or exceeds expectations. What is your recruiters and representatives ' general customer service experience?

7. Carry out random checks: Depending on the nature of your company, consider carrying out random checks against quality standards. This may include reviewing phone calls and checking documents. While your employees may be conscious of this strategy, the random nature of the controls may motivate staff to achieve coherent efficiency. Evaluating employee performance should be carried out on a continuing basis and cover all fields of their job ethics and individual accomplishments. Also remember that bad performance or adverse attitudes can also be symptomatic of an underlying issue with the culture of your organization, so have a plan in place to solve any problems you find.

2.1.2.2 Factors Determining Employee performance

According to researchers and scholars, there are some factors that collectively and individually affect the performance of employees in a negative or in a positive way, these are:

1. Coaching;

Coaching is an important technique used to improve employees' performance (Champathes, 2006). It is a two-way communication where coaches points out what needs to be improved and how to improve it. However, coaching points out the behaviors and beliefs that decline performance (Toit, 2007). Furthermore, it can be perceived that coaching is about helping individuals to improve their performance level (Starr, 2004).

2. Leadership;

Leadership can be described as a method by which a individual affects a group of individuals to archive a common objective (Northouse, 2007). Leadership style can be defined as the combination of behavior and attitude of a leader, which can lead to certain patterns in dealing with the followers (Durbrin, 2004). The leadership style inside an organization has a bearing on encouraging employees' performance (Armstrong & Murlis 2004; Cronje et al 2001).

3. Working Environment;

The environment an employee performs his duties has the ability to influence the performance of the worker either positively or negatively. Improving employee creative output was suggested as dire for staying competitive in a vibrant setting and improving an organization's general innovations (Janssen, O. and NW. Van Yperen, 2004). The operating environment has two parts that are elements of both behavior and physics. The physical part involves elements like the employees' individual ability to physically connect with their environment. The behavioral environment involves components that relate to how employees interact with themselves, and the effect the organization have on the behavior of the employee.

4. Motivation;

Motivation is very crucial to how well an employee would perform his duties. Motivation is an important determinant of job performance, lack of motivation can be very costly in form of excessive labor turnover, negative morale, higher expenses And enhanced use of management time (Jobber, 1994). To that extent, management must have a vivid idea of what exactly stimulates their employees (Jobber, 1994). According to Carlsen (2003), a motivated workforce is crucial because full employee participation will definitely drive the organization's profitability.

According to Denton (1991), a motivated workforce will lead to higher comprehension, recognition, dedication to execution, comprehension of goals and decisions

making between management and employees.

There are six crucial elements of motivation and they are job enrichment, recognition, promotion, profit sharing, pay, rewards.

5. Training;

Training can be described as a sort of activity that is scheduled, systematic and can result in an improved level of skill, competency and understanding are important to perform work effectively (Gordon, 1992). According to Wright & Geroy (2001) notes that employee competencies change through effective training programs. Training has been tested to generate improved performance in employees, and also the organization by positively influencing employee performance through the development of employee knowledge, skills, ability, competencies, and behavior (Appiah 2010; Harrison 2000; Guest 1997).

Most managers give regular training to their employees for three main reasons (Belcourt, Wright and Saks, 2000), which are (1) to increase productivity or the performance of employees; (2) to achieve organizational goals; and (3) to invest in employees to succeed in the unpredictable and turbulent business environment.

2.3 Theoretical framework

There are various theories throughout the course of my research study, but the following theories have to be able to give proper meaning to motivation in its relations to employment relations, and most importantly how it affects employees' performance in small and medium scale enterprises in Lagos state

1. The Equity theory of motivation;

According to Adams (1984), The Equity theory focuses on people's feelings of how fairly they have been treated in comparison with the treatment received by others. What Adams is trying to say here is that it is in the nature of people to compare themselves with other people, and by doing this their behavior can be affected. More so, it is based on the theory of return. People assess their social interactions in the same manner as purchasing or selling an item. (Mullins 1999).

2. The Goal Theory;

According to Locke (1992), the fundamental assumption of goal theory is that people's objectives or intentions play an significant role in determining conduct. Locke recognizes the

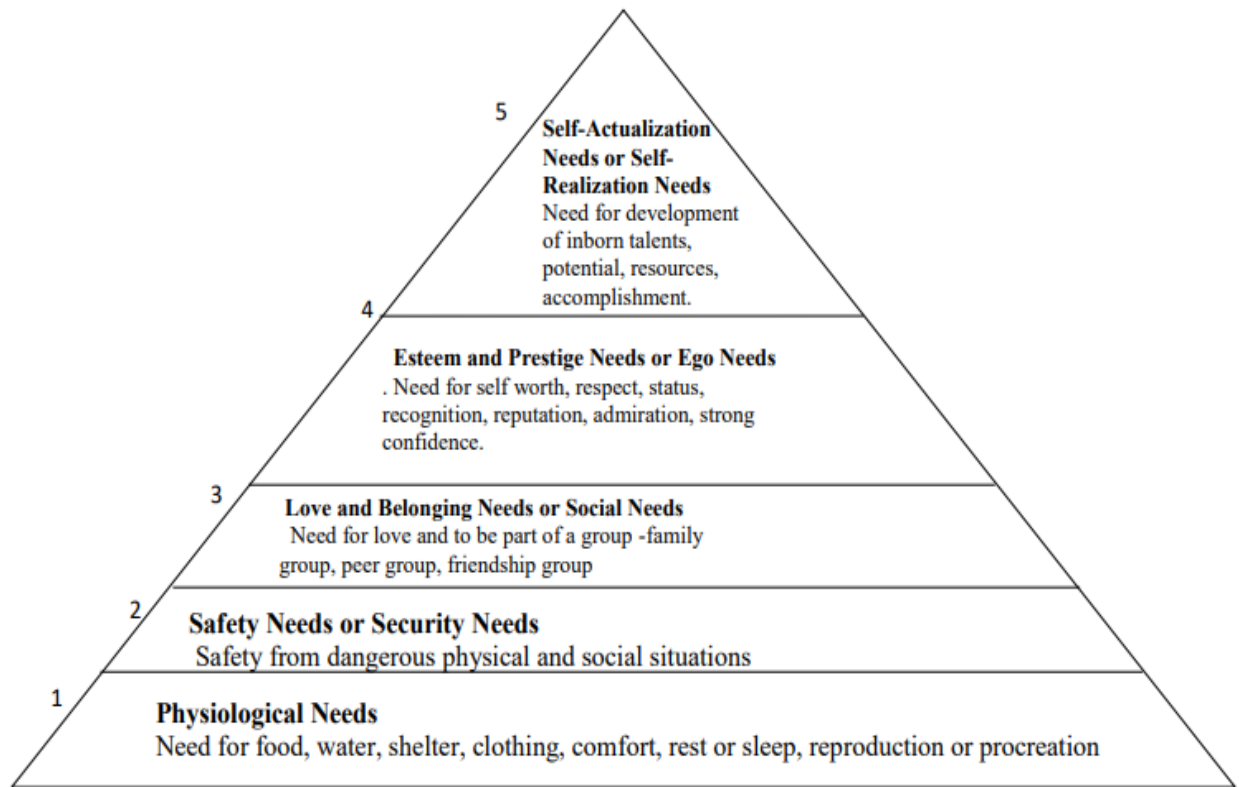
significance of perceived value as stated in motivation theories of expectation and indicates that values give rise to the experience of feelings and wishes.

3. The Attribution theory;

A more latest strategy to motivation research is the theory of attribution (Mullins 1999). Attribution theory has been discussed by various scholars throughout time, and it is the process by which people interpret the perceived cause of the behavior. It seems, therefore, that part of the process of perceiving other people is to attribute characteristics to them. It is our way of making sense of their behavior. This is known as the hypothesis of attribution (Mullins 1999). Attribution is the method by which individuals interpret the perceived cause of behaviour. The initiator of the theory of attribution is usually acknowledged as Heider, who indicates that conduct is determined by a mixture of perceived inner forces and external forces.

- 1. Internal forces;** internal forces relate to personal attributes such as ability, skill, and amount of effort or fatigue. It is an internal state that compels an individual.
- 2. External forces;** External forces are related to environmental variables such as organisational laws and policies, the manner of superiors, or the climate. Working behavior can be described by the locus of control that is whether the person perceives results as governed by themselves or by external variables. (Mullins 1999).

4. Maslow's hierarchy of needs theory;



Maslow's hierarchy of needs is one of many theories of motivation. According to Abraham Maslow (1954), human actions are motivated so as to archive certain needs. Maslow first talked about his hierarchy concept in his paper in 1943 "A Theory of Human Motivation" and in his other book "Motivation and Personality".

The hierarchy talks about people being motivated to archive basic needs before proceeding to the other, higher needs. Maslow's hierarchy is popularly seen in the form off a pyramid. The lowest point of the pyramid is made up of basic needs, while the complex needs are at the top.

As individuals progress, needs become more psychological and social. Soon, the need for friendship, love, and intimacy becomes more important. The need for private esteem and emotions of achievement becomes of greater significance up the pyramid.

Deficiency Needs vs. Growth Needs

Abraham Maslow believed that needs are most times likened to instincts and play a major role in motivating behavior. Estimate, social, security and physiological demands arise from deprivation. Satisfying these low-level needs is very important, in order to avoid unpleasant consequences or feelings.

The highest level in the pyramid is known as the growth needs. This needs stem from the desire to grow as a person.

Maslow noted that, the fulfilment of these needs necessarily do not follow the standardized progression. For example, he observed that the need for self-esteem is more essential than love for some individuals. While for others, creativity may overshadow even the most basic needs in the hierarchy.

Physiological Needs

According to Maslow, the basic physiological needs consists of the things that are important to our survival. Some of these needs are: food, water, homeostasis, and breathing. In addition, the physiological needs includes things like, clothing and shelter. Maslow added that sexual reproduction also a physiological need, since it it important for the procreation of the species.

Security and Safety Needs

This is the second level of Maslow's hierarchy of needs, some of the basic security needs includes: Financial security, Health and wellness And accident and injury safety.

Social Needs

Maslow's hierarchy of social requirements includes certain stuff such as recognition, love, and belonging. However, the need for emotional relationship drives individual behavior. Some of the

satisfiers of the social needs are: Friendship, Family, Social groups, romantic attachment, community groups, and churches and religious organizations.

Esteem Needs

Esteem needs comes in fourth place in the Maslow's hierarchy, this involves the need for respect and appreciation. People who can fulfill the requirements of esteem by attaining excellent self-esteem and other people's appreciation tend to feel confident in their skills. Those who lack self-esteem and others' respect may create inferiority emotions.

Self-Actualization Needs

The demands for self-actualization are at the very heart of Maslow's hierarchy. "He must be what a person can be," clarified Maslow, referring to the need for individuals to attain their complete human potential. According to Maslow's concept of self-actualization: "It can be loosely defined as the complete use and exploitation of skills, skills, potentialities, etc. Such individuals seem to be fulfilling themselves and doing the best they are capable of doing. They are individuals who have grown or are developing to the complete stature they are capable of."

2.4 Empirical Review

There has been various empirical evidence on the effects of motivation on employee performance (such as domain specificity and the existence of gender differences), as well as research linking motivation to other types of learning outcomes. First, although it seems reasonable to suppose that an individual's levels of motivation will be different across domains depending on his or her specific interests, There is some proof that motive in one domain can generalize to other domains. For example, Gottfried (1990) found that reading motivation predicted later motivation in reading, science, and social studies. At the same moment, motivation in math seemed to be more closely related to other mathematical constructs (e.g., students' perceptions of math competence and teachers' ratings of math achievement) than to motivation in other subject areas, suggesting that motivation to learn Maths among smaller elementary learners may be less generalizable to other topics. In particular, study indicates that the domain specificity of motivation and self-concept tends to improve with era, especially as

learners gain more educational experiences and as the curriculum starts to reflect the departmentalization of academic topics (Gottfried, et al., 2001). Some proof also promotes sex distinctions. For instance, Lange and Adler (1997) Report that educators rated women considerably higher than boys on intrinsic motivation and mastery-oriented behaviors, although achievement and class grades were the same for these two groups.

Guay et al. (2010) discovered that women had greater intrinsic motivation for reading and writing than boys did. Boys, however, had greater intrinsic motivation for math than girls did.

Those working in the field of motivation argue that its importance as an educational outcome stems from its relationship to achievement and performance in a variety of domains.

First, scientists claim that promoting motivation in kids is critical because it predicts motivation later in life (Broussard & Garrison, 2004 ; Gottfried, 2004). Gottfried (1990) discovered that scholarly intrinsic motivation at age 7 and 8 predicts subsequent motivation, even after monitoring for IQ, accomplishment, and socioeconomic status. Furthermore, this relationship's stability improves from ages 8 to 9. Highly motivated 7-and8-year-olds tend to develop into extremely motivated9-year-olds. Motivation is also related to achievement and IQ. Research shows a fairly coherent connection between motivation and accomplishment in reading and mathematics (Broussard & Garrison, 2004 ; Gottfried, 1990 ; Lange). & Adler, 1997). Intrinsically motivated first grade learners tend to have greater accomplishment in these topics than extrinsically motivated learners, and mastery (or inherent) motivation predicts reading and math accomplishment, whereas judgment (or extrinsic) motivation does not. Both kinds of motivation predict reading success in third grade, whereas inherent motivation alone predicts math accomplishment. Moreover, the relationship between motivation and achievement appears to strengthen with age. higher levels of mastery behavior, and have higher reading and math achievement. Indeed, Lange and Adler found that motivation contributes to the prediction of achievement over and above the effects of ability. Typically, researchers have used such findings to support the conclusion that motivation leads to achievement.

Gottfried (1990) also discovered a connection between motivation and accomplishment, but retains that the causal relationship operates in the opposite direction. Similar to other research, Gottfried discovered that elementary-age kids with greater educational intrinsic motivation tend to have greater performance and IQ, more favorable perceptions of academic competence, and

reduced educational perceptions. However, early accomplishment anticipated later motivation more heavily than the opposite in Gottfried's research. While motivation was slightly correlated with later accomplishment, the strongest correlations were between accomplishment at age 7 and 8 and motivation at age 9, so elevated early achievement was connected with elevated motivation at a later era. Similarly, elevated IQ at age 7 and 8 predicts elevated motivation at age 9. However, Gottfried speculates that motivation can be long-term predictive of accomplishment through one of two possible mechanisms. First, motivation is heavily linked to contemporary accomplishment, which is extremely predictive of subsequent accomplishment. Second, early motivation is predictive of subsequent motivation, which is highly linked to contemporary accomplishment.

2.5 Summary of literature

This chapter has been able cover the concept of motivation and employee performance. In this chapter, I have been able to talk about the different theories of motivation, these various theories are given by different scholars from different educational fields.

Also, I have been able to look at the meaning of motivation, the types of motivation, the advantages of motivation. In this chapter, the different, the different factors that determine employee performance has been looked at.

Furthermore, this chapter contains various theories on motivation, and this theories have been discussed variously in relations to employee performance. Finally, the previous literatures on the effects of motivation on employee performance has been critically discussed.

2.6 History of SMEs in Nigeria.

SMEs stay a significant sub-sector in the economy of the nation. SMEs ' contribution has been acknowledged as sustaining the economy because of their ability to enhance the production of the economy and human welfare (Akingunola, 2011). SMEs are one of the indicators of evaluating economic development and, as such, the establishment and adequate management of SMEs have a beneficial impact on economic developmentThe economic development of the nation. Several writers have defined the word SM

Es in distinct ways. The Nigeria Bank for Commerce and Industry (as quoted in Jimah, 2011) described a small-scale enterprise as one whose capital does not exist,

Exceeds # 750,000. The above definition places emphasis on the capital requirement in the creation of the company. Although capital is not the only factor in determining whether or not a company enterprise is a SME.

According to Osazee and Anao (as quoted in Inegbenebor, 2006). A small business is any company that is conducted, owned, managed and controlled by no more than two entrepreneurs, has no more than twenty staff, has no definite organizational structure

(That is, all staff report to the owners) and have a comparatively small market share. Similarly, Inegbenebor (2006:11) believed that the present industrial policy of Nigeria, Small and Medium Scale Enterprises (SMEs) is now defined on the grounds of jobs.

That is:

Micro/cottage industries 1 and 10 workers

Small – Scale Industries 11 and 100 workers

Medium Scale industries 101 and 300 workers

Large scale industries 301 and above

CHAPTER THREE

METHODOLOGY

3.0 Introduction

The aim of the methodology section is to provide sufficient data to replicate the survey to an experienced researcher.

3.1 Research design

The research design for this research is a descriptive survey design. Research design can be defined as an arrangement aimed at providing answers to the research question raised in the study. (Odoh and Chinedum, 2014)

3.2 Population

Odoh and Chinedum (2014), describes the target population of a study as the point of focus from which a generalization is made regarding the research finding. For the purpose of the study, the general population comprises of selected Small and Medium scale Enterprise operators in manufacturing sector in Lagos state. The manufacturing sector was classified into five (5) divisions according to Makinde (2015)

SME Sector	Ikorodu	Badagary	Ikeja	Lagos Island	Epe	Total
Manufacturing	102	24	492	363	31	1012
Agro Allied	120	110	48	27	200	505
Agriculture	281	161	-	-	175	617
Service	424	69	1356	388	164	2401
Total	927	364	1896	778	570	4535

Source: Makinde (2015)

3.3.1 Sampling technique

In this research study, a simple random sampling technique will be used for selecting the SMEs and the respondent.

3.3.2 Sample size

The sample size will be determined using the Yaro Yame's formula as cited by Alugbuo (2002:18). The sample size consist of the 1240 SME operators operators.

The formula is clearly stated below;

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

$$1 + N(e)^2$$

Where (**n**) is the sample size and 1 is the number of items in the population. The square of maximum allowance for sampling error or level of significance is 5%.

Therefore, **N= 120**

$$n = \frac{N}{1 + N(e)^2} \quad n = \frac{120}{1 + 14} \quad n = \frac{120}{15} \quad n = 8$$

$$1 + 120(0.05)^2 \quad 1 + 14 \quad 15$$

Thus the sample size of employees is considered representative of the total population

3.4 Method of Data collection

For the purpose of this research study, the data to be used will be collected using primary and secondary sources of collection, the primary source is questionnaires and personal interview. The secondary source consists of journals books newspapers magazine and business reports.

Secondary data sources are mainly used to complement primary data to enable the researcher to get more information concerning the topic.

3.5.1 Research Instrument

The principal method of gathering primary data is from questionnaires and personal interviews directed to the employees of different SMEs. The structured questionnaire is designed to the objective of the study. The will directly distribute questionnaires to the respondent, employees, and managers. In this case, questionnaires will be self-administered to allow further investigating and clarification of unclear issues.

3.5.2 Pilot study

A preliminary test of the questionnaire will be conducted in order to evaluate the relevance and proper understanding of the research questions. The questionnaire will be checked by the researchers' supervisor as well as experts in the field.

3.5.3 Validity of research instrument

In order to ascertain the validity of data to be collected during the study, a pilot study will be conducted, wherein questionnaires are distributed to supervisors, lecturers and the college as a whole, this is done so as to pinpoint the questions that might be ambiguous to the recipient. The will allow the necessary corrections to be done before the questionnaires can be distributed to the larger sample.

3.6 Test of reliability

The reliability of the instrument will be obtained through the Chi-square in SPSS to analyze the data collected.

3.7 METHODS OF DATA ANALYSIS

The study made use chi-square analysis to test the three hypotheses which address the specific objectives of the study. Chi-square test determines whether there is dependency between variables or not.

Chi-square test (χ^2) is really a goodness of fit test in so far as we are interested in ascertaining the extent of fit of theoretical, hypothetical or expected distribution with observed distribution. The χ^2 one-sample test is carried out using the formula below:

$$\chi^2 = \sum \left[\frac{(O - E)^2}{E} \right]$$

Where

O – represents the observed frequency

E- Represents the expected frequency

Since the study involved the use of contingency, table, the expected frequency is obtained using:

$$E = \frac{\text{Row Total} \times \text{Column Total}}{\text{Grand Total}}$$

To obtain the chi-square tabulated, the following information were used:

1. The degree of freedom (ν) = (c - 1) (R - 1)
2. The level of significance = 5%

Decision Criteria

χ^{2cal} is greater than χ^{2tab} , reject H0 and accept H1

χ^{2tab} is greater than χ^{2cal} , reject H0 and accept H1

CHAPTER FOUR

4.0 Introduction

The aim of this section is to summarize the information gathered and analytical statistical treatment and mechanics. Small and medium scale enterprises are responsible for the creation and offering of goods and services to the general public. The enterprise is made up of an employer and a group of employees. Employees perform duties according to the level of motivation given to them. The function of motivation is to create and intensify every member of the organization's willingness to function effectively and efficiently (Boamah Richard 2014)

4.1 DATA ANALYSIS AND DISCUSSION OF FINDINGS

This chapter presents the data and interpretation of results of the research carried out in Mountain Top University. The information gathered were evaluated on the basis of the specified hypotheses. The study questionnaires were administered on small and medium-sized enterprises in Lagos to one hundred and twenty sample population. This assessment was carried out using the Social Sciences Statistical Package (SPSS).

Descriptive statistics of frequency count, percentages and chi-square were used to analyse the data to verify the hypotheses

4.1.1 SECTION A: SOCIAL DEMOGRAPHIC CHARACTERISTICS OF RESPONDENT

Table 4.1 AGE OF RESPONDENTS

Age of respondents

	Frequency	Percent	Cumulative Percent
0-29 years old	21	17.2	17.5
30-39 years old	38	31.1	49.2
40-49 years old	29	23.8	73.3

50-59 years old 60 years and above	13	10.7	84.
5	19	15.6	100.
Total	120	100	

4.1.1.1 GENDER OF RESPONDENTS

Table 4.2

Respondents Gender

	Frequency	Percent	Cumulative Percent
male	44	36.1	36.7
female	76	62.3	100.00
Total	120	100	

4.1.1.2 MARITAL STATUS OF RESPONDENTS

Table 4.3

marital status of respondents

	Frequency	Percent	Cumulative Percent
single	37	30.3	30.8
married	28	23.0	54.2
divorced	28	23.0	77.5
widow	27	22.1	100.
Total	120	100	

4.1.1.3 EDUCATIONAL LEVEL OF RESPONDENTS

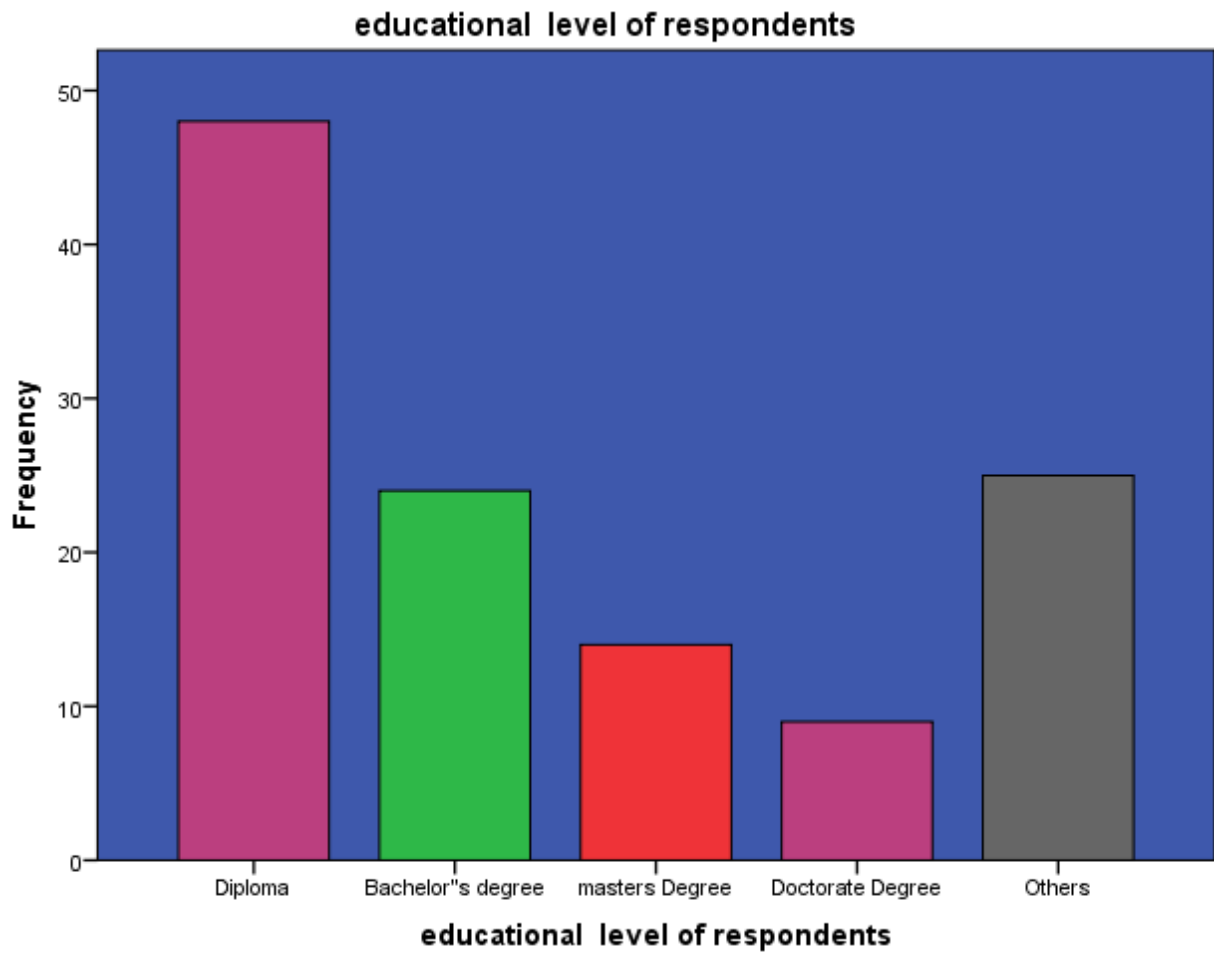
Table 4.4(a)

Educational level of respondents

	Frequency	Percent	Cumulative Percent
Diploma	48	39.3	40.0
Bachelor's degree	24	19.7	60.0
Master's Degree	14	11.5	71.7
Doctorate Degree	9	7.4	79.2
Others	25	20.5	100.
Total	120	100	

L

Table4.4 (b)



4.1.1.4 RESPONDENTS YEARS OF SERVICE

4.5(a)

How long have you work in this organization

	Frequency	Percent	Cumulative Percent
0-5 years	33	27.0	27.5
6-10 years	26	21.3	49.2
11- 15 years	25	20.5	70.0
16-20 years	26	21.3	91.7
21 years and above	10	8.2	100
Total	120	100.	

Table 4.6(b)

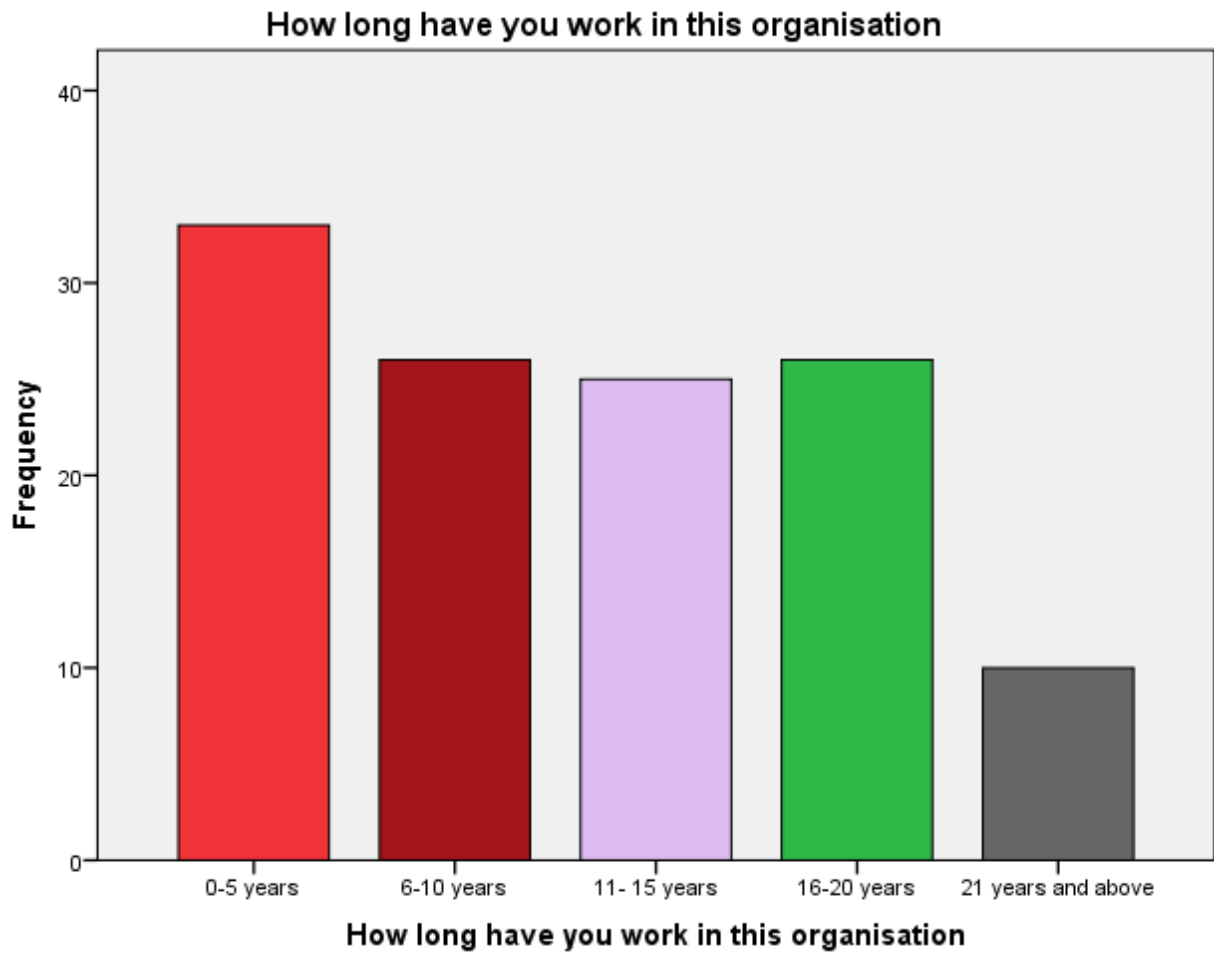


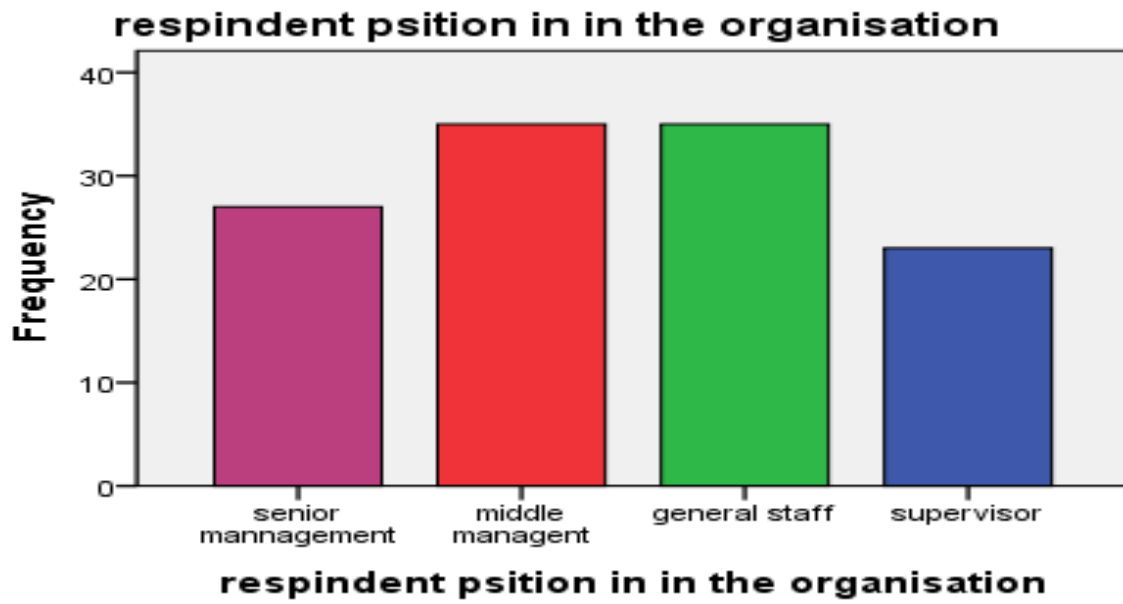
Table 4.7(a)

4.1.1.5 RESPONDENTS POSITION IN THE ORGANISATION

respondent position in in the organization

	Frequency	Percent	Cumulative Percent
senior management	27	22.1	22.5
middle management	35	28.7	51.7
general staff	35	28.7	80.8
Supervisor	23	18.9	100.
Total	120	100	

Table 4.7 (b)



4.1.2 Section B: HYPOTHESES TESTING

HYPOTHESES 1

There is no significant relationship between motivation and employers performance

Table 4.8

Management by objective motivates workers to do more * workers are motivated through the use of graphic scale

CONTINGENCY TABLE

			workers are motivated through the use of graphic scale			
			strongly agree	agree	neutral	disagree
Mbo motivates workers to do more	strongly agree	Count	41	0	0	0
		Expected	19.1	10.3	6.8	2.7
	Agree	Count	15	18	0	0
		Expected	15.4	8.3	5.5	2.2
	Neutral	Count	0	12	4	0
		Expected	7.5	4.0	2.7	1.1
	Disagree	Count	0	0	14	0
		Expected	6.5	3.5	2.3	.9
	strongly disagree	Count	0	0	2	8
		Expected				

Total	disagree	Expected Count	7.5	4.0	2.7	1.1
		Count	56	30	20	8
		Expected Count	56.0	30.0	20.0	8.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	254.240 ^a	16	.000
Likelihood Ratio	224.838	16	.000
Linear-by-Linear Association	103.248	1	.000
N of Valid Cases	120		

a. 16 cells (64.0%) have expected count less than 5. The minimum expected count is .70.

Table 4.8 above shows that X^{2cal} (254.240) is greater than X^{2tab} (34.27) at 5% level of significance ($X^{2tab} = 34.37$, $v = 16$, $\alpha = 0.05$). Hence, the alternate hypothesis is accepted while the null hypothesis is rejected. That is, there is a relationship between motivation and employees performance in the sampled SME in Lagos

HYPOTHESES 2

There is no significant relationship between motivation and labor turnover

CONTINGENCY TABLE

Table 4.9

Mbo motivates workers to do more * Does the organisatio experience high labour turnover due to mbo p

			Does the organisatio experience high labour			
			strongly agree	agree	neutral	disagree
Mbo motivates workers to do more	strongly agree	Count	2	0	0	0
		Expected Count	12.0	8.5	7.2	4.3
	Agree	Count	33	0	0	0
		Expected Count	9.6	6.9	5.8	3.7
	Neutral	Count	0	16	0	0
		Expected Count	4.7	3.3	2.8	1.2
	disagree	Count	0	9	5	0
		Expected Count	4.1	2.9	2.5	1.5
	strongly disagree	Count	0	0	16	0
		Expected Count	4.7	3.3	2.8	1.2
	Total	Count	35	25	21	0
		Expected Count	35.0	25.0	21.0	0

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	313.828 ^a	16	.000
Likelihood Ratio	291.320	16	.000
Linear-by-Linear Association	12.736	1	.000
N of Valid Cases	120		

a. 17 cells (68.0%) have expected count less than 5. The minimum expected count is 1.40.

Table 4.9 above shows that X^{2cal} (313.829) is greater than X^{2tab} (34.27) at 5% level of significance ($X^{2tab} = 34.27$, $v = 16$, $\alpha = 0.05$). Hence, the alternate hypothesis is accepted while the null hypothesis is rejected. That is, there is a relationship between motivation and labor turnover

4.1.3 HYPOTHESES 3

THERE IS NO SIGNIFICANT RELATIONSHIP BETWEEN BONUS PAYMENT AND EMPLOYEE'S PRODUCTIVITY

Table 4.10

workers are motivated through the use of graphic scale * bonus scheme improves workers' productivity

			bonus scheme improves workers' productivity			
			strongly agree	Agree	neutral	disagree
workers are motivated through the use of graphic scale	strongly agree	Count	49	7	0	0
		Expected Count	22.9	19.1	5.1	3.3
	Agree	Count	0	30	0	0
		Expected Count	12.3	10.3	2.8	1.8
	neutral	Count	0	4	11	5
		Expected Count	8.2	6.8	1.8	1.2
	disagree	Count	0	0	0	2
		Expected Count	3.3	2.7	.7	.5
	strongly disagree	Count	0	0	0	0
		Expected Count	2.5	2.1	.6	.4
	Total	Count	49	41	11	7
		Expected Count	49.0	41.0	11.0	7.0

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	278.707 ^a	16	.000
Likelihood Ratio	232.366	16	.000
Linear-by-Linear Association	106.705	1	.000
N of Valid Cases	120		

a. 17 cells (68.0%) have expected count less than 5. The minimum expected count is .35.

Table 4.10 above shows that X^{2cal} (278.707) is greater than X^{2tab} (34.27 at 16 degree of freedom) at 5% level of significance ($X^{2tab} = 34.27, v = 16, \alpha = 0.05$). Therefore, the alternative hypothesis is accepted while the null hypothesis is dismissed. That is, the sampled SME in Lagos has a connection between bonus payment and the productivity of staff. The table below explains this further

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
1	The categories of educational level of respondents occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
2	The categories of How long have you work in this organisation occur with equal probabilities.	One-Sample Chi-Square Test	.018	Reject the null hypothesis.
3	The categories defined by Respondents Gender = male and female occur with probabilities 0.5 and 0.5.	One-Sample Binomial Test	.005	Reject the null hypothesis.
4	The categories of respindent position in in the organisation occur with equal probabilities.	One-Sample Chi-Square Test	.308	Retain the null hypothesis.
5	The categories of the organisation engages in MBO occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
6	The categories of MBO is crucial fo the organisation survival occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
7	The categories of MBO promote workers' interest occur with equal probabilities.	One-Sample Chi-Square Test	.002	Reject the null hypothesis.
8	The categories of the organisation should engage in MBO motivates occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
9	The categories of graphic rating scale is important to the organisation occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
10	The categories of managers make use of graphic rating scale occur with equal probabilities.	One-Sample Chi-Square Test	.544	Retain the null hypothesis.
11	The categories of graphical rating encourages workers to improve on their efforts occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
12	The categories of my organisation encourages her workforce to to engage in in constant self-evaluation occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
13	The categories of self evaluation is key to improved performance occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
14	The categories of the management team inform workers on the need of self evaluation occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
15	The categories of self evaluation is closely linked to outstanding performance occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
16	The categories of i have benefitted from the organisation bonus allocation occur with equal probabilities.	One-Sample Chi-Square Test	.000	Reject the null hypothesis.
17	The distribution of marital status of respondents is normal with mean 2.38 and standard deviation 1.15.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
18	The distribution of Age of respondents is normal with mean 2.76 and standard deviation 1.31.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
19	The distribution of MBO has clear goals and objectives is normal with mean 2.53 and standard deviation 1.37.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
20	The distribution of MBO can affect the motivation of workers is normal with mean 2.51 and standard deviation 1.35.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
21	The distribution of the organisation should engage in graphic rating scale is normal with mean 2.45 and standard deviation 1.33.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
22	The distribution of graphic rating promotes job satisfactin is normal with mean 2.41 and standard deviation 1.48.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

Hypothesis Test Summary

	Null Hypothesis	Test	Sig.	Decision
23	The distribution of i engage in self evaluation often is normal with mean 2.39 and standard deviation 1.40.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
24	The distribution of motivation is closely linked to sel-evaluation is normal with mean 2.37 and standard deviation 1.31.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
25	The distribution of the organisation always engage in bonus allocation is normal with mean 2.72 and standard deviation 1.39.	One-Sample Kolmogorov-Smirnov Test	.004	Reject the null hypothesis.
26	The distribution of management team review regularly the implementation of bonuses is normal with mean 2.13 and standard deviation 0.93.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
27	The distribution of performance is hindered by bonus allocation is normal with mean 3.94 and standard deviation 1.15.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
28	The distribution of bonus encourage optimal performance is normal with mean 1.88 and standard deviation 1.10.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.
29	The distribution of i have not benefitted from the bonus scheme is normal with mean 2.48 and standard deviation 1.26.	One-Sample Kolmogorov-Smirnov Test	.000	Reject the null hypothesis.

Asymptotic significances are displayed. The significance level is .05.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This report is concluded by the following section. A summary of the studies is provided and the study results are discussed and interpreted on the effects of motivation on employee performance in small and medium scale enterprise in Nigeria.

5.1 Summary of research

Ample proof from multiple motivation and employee performance studies has led in the implementation of multiple types of motivational strategies. To achieve an organization's goals and to motivate employees effectively, there is a need to understand the different types of motivation theories, strategies and concepts. Against this background, this research aims to assess employee motivation in an organization.

However, management policies and tactics need to be broad-based in order to tackle individual employee motivation (Guest, 1997).

This research was guided by four key questions:

- Q1. How can motivation increase employee performance?
- Q2. How can motivation reduce labor turnover?
- Q3. What role does motivation play in the organization as a whole?
- Q4. Can motivation affect productivity in small and medium scale enterprise?

The main purpose of this study is to explore the significant variables that are crucial to motivating staff. The investigator was also interested in evaluating the effect of motivation on the results of the employee. The background for the research was the tiny and medium-sized Nigerian industry, which has grown from a few organizations mainly engaged in trade finance to a complicated multiplayer economy with a big amount of organizations.

The following goals are set to accomplish the aims of this research:

1. To identify how motivation will increase employee performance.

2. To describe how motivation reduces labor turnover.
3. To find out the role motivation plays in the organization as a whole.
4. To find out if motivation affects productivity in small and medium scale enterprises.

This section reviews the outcomes as they relate to the study goals and then provides findings and suggestions.

5.2 Conclusion.

According to Herzberg, the factors that trigger job satisfaction differ from those that cause work discontent. Thus, if the company attempts to cope with the variables that generate work discontent, such as wages, they can bring about peace but will not automatically motivate employees (Robbins, 2000). This means that “if you want people to do a good job, give them a good job to do,” rather than simply trying to deal with de-motivating factors. While excellent economic benefits, government appreciation and flexible working circumstances are essential for motivation and accountability, these variables alone are not adequate to lead to elevated motivation, as staff will only be accountable for maximum results if there is a managerial vision, in that they see the organization in such a manner that they are accountable. And this visualization can only be achieved through involvement (Drucker, 1954); and as Herzberg (1987) and others argue, economic benefits are also not the primary motivator in modern industrial society for most staff. The biggest financial incentives are not substitutes for accountability or for proper work leadership (Drucker, 1954). Nevertheless, non-financial inducements cannot reward discontent with the economic incentives (Drucker, 1954). Overall, this implies that the organization has to do more to motivate employees than just compensation, excellent working circumstances, and comparable variables. Instead, jobs need to be enriched so that employees have possibilities for accomplishment and appreciation, Stimulation, accountability and progress (Herzberg, 1987).

5.3 Recommendations

The findings gained from this study can definitely be used very efficiently to enhance the current motivation situation in distinct industries of our nation. It will assist to create a stronger grip not only on organizational behavior but also on staff psychology. Motivating your staff is a sensitive

and purposeful task that needs more than an annual evaluation or a few notes in somebody's personal file. The following can be proposed based on the above studies and survey.

5.4 Contribution to Knowledge

Based on the study's results, if they require motivation measures, the organization can get an idea of the reality. The research can also be used to clarify how to involve distinct theories of motivation in the practical sector of job.

Inspect the extent to which motivation has been able to satisfy the expectations of employees. To encourage these industries to use more motivational instruments to attain more success. Results can be used to compare the current level motivation scenario and the optimum rate of motivation should be applied to achieve the most effective organizational goals.

5.5 Suggestions for future studies

There are definitely more scope for undertaking future motivation study studies. This study was carried out on tiny and medium-sized businesses. There are other industries such as banking, advertising, company, etc. These are a country's primary supplier of financial power. If we can produce better results from these industries, our nation is bound to be developed. From the above research, we see that motivation has a dominant effect on employee performance, so if we can find out more efficient use of motivational instruments from these research, it will definitely assist to enrich our financial industries.

5.6 Limitations and Areas for Future Research

In carrying out this study, several problems emerged that may restrict the validity or generalizability of the reported outcomes. The three primary limitations of this study job are described below :

1. Some participants were skeptical in filling out the questionnaires, so for fear of the unknown they refused to publish vital information.

2. Most Small and medium scale enterprise owners failed to answer questions regarding their real leadership and motivational strategies.
3. Among the accessible SMEs the range of questionnaires administered was restricted. However, this limitation is inevitable due to the inaccessibility of more banks, the limited amount of time and funding needed to conduct more detailed study.

Appendix

THE EFFECT OF MOTIVATION ON EMPLOYEES' PERFORMANCE IN SMALL AND MEDIUM SIZED ENTERPRISES IN NIGERIA

Dear Respondent,

I am a 400 level student of Mountain Top University. I am writing a project on the above named topic in partial fulfillment of the requirements for the Bachelor of Science degree. I will appreciate it if the questionnaire is completed to the best of your knowledge with utmost sincerity so as to archive credible results.

The information provided will only be used for academic purpose, and will be treated with utmost confidentiality.

Please answer the questions by ticking the one you consider most appropriate among the alternatives.

Thank you for your sincere cooperation.

Kindly answer the following questions by ticking (√) the option that best describes your agreement or filling the spaces provided.

SECTION A; DEMOGRAPHIC DATA

1. Gender; a. Male () b. Female ()

2. Age Group; a. 29 years and below () b. 30 - 39 () c. 40 - 49 () d. 50 - 59 () e. Above 60 ()

3. Marital Status; a. Single () b. Married () c. Divorced () d. Widowed ()

4. Educational level; a. Certificate () b. Diploma () c. Bachelors' degree () d. Master's degree () e. Doctorate degree () f. Others (Please specify)

5. How long have you worked for this organization? a. 5 years and below () b. 6 - 10 years () c. 11 - 15 years () d. 16 - 20 years () e. 21 years and above ()

6. What is your current position in the organization? a. Senior management () b. Middle management () c. Supervisory () d. General Staff () e. Others (Please specify)

SECTION B: MANAGEMENT BY OBJECTIVE (MBO)

7. Kindly respond to the following statements by indicating the extent to which you agree or disagree with them. Use the following scale in answering; SD for Strongly Disagree, D for Disagree, N for Neutral, A for Agree and SA for Strongly Agree.

QUESTIONS	SD	D	N	A	SA
The organization engages in MBO					
MBO has clear goals and objectives					
MBO can affect the motivation of workers					
MBO is crucial for the organization's survival					
MBO promotes the workers interests					
The organization should engage in MBO					
MBO motivates workers to perform better					

SECTION C: GRAPHIC RATING SCALE

8. Kindly respond to the following statements by indicating the extent to which you agree or disagree with them. Use the following scale in answering; SD for Strongly Disagree, D for Disagree, N for Neutral, A for Agree and SA for Strongly Agree.

QUESTIONS	SD	D	N	A	SA
The use of graphic rating scale is employed in my organization					
Graphic rating scale is important to the organization					
Managers involve the use of graphic rating scale					
Workers get motivated through the use of graphic ratings					
Graphical ratings encourages workers to improve their efforts					
The organization should engage in graphic rating scale often					
Graphic rating scale promotes job satisfaction					

SECTION D: SELF EVALUATION

9. Kindly respond to the following statements by indicating the extent to which you agree or disagree with them. Use the following scale in answering; SD for Strongly Disagree, D for Disagree, N for Neutral, A for Agree and SA for Strongly Agree.

QUESTIONS	SD	D	N	A	SA
I engage in self-evaluation often					
My Organization encourages her work force to engage in constant self-evaluation					
Self-evaluation is key to improved performance					
Self-evaluation promotes organizational culture					
Motivation is closely linked to self-evaluation					
The management team informs workers on the need for self-evaluation					
Self-evaluation is closely linked to outstanding performance					

SECTION E: BONUSES

10. Kindly respond to the following statements by indicating the extent to which you agree or disagree with them. Use the following scale in answering; SD for Strongly Disagree, D for Disagree, N for Neutral, A for Agree and SA for Strongly Agree.

QUESTIONS	SD	D	N	A	SA
The organization always engage in bonus allocation					
I have benefited from the organizations bonus scheme					
The management team reviews regularly the implementation of bonus					
Bonus scheme improves workers' productivity					
Performance is hindered by bonus allocation					
Bonus encourages optimal performance					
I have not benefited from the bonus scheme					

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