An Appraisal of Employee Motivation in the Nigerian Banking Industry

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Abstract
Overall performance is apt to be strong and sustained when employees are well motivated. The main focus of the study is to appraise employee motivation using Nigerian banking industry as a case study. In carrying out this study, data was obtained from two major sources- primary data and secondary data. Primary data was obtained through the administration of questionnaire to the selected respondents from Nigerian Banks. Personal interaction was also used here. Secondary data were sourced from published materials, such as related journals, and the banks’ annual reports and accounts. Respondents for this study were selected using simple random sampling technique. The size of the sample is 94. Four copies of the questionnaire were administered in at least a branch of the 24 existing banks in Nigeria. 80 copies of questionnaire were, however, completed, returned and found suitable for analysis. Statistical technique used in analyzing the data is a strong and robust non-parametric statistics called G-Test. It was shown by the study that motivation has positive impact on employee performance in the banking industry. To maintain the enthusiasm employees bring to their jobs initially, management must understand the three sets of goals that the great majority of workers seek from their work, and then satisfy those goals. These goals are equity, achievement, and camaraderie. Specifically, the banks in Nigeria need to go back and re-examine their motivation packages. Most of the items the banks see as motivation were not seen as being so by the banks’ employees. In a similar development there is the need for the banks to desist from duplicating motivation items of one another. Each bank should design its own motivation items in line with its mission and vision.

Key Words: Employee, motivation, benefit, appraisal, banking

Introduction
An organization has goals, which can only be achieved by the efforts of the people who work in the organization. Individuals also have their own “goals” in life, and these are likely to be different from those of the organization. Therefore one of the major problems confronting management according to Nwachukwu (1985) is that of motivating workers to perform assigned tasks to meet or surpass predetermined standards. In other words, employees must be motivated. One may then be wondering why motivation is important. It could be argued that if a person is employed to do a job, he or she will do that job and no question of motivation arises. If the person does not want to do the work, he or she resigns. The point, however, according to BPP (1983), is the efficiency with which the job is done. It is suggested that if individuals can be motivated, by one means or another, they will work more efficiently (i.e. productivity will arise) or they will produce better quality at work.

There is some debate in view of BPP (1983) as to what the actual effects of improved motivation are, efficiency or quality, but it has become widely accepted that motivation is beneficial to the organization. Overall performance in view of MSH (2002), is apt to be strong and sustained when both managers and staff are motivated. They are committed to the mission of their organization and work energetically to carry it out. They show up, take responsibility, cooperate with others, and follow through.
Highly motivated employees willingly address challenges, innovate, take risks to make things happen, and achieve results. In contrast, unmotivated employees often do not appear at work, fail to reach performance targets, and may even offend clients. They may be uninterested in or opposed to new ideas or processes, engage in staff conflicts, and communicate poorly with others at the workplace.

The study therefore sought to appraise employee motivation in the banking industry using Nigeria as a case study. In specific terms, the objectives of the study are:

i. To identify the popular motivation methods adopted by the banks,
ii. To identify the factors that motivate employees,
iii. To find out how effective are these motivation methods, and
iv. To suggest ways to improve or make the motivation methods effective.

Literature Review

Motivation

The success of any business depends largely on the motivation of the employees. Every person has their own set of motivations and personal incentives to work hard or not as the case may be. Some are motivated by recognition whilst others are motivated by cash incentives. Perhaps the most significant impact of increased employee motivation is that of increased productivity. Quite apart from the benefit and moral value of an altruistic approach to treating colleagues as human beings and respecting human dignity in all its forms, research and observations show that well motivated employees are more productive and creative. The inverse also holds true. Having said all these, the relevant question begging for response at this juncture, is that, what then is motivation? The following views provide the answer.

Motivation is the energy to do something. Each person has motives, needs, and reservoirs of energy that represent potential motivators. As a manager, according to MSH (2002), your task is to discover your employees’ motivations and help unleash their energy. Then you can direct their energy into productive work. It is also critically important for you to understand more about your own sources of motivation.

Motivation theory in view of Vroom and Deci (1970), as reported by Cole (1999), attempts to explain why people behave in the ways they do. This is not an easy task as observed by Vroom and Deci (1970). For working definition, Cole (1999), then proposed the following—‘Motivation is a process in which people choose between alternative forms of behavior in order to achieve personal goals’. Put simply, motivation can be described as behavior caused by some stimulus but directed towards a desired outcome as indicated as follows:

The basic motivation model

Stimulus→ Appropriate Behaviour → Goal/Desired Output

In this model according to Cole (1999), the stimulus could be a need, drive, or incentive of some kind, e.g. the need for food. Appropriate behavior would be to pull into a motorway restaurant or go to the larder. The goal or desired outcome would be, at the very least the relief of hunger pangs, and, at best, the enjoyment of a satisfying meal.

It must be noted that there are many motivation theories. Theories that focus on the stimulus, i.e. on what specifically causes motivation, to Cole (1999), have been called content theories. Exponents of these include such well-known names as Maslow, Herzeberg and McGregor. Theories that focus on the behaviour have been called process theories. Exponents of this approach include Skinner and Vroom.
Boyce-Martin (1977), simply referred to motivation as the driving force behind the person, e.g. security, money, job interests. In other words, what makes this man ticks?

To Kreitner (1992), the term motivation derives from the Latin, movere, “to move”. Kreitner said it is virtually impossible to determine a person’s motivation until that person behaves or literally moves. By observing what someone says or does in a given situation, one can draw reasonable inferences about the person’s underlying motivation. Kreitner then referred to the term “motivation” as the psychological process that gives behaviour purpose and direction. By appealing to this process, managers attempt to get individuals to willingly pursue organizational objectives. Motivation theories are generalizations about the “why” and “how” of purposeful behaviour.

In similar view, Nwachukwu (1988), see motivation as that energizing force that induces or compels and maintains behaviour. That is human behaviour is motivated and goal directed. It is not easy to motivate an individual for the success of any motivational effort depends on the extent to which the motivator meets the needs of the individual employees for whom it is intended. Motivation is an internal psychological process whose presence or absence is inferred from observed performance. Motivated behaviour therefore according to Nwachukwu (1988), has three basic characteristics. These are:
- It is sustained, that is, it is maintained for a long time until satisfied,
- It is goal directed, that is, is seeks to achieve an objective,
- It is results from a felt need, that is, an urge directed towards a need.

In another contribution, Peteromode (1991), defined motivation as “a proponents state that energies and guides behaviours.”

In another related view, Zedeck and Blood (1974), see motivation as “a predisposition to act in a specific goal directed way”.

**From the foregoing definitions**, it is clear that motivation is not a behaviour. It is a complex internal state that we cannot observe directly but which affects behaviour. Motivation therefore in the words of Yalokwu (2006) is concerned with all the states of inner striving often described as drives, desires or wishes that make us act in a certain way. It is that inner state that activates or move us all. Without motivation there would be no purposive, organized behaviour by the people either at work or elsewhere.

**Motivation Theories**

Although, there are dozens of different theories of motivation, four according to Kreitner (1992) have emerged as the most influential: Maslow’s needs hierarchy theory, Herzberg’s two-factor theory, expectancy theory, and goal-setting theory. It is these four that are discussed. Each approaches the motivation process from a different angle and teaches important lessons about motivation to work.

**Maslow’s Needs Hierarchy Theory**

In 1943, psychologist, Abraham Maslow proposed that people are motivated by a predictable five-step hierarchy of needs. Maslow’s theory has strongly influenced those interested in work behaviour. Maslow’s message was simply this: people always have needs, and when one need is relatively fulfilled, others emerge in a predictable sequence to take its place. From bottom to top, Maslow’s needs hierarchy includes physiological, safety, love, esteem, and self-actualization needs. According to Maslow, most individuals are not consciously aware of these needs, yet we all supposed to proceed up the hierarchy needs, one level at a time. That is lower needs have to be satisfied before the next higher level need would motivate employees.
**Herzberg’s Two-Factor Theory**

During the 1950s, Frederick Herzberg according to Kreitner(1992), proposed a theory of employee motivation based on satisfaction. Frederick theory implied that a satisfied employee is motivated from within to work harder and that a dissatisfied employee is not self-motivated. Herzberg’s research uncovered two classes of factors associated with employee satisfaction and dissatisfaction. As a result, his concept has to be called Herzberg’s two-factor theory. The point here is that Herzberg’s work categorized motivation into two factors: motivators and hygiene’s. Motivator or intrinsic factors, such as achievement and recognition, produce job satisfaction. Hygiene or extrinsic factors, such as pay and job security, produce job dissatisfaction. The key point about hygiene factors is that it is their absence, particularly when they are suddenly removed, that causes dissatisfaction at work. Providing them doesn’t motivate employees to work harder, except perhaps for a short period of time, after which they are taken for granted and people want new improvements. The reason that providing or improving hygiene factors fails to motivate employees is that they are not dependent on how hard employees work. The distinguishing feature of motivation factors is that employees can only get them by the way they work, unlike hygiene factors are just there regardless of how hard anyone works. This set of factors includes recognition, bonuses, a sense of achievement and intrinsic enjoyment of the work itself. Being given extra responsibility and career advancement are also motivation factors in Herzberg’s theory. Presumably these factors motivate employees to work harder because they can see a direct connection between their efforts and an outcome that they feel is worth striving for. Hygiene factors, say a bigger office, that are provided if an employee achieves a certain target or performance level, would then become motivation factors because getting them is a direct result of the employee’s efforts.

**Expectancy Theory**

The expectancy theory of motivation is a process theory, based on the assumption that human beings are purposive and rational, aware of their goals and behaviour. Essentially, in view of BPP(2000), the theory states that the strength of individuals’ motivation to do something will depend on the extent to which they expect the results of their efforts, if successfully achieved, to contribute towards their personal needs or goals. This theory which is based largely on Vroom’s idea according to BPP(2000) suggested that the strength of an individual’s motivation is the product of the following two factors:

1. The strength of their preference for a certain outcome. Vroom called this valence. It may be represented as a positive or negative number, or zero – since outcomes may be desired, avoided or considered with indifference.
2. The individuals’ expectation that the outcome will result from a certain behaviour. Vroom called this subjective probability: it is only the individual’s “expectation”, and depends on their perception of the probable relationship between behaviour and outcome. As a probability, it may be represented by any number between 0 (no chance) and 1(certainty). It is also called expectancy.

In short, Vroom’s theory in the words of Linder(1998) is based on the belief that employee effort will lead to performance and performance will lead to rewards. Rewards may be either positive or negative. The more positive the reward the more likely the employee will be highly motivated. Conversely, the more negative the reward the less likely the employee will be motivated.

**Goal-Setting Theory**

Think of the three or four most successful people one know personally in view of Kreitner(1992), their success may come via business or professional achievement, politics, athletics, or community service. Chances are they got where they are today by being goal-oriented. In other words, they committed themselves to (and achieved) progressively more challenging goals in their professional and personal affairs. Biographies and autobiographies of successful people in all walks of life generally attest
to the virtues of goal setting. Accordingly, goal setting is acknowledged today as a respected and useful motivation theory. Within an organizational context, goal setting is the process of improving individual or group job performance with formally stated objectives, deadlines, or quality standards.

In summary, one can deduce from all the above theories of motivation, that motivation directs individual behaviour. Motivation is an important area of study for managers because it helps them to better understand the most valuable resource, people. That is, it is the interests of an employer to know how to motivate employees’ behaviour for the employer’s benefit. That is the study of motivation is concerned with why people behave in a certain way or choose a particular course of action in preference to others. The underlying concept of motivation is some driving force within us by which we attempt to achieve some goal in order to fulfill some needs or expectations. People manifest a variety of economic, social and intrinsic needs and expectations in the workplace.

Motivated employees are needed in our rapidly changing workplaces. Motivated employees help organizations survive. Motivated employees are productive. To be effective, managers need to understand what motivates employees within the context of the roles they perform. It must be noted that motivation is the result of the interaction of the individual and the situation. Certainly individuals differ in their basic motivational drive. So, work motivation is the set of internal and external forces that cause an employee to choose a course of action and engage in certain behaviours which will be directed at the achievement of an organizational goal. Motivation is still the one thing that makes people productive in their jobs.

Motivations in The Nigerian Banking Industry

Different types of motivation are shown in the Annual Reports and Accounts of the 24 commercial banks in Nigeria. One interesting thing here is that all the banks in Nigeria have similar motivations designed for their employees as written in their Annual Reports and Accounts. For instance, most of the Nigerian banks placed their employee motivation under the following heading- “Health, Safety at Work and Welfare of Employees”. We also have other headings. There are however slight variations in the ways these are written in the banks’ books. These are shown as follow:

Some of the Nigerian Banks indicate that, they provide comprehensive medical, dental and optical cover for all employees and their nuclear dependents. Some of these banks stated it as- when an employee acting within the scope of his/her employment accidentally injures a third party, the banks within acceptable limits, defray such party’s medical expenses.

To some of these banks, it is stated that health and safety regulations are in force within the banks’ premises and employees are aware of existing regulations. The banks provide subsidies to all levels of employees for medical expenses, transportation, housing, lunch, etc.

It is also written by some banks as, ‘employees are assisted to maintain good health by providing adequate medical facilities for staff and their families locally and overseas. Health Insurance Scheme is also run through a Health Management Organization(HMO). This covers the employee, his/her spouse and maximum of four children. There is also existence of a sick bay as well as a gymnasium sited at corporate head office of a particular bank.

While some of the banks simply stated that, employees are motivated through promotions, institution of hassle-free health management plan, and training and career development programs.

Some of the banks demonstrated their faith in their human capital in a variety of ways including- prompt promotions, granting of staff loans(car, house, share purchase, land purchase loans, amongst others), massive in-service training, according recognition to dedicated and loyal staff through long-service awards, motivating of staff by continuously reviewing their remuneration package to make them not only competitive in the industry but also to keep abreast of cost of living trends.

At this juncture, one need to note, that, there are other motivations that appeal to employees in the Nigerian banking industry that are not noted, some of which were not documented in books of the banks. That is factors that motivated employees were not captured or recognized by the banks. Also, the banks
appeared to have copied one another. In that, in most cases they used word for word. Meaning, it look like the banks do not accord much importance to the motivation issue.

Methodology

In carrying out this study, data was obtained from two major sources- primary data and secondary data. Primary data was obtained through the administration of questionnaire to the selected respondents from Nigerian Banks. Personal interaction was also used here. Secondary data were sourced from published materials, such as related journals, and the banks’ annual reports and accounts.

Respondents for this study were selected using simple random sampling technique. Four different categories of bank’s (Respondents) staff were identified. These are – Top Level Management, Middle Level Management, Supervisory Level, and Others. The size of the sample is 94. At least 4 copies of the questionnaire were administered in at least a branch of the 24 existing banks in Nigeria. 80 copies of questionnaire were, however, completed, returned and found suitable for analysis.

Data are presented in the form of tables showing frequencies and percentages. Following each table is the descriptive analysis of the findings. Statistical technique used in analyzing the data is a strong and robust non-parametric statistics called G-Test. The G-Test is used to determine the relationship between dependent and independent variables in the hypothesis. This G-test is also sometimes called a log-likelihood test or a likelihood ratio test.

The general formula for G is:

$$G = 2 \sum_{ij} O_{ij} \cdot \ln \left( \frac{O_{ij}}{E_{ij}} \right)$$

Or simply

$$G = 2 \sum [O \times \ln(O/E)]$$

As with most test statistics, the larger the difference between observed and expected, the larger the test statistic becomes.

Where :-

- n= the number of observation
- O= Observed frequency
- E=Expected frequency
- ln= Natural logarithm (log to the base e)
- E= Column Total × Row Total
  Grand Total

Degree of freedom

$$d.f= (r-1)(c-1)$$

where: -

- r = number of rows
- c = number of columns

5% level of significance was used so as to be at least 95% confident that we are making the right decision.
In statistics, **G-tests** are likelihood-ratio or maximum likelihood statistical significance tests that are increasingly being used in situations where chi-square tests were previously recommended.

The commonly used chi-squared tests for goodness of fit to a distribution and for independence in contingency tables are in fact approximations of the log-likelihood ratio on which the G-tests are based. This approximation was developed by Karl Pearson because at the time it was unduly laborious to calculate log-likelihood ratios. With the advent of electronic calculators and personal computers, this is no longer a problem. G-tests are coming into increasing use, particularly since they were recommended in the 1994 edition of the popular statistics text book by Sokal and Rohlf.

For samples of a reasonable size, the G-test and the chi-squared test will lead to the same conclusions. However, the approximation to the theoretical chi-square distribution for the G-test is better than for the Pearson chi-squared tests in cases where for any cell \(|O − E| > E\), and in any such case the G-test should always be used.

**Decision Rule**

In analyzing the data, the following decision rule served as a guide:

- Reject the null hypothesis (Ho) and accept the alternative hypothesis (Hi) if the observed value of G is greater than the critical value,

- Accept the null hypothesis (Ho) and reject the alternative hypothesis (Hi) if the observed value is less than the critical value.

**Research Hypothesis**

The statement of hypothesis formulated for the study is as follows:

Ho: Motivation does not have positive impact on employee performance in the banking industry.

Hi: Motivation has positive impact on employee performance in the banking industry.

**Results And Discussion**

This section analyses the findings from a set of eighty copies of questionnaires that were returned and found suitable for analysis.

**Table 1: Distribution of Respondents by Sex**

<table>
<thead>
<tr>
<th>Sex</th>
<th>No. of Respondents</th>
<th>Percentage(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Female</td>
<td>43</td>
<td>54</td>
</tr>
<tr>
<td>TOTAL</td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Author’s Survey, 2009

Table 1 above shows that, out of the 80 respondents, 37 are males, representing 46% while 43 respondents are females representing 54%. The implication here is that composition of staff in the Nigerian Banking Industry tends to favour female employees.
Table 2: Distribution of Respondents by Cadre

<table>
<thead>
<tr>
<th>Cadre</th>
<th>No. of Respondents</th>
<th>Percentage(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Level Management</td>
<td>19</td>
<td>24</td>
</tr>
<tr>
<td>Middle Level Management</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>Supervisory Level</td>
<td>21</td>
<td>26</td>
</tr>
<tr>
<td>Others</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Author’s Survey, 2009

Table 2 shows the distribution of respondents by cadre. An interesting observation here, is that, we have significant number of respondents from all the four categories of cadre identified. Meaning the views of all the different cadres are captured.

Table 3: Distribution of Respondents as to Factors that motivate and influence performance positively

<table>
<thead>
<tr>
<th>Factors</th>
<th>No. of Respondents</th>
<th>Percentage(%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Salary/Wages</td>
<td>40</td>
<td>50</td>
</tr>
<tr>
<td>Good working Condition</td>
<td>16</td>
<td>20</td>
</tr>
<tr>
<td>Interesting work/ Status Symbol</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Medical Facilities</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Author’s Survey, 2009

Table 3 above shows the responses of the respondents as to factors that motivate and influence performance positively. The respondents were asked to rate these factors in order of priority. They were also asked to specify other motivational factors that were not captured in the questionnaire.

40(50%) of the respondents accorded good salary/wage top priority. 16(20%) see good working condition. 14(18%), however, see working in the banking industry as Interesting / status symbol as motivational factor that will continue to impact positively on their performance. That is the mere working in the banking industry is a motivational factor. Medical facilities were ranked first by 10(12%) of the respondents.

It should be noted that nobody mentioned other factors outside those identified and used in designing the questionnaire. In fact, the personal interaction with some the respondents revealed that the employees in the Nigerian Banking Industry do not regard most of the motivational items packaged in the Annual Reports and Accounts as real motivations. One of the reasons is that a good salary will take care of some of those items. Again, they see most of the motivational items listed by the banks as normal issues that are even made mandatory by Factory Act.

Table 4: Motivation has positive impact on employee performance in the banking industry

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>15</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Middle Management</td>
<td>18</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Supervisory</td>
<td>20</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>2</td>
<td>20</td>
</tr>
</tbody>
</table>
Table 4 summarized the responses to the question as to whether motivation has positive impact on employee performance in the banking industry. 71 (88.8%) of all the respondents agreed that motivation has positive impact on employee performance in the Nigerian banking industry. However, personal interaction with some of the employee gave a clue to the few number of “NO” recorded. The fact that some of the respondents said “NO” to issue of motivation as having impact on employee’s called for indepth analysis of what factors will influence this minority group. Some of the employees are quite enthusiastic when they start a new job. But employees’ morale sharply declines after their few months and continues to deteriorate for years afterward. The fault lies squarely at the feet of management, both the policies and procedures the banks employ in managing their staff and in the relationships that individual managers establish with their direct reports. The research shows how individual managers’ behaviours and styles are contributing to the problem.

Testing Of Hypothesis

Ho: Motivation does not have positive impact on employee performance in the banking industry.

Hi : Motivation has positive impact on employee performance in the banking industry.

Table 5:  

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>15</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Middle Management</td>
<td>18</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Supervisory</td>
<td>20</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
<td>2</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>9</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Author’s Survey ,2009

Table 6:  

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top management</td>
<td>16.86</td>
<td>2.14</td>
<td>19</td>
</tr>
<tr>
<td>Middle Management</td>
<td>17.75</td>
<td>2.25</td>
<td>20</td>
</tr>
<tr>
<td>Supervisory</td>
<td>18.64</td>
<td>2.36</td>
<td>21</td>
</tr>
<tr>
<td>Others</td>
<td>17.75</td>
<td>2.25</td>
<td>20</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>9</td>
<td>80</td>
</tr>
</tbody>
</table>

Source: Author’s Computation 2009
The testing of hypothesis is carried out here using the G-Test formulae as earlier stated and explained.

Table 7: G-Test Computation

<table>
<thead>
<tr>
<th>Oi</th>
<th>Ei</th>
<th>Oi/Ei</th>
<th>ln(Oi/Ei)</th>
<th>Oi . ln (Oi/Ei)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>16.86</td>
<td>0.890</td>
<td>2.825</td>
<td>42.375</td>
</tr>
<tr>
<td>4</td>
<td>2.14</td>
<td>1.869</td>
<td>0.136</td>
<td>0.544</td>
</tr>
<tr>
<td>18</td>
<td>17.75</td>
<td>1.014</td>
<td>2.862</td>
<td>51.516</td>
</tr>
<tr>
<td>2</td>
<td>2.25</td>
<td>0.889</td>
<td>0.929</td>
<td>1.858</td>
</tr>
<tr>
<td>20</td>
<td>18.64</td>
<td>1.073</td>
<td>2.855</td>
<td>57.1</td>
</tr>
<tr>
<td>1</td>
<td>2.36</td>
<td>0.424</td>
<td>1.717</td>
<td>1.717</td>
</tr>
<tr>
<td>18</td>
<td>17.75</td>
<td>1.014</td>
<td>2.862</td>
<td>51.516</td>
</tr>
<tr>
<td>2</td>
<td>2.25</td>
<td>0.889</td>
<td>0.929</td>
<td>1.858</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td></td>
<td></td>
<td>208.484</td>
</tr>
</tbody>
</table>

Source: Author’s Computation 2009

\[ G = 2 \sum_{i,j} O_{ij} \cdot \ln\left(\frac{O_{ij}}{E_{ij}}\right) \]

Or simply

\[ G=2\sum[O\times\ln(O/E)] \]

\[ G=2\sum[O\times\ln(O/E)]=2(208.484)=416.968 \]

Observed \( G = 416.968 \)

d.f = (r-1)(c-1)

\[ = (4-1)(2-1) \]

\[ = 3 \times 1 \]

Critical value is 7.815

From the above computation, the observed value of \( G = 416.968 \) is greater than the critical value 7.815. As a result of this, the null hypothesis(Ho) which states that motivation does not have positive impact on employee performance in the banking industry is therefore rejected. The alternative hypothesis(Hi) which states that motivation has positive impact on employee performance in the banking industry is accepted. This means that a good motivation package will bring about strong and sustained overall performance of employees.

Conclusion and Recommendations

The study shows that motivation has positive impact on employee performance in the banking industry. This means that a good motivation package will bring about strong and sustained overall performance of employees.

However, it must be noted that regardless of which theory of employee motivation is followed, interesting work, appreciation, pay, good working conditions, and job security are important factors in helping to motivate. The key to motivating employees is to know what motivates them and designing a motivation program based on those needs. The challenge at work is to create an environment in which
people are motivated about work priorities. Too often, organizations fail to pay attention to the employee relations, communication, recognition, and involvement in issues that are most important to people.

For motivation to work effectively, certain actions and steps are important to note. Some of these are noted and discussed. The first step in creating a motivating work environment is to stop taking actions that are guaranteed to demotivate people. Identify and take the actions that will motivate people. It is a balancing act. Employers walk a fine line between the needs of its employees.

Also publish the rules and policies and educate all employees on it.

Interact with employees with the aim of soliciting feedback on potentials policies, areas in which policies are needed.

To maintain the enthusiasm employees bring to their jobs initially, management must understand the three sets of goals that the great majority of workers seek from their work, and then satisfy those goals. These goals are equity, achievement, and camaraderie.

- Equity: to be respected and to be treated fairly in areas such as pay, benefits, and job security.
- Achievement: to be proud of one’s job, accomplishments, and employer.
- Camaraderie: to have good, productive relationships with fellow employees.

To maintain an enthusiastic workforce, Sirota Mischkind, and Melter(2006), said that, management must meet all the three goals. Indeed, employees who work for organizations where just one of these factors is missing according to Sirota et al(2006), are three times less enthusiastic than workers at organizations where all elements are present. One goal cannot be substituted for another. Improved recognition cannot replace better pay, money cannot substitute for taking pride in a job well done, and pride alone will not pay the mortgage.

Specifically, the banks in Nigeria need to go back and re-examine their motivation packages. The reason being that most of the items the banks see as motivation were not seen as being so by the banks’ employees. In a similar development there is the need for the banks to desist from duplicating motivation items of one another. Each bank should design its own motivation items in line with its mission and vision.

References

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