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**FACTORS INFLUENCING EMPLOYEE MOTIVATION AND ITS IMPACT
ON EMPLOYEE PERFORMANCE
Keksi-Pohjanmaan Kirjapaino Oyj**

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ABSTRACT

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Name of thesis FACTORS INFLUENCING EMPLOYEE MOTIVATION AND ITS IMPACT ON EMPLOYEE PERFORMANCE Case: Keksi-Pohjanmaan Kirjapaino Oyj		
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<p>The purpose of the study was to determine the factor that influence employee motivation and its impact on employee performance; case study of Keski-Pohjanmaan Kirjapaino Oyj. The study was conducted by reviewing theories associated with motivation. The research focuses on exploring variables that drive employees' motivation, thus, the intrinsic and extrinsic factors that influence employee motivation at the case company were examined.</p> <p>A descriptive research design was adopted, with Keski-Pohjanmaan Kirjapaino Oyj being the case company. The population of the study were employees of Keski-Pohjanmaan Kirjapaino Oyj since this is the organization under study. The study population comprised a total of 36 employees from various functions. The data collection instrument was a tailor-made structured questionnaire developed by the researcher, specifically for this study. A set of descriptive statistics including bar chart and bar graph were used to present the result of the study.</p> <p>The findings of this study revealed that employee motivation at Keski-Pohjanmaan Kirjapaino Oyj is generally in good level as most employees are motivated and satisfied with their job. The dominant factor that influence employee motivation are extrinsic factors such as monetary incentives and job security among others. The study also identified several intrinsic factors that influence employee motivation. These are: autonomy, trust and recognition among others. However, the study discovered certain areas where improvement should be executed to further increase employee motivation. Recommendations were also made for improvement on certain areas.</p>		
Key words Employee motivation, Employee performance, Extrinsic Motivation, Intrinsic Motivation		

CONCEPT DEFINITIONS

Employee Motivation

Ray Williams, a columnist for Psychology Today, defines motivation as, “predisposition to behave in a purposeful manner to achieve specific, unmet needs and the will to achieve, and the inner force that drives individuals to accomplish personal organizational goals”. Sibson (1994) also defines motivation as the driving force which allows a person to take action on his/her desires or goals.

Employee Performance

It is highly accepted that when people are motivated on their job, there is going to be a correspondence productivity that will boost the organizational performance.

Employee Absenteeism

This is the rate at which employees do not present themselves at work which is majorly associated with job dissatisfaction and loss of motivation.

Employee Turnover

Turnover is the rate at which employees enter and leave a company in a given fiscal year. One of the determinants of turnover intent or staying within the organization is job satisfaction. When employees are not happy or satisfy with their work, they have high tendencies of abandoning the organization but if the perception of the employees about their treatment is fairly okay and receiving remuneration package, it reduces the intent of leaving the company.

Employee safety practice

Following established health and safety policies and procedures.

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1 INTRODUCTION

Many scholars and practitioners in the broad field of management have argued that human asset in the 21st century is the most valuable and volatile asset any organization can possess. Even with the best strategy and appropriate organizational architecture in place, an organization will be effective only if its members are motivated to perform at a high level. This is because other strategies such as obtaining market niche, developing cost-based advantage and creating a differentiation-based advantage can be copied, substituted and matched by the competitor; whereas human-based skills, specialized know-how or experience that are developed by a company over a period of time are difficult for competitors to duplicate.

Motivation is a function of many complex attitudes, workers' personal feelings and biases, their values, economic and cultural environment, job security, realization of job expectations, emotional stability, the flow of communication between management and the workers. Many studies have evolved around various motivational techniques for directing employees towards organizational productivity. However, the challenge to management is to recognize and understand the impact of various motivational systems on individual and group behavior within an organized work endeavor. In as much as motivation impacts on employee performance, there is a need to blend the appropriate motivational tools with effective management and leadership to achieve the desired organizational goal. Available researches have shown that successful companies are those with strategic plans and appropriate methods to motivate their employees with the right kinds of motivation.

Persistent interest in work motivation study is related to numerous positive organizational outcomes, such as: increased productivity, decreased absenteeism, encourage work safety and reduced employee turnover. This is particularly important for the case company: Keski-Pohjanmaan Kirjapaino Oyj, especially at this crucial time when a lot of changes are going on in the industry it operates, and advertising revenue is steeply declining due to digitalization. Studies have shown that a motivated workforce can help bridge the divide between dwindling bottom-line and productivity maximization. When employees are intrinsically and extrinsically motivated with work-related factors such as salary, good management-employee relation, good working environment and trust, there are likely less absenteeism and turnover rate as people are more committed to their jobs when they are motivated to do it. Therefore, the subject of work motivation and how its impact employee productivity maintains an exciting and relevant subject among organizational researchers and practitioners.

Since all organizations are concerned with how to achieve and sustain maximum output in order to maintain healthy bottom-line, it means giving more close attention to how individual employees can be best motivated. Every employee has its own motivational factors that motivate them to perform their work effectively and efficiently. Some employees are motivated by recognition and some by rewards. Organizations should know the needs of their employees. Evidences abounds from literatures that individuals have different values and what motivates one person does not necessarily motivate another. Some people enjoy formal recognition or status. Other employees enjoy a monetary reward whilst others are just content knowing that they have stability in their role and have the ability to pursue other interests. The implication of this for management is to understand what motivates each employee to spur them to performance.

Keski-Pohjanmaan Kirjapaino Oyj is a media group founded in 1917 for printing, newspaper publishing, online services and real estate. The most well-known products of the company are the newspapers Keskipohjanmaan Lehti (KP), Österbottens Tidning (ÖT), Kalajokilaakso, Haapavesi-Lehti, Lestijoki, Perhönjokilaakso, Nivala Kotiseutulehti, Pietarsaaren Sanomat, Selänne and Kokkola Lehti. Keski-Pohjanmaan Kirjapaino Oyj is one of the biggest employer in Central Ostrobothnia region of Finland with a total of 55 employee currently working for the company. Like every other organization, Keski-Pohjanmaan Kirjapaino Oyj is saddled with the challenge of determining how to attain maximum motivation for their employees whom they believe would go a very long way to improve organizational performance. Having worked with the case company for about 4 years and having had hands-on working experience with the company, the author became curious about what factors motivates the company's employees.

Though how to motivate employees and what are the motivational factors has been extensively researched, there is in fact a research gap when observing how employee motivation impacts on employee performance. Previous studies on employee motivation mainly focused on the factors that contributed to its being attained. However, not much research on the subject matter discussed how employee motivation impact on employee performance. In other words, there is a research gap because high statistical relationship between the two were not well situated. This thesis aims to fill in the knowledge gap by looking at the close connection between employee motivation and employee performance. Thus, the research questions for this study are:

□ What are the intrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?

- What are the extrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?
- What impact does employee motivation have on employee performance at Keski-Pohjanmaan Kirjapaino Oyj?
- In what ways could motivation be improved in Keski-Pohjanmaan Kirjapaino Oyj?

The author wanted to establish what factors motivate employees across the group and if these factors varied between divisions. Therefore, the purpose of this thesis two-fold. The main objective is to study the factors influencing employee motivation and its impacts on employee performance in Keski-Pohjanmaan Kirjapaino Oyj. The second objective is to develop the strategies on the basis of the findings, how to improve work motivation and boost job performance at the case company. The findings of this study would be helpful to evaluate the current status of job satisfaction and motivation that has impacted on performance and output. The study would also assist managers in other organizations who face the dilemma of understanding the close connection between employee motivation and employee performance. The theoretical study and research based data will be used as supporting factor for the analysis of results.

In conducting this research, first step the author took was to explore different motivational theories such as the content theories, process theories and reinforcement theory of motivation. The next step was examining the impacts of employee motivation on employee performance, issues relating to employee turnover, absenteeism, safety practice and employee productivity were extensively discussed. A descriptive research approach was utilized for the study. The survey was conducted electronically (Questionnaire's link sent by email through supervisor to the employees) with the help of company's supervisor. The study focused on primary data which was collected from the respondents.

The thesis has been structured into five chapters. The chapter one provides an overview of the research topic and provides justification for the reason for the research. The chapter two discuss various theories of motivation, types of motivation and how employee motivation impacts employee performance. The chapter three discussed the research methodology that was adopted in chapter two. In Chapter four the researcher made a summary of the results and findings of the study. The chapter five provides discussion on the implication of the research results and conclusions are drawn and recommendations of the study are also provided.

2 THEORIES OF MOTIVATION

It is useful to provide a theoretical base for motivation because motivation varies over time and depending up on the circumstances and personality of individual. There is no single answer to what motivate people to work well.

Over the years, many theorists have come-up with many competing theories, which attempt to explain the complexity of motivation in workplace. Each theoretical perspective provides explanation on how motivation influences work performance. The underlying assumption is that financial and non-financial rewards affects work motivation and there is a connection between job satisfaction and performance. However, to find out what motivates an employee it is important to look at the relevant theories behind the phenomenon. Each theoretical perspective provides explanation on how motivation influences work performance. These cognitive theories of motivation can be broadly classified into two groups; content theories and process theories. In this chapter, theories related to the purpose of this research will be presented.

2.1 Content Theories

Content theories attempt to explain those specific things that drives individuals to act in a certain manner based on a universal understanding that all human beings have needs to satisfy. These theories are concerned with identifying what motivates people to act in certain ways. However, the complexity of human nature raised concern about the validity of these theories. As such, it is important for organization managers to know what employees need and understand that the needs of these employee will evolve over time while also bearing in mind that needs differ considerably among employees. Several theorists who belongs to this school of thoughts, including Abraham Maslow, Frederick Herzberg, David McClelland, and Clayton Alderfer, have provided theories to help explain needs as a source of motivation.

Maslow's Hierarchy of Needs

In his book *Motivation and Personality*, Abraham Maslow (1954) introduced the theory of Hierarchy of Needs. The Hierarchy-of-Needs theory focused on the idea that human beings are motivated by unsatisfied needs, and that the attainment of a lower need only leads to the quest for the satisfaction of a higher need. In other words, all levels of needs must be satisfied before the importance of the need above it becomes important. For example, once physiological needs such as food and shelter are attained securing safety needs becomes the main source of motivation.

Based on his experience as a clinical psychologist, Maslow states that human beings have different needs. He classified human needs into five categories; physiological, survival, safety, love, and esteem. Maslow opined that the hierarchy of needs begin at the base level with psychological or physical well-being as the most basic need and then progresses through safety, social esteem and self-actualization needs. Below is a modified figure (Figure 1) that illustrate Maslow's hierarchy of need, which show the five categories that Maslow describes as the main order that human needs follow. When a lower need is fulfilled we aim for the higher need. According to Maslow (1954) most people's need follow the above order, he however admitted that this can differ between people. A need does not need to be completed for another need to occur.

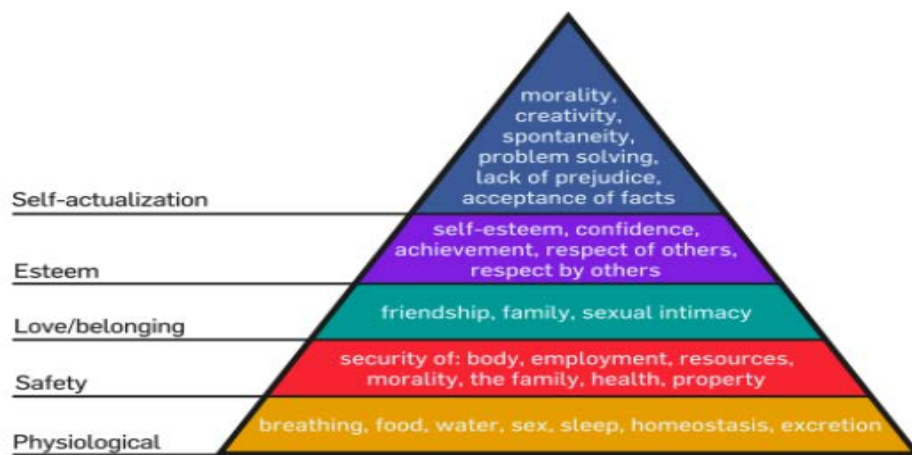


FIGURE 1: Maslow Hierarchy of Needs

Source: Maslow, A. (1954). *Motivation and personality* (2nd ed.). New York: Harper & Row.

Psychological needs are the most basic needs that every individual needs to survive. They encompass relief from thirst, hunger and physical drives as well as comfort. Needs such as food, air, shelter and water fall under this category. The employees are to meet these physiological needs through financial rewards offered by the organization.

Safety needs are next after the physical needs. This is the need for protection against physical or emotional hazard in an atmospheric environment. Job security, medical insurance, healthy working environment are few examples of safety need.

Social needs-love and belonging are those needs that relates to interactions with other. Beyond existence needs lies the desire for affection, belongingness, love, respect, care, nurturing and friendship etc. This

also involves approval from a group, acceptance among family and friends, relationship and the sense of belongingness or love.

Esteem needs is the feeling of being important. According to Maslow (1954) it gets to a point in everyone's life where one needs belongingness. Employees need to feel that they are part of the organization or that their voices can be heard. This kind of need may come from internal esteem factors like self-respect, confidence, autonomy strength, and accomplishment, or external esteem such as social status, prestige, recognition from others, attention and appreciation.

Self-actualization needs are the highest level of needs as they constitute the need of reaching full potential and self-fulfillment as an employee. Self-actualization needs is the kind of motivation that offers employees the opportunity to get involved in activities such as innovations, creativity, etc. Maslow however noted that because of the open nature of this need, it can never be fully achieved. According to him, only a meagre percentage of employee population actually gets to this level of self-actualization. Self-actualization need is never fully satisfied (Martin, 2001, 406).

Maslow's hierarchy needs theory is one of the most popular theories of work motivation in our time but has been criticized for been rigid and over-simplified. For example, Gaurav Akrani in his extensive review of Maslow's theory found little evidence for the ranking of needs which Maslow described or even the existence of a definite hierarchy. According to him, it is questionable whether needs can always be ranked in a simple hierarchical form. There was also lack of testimonial as Gaurav believes that theory has to include other motivating factors such as expectation, experience and perception (Gaurav, 2010, 213.)

ERG Theory

Clayton P. Alderfer proposed the ERG theory of motivation which can be seen as a review of Abraham Maslow's five needs into three broader categories, namely existence, relatedness, and growth. Alderfer's existence needs is similar to Maslow's physiological and physical safety needs. The relatedness needs correspond with Maslow's social needs as it focusses on how people relate to others. Growth needs as advocated by Alderfer correspond to Maslow's esteem and self-actualization needs.

However, ERG theory of motivation as advocated by Alderfer differ from Maslow's theory of motivation because Alderfer suggested that more than one level of needs can motivate simultaneously. For example,

a desire for friendship (relatedness) and the need for a promotion (growth) can concurrently influence the motivation of an individual. Based on the ERG theory, managers who focus exclusively on one need at a time do not effectively motivate their employees.

The ERG theory also has a 'frustration-regression aspect' which explain the impact of motivation on employee performance in the workplace. It states that if needs remain unsatisfied, an individual may become frustrated and revert to satisfying lower level needs. Alderfer notes that regression in employee performance is a result of restricted growth within the work setting and therefore employees tend to regress fulfilling related needs. The management implication of ERG theory of motivation is that employees strive to satisfy various needs.

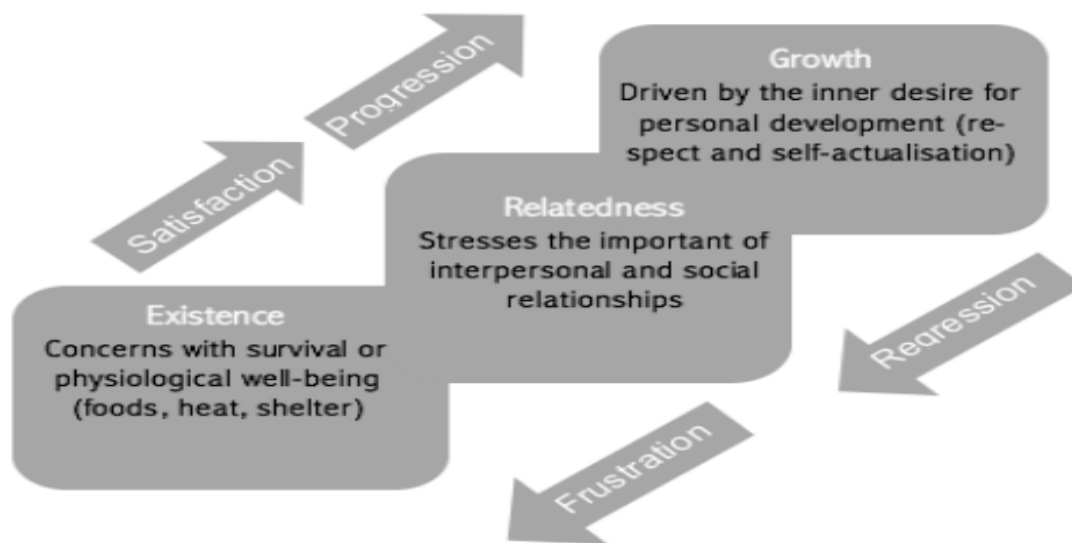


FIGURE 2: ERG theory of Motivation

Adapted from Alderfer, C. P., 'An Empirical Test of a New Theory of Human Need'. Psychological Review (1969).

Herzberg's Two Factor Theory

One of the most prominent theories establishing the relationship between employee performance and motivation is the Herzberg's two-factor theory. Herzberg based his work motivation theory on the works of Maslow theory of need but concluded that it is not possible to keep employee satisfied by their low-level needs. He maintained that the basic benefits such as salaries and other facilities for example an adequate working space, do not necessarily ensure that employees are happy and satisfied (Mehmood, Irun & Ahmed, 2012).

Hertzberg carried out his study by interviewing 200 accountants and engineers from different industries in the Pittsburgh area of America. In carrying out his study, he adopted the critical incident method whereby the employees were asked to relate times when they felt exceptionally good or bad about their job either presently or their previous job. The responses gathered from the employee found to be consistent and revealed that factors affecting employee's motivation are in two broad categories namely hygiene factors (dissatisfiers) and motivators (satisfiers). This led to the emergent of the two-factor theory of motivation and job satisfaction.

Hertzberg described satisfying experiences in terms of factors that were intrinsic to the content of the job itself and these were called motivators while those that causes dissatisfactions are called hygiene factors, which emanated from extrinsic or non-job-related factors. The motivation factors such as recognition, achievement, advancement, growth, responsibility and job challenge motivate employees to excel at their tasks and hygiene factors such as working conditions, company policies and administrative practices, salary and benefits, supervision, status, job security, coworker and personal life typically ensures that employees remain happy and satisfied. Thus, it can be inferred that the factors that influence job satisfaction (i.e. motivation factors) are different from those factors that lead to dissatisfaction among employees.

Hertzberg also argued that people have different requirements that must be fulfilled to keep them satisfied. He argued further that hygiene factors must be initially met by financial gains out of the job such as the salary before motivating factors can be used to stimulate the job and the resultant feeling of motivation is achieved. The implication is that the ability of the management to meet the physiological and psychological needs of the employee has an effect on the overall level of satisfaction or dissatisfaction; motivating factors cannot be used to motivate employee to performance until the hygiene factors have been fulfilled.

There is another aspect of Herzberg's theory. He believed it is also possible for managers to improve job performance by using threat, punishment, or similar stimuli. However, he concluded that these factors have a short time influence and overall have negative impact on employee satisfaction. This study highlights that the motivation and hygiene factors theory should be considered in formulating reward system and to make sure that reward system distinguishes satisfiers and dissatisfiers and cater them both to maximize job satisfaction among employees (Mehmood et al. 2012).

Herzberg's Motivation–hygiene theory also identifies that there are two types of motivators: intrinsic and extrinsic. Intrinsic motivation is based on nature of a person and is related to satisfiers. These include employee achievement, the nature of work, recognition, and the level of responsibility. On the other hand, extrinsic motivation is related to hygiene factors. These factors include rules and regulations of firm, firm hierarchy, workplace environment, salary, among others. These are important factors for influencing the research of job satisfaction nature and was a key factor in measures development in order to evaluate the job satisfaction (Mehmood et al. 2012)

Herzberg concludes that managers need to identify both satisfaction and dissatisfaction factor and improve on the former and discourage the later in order to maximize employee satisfaction. Within the context of reward system, since there are intrinsic and extrinsic motivation factors, therefore reward system must be based on rewards and incentives that cater for the intrinsic and extrinsic needs and motivation of employees.

Hygiene theory is more inclined to the working environment and spelt out unique and distinct issues which people need in their work to enable them to feel motivated to perform well.

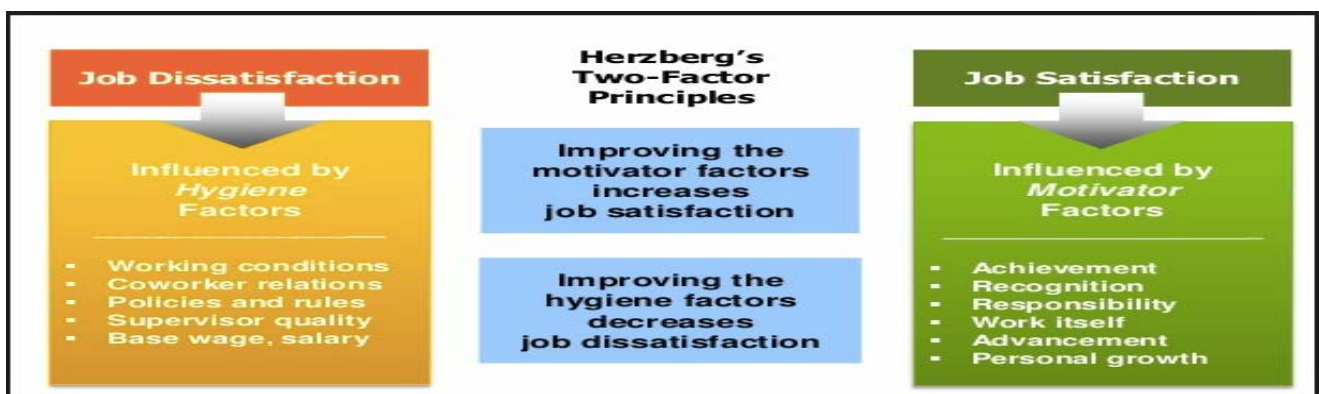


FIGURE 3

Hertzberg Two Factor Theory

Adapted from the internet

McGregor X and Y Theory

Douglas McGregor was a management researcher at the MIT Sloan School of Management. In his book titled 'The Human Side of Enterprise' Douglas examined the behavior of individuals at work and then formulated two models which he calls Theory X and Theory Y. Maslow's hierarchy of needs provide

the background for McGregor's work. Unlike Maslow, McGregor grouped hierarchy of needs into lower order (Theory X) needs and higher order (Theory Y) needs.

McGregor's theory X is based on the assumption that naturally, average human being has an inherent dislike for work, as a result, feels reluctant to work and will strive to avoid it when possible. In his research work titled 'The human side of Enterprise' he asserted that people must be forced, coerced, controlled, directed or threatened with punishment to get them to work towards the achievement of organizational goals. McGregor states that the dislike for work is so strong that even the promise of a reward by the manager is not enough to propel them to work. Only the threat of punishment can be effective.

In theory Y, the situation is totally the opposite from the previous one because it explains that naturally, the average human being likes work both physical and mental. The theory explain that people will exercise self-direction and self-control to achieve objectives to which they are committed. In addition, it states that there is a chance for greater productivity by giving employees the freedom to perform at the best of their abilities without being bogged down by rules. He further argued that an average person is fundamentally moral and will seek and accept responsibility.

Theory X and Theory Y as explained in McGregor theory of motivation are seldom used in contemporary organizational settings, still the important in the field of organization management because it provide useful tool for motivation and guiding tools to improve organization culture.

2.2 Process Theories

Process theory focused more vastly on individual performance, available rewards and possible work outcomes. The theory explain how individuals are motivated by examining the relationships among the dynamic variables, which make up motivation. In this perspective, 'need' accounts for one component of the process through which individuals decide how to behave. Another component could possibly be for rewards. For example, an employee perceives a gift card as a reward for exhibiting certain behavior (e.g. working diligently), so this reward turns into a motive for that behavior (Ryan & Deci, 2000.)

Vroom's Expectancy Theory

Victor Vroom was another well-known scientist. His work on work motivation provides the most practical insights on work motivation. The theory is model on behavioral choice and provides explanation on why people choose one behavioral option over others (Ryan & Deci, 2000.) Vroom argue that people will act according to their perceptions that their work efforts will lead to certain performances and outcomes, and how much they value the outcomes. Vroom's Expectancy Theory is based on the assumption that employee effort will lead to performance and performance will lead to rewards (Shields, 2007).

In this theory, together with Edward Lawler and Lyman Porter, Vroom discovered that an employee's performance is affected by factors such as personality, capability, skills set, knowledge and experience. Vroom asserted that effort, performance and motivation are connected in an individual's motivation. Certain performances will have foreseeable job outcomes based on individual's expectations by which these outcomes satisfy organizational or individual goals. Organizational goals focus on measuring in term of quality, quantity, or timeliness of output while individual goals can be money, recognition, job promotion and job security. Vroom uses the following formula to calculate the level of motivation: $M = (E) \times (I) \times (V)$ where E is the abbreviation of expectancy, I stand for instrumentality and V is stands for valance. These three variables are multiplied together to determine motivation.

Expectancy: This is the individual's perception that a particular level of efforts will lead to attainment of desired performance goals. For example, expectancy will be high when a salesperson is sure that she will be able to sell more units (performance) if she works overtime (effort). Expectancy will be low if she is convinced that, even if she works overtime, she will not be able to sell more units. High expectations generally create higher motivation than low expectations. In the above example, the salesperson is likely to work overtime to achieve her goal of selling more units – if she expects that by working overtime, she will be able to reach her goal (Shields, 2007).

Instrumentality: Vroom defined instrumentality as the relationship between the perceive degree of performance and the outcome attained. According to Mullins (2002, 8) instrumentality determines the valence that an employee associates with a given level of performance. The instrumentality is the perception that if an individual meets performance expectation, he/she will get a greater reward. This reward could be in the form of an increase in salary, recognition or feeling of accomplishment. Using the previous example of a salesperson to explain this, instrumentality will be high if the salesperson believes

that if she sells more units, she will receive a bonus. It will be low if she believes that she will not receive a bonus, even if she sells extra units.

Valence: This is the value or importance that an individual attach to various work outcomes. Each outcome has an associated valence or value. For motivation to be high, employees must value the outcomes they will receive for their performance. As a follow-up to the salesperson example, in order to be motivated, the salesperson she must value the bonus (outcome) she will receive for working overtime to sell more units. If she places a higher value on other outcomes, such as less work stress or more time with her family, her motivation to work overtime and sell more units will be low (Shields, 2007).

Vroom's Expectancy theory of motivation has been criticized on the premise that the theory tends to be unrealistic because few individuals perceive strong relationship between performance and rewards in their job. Green (1992, 2-3) said that the theory does not work when the outcomes have negative valence. Bose (2004, 152-153) also criticized the theory on the ground that it can only work best in countries and organizations where pay is the highest motivating factor. Practically speaking, organizations reward people working for them according to measures such as seniority, efforts, job difficulty and skill level rather than according to performance which explains why a significant segment of the workforce exerts low levels of effort in their work.

Despite its criticisms, the expectancy theory of motivation remains one of the most widely accepted explanations of work motivation. Application of the theory in contemporary business management could be seen in that it provides a link between employee performance and the rewards they receive. Employees are motivated to achieve outcomes that they desire, and managers should determine what outcomes employees perceive as desirable and provide them. Outcomes may be intrinsic or extrinsic, depending on the needs of the employee and the employee's expectations of what is due to him or her. Organization should clearly communicate desired behavior and their outcomes to employees. Employees should know what level of effort the organization expects of them in order to receive a desired reward.



FIGURE 4: Vroom’s Expectancy Theory

Adapted from Journal of Organizational Behavior by J. R Schermerhorn, J. G. Hunt & R.N. Osborn, 2005, 128, New York: John Wiley & Sons, Inc.

Equity Theory

Adam’s theory of equity is considered as one of the most popular social exchange theories, which gained widespread attention in recent past. The theory is established on the premise that employees anticipate actual outcomes in exchange for an offering or inputs. According to the theory, employees judge the fairness of rewards received in proportion to resources invested for completing a task by assessing one’s own investment-reward ratio and compare it against the ratio of another colleague holding similar position (Latham, 2007, 99-116). In other word, inequality occurs when a person perceives that the ration of his outcome to inputs and the ration of a relevant other’s outcomes to inputs are unequal. Thus, a person is motivated in proportion to the perceived fairness to the rewards received for a certain amount of effort as compared to others.

The theory recognizes that individuals are concerned not only with the absolute amount of rewards they received for their efforts, but also in relationship of this amount to what others receive. The theory also reiterate that individuals are motivated to reduce any perceived inequality. When inequality exists, the person making the comparison strives to make the ratios equal by changing either the outcomes or the inputs, thereby return to the condition of equity.

Like other theories, Equity theory is also not free from criticism. It has been criticized of lacking precision. For instance, Robert Pritchard (1969) asserted that the weakest part of this theory are the modes of inequality recommendation. There are numerous of methods for decrease inequity, therefore individual differences will definitely occur regrading preferences among methods (McShane & Glinow 2003, 148)

Goal Theory

Goal setting theory was propounded by an American psychologist Dr. Edwin Locke. Goal setting theory is an overall approach to motivation that emphasizes the need to establish goal as an intrinsic motivation. In other words, people's goals or intentions play an important part in determining their behavior. Goals guide people's response and action by directing work behavior and performance, and lead to certain feedback. According to the theory, motivation and performance are higher when individuals set specific goal; when the accepted goals are difficult, and when there is feedback on performance. In other words when goals are held as a factor for motivation, no matter how difficult the goals are, the performance of the outcome will definitely be high.

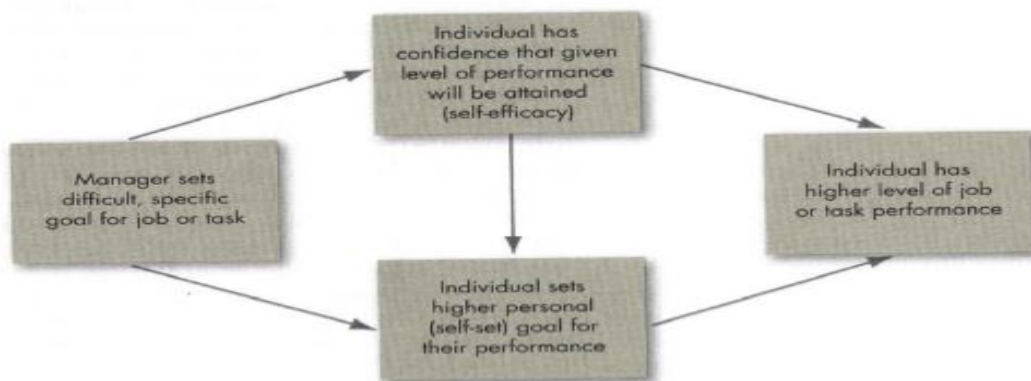


FIGURE 5: Locke's Goal-Setting Theory

Adapted from Robbins and Judge (2007, 201). *Organizational Behavior*. 12th Ed. New Jersey: Pearson Prentice Hall.

Reinforcement Theory of Motivation

Reinforcement theory of motivation was proposed by B.F Skinner and the theory is model on the "law of effect". The theory states that individual behavior is a function of its consequences. In other word, individual's behavior with positive consequences tends to be repeated, but individual's behavior with negative consequences tends not to be repeated. The theory does not recognize that employees are motivated by needs or a process of motivation. Instead, it deals with how an employee's future actions are based on consequences of past actions. A behavior associated with rewarding consequences tends to be repeated and other behavior that evoke unfavorable consequences are likely to be avoided (Dessler 2008). According to this theory, the manager must use the following methods for controlling employee's behavior:

Positive Reinforcement- This implies giving a positive response when an individual show positive and required behavior. For example - Immediately praising an employee for coming early for job. This will increase probability of outstanding behavior occurring again. Reward is a positive reinforce, but not necessarily. If and only if the employees' behavior improves, reward can be said to be a positive reinforcer. Positive reinforcement stimulates occurrence of a behavior. It must be noted that more spontaneous is the giving of reward, the greater reinforcement value it has (Dessler, 2008)

Negative Reinforcement- This implies rewarding an employee by removing negative / undesirable consequences. Both positive and negative reinforcement can be used for increasing desirable / required behavior.

Punishment- It implies removing positive consequences so as to lower the probability of repeating undesirable behavior in future. In other words, punishment means applying undesirable consequence for showing undesirable behavior. For instance - Suspending an employee for breaking the organizational rules. Punishment can be equalized by positive reinforcement from alternative source.

Extinction- It implies absence of reinforcements. In other words, extinction implies lowering the probability of undesired behavior by removing reward for that kind of behavior. For instance - if an employee no longer receives praise and admiration for his good work, he may feel that his behavior is generating no fruitful consequence. Extinction may unintentionally lower desirable behavior (Dessler, 2008).

2.3 Definition of Motivation

Many scholars had tried to define motivation and it's a well-studied field which has roots in many academic disciplines such as psychology, sociology, education, political science and economics. Many researchers in the field of psychology defined motivation as the psychological forces that determine, guides and maintains the oriented behaviors which consist of both sets of internal and external factors. While other researchers especially from political science believed that motivation is a process of placing an effective guideline and direction for activities according to condition of a person which decides how enthusiastic and how goals oriented that person behaves.

Connecting motivation to workplace, motivation would mean the process of boosting employee's morale in order to encourage them to willingly give their best in accomplishing assigned tasks. Ray Williams, a columnist for Psychology Today, defines motivation as, "predisposition to behave in a purposeful

manner to achieve specific, unmet needs and the will to achieve, and the inner force that drives individuals to accomplish personal organizational goals". In other words, employee motivation is concerned with the factors that cause workers to engage in behavior that cumulatively promote profitability of the organizations in which they work. The more motivated an employee is, the more likely they are stimulated and interested in accepting goal and identify themselves with the organization. Low job motivation on the other hand can result in costly turnover, absenteeism, tardiness, and even poor mental health (Gangai, 2014, 1282-1289).

2.3.1 Types of Motivation

Many authors agreed that motivation consists of two important factors; intrinsic and extrinsic motivators. According to a self-determination theory of Deci and Ryan (2000) there are two types of motivation which are intrinsic motivation and extrinsic motivation that influence the performance of employees within an organization. This claim is supported by Chaudhary (2012, 81-87) who states that there are two major types of motivation which could be tagged as intrinsic and extrinsic motivation. It is thus argued that motivation is an important aspect of getting the best out of employees, therefore, it is the responsibility of a manager to understand the effect of each of the above motivators and the mechanism between them, that is, how internal motivator leads to external and vice versa (Deci, 2005, 61).

2.3.2 Extrinsic Factors that Influence Motivation

Extrinsic motivation refers to tangible rewards such as supervision, pay, fringe benefits, co-workers, work environment, personal life, work conditions and job security. Extrinsic motivation cannot be satisfied by the work itself. In other word, the job that one does is just a tool to satisfy one's needs through the salary paid for the job in question. Ryan & Deci (2000) argued that extrinsic motivation requires an instrumentality between the activity and some separable consequences such as tangible or verbal rewards and that satisfaction comes not from the activity itself but rather from the extrinsic consequences to which the activity leads. Chaudhary (2012) corroborated this point. He posited that individual employee attitude towards the job is determined by the perceived values and benefits that are attached to an action. As such, rewards are useful instruments that encourage individuals to perform as is desirable and it can take the form of monetary. It can also be in form of incentives such as increased salary and leave bonus to non-monetary incentives like promotions and job security.

Monetary Compensation/Salaries

To enhance extrinsic motivating factor, money remains the most significant motivational strategy (Obasan, 2011, 4). Recent researches have shown salary and monetary compensations as the most important inducement in people's decision to accept or reject a job offer. It has the supremacy to magnetize, retain and motivate individuals towards higher performance. Frederick Taylor and his scientific management associate described money as the most fundamental factor in motivating the industrial workers to attain greater productivity (Ryan & Deci, 2000).

Reward influences employee motivation and spur employee to performance. Rewards in forms of pay, promotion, bonuses or other types of reward are used to motivate and encourage high level performances of employees. Effective use of rewards to motivate employee can enhance the bottom line of any organization because when employees are motivated, their productivity level increases which has a multiplier effect on the organization (Ryan & Deci, 2000).

To establish the role rewards plays in employee influencing employee motivation, Vroom conducted an empirical study on an oil refinery worker. The result of the study show that workers may be satisfied with their wages, but can become dissatisfied with it if they compare themselves with their peers and discover that they are paid less. The study concluded by arguing that organizations that wish to have highly motivated employees must provide higher salaries, rewards and incentives to highly productive workers.

In another research in 1911, Thorndike, a famous experimental psychologist conducted an experiment with animal and conducted similar experiment with human six years later to test their performance and productivity. The results from these two experiments shows that when reward was given immediately after certain behavior, the frequency of that behavior increased (Latham, 2007, 99-116).

Good Leadership Relations

Leadership is the ability and willingness to influence the way and thinking of other people without forcing them. Good leadership relation is an important factor in fostering employee motivation. Providing employees with the supports they needed such as helping them with job related problems, good communication, regular feedback about employee performance increases employee motivational level. Employee want to have sense of belonging, have inputs into decisions that affect them, feel important and appreciated. They want to be informed and involved at work place. Employees are motivated when a job brings recognition and respect for them.

Job security

Job security has become indispensable in employee and organization preference list, particularly due to economic reasons. Thus, it has become one of the most crucial and important factors driving employee motivation and performance. Researches shown that globally about 75% of the employees preferred to keep their jobs compared to other factors in their preference list (Feldmann & Arnold,1985). The most desire of every employee is to keep their jobs for as long as they wish. In this view, it implied that job security is a determinant factor and key element influencing an employee's decision on whether to join an organization or not (Latham, 2007, 99-116).

Empirical investigation indicates that there is a positive relationship between job security as a motivational factor and employee performance (Latham, 2007, 99-116). Osuagwu (2002) found that job security has significant effect on employee performance and employees are less motivated to work when job security is low. Researches investigating effects of job loss and having a job indicate that employee behaviors start going bad as soon as they start worrying about job loss (Osuagwu 2002; Latham, 2007, 99-116). Thus, researches on this subject (Latham, 2007, 99-116; Osuagwu, 2002) suggest that job security provides employee with high motivation and it affects other motivation levels. For example, in Latham research (Latham, 2017, 99-116) job security was rated as one of the three most important motivational tools in all subcategories. Feldmann and Arnold (1985) study on hotel staff also showed that job security functions as an important motivational tool since it changes negative work behaviors and the thought of leaving the job. Lack of job security has been found to be the reason for high turnover of employees.

Communication and Effective Dissemination of Information

Availability of good communication and dissemination of information between the employer and the employee is a key component for the increase or decrease in employee motivation and performance. This is understandable because it provides the employee some good level of trust in the management. When information flows back and forth in the workplace, it implies that feedback can be given by both the employer and the employee in an atmosphere of trust. When this happens, the implication is that the concerned stakeholders respect and take each other into considerations.

The need for information sharing between the employer and the employees cannot be overemphasized especially during major organizational changes, acquisition or organizational development. Uncertainty may easily cause employees to fear failure or even losing their jobs. The more there is uncertainty, the

lower productivity gets. Inadequate or unreal information may cause a lot of speculation which makes the work secondary to employee. When employees are informed it adds certainty and trust.

To ensure a motivated working environment, management must build a relationship of trust with the employees, media and other whom might be involved. In times of change, employees should be the first to know what is going on as the employees should have time to adapt.

Nature of the Job

Many studies have inquired into the relationship between the nature of job and employee motivation. Results from these studies show that nature of job itself becomes a dominant factor of job employee motivation when employees assess different aspects of their work, like supervision, growth opportunities, salaries and colleagues and so on. When the job performed by an employee is perceived to be important and less stressful, employee motivational level will be on the increase. Stressful work on the other hand is a well-known factor for low motivation and morale, decrease in employee performance, high employee turnover, sick leave, accidents, low job satisfaction, low quality products and services, poor internal communication and conflicts.

2.3.3 Intrinsic Factors that Influence Motivation

The notion of intrinsic motivation is closely related to intrinsic value. Intrinsic motivation refers to motivation that is enhanced by commitment to work, personal enjoyment, and interest According to (Ryan and Deci, 2000, 177-149). Intrinsic motivation is define as the doing of an activity for its inherent satisfaction rather than for some separable consequence. When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external products, pressures or reward. According to him, when intrinsically motivated, the individual will strive to satisfy three innate psychological needs, namely: autonomy, competence and relatedness. Chaudhary (2012) elaborate on Ryan and Deci definition by defining intrinsic motivation as the motivation to engage in an activity for its own sake, out of interest or for the pleasure and satisfaction derived from the experience.

Intrinsically motivated employees like to have substantial freedom to make decisions, freedom to express creativity, opportunity for advancement, recognition for good work and so on. For such employees, external rewards such as food, money, praise and so on are not the main reason to engage in activities. Intrinsic motives can be satisfied by the work itself. In other words, the task itself is the main source of motivation, since it provides interest, stimulation, challenges, and opportunities for personal growth and

achievement to the individual. Intrinsically motivated behavior is the one that is determined by an individual's need for feeling competent and self-determining (Chaudhary, 2012).

Empowerment and Autonomy

Clutterbuck and Kernaghan (1994, 12-13) defined empowerment as encouraging and allowing employees to take personal responsibility for any improvement brought about in the performance of their assigned task whilst contributing to the attainment of the overall objective of the organization. In addition, Sibson (1994, 21) also defined empowerment as delegation of authority by the managers to each employee, mostly with respect to job practices and methods. More often than not, employees are of the view that they should be allowed to do their job in the best way they could, that is, making them to do their duties independently and allow them to have authority over the job by giving them a choice of assignment whenever it is possible.

Employee empowerment and autonomy grants people with responsibility and ability to act as if put people in control of their own destiny. Empowerment and autonomy not only increase employee effectiveness, efficiency and innovation but also serves as a booster to employee fulfilment, work motivation and trust in the organization. According to a survey conducted by Sibson (1994), over half of the respondents to the study said that they draw much of their job satisfaction and work motivations from work characteristics which provide feelings of control over work and independence of decision making. Improving autonomy and independence in the workplace can cause a transformation of the work experience leading to better performance (Clutterbuck & Kernaghan 1994, 12-13.)

Recognition and Employee Motivation

According to Kamalian, Yaghoubi and Moloudi, (2010, 165-171) rewards and recognition are essential factors in enhancing employee motivation and job satisfaction which is directly associated to organizational achievement. He posited that taking time to say you recognize them, makes the employees to do more than they would normally do. Recognition as an intrinsic motivation involves the psychological rewards gained by doing a job well. Recognition can be in the form verbal or written recognition of an employee's achievements, skills, or overall performance. He argued further that intrinsic rewards such as recognition tends to drive employee motivation on a day-to-day level, rather than the tangible rewards (Kamalian et al. 2010, 165-171).

Researches has shown that creating a workplace culture that celebrates and promotes the achievements of staffs through recognition and rewards are crucial for boosting employee motivation. A study conducted by Kamalian, Yaghoubi and Moloudi, examine the relationship between rewards and employee motivation in Pakistani commercial banks with focus on four types of rewards in which recognition was one of the variables revealed that recognition correlates significantly (0.65) with employee work motivation (Kamalian et al. 2010, 165-171).

Fairness of Treatment

Perception of fairness deals with how people feel about the distribution of rewards, opportunities and the process by which these are allocated and how people are treated. It is vital for the success of every organization because it can affect the long-term viability of any organization in terms of the relationship between the employer and employees. Therefore, organizations must strive to make sure that there is always the spirit of trust, sense of commitment and appreciable level of satisfaction among employees.

Research has demonstrated that fair treatment has important effects on individual employee attitudes, such as motivation, satisfaction, commitment and individual behavior. In agreement with this, Kamalian, Yaghoubi and Moloudi, asserted that in evaluating fairness, individual first assess the ratio of their contribution (input) to the resulting economic or social compensation (output) and then compare the ratio with that of referent others. Receiving comparatively too much (over-compensation) and too little (under-compensation) is evaluated as unfair, therefore individuals try to reduce unfairness by altering input (e.g. working less) or output (e.g. stealing from the company (Kamalian et al. 2010, 165-171).

Trust

Trust is defined as the perception of one about others, decision to act based on communication, behavior and their decision. Trust as a concept is complex and in order it to work, it requires both trusting beliefs and trusting intentions. In a study that took 30 years, the result clearly proved that trust is a factor that keeps people together. Trust creates an invisible bond between trusted people, whether they are colleagues, friends or classmates. In other words, trust enables us to make transactions with other trustworthy people and seclude the untrustworthy. In business, transactions are, whether material or immaterial, vital. If a certain organization suffers from culture of distrust among its employees and employer, this will possibly lead the organization to eventually underachieve in its business markets. Put differently, organizations that foster trust are generally more profitable.

Opportunities for Personal Development

Personal development opportunities affect employee motivation considerably. The quality and variety of employee training and development available at a workplace are key for employee motivation. An employee perception of opportunities for personal growth and development is one of the important predictors of employee motivation. Many employees want to move forward with their career and not remain stagnant. In an empirical study conducted by Quantum Workplace, employees listed professional growth opportunities as one of their highest drivers of motivation. Conversely, existing employees listed lack of growth opportunities as the second highest reason for leaving. The implication of the study result is that organizations that offers opportunities for employee development are likely to have high retention rate while lack of employee development opportunities will likely result in employee turnover.

2.4 Impacts of Employee Motivation on Employee Performance

Employee Motivation and Absenteeism

Various studies have attempted to examine the relationship between employee motivation and absenteeism. Absenteeism is defined as the non-attendance of employees for scheduled work. According to Latham, (2007) there is an inverse relationship between motivation and absenteeism. When motivation is high, absenteeism tends to be low and when motivation is low, absenteeism tends to be high. Even though this correlation has been found to be rather moderate, the underlying assumption is that absence is at least in part, the result of dissatisfaction on the job.

Absenteeism can be a major problem for organizations. As a result, more attention has been given to this phenomenon and numerous studies conducted to identify the cause of absenteeism. Probably one of the most common theories is the notion that absenteeism is caused by employees avoiding a painful or dissatisfying work situation. Although it is recognized that absenteeism may be caused by the employee's inability to come to work, motivation to attend work is assumed to be a major factor determining how often an employee is absent. To many in the world of work, absenteeism is one of those stubborn problems for which there is no clear culprit and no easy cure (Latham, 2007).

Furthermore, as a general phenomenon it does not discriminate against individuals on the basis of sex, race and religion. Latham further argued that employers have the right to expect good attendance from their employees as employment is a contract between two consenting parties. Early motivation researchers emphasized lack of employee motivation as the primary cause of absenteeism. They agreed that

absenteeism can be costly to organizations and enormous savings can be realized through effective management of nonattendance at work. The cost implications of absenteeism are influenced by dozens of interrelated factors which make it even more difficult to quantify, qualify or rectify.

Employee Motivation and Productivity

The relationship between employee motivation and employee productivity is not well established. However, the consensus is that motivation leads to increase productivity in the long run_ (Wentzel & Wigfield 2009). The strongest implication of much of the research is that the two variables, motivation and performance, are relatively independent of each other. There seems to be at least two possible reasons for this. The first is that in many jobs variations motivation cannot lead to variations in productivity. Secondly, even when correlations do appear, the associations may be spurious, since both may be associated with other factor. In other words, motivation and productivity may be well largely separate casual paths: one set of factors (e.g. investment in technology) determines productivity and another set (e.g. perceived equity of rewards) produces job-satisfaction (Westover, 2010).

There are some conditions under which high productivity more clearly leads to motivation. One condition is that the employees perceive that intrinsic and extrinsic rewards are contingent upon their productivity. The second condition is that the extrinsic rewards (pay for example) be distributed equitably. Inequitable distribution fails to convince the employees close correlations between hard works and rewards (Westover, 2010).

Efficiency increases as an organization finds new ways to use fewer resources to produce its output. In a business environment, productivity improvement is essential for long-run success. Through gains in efficiency managers can reduce costs, save scarce resources, and enhance profits. In turn, improved profits allow an organization to provide better pay, benefits, and working conditions. The result can be a higher quality of work employees, who are more likely to be motivated towards further improvement in productivity. (Wentzel & Wigfield, 2009).

Employee Motivation and Turnover

Employee turnover, basically means the percentage of employees who within a particular period of time opt to leave the company or business for other companies. This forces the company to replace them with new employees at an additional cost (Tracey & Hinkin, 2008, 12-27). This is a great loss for the company, given the fact that it has spent a lot of resources to perfect the skills of these employees, only to

have them leave the company and render their services to competitors. A company with a high rate of employee turnover faces greater risks of failed performances in the long run.

High employee turnover is of considerable concern for employers because it disrupts normal operations, causes morale problems for those that stick on, and increases the cost involved in selecting and training replacements. When employees leave the organization it costs the organization time and money to replace them, the total cost of which sometimes range from the 90%-200% of the annual salary for the position advertised. In addition to the obvious direct costs, there are a wide range of other direct and indirect costs associated with turnover, and organizations must attempt to avoid these costs at all times (Tracey & Hinkin, 2008, 12-27).

Employee Motivation and Safety Practices

Poor safety practices show a negative consequence of low motivation level. When people are discouraged about their jobs, organizations and supervisors, they are more predisposed to experience accidents. An underlying reason for such accidents is that discouragement may take one's attention away from the task at hand. Inattention leads directly to accidents. For example, many hand injuries from power tools can be attributed to the operator not paying cautious concentration (Wentzel & Wigfield, 2009). Chung-Lim & Wing-Tung (2006) conducted a study on classroom teachers in Hong Kong. The study shows that individuals who were dissatisfied with their work neglected workplace safety practices. British scientists have drawn similar conclusions. In a study involving over 1,000 employees, they found a negative correlation between job motivation and accident. It was also found that increased job motivation contributed to an improvement workplace safety practice (Kamalian et al. 2010, 165-171).

This chapter has presented a review of pertinent literature of employee motivation in organization and correlation between employee motivation and employee performance. Arising from this review, various researched theories have been presented. The chapter also presented more literatures on employee performance. It is therefore important for this research to provide empirical evidence of these theories. Research in this area will provide more knowledge on the extent to which these theories are relatable to Keski-Pohjanmaan Kirjapaino Oyj as a case study. The next chapter will present imperative research methods that will be used to conduct this research.

3 RESEARCH METHODOLOGY

This chapter presents the research methodology that was used to conduct this study thus, it focused on the following: research approach, data collection and analysis, ethical considerations and research limitations.

3.1 Research Process



FIGURE 6: The Research Process
Adapted from Quinlan (2011: 177)

3.2 Restatement of Research Objectives and Questions

The primary aim of this study is to examine the factors influencing employee motivation and its impacts on employee performance in Keski-Pohjanmaan Kirjapaino Oyj and consequently develop strategies on how to improve work motivation and boost job performance at the case company. This automatically leads to the evaluation of the objectives of the study and based on this research questions were identified.

Specifically, the following objectives are highlighted for this study:

- To identify the intrinsic and extrinsic motivators at the case company.
- To examine the connection between motivation and performance.
- To ascertain the impact of motivation on employee performance.
- To investigate whether lack of motivation is responsible for employee absenteeism, employee turnover and safety practice at workplace.

Subsequently, from the objectives, the following research questions were raised:

- What are the intrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?
- What are the extrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?
- What impact does employee motivation have on employee performance at Keski-Pohjanmaan Kirjapaino Oyj?
- In what ways could motivation be improved in Keski-Pohjanmaan Kirjapaino Oyj?

3.3 Research Design and Methods

Research design relates to the design, process, strategies and techniques adopted in investigating or re-visiting a research topic. Research design can have a number of classification which could incorporate the degree to which the research question has been crystallized, the purpose of the study being carried out, the method of data collection, the focus of the study, the ability of the researcher to produce effects in the variables which are being studied, the time dimension, and also the research environment. Few examples of research designs are descriptive, correlational, semi-experimental, experimental, review and meta-analytic. After a major study of the relevant research designs, the researcher identified that descriptive research design is the most appropriate for this study. The justification for this is that a descriptive study collects data in order to answer questions about current status of the subject or topic of study. The researcher believed that a descriptive research design was appropriate for this study because this study was concerned with finding out what the factors are, that influence motivation of employees and how motivation affects the employee performance in the organization.

Research methodology connotes the whole method that a researcher engages in collecting data with the objective of conducting research and effectively drawing a logical and realistic conclusion. According to Lewis, Saunders & Thornhill (2003) research methodology is a structured means of investigation aimed at identifying variables and their relationship to one another and this is basically used for the purpose of gathering data for the research hypotheses to be tested by the researcher or provide answers to the research questions. (Lewis et al. 2003) highlighted three forms of research methodologies; qualitative, quantitative or mixed research method.

Qualitative Research

Qualitative research method is used when straight descriptions of phenomena are desired (Lewis et al. 2003). Lewis, Saunders & Thornhill (2003) argue that a qualitative research design is a non-numerical method that serves the purpose of description, interpretation, verification and evaluation and which does not allow the researcher to find cause-and-effect relationships in order to answer questions such as what caused what? or Why did such-and-such happen? This is not fit for this study because it explores experiences, perceptions and understanding of the respondents. The qualitative research method is advantageous when using a focus group discussion because it captures the observations on a specific area of interest in a liberal, non-threatening atmosphere.

Quantitative Research

This is the kind of research that is largely used as a substitute for any data gathering approach (e.g. questionnaire) or data analysis procedure (e.g. graphs or statistics) that produces or engages numerical data. Quantitative research method also answers the questions of why, how, what is the effect of one variable on the other (Brians et al. 2011).

Mixed Method Research

This method is described as the combination of both qualitative and quantitative research approach for purposes of having a good understanding and rationale of the two approaches (Brians et al. 2011; Lewis et al. 2003). Under this method, the quantitative and qualitative data gathering, and analysis stages can be done together or chronologically. The adoption of mixed method is more challenging in terms of time consumption, costs and the process of gathering the data under this approach is cumbersome (Lewis et al. 2003).

3.3.1 Research Design and Methodology adopted for this Research

This study adopts the quantitative research method which is in line with the descriptive research design. This was hinged on the need to collect data at a particular period from selected respondents. It could be argued though that quantitative research method is appropriate only when the research population is large. The researcher considers the qualitative research method appropriate for this study because it enhances the generalization of the results as well as given room for a greater objectivity and accuracy of results (Brians et al. 2011). Moreover, it gives the opportunity to ask a series of questions from the respective respondents and can make a summary of their responses using percentages, frequency counts or more advanced statistical indexes. The overall success of data generation and satisfactory response in

any research effort is a function of efficient, effective administration and implementation of any survey research, which also relates to issues such as questionnaire design (Osuagwu, 2006).

This study made use of primary and secondary data. The primary data is given the higher priority because it is more reliable. Nevertheless, secondary data source such as information obtained from journals or publications were equally used for this research. Secondary data is also known as second hand data which can be said to be the edited version of primary data by someone else. It saves a lot of time and money to explore the information on same kinds of issues (Lewis et al. 2003). A structured questionnaire was used to collect the data. Structured questionnaire is used to gain understanding into what factor keep employee motivated to work for the company especially in light of recent changes in the organization. Structured questionnaire is considered to be very useful in the research project as it assures a high response rate, accurate sampling and minimum bias (Lewis et al. 2003).

With the help of personal contact with other co-employees of Keski-Pohjanmaan Kirjapaino Oyj and questionnaires the researcher was also able to gather reliable and necessary information to draw a conclusion for the research. The questionnaire had both opened and closed ended questions. Both the opened and closed ended questions were very precise as much as possible so as to make the questionnaire more effective and efficient. In addition, nominal style and ordinal or Likert style were used to structure the questionnaire. The nominal method is used to identify rather than measure whereas, ordinal is designed to measure a person's attitude towards a certain concept or statement.

To make the questionnaire understandable, it was divided into four parts. The first part was designed to analyze demographic data, which focused on collecting the respondent's personality characteristics deemed to contribute to the factors that influence employee motivation and how it impacts on the employee performance. The second part looked at extrinsic factors that influence the level of employee motivation at Keski-Pohjanmaan Kirjapaino Oyj. This section consisted of questions that were based on the identified extrinsic factors studied in the literature review with an aim of determining if they apply to Keski-Pohjanmaan Kirjapaino Oyj. There were five multiple choice options for each question, representing five levels of preference; Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree.

The third part of the questionnaire looked at the intrinsic factors that influence the level of employee job satisfaction at Keski-Pohjanmaan Kirjapaino Oyj. Five multiple choice options for each question was

adopted, representing five levels of preference; Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree. The fourth part of the questionnaire assessed the impact of employee motivation on his/her performance at Keski-Pohjanmaan Kirjapaino Oyj. This section consisted of questions with five multiple choice options for each question, representing five levels of preference; Strongly Disagree, Disagree, Neutral, Agree, and Strongly Agree. The sample size of the questionnaire was 36 individuals, which was quite appropriate considering the number of employees working for the case company. All the 36 questionnaires sent out were duly answered and returned.

3.4 Ethical Consideration

To maintain moral and ethical behavior, all the required methods have been followed in this research study. Osuagwu (2006) stated that the procedure of the survey should be outlined, and individuals involved in the survey should be aware of the possible harm (Lewis et al. 2003). In this research study, respondents were previously informed about the purpose as well as the process of the research. Additionally, participants were given the option to choose whether or not they wanted to participate in the survey. The participation was strictly based on the voluntary basis. No personal identifiable information has been collected from respondents and their participation was based on voluntary basis, thus, the privacy and confidentiality of individuals participating in the survey were maintained throughout the research. The researcher should inform the participants about the purpose, methods used in the study, the risks involved, and the demands placed upon them as participants (Osuagwu, 2006).

3.5 Research Limitations

There were some limitations encountered in the conduct of this research study. The main limitation existed in the sample group, as it was quite small. Therefore, the diversity in the answers could have been limited. Additionally, the time frame also created a problem as the research project was during a period of 4 months. It is argued that survey with time constraints limits the responds, as they feel overloaded with work (Osuagwu, 2006). Moreover, there was always a risk of insufficient response to the survey. However, the response rate was quite good, where 36 out of 36 people answered.

This chapter has presented the research methodology that was used in analyzing the research questions. The study population consisted of 36 employees at Keski-Pohjanmaan Kirjapaino Oyj. The study relied entirely on primary data which was collected from the correspondents (Keski-Pohjanmaan Kirjapaino Oyj) using a structured questionnaire. Descriptive analysis and correlation test were used to analyze the results of the study. The results and findings of this study are presented in chapter five.

4 RESEARCH ANALYSIS

This chapter discusses the results of the findings of the data analyzed from the questionnaires. The data was analyzed based on the research objectives and questionnaire items using a statistical tool, to generate frequency distribution tables, means, charts, graphs and the results of analysis presented

4.1 Response Rate

Brians et al. (2011) defines the response rate as the extent to which the final set of data includes all sample members and it is calculated as from the number of people with whom interviews are completed divided by the total number of people in the entire sample, including those who refused to participate and those who were unavailable. A sample size of 36 respondents from the 36-questionnaire issued dully filled and returned the form, giving a proportion of 100% which was a perfect result. This was possible as a result of close follow-up on the respondents by the author.

4.2 General Information on Respondents

In section I of the questionnaire, the researcher asked the respondents some of the basic information in order to establish the grounds for the study. The following are some the results that were obtained with regard to the general information.

Classification of respondents by gender

Figure 6 is indicative of the results which were determined when the respondents were asked to indicate their gender. Eighty-eight-point nine percent of the respondents ($n = 32$) indicated that they are men which is very understandable in the kind of industry and service Keski-Pohjanmaan Kirjapaino Oyj operates. Eleven-point-one percent of the respondents ($n = 4$) indicated that they were women.

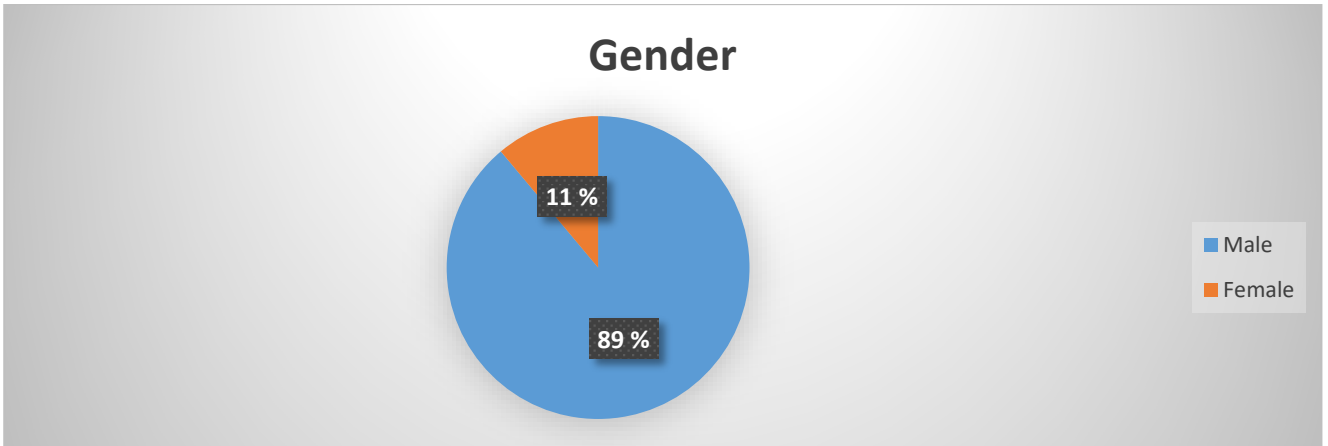


FIGURE 7

Classification of respondents by age

Figure 7 represents the age distribution of the respondents in the survey. The age range on the frequency distribution table ranges from 21-52. Twelve respondents were of age range 21-24. Ten respondents were of the age range 25-29. Nine of the respondents were between the ages of 30-37. Three respondents were of the age range 38-45, and the remaining two respondents were between ages 46-52

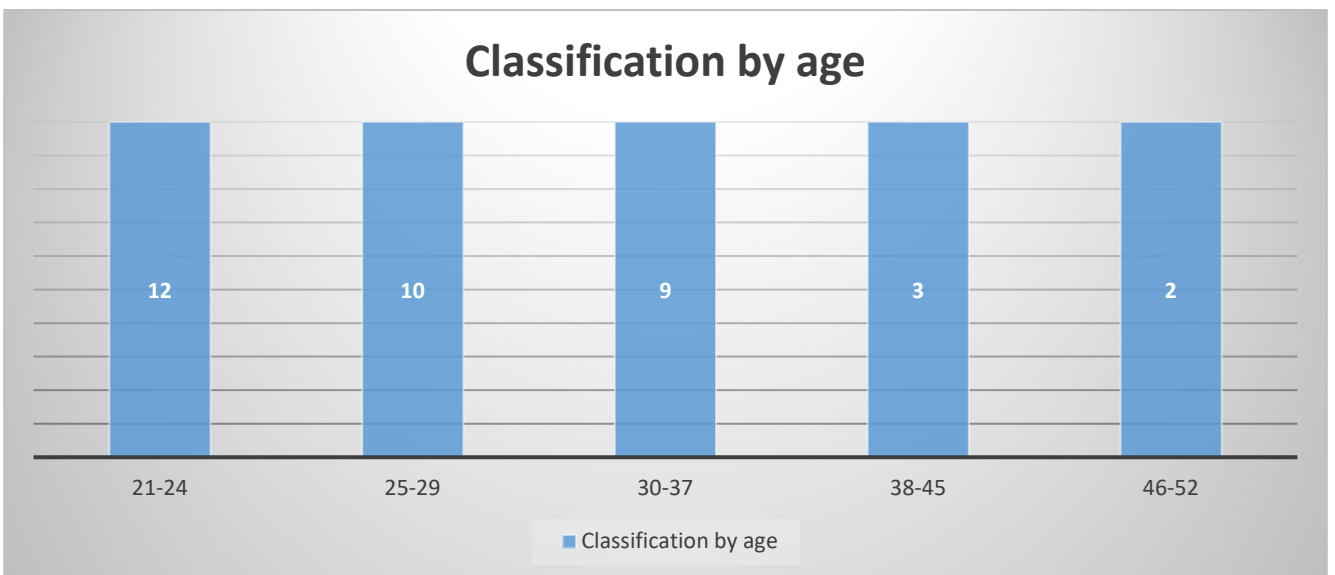


FIGURE 8

Classification of respondents by marital status

Figure 8 demonstrate the frequency distribution of the marital status of the employees in the survey. Fourteen respondents indicated that they are single, while twenty respondents indicated that they are married. Two employees were reported missing.

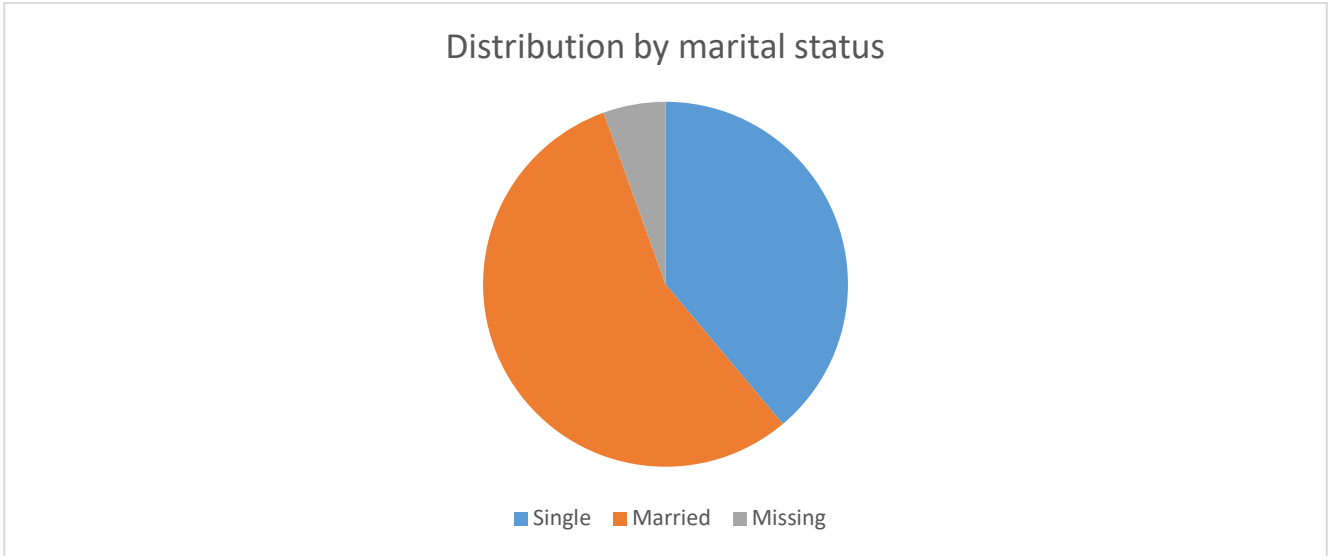


FIGURE 9

Classification of respondents by work area/departments

The author asked the respondents to indicate their work area in order to determine if there is variation in employee motivational factors in different work areas. Figure 9 is an indicative of the results which were obtained. Ninety-two percent (n = 33) of the respondents indicated that they belong to early morning deliverer, five percent (n = 2) were first-line supervisor and three percent (n = 1) indicated that he is a manager.

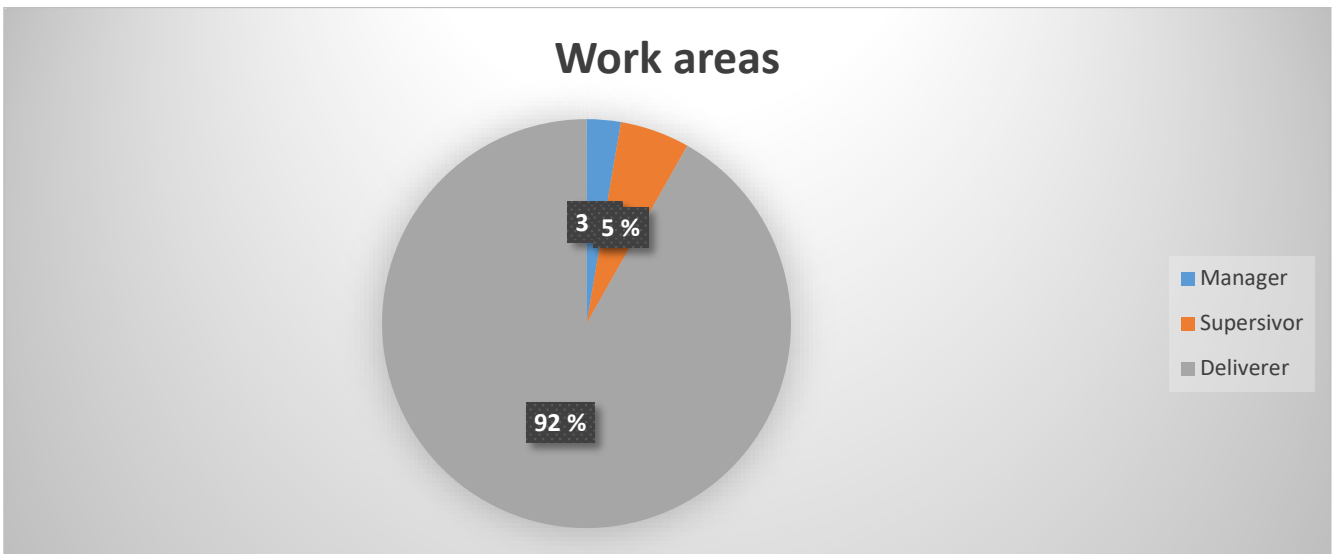


FIGURE 10

Classification of respondents by number of working years

Figure 10 shows the results that were derived when the respondents were classified by their years of work in the organization. This helped to observe different perspectives of employees. Twenty-four respondents indicated that they have been working in the organization since the organization began operation in June 2014. Five respondents indicated that they had worked in the organization for between 2 years. Another five respondents indicated that they had worked with the company for one year while the remaining two respondents indicated that they had worked in the organization for less than one year. As can be seen, employees in Keski-Pohjanmaan Kirjapaino Oyj have been loyal to the organization, as majority of the employee started with the company when it began newspaper delivery in June 2014. With the increasing trend of people shifting jobs due to lack of motivation, Keski-Pohjanmaan Kirjapaino Oyj can be categorized as a successful company to hold on to its employees for such long time.

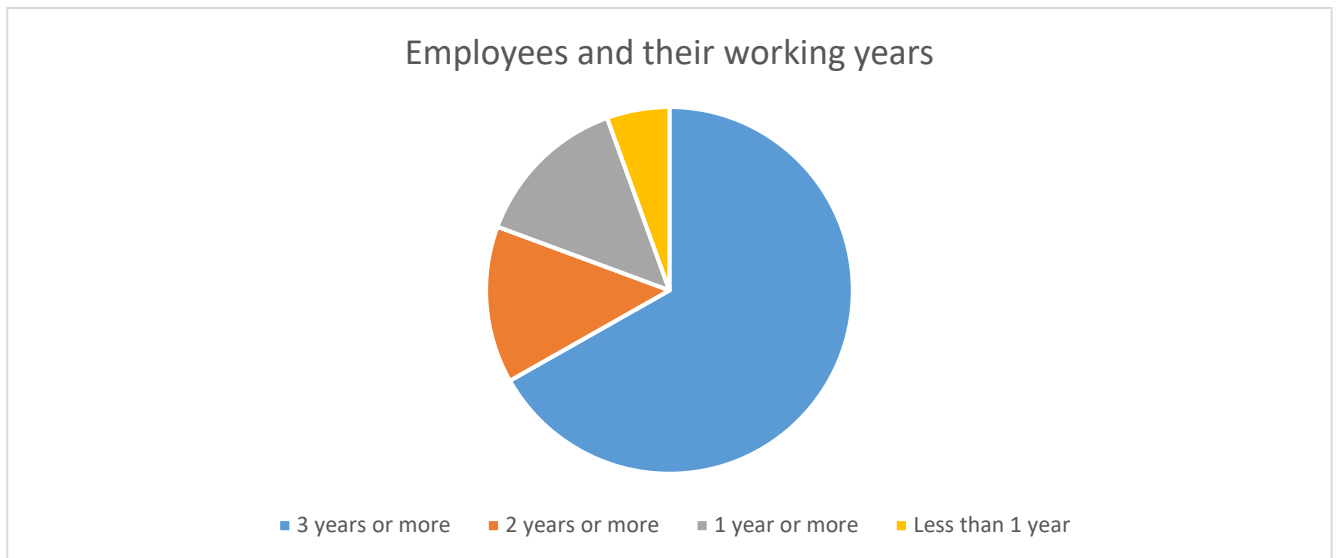


FIGURE 11

Classification of respondents by contract terms

Figure 11 shows the frequency distribution of contract terms based on the survey conducted on Keski-Pohjanmaan Kirjapaino Oyj employees. Thirty respondents indicated that they have a permanent contract while the remaining six indicated that they have fixed term contract.

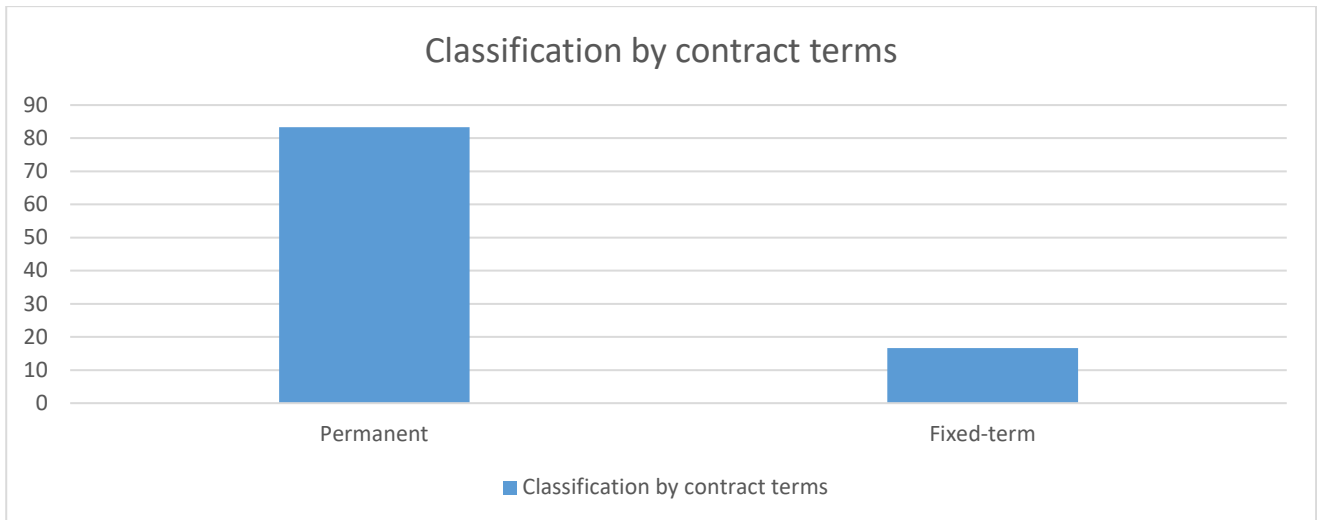


FIGURE 12

4.3 Extrinsic Factors that influences employee motivation

This part of the questionnaire seeks to establish respondent's potential extrinsic motivators. There were five multiple choice options for each question, representing five levels of preference; Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree.

The Leadership Style Influences on Employee Motivation

Figure 12 shows the results which were obtained when the respondents were asked to indicate if they agreed that the leadership style within the organization affects employee motivation levels. 5.5% (n = 2) indicate that they strongly disagreed that the leadership style within the organization affects employee motivation levels. 13.8% of the respondents (n = 5) were noncommittal and indicated that they neither agreed nor disagreed that the leadership style affects employee motivation level. 13.8% (n = 5) indicate that they disagree on the influence of leadership style on employee motivation. On the other hand, 27.7% of the respondents (n = 10) indicate that they agree while 38.3% of the respondents (n = 14) indicated that they strongly agree that leadership style within the organization affects employee motivation levels.

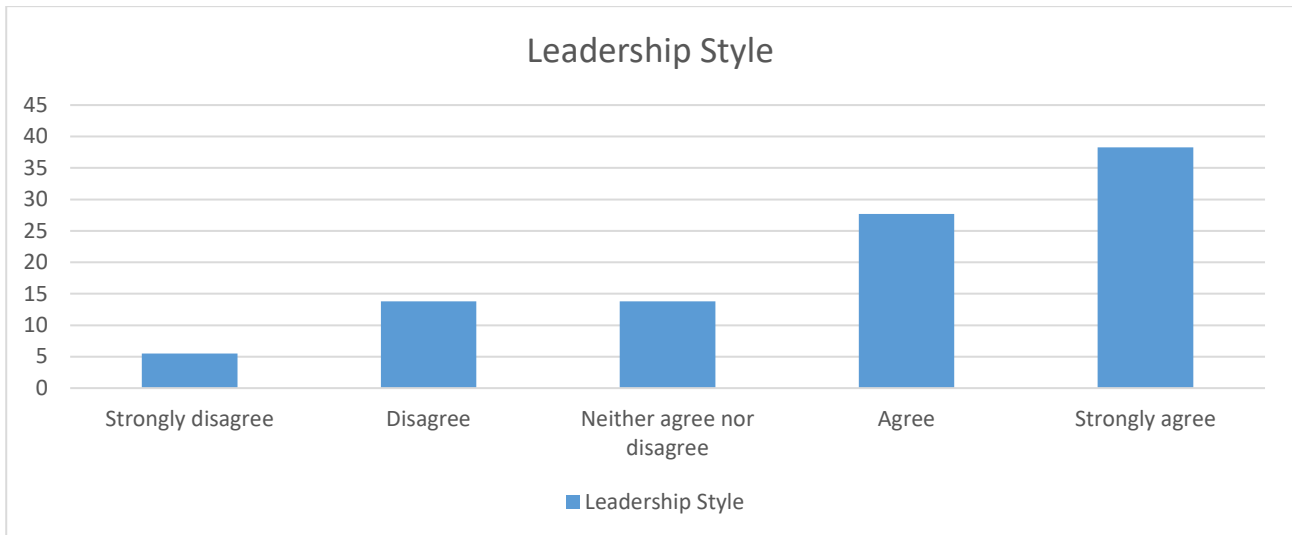


FIGURE 13

Job Security

With this statement, 74.8 % of the respondents strongly agree and 25.2 % agree that provision of job security influenced their motivational level. Nobody completely disagrees which is an indication that Keski-Pohjanmaan Kirjapaino Oyj provides job security for its employees. Different work groups were examined using crosstabs in which none of them disagree with the statement. Early morning deliverers are the most pleased ones with the job security as 94.4 % of them strongly agree.

Effective Dissemination of Information Influences Motivation

Figure 13 shows the results obtained when respondents were asked if they agreed that effective dissemination of information within the organization influenced their level of motivation. The result obtained shows that 2.8% (n = 1) of the respondents indicated that they strongly disagreed that effective dissemination of information within the organization influenced their level of motivation. Four respondents (11.1%) indicated that they disagreed. 16.6% (n = 6) of the respondents indicated that they neither agreed nor disagreed that effective dissemination of information within the organization influenced their level of motivation. 33.3% (n = 12) of the respondents and 36.1% (n = 13) indicated that they agreed and strongly agreed respectively that effective dissemination of information within the organization influenced their level of motivation.

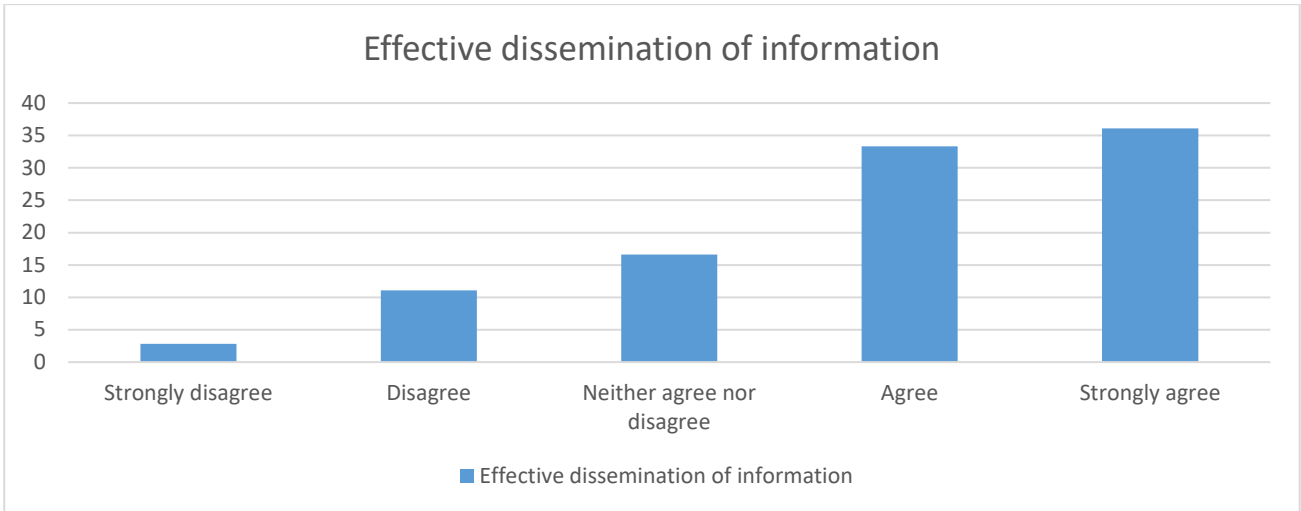


FIGURE 14

Salary/Monetary Compensation Influences Motivation

Figure 14 shows the results that were obtained when the respondents were asked to indicate their level of agreement with the assertion that monetary compensations, incentives, bonuses or salary structure influenced employee’s motivation levels. 11.1% of the respondents (n =4) and 5.5% of the respondents (n = 2) indicated that they strongly disagree and disagree respectively that monetary compensations or salary structure influenced the employee’s motivation levels. 25% of the respondents (n = 9) indicated that they neither agreed nor disagreed that monetary compensation or salary influenced the employee motivation levels. 22.2% (n =8) of the remaining respondents indicated that they agree while 36.1% (n =13) indicated that they strongly agree that monetary compensations or salary structure influenced the employee motivation levels

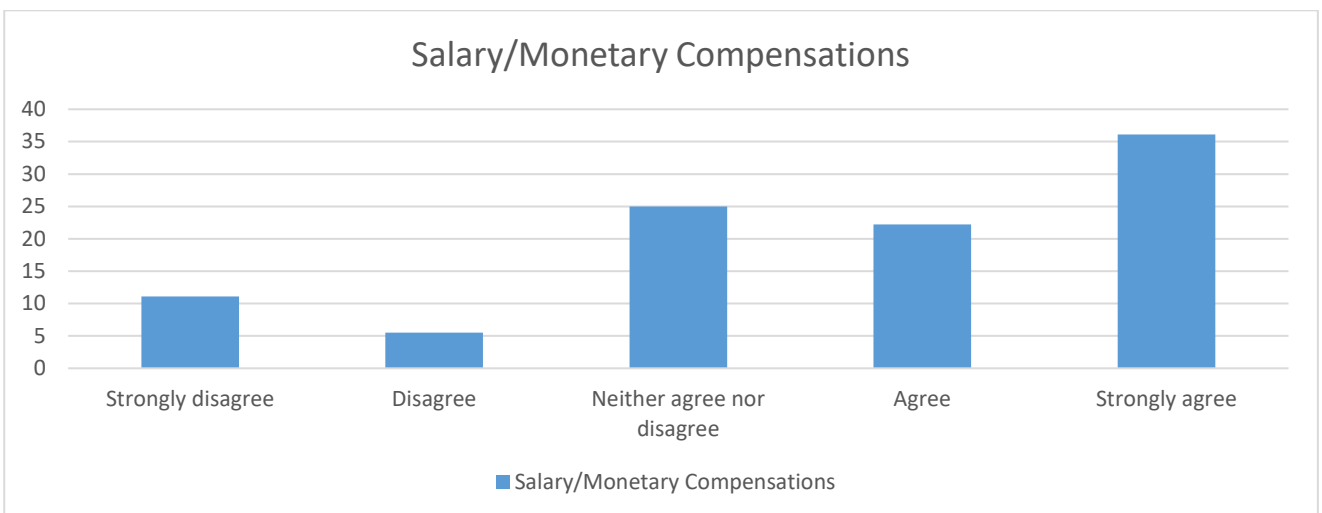


FIGURE 15

Employee Motivation is influenced by the Nature of Job they do

The respondents were asked whether they thought that employee motivation was influenced by the nature of jobs that the employees do. Figure 15 is a column representation of the results generated. 63.8% of the respondents (n = 23) answered that they strongly disagreed. 13.8% of the respondents (n = 5) disagreed, while 0% (n = 0) neither agreed nor disagreed that employee motivation was influenced by the nature of jobs that the employees do. 16.6% (n = 6) and 5.5% (n = 2) of the respondents indicated that they agreed and strongly agreed respectively that employee motivation was influenced by the nature of jobs that the employees do.

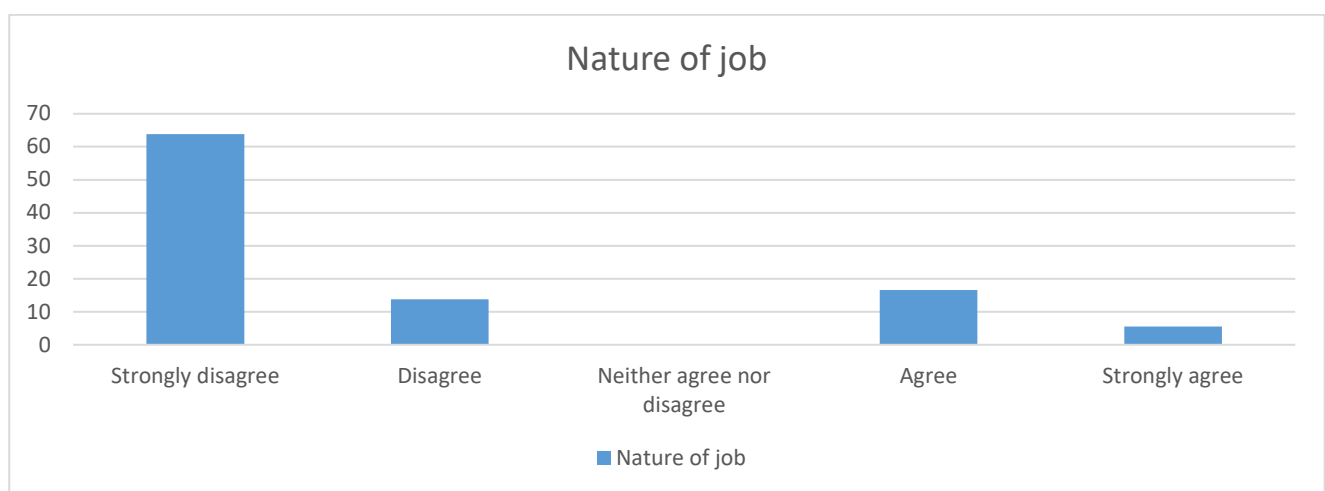


FIGURE 16

4.4 Intrinsic Factors that influences employee motivation

This part of the questionnaire seeks to establish respondent's potential intrinsic motivators. There were five multiple choice options for each question, representing five levels of preference; Strongly Disagree, Disagree, Neither Agree nor Disagree, Agree, and Strongly Agree.

Employee Empowerment and Autonomy Influences Motivation

Figure 16 shows the results that were generated when respondents were asked if the level of employee empowerment and autonomy influenced motivation. 4.5% of the respondents (n=2) indicated that they strongly disagreed that the level of employee empowerment and autonomy influenced motivation. 8.3% of the respondents (n=3) indicated that they disagreed that the level of employee empowerment and autonomy influenced motivation. 19.4% of the respondents (n=5) indicated that they neither agreed nor

disagreed that the level of employee empowerment and autonomy influenced motivation. 47.2% of the respondents (n=17) and 25% of the respondents (n=9) respectively.

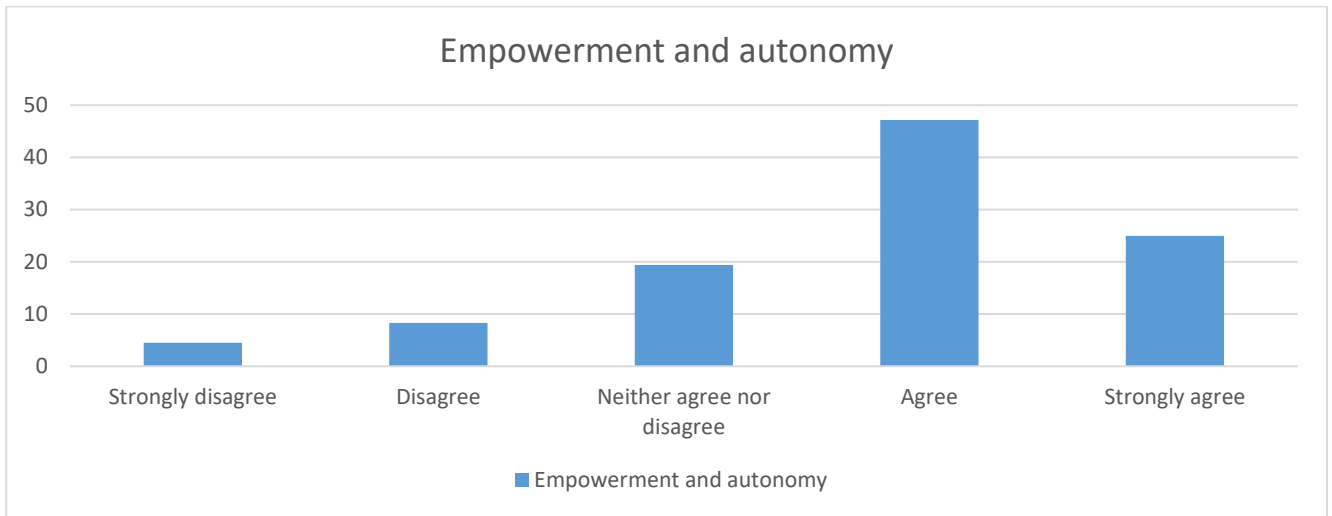


FIGURE 17

Fairness in Treatment of Employee Influences Motivation

Figure 17 shows the findings when the respondents were asked to indicate whether they thought that the level of fairness in treatment of employees influences job motivation. 5.5% of the respondents (n=2) indicated that they strongly disagreed that the level of fairness in treatment of employees influences job motivation. 2.7% of the respondent (n=1) indicated that they disagreed while 19.4% of the respondent (n=7) neither agreed nor disagreed that the level of fairness in treatment of employees influences job motivation. 38.8% (n=14) and 33.3% (n=12) of the respondents indicated that they agreed and strongly disagreed respectively that the level of fairness in treatment of employees influences job motivation.

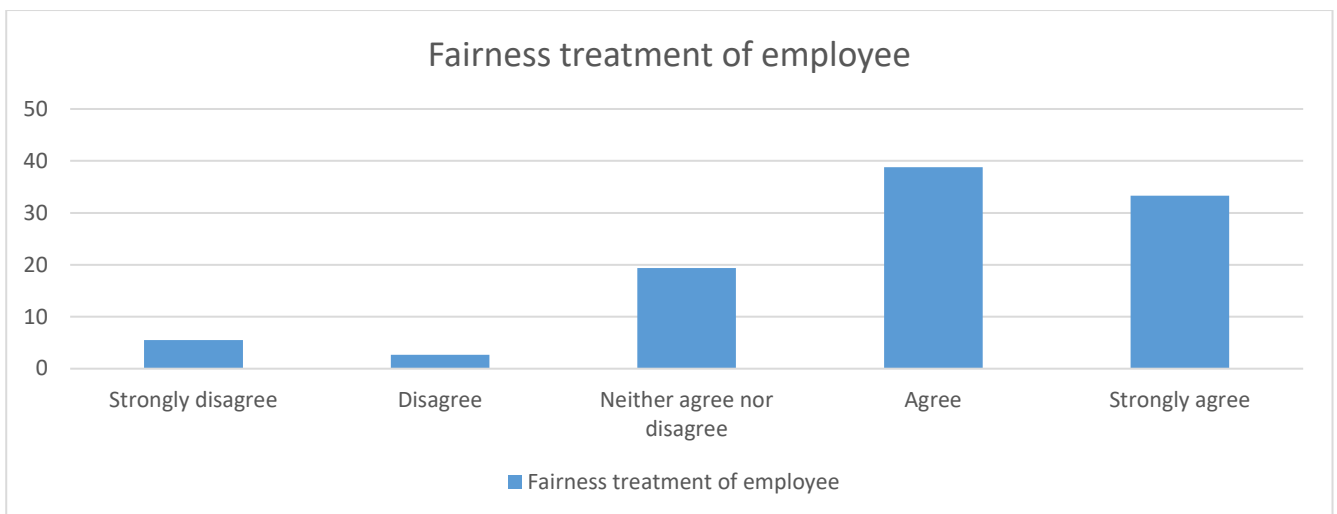


FIGURE 18

Opportunity for Personal Development Influences Motivation

Figure 18 shows the respondents responses when the researcher asked them if they agree that opportunities for personal development of employee responsibilities within the organization impacted on their overall motivation. 2% of the respondents (n=1) indicated that they strongly disagree while 8.3% (n=3) indicated that they disagree that opportunities for personal development at the workplace influences their perception of motivation. 13% of the respondents (n=5) indicated that they neither agreed nor disagreed that opportunities for personal development influences their perception of motivation. The rest of the respondents comprising of 42.7% (n = 15) and 33.3% (n = 12) indicated that they agreed and strongly agreed respectively.

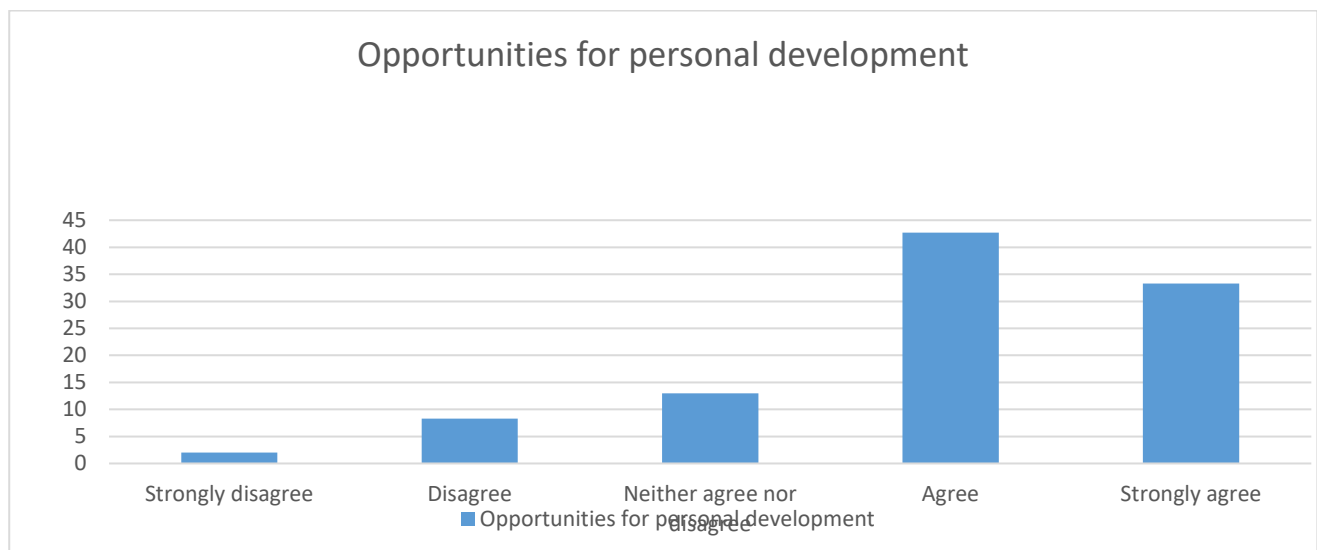


FIGURE 19

Trust Exhibited at the Workplace Influences Motivation

The respondents were asked whether they agreed or disagreed that the degree of trust that is exhibited at the workplace influences their perception of motivation. 4% of the respondents (n=1) strongly disagree that the level of trust exhibited influences their perception of motivation. 24% of the respondents (n=8) indicated that they disagreed that trust that is exhibited at the workplace influences their perception of motivation. 31% of the respondents (n=11) indicated that they neither agreed nor disagreed that the level of trust exhibited influences their perception of motivation. Of rest of the respondents, 22.2% (n=8) and 19.4% respondents (n=7) indicated that they agreed and strongly agree respectively that the level of trust exhibited influences their perception of motivation. Figure 19 shows the results that were obtained from these findings.

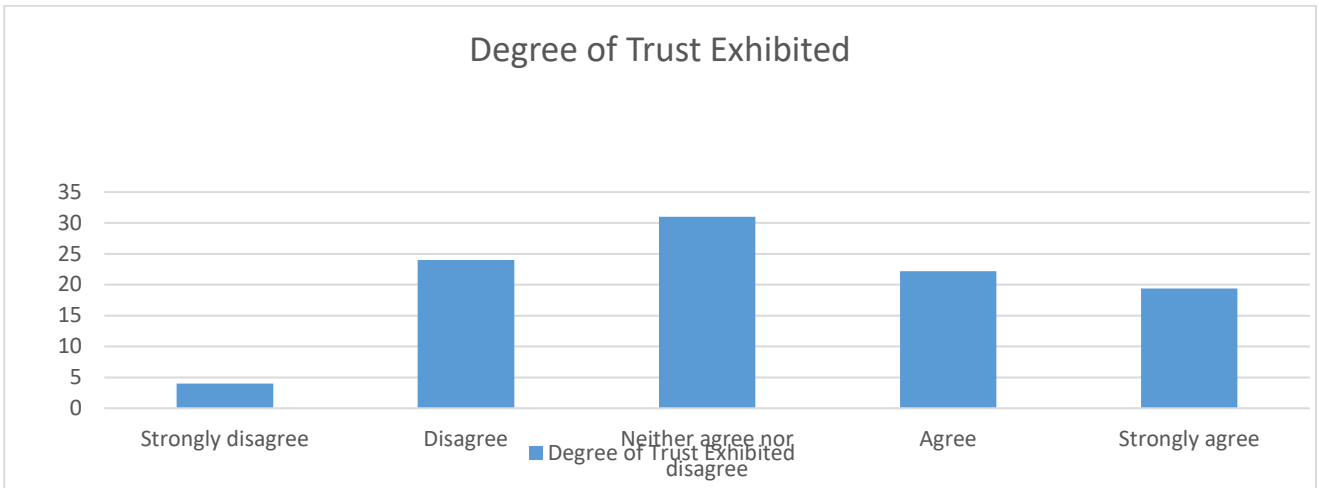


FIGURE 20

Employee Recognition Influences Motivation

Figure 20 shows the results obtained when respondents were asked if they agreed that recognition of employee influenced their level of motivation. The result obtained shows that 2.8% (n = 1) of the respondents indicated that they strongly disagreed that recognition of employee influenced their level of motivation. Four respondents (11.1%) indicated that they disagreed. 16.6% (n = 6) of the respondents indicated that they neither agreed nor disagreed that that recognition of employee influenced their level of motivation. 33.3% (n = 12) of the respondents and 36.1% (n = 13) indicated that they agreed and strongly agreed respectively that recognition of employee influenced their level of motivation.

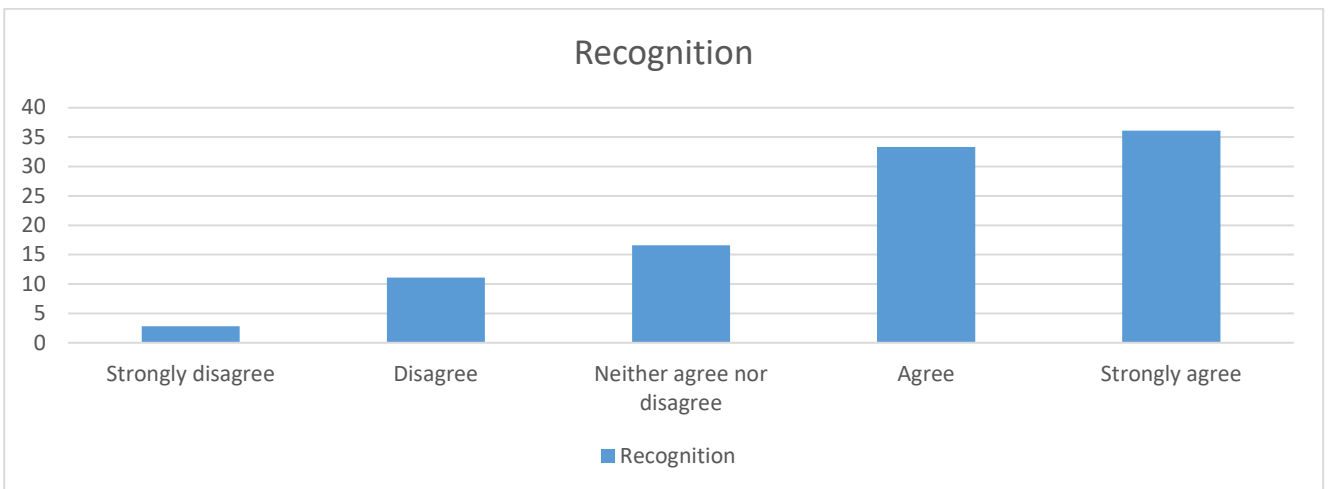


FIGURE 21

4.5 Impacts of Employee Motivation on Employee Performance

This part of the survey seeks to establish links and connection between employee motivation and employee performance. Survey questions were formulated from the literature review

Employee Motivation Directly Impacts on Absenteeism

The respondents were asked to show their level of agreement or disagreement with the assertion that employee motivation directly impacted on absenteeism levels in the organization. 16.6% of the respondents (n=6) indicated that they disagreed that employee motivation directly impacted on absenteeism levels in the organization. 2.7% of the respondents (n=1) strongly disagreed while 19.4% of the respondents (n=7) neither agreed nor disagreed that employee motivation directly impacted on absenteeism levels in the organization. 8.3% of the respondents (n=3) and 52.7% (n=19) indicated that they agreed and strongly agreed respectively that employee motivation directly impacted on absenteeism levels in the organization. The majority who agreed to this assertion pointed that motivated workers have better attendance while the demotivated members seek several reasons to skip the task. Sudden sick leave on minor case, unspecified absence, application for several off days are some examples which can be easily noted in the organization. Figure 21 is indicative of these results.

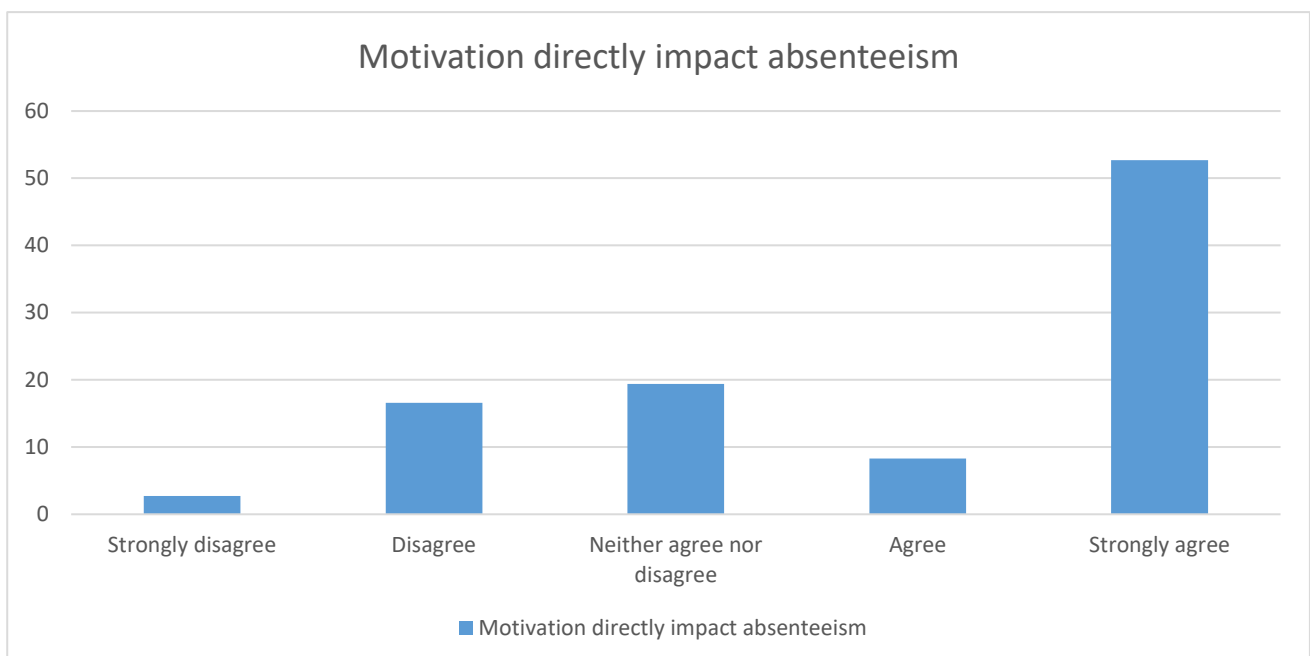


FIGURE 22

Employee Motivation Directly Influences Employee Productivity

Table 22 shows the results that were obtained when the respondents were asked whether they agreed that employee motivation impacted on employee profitability. 4% of the respondents (n=1) and 13.8% (n=5) indicated that they strongly disagreed and disagreed respectively that employee motivation impacted on the employee profitability. 11% of the respondents (n=4) indicated that they neither agreed nor disagreed that employee motivation impacted on the employee profitability. The rest of the respondents comprising of 33.3% of the respondents (n=12) and 38.8% of the respondents (n=14) indicated that they agreed and strongly agreed respectively that employee motivation impacted on the employee profitability.

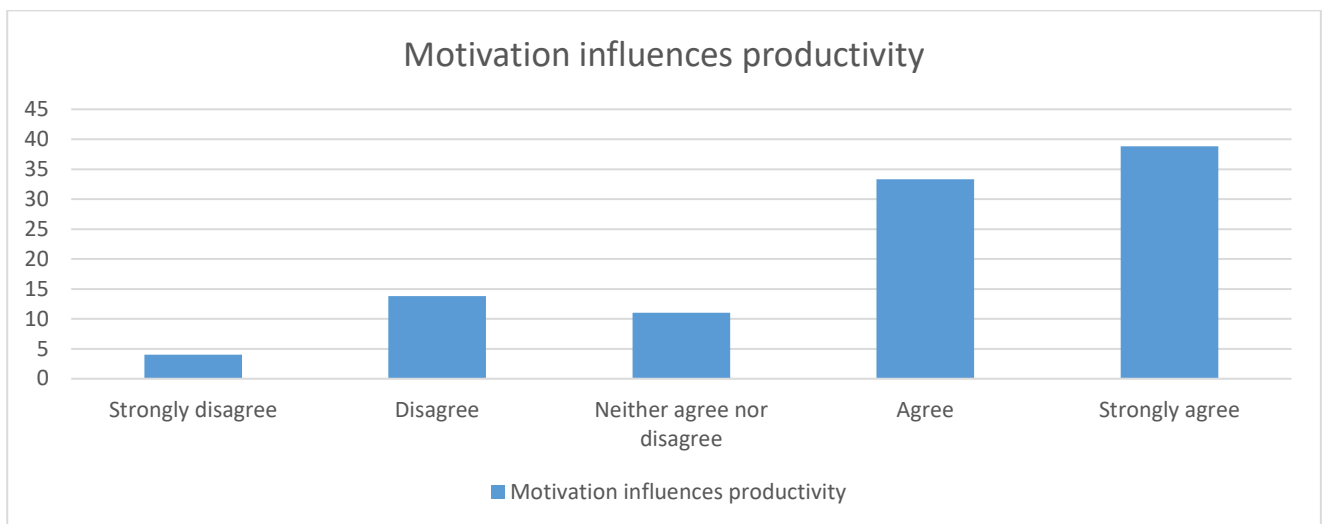


FIGURE 23

Employee Motivation Directly Related to Employee Turnover

The respondents were asked to indicate whether they agreed or disagreed that the degree of employee motivation was directly related to employee turnover. 30.5% of the respondents (n=) and 55.5% of the respondents (n=20) indicated that they agreed and strongly agreed respectively that the degree of employee motivation was directly related to employee turnover. 2.7% of the respondents (n=1) indicated that they neither agreed nor disagreed that the degree of employee motivation was directly related to employee turnover. On the other hand, 5.5% (n=2) and 5.5% of the respondents (n=2) disagreed and strongly disagreed that the degree of employee motivation was directly related to employee turnover. Figure 23 shows these findings.

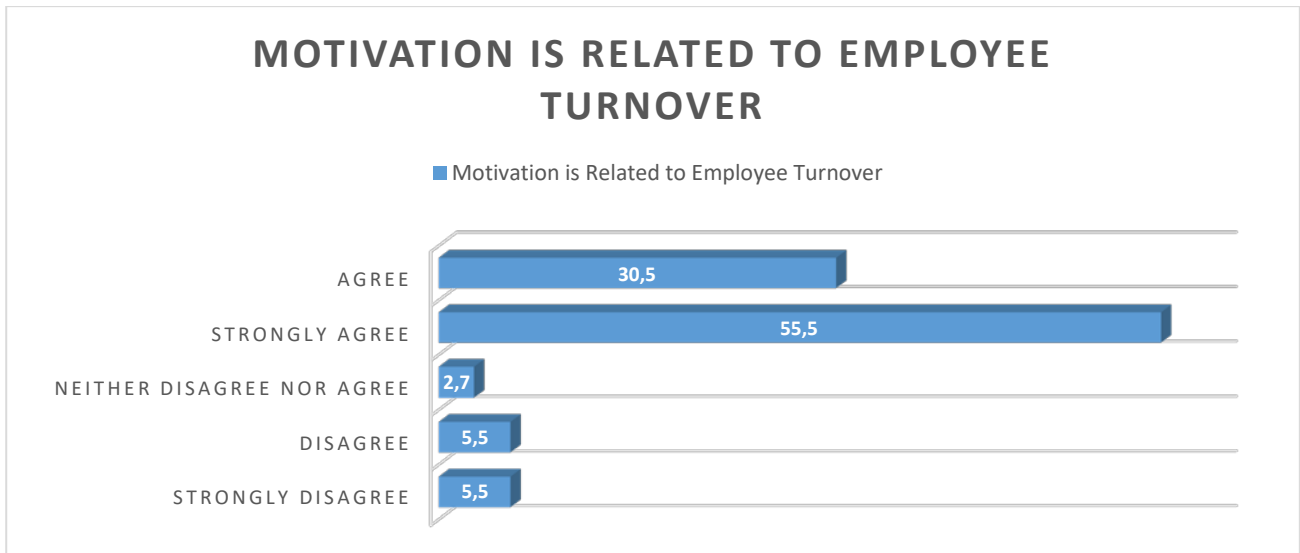


FIGURE 24

Employee Motivation Impacts on Employee Safety Practices

The researcher asked respondents to indicate whether they agreed or disagreed that the level of employee motivation impacted on the employee safety practices. 6% of the respondents (n=2) and 25% of the respondents (n=9) strongly disagreed and disagreed respectively that the level of employee motivation impacted on the employee safety practices. 38.8% of the respondents (n=14) indicated that they neither agreed nor disagreed. The rest of the respondents comprising of 22.2% of the respondents (n=8) and 8.3% of the respondents (n=3) indicated that they agreed and strongly agreed respectively that the level of employee motivation impacted on the employee safety practices. Figure 24 is indicative of the results.

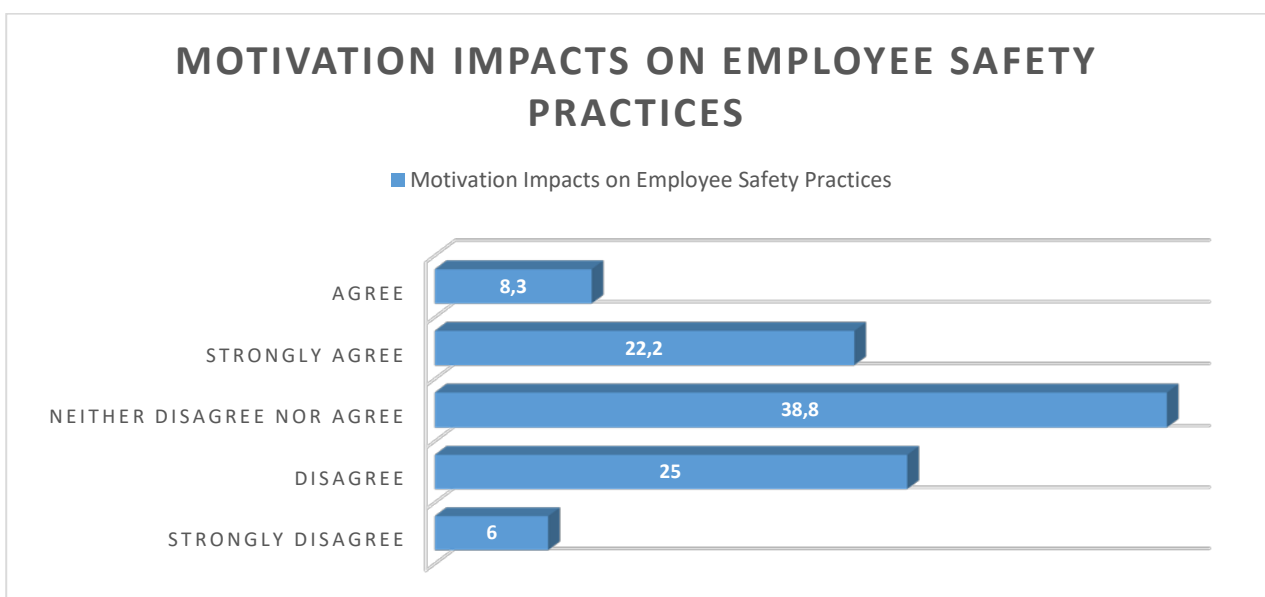


FIGURE 25

This Chapter has presented the data that was obtained from the field study. Descriptive statistics was used to represent the data and consequently, bar graphs and pie charts have been used to present the data. The chapter has also shown the results of the correlation analysis. Chapter 5 provides the summary, discussion of the findings, conclusion and recommendations.

5 DISCUSSION, SUMMARY AND CONCLUSION

This chapter addresses the results and findings on the factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj. The findings are outlined according to specific objectives of the study. The findings are based on the responses from the questionnaire filled and gathered on research questions. The researcher provides a discussion on the basis of the findings of the research as compared to the findings in the literature review based on the specific objectives. Conclusion and recommendations are further provided.

The purpose of the study was to determine the factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj. The study was guided by the following research questions:

- (i) What are the intrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?
- (ii) What are the extrinsic factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj?
- (iii) What impact does employee motivation have on employee performance at Keski-Pohjanmaan Kirjapaino Oyj?
- (iv) In what ways could motivation be improved in Keski-Pohjanmaan Kirjapaino Oyj?

The research adopted a descriptive research design, with Keski-Pohjanmaan Kirjapaino Oyj being the case company. The population for the study were employees of Keski-Pohjanmaan Kirjapaino Oyj since this is the organization under study. The population comprised a total of 36 employees from various functions within the organization. Data was collected through questionnaire entered into Excel Spread Sheet to enable the carrying out of the analysis. This study used descriptive statistical methods such as frequency and percentages. The analyzed data was presented in the form of tables and figures according to the research questions.

The first research question looked at the extrinsic factors influencing the level of employee motivation at Keski-Pohjanmaan Kirjapaino Oyj. Most respondents cited that leadership style, good environment to work salaries and other forms of incentives given by the company were the most important extrinsic factors that influenced employee motivation. The least important extrinsic factors identified by the respondents were influence by nature of job and effective dissemination of information.

The second research question looked at the intrinsic factors influencing employee motivation at Keski-Pohjanmaan Kirjapaino Oyj. The study found that intrinsic factors such as empowerment and autonomy, opportunity for personal development and trust exhibited at the workplace were the most highly cited

intrinsic factors influencing employee motivation. The least cited intrinsic factors influencing employee motivation include fairness in treatment and recognition.

The third research question addressed the impact of employee motivation on the level of employee performance Keski-Pohjanmaan Kirjapaino Oyj. The study found that most respondents felt that absenteeism, employee productivity, employee turnover affects employee motivation. The least identified factors affecting employee motivation was employee safety practices.

5.1 Discussions

Extrinsic Factors that Influence Employee Motivation

The findings indicated that good environment to work, good leadership styles, salaries and other forms of incentives given by the company were the most important extrinsic factors that influenced employee motivation. Extrinsic motivation factors refer to motivation that comes from outside an individual in exchange for external rewards not derived from the work itself. These finding is in agreement with Robbins (2005) who posited that when the work environment as an extrinsic motivation factor is not properly designed or if it is uncomfortable for the employee it can result in fatigue and a decrease in work motivation. Unconducive working environment affects both quality and quantity output and hinders employee from succeeding in their roles. Improving the work environment with focus on the well-being of the employees might lead to a decrease in turnover and increase productivity (Ryan & Deci, 2000).

Salary and other incentives given by the workplace was another extrinsic factor identified as a predictor of employee motivation. The importance of salaries and incentives both monetary and nonmonetary in motivating employees is supported by various studies. For instance, Sibson (1994), argued that the use of salary and other incentives as an extrinsic motivating factor does not only motivate employee, it also can contribute a lot to raising morale, increasing productivity, improving quality, safety standards and customer service. Lindner (2004, 1-8) also supports the view that there is a strong link between incentives and improved job motivation. He thinks that incentives lower stress, absenteeism, turnover and raise morale, productivity, competitiveness, revenue and profit for the organization. When employees are not happy with the income they make, turnover rate increases (Lindner, 2004, 1-8)

The finding also indicated good leadership style as an influential factor in employee motivation. This agrees with Sibson (1994), who also found out that leadership is a predictor of employee motivation. Good leadership influences others to willingly and enthusiastically direct their efforts and abilities towards attaining defined group or organizational goals. This may be attributed to the fact that followers who are the employees would always want to do the right things which brings out morality and motivation (Lindner,2004, 1-8)

In addition to this, people in leadership role in the organization can have a considerable influence on the employee motivational process. For instance, the supervisors have role in the structuring of work activities and the ability and freedom of employees to pursue their own personal goals on the job. Supervisors can provide feedback about the employees' performance, as well as letting them to participate in the decision-making process by asking their ideas. The nature of relationship between the superior and subordinates, effectiveness of communication among them also affects the motivational process. Leaders who encourage high quality relationships among employees in the workplace assist in developing trust, respect and a willingness to share information, resources, and perspectives productivity (Ryan & Deci, 2000).

Furthermore, the extrinsic factors are fundamental in influencing the employee to strive at achieving the set goals by efficiently performing the necessary tasks. The desire to achieve the set target is the motivation that makes most employee to perform efficiently and be good at something within the organization as the employee realizes that his or her efforts are worth much more to the organization. This is especially so with regard to the salary structure offered by the organization, the level of employee management relationship as well as the quality of the work environment that the organization accords its employees productivity (Ryan & Deci, 2000).

Intrinsic Factors that Influence Employee Motivation

The study identified autonomy and empowerment, trust and recognition as the most cited intrinsic factors influencing employee motivation. Intrinsic motivation as oppose to extrinsic motivation is done for reasons that are internal to one's self. It is for self-satisfaction and not for the fear of a consequence. The reward is within the action itself and does not need external factors to steer behavior. According to Chaudhary (2012) intrinsic factors are the set of behavior which people engage in and whose upshot are enjoyable or are occasionally challenging.

The study found out that trust between the employees and the employer influences employee motivational level. Trust is a factor that keeps people together. Trust is defined as the perception of one about others, decision to act based on communication, behavior and their decision. Trust in the workplace creates an invisible bond between the employees and the employer. When an organization suffers from a culture of distrust among its employees and employer, this will possibly lead the organization to eventually underachieve in its business markets. In another word, organizations that foster trust are generally more profitable (Latham, 2007, 99-116).

High rates of employee turnover are signs of lacking employee trust. Research has suggested that just like customer abandon companies they do not trust and so do employees. According to Latham (2007) organizations need to equip themselves with the knowledge of what it takes not only to gain the trust of their employees, but, most importantly, to maintain that trust. With this in mind, organizations with little or no employee trust can look forward to high costs of hiring and training and re-hiring and re-training. With so much being spent on finding and keeping employees, productivity will continue to suffer.

Recognition was another intrinsic factor which was identified to have influence on employee motivation. This is because appreciation is a fundamental human need. People want to be respected and valued for their contributions. Employee respond to appreciation expressed through recognition of their good work because it confirms their work is valued. Kim Harrison in his journal 'Why Employee Recognition is so Important' sees employee recognition as the timely, informal or formal acknowledgement of a person's or team's behavior, effort or business result that supports the organization's goals and values and which has clearly been beyond normal expectations.

The study also found out that autonomy and empowerment influences employee motivation. These findings agree with Lindner (2004, 1-8) who also identified autonomy as an intrinsic motivation affecting employee motivation. He opined that the main driving force behind employee motivation and productivity is giving them control over their own jobs. Empowerment and autonomy gives people responsibilities and authority to act as if they are in control of their own destinies.

Impact of Employee Motivation on Employee Performance

The study found that most respondents felt that absenteeism, employee productivity and employee turnover affect employee motivation. Absenteeism constitute a great concern for all organizations because they suffer enormous costs as a result of employee absenteeism. This includes the cost of paying absent employees as well indirect costs, such as lost productivity and the hiring of replacement workers. These

findings agree with Latham (2007) absenteeism may be too costly to the organization because it contributes to the ineffectiveness of the organization because of low productivity of the employees. Gangai (2014, 1282-1289) who also noted that absenteeism is as a result of job dissatisfaction emanating from other factors such as stressful work situations.

The study indicated that employee productivity affects employee motivation. This is because employee motivation leads to increased productivity. Motivated and excited workers carry out their responsibilities to the best of their ability and production numbers increase as a result. Employees who feel motivated to work are likely to be persistent, creative and productive, turning out high quality work that they willingly undertake. These findings agree with Wentzel and Wigfield (2009) who found out that motivation affects employee productivity. Unmotivated employees are likely to spend little or no effort in their jobs, avoid the workplace as much as possible, exit the organization if given the opportunity and produce low quality work.

The also study found out that employee turnover employee affects motivation. Employee turnover is when employees leave the organizations and have to be replaced. When there is a high turnover in the organization, employee tends to feel insecure with their jobs and hence affects their performance. These findings agree with Westover (2010) who also found out that employee turnover affects the behaviors (withdrawal) of the employees and their loyalty to the organizations which affects employee motivation.

It is apparent that the employees are probably the most important resources that an organization possesses. Therefore, it is perceived that when the employees are working at their full capacity the performance in the organization is boosted markedly (Kamalian et al. 2010, 165-171). Therefore, the impact of employee's level of motivation in performance is irrefutable fact. For instance, performance appraisal has a positive ramification on the performance in any organization.

5.2 Conclusions

Extrinsic Factors that Influence Employee Motivation

Employee motivation is a function of many factors. Some of these factors are environmental in nature. That is, they are extrinsic in nature. They are within the controls of the organization management and are external obligation on the employee. Therefore, organizations can leverage on these factors to boost their employee's levels of motivation. The manner in which the organization handles or manages

these extrinsic factors are indeed crucial in determining not only the level of employee motivation on their own but also do influence other factors, especially the intrinsic factors that further act as determinants of the level of motivation of employees. It is important for the employers have to know their employee's current needs and priorities.

Intrinsic Factors that Influence Employee Motivation

The intrinsic factors are also important in that they constitute the internal driving force in individual which starts and sustains a chain of action and reaction. The intrinsic motivating factors go to the core of the employee's observation about their jobs and about how they feel that the tasks that they are assigned are meaningful and relevant. Intrinsic motivation influence employee to develop a certain mind set regarding their jobs. Such perceptions control the level of employee motivation. Thus, being inborn, such issues as employee's perception about their being appreciated by the organization and opinion about their jobs among other subjective factors are therefore crucial in determining the level of satisfaction that an employee may feel regarding their jobs.

In addition, they should create conducive environment at work to enhance workers' performance since there appears to be many difference in their needs and behaviors based on demographic factors. Therefore, the management should establish a good relationship with employees in the work place to determine and address employees' problems and their motivation factors.

Impacts of Employee Motivation on Employee Performance

Motivation is considered a predictor of job performance. Motivation in workplace help boost employee morale. The outcome from a motivated employee will produce high level of productivity, lower the level of absenteeism and reduced turnover rate since employees are enjoying their work. Therefore, understanding what factors motivates employees in a given organization becomes crucial matter in that it helps the management concentrate more on those motivating factors and how to improve them. The multiplier effects of employee motivation on employee performance is that it impacts directly on employee performance, save costs arising from employee absenteeism and turnover rate and also help boost organization bottom-line due to increased output.

5.3 Recommendations

At the backdrop of the elucidations and the findings of the survey, the study makes the following recommendations.

Extrinsic Factors that Influence Employee Motivation

Organizations must give more attention to the extrinsic factors that impacts on employee motivation. The organization should acknowledge and exploit the extrinsic factors in their human resource management practices so as to ensure that the employees are well motivated to perform their tasks. Organizations should take into account that the extrinsic factors that influence employee motivation levels also do impact on the personality or the intrinsic factors and impact on the general employee motivation levels. The management should work to ensure effective and adequate dissemination of information across all its employees.

Intrinsic Factors that Influence Employee Motivation

Both the organization management and the employees should appreciate the influence of the intrinsic factors on employee motivation levels. The organization should effectively exploit the extrinsic factors influencing employee motivation as a strategy for establishing a positive employee motivation. The organization should include such extrinsic factors as job security and increase monetary incentives among other practices that can positively influence the intrinsic factors and facilitate the establishment of high levels of employee motivation.

Impacts of Employee Motivation on Employee Performance

The organizations should appreciate the impact of the employee motivation on the long and the short-term organizational goals and objectives. The organizations should acknowledge the impact of the employee motivation on such organizational aspects as productivity and performance, employee absenteeism levels, employee turnover rates as well as employee stress levels. Therefore, the organization and the general management should consider implementing policies and practices that positively affect employee motivation. Such a strategy should be taken in tandem with the general organizational goals and objectives and should contribute to both the long-term and the short – term human resource strategy.

5.4 Recommendations for Future Research

Future research should concentrate on one of the several factors (either extrinsic or intrinsic) factors and control for the other so as to establish exactly the manner and extent in which the chosen factors do determine employee motivation. Future researcher should use the current study as part of their literature review and conduct more research on the issues that this study has examined in order to improve the current study and the general understand of employee motivation.

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Self-Administered Survey

Dear Respondent

This structured questionnaire is for collecting data on factors that influence employee motivation at Keski-Pohjanmaan Kirjapaino Oyj and its impacts on employee performance. You are kindly requested to provide the required data in the questionnaire. The process will take you only about 8 minutes. The information that you provide will remain confidential and is sought exclusively for the completion of an MBA research project.

Your response will go a long way in enhancing human resources decision making at Keski-Pohjanmaan Kirjapaino Oyj and ultimately help increase employee motivational level which has a multiplier effects on organizational performance.

Kind regards,

Owoyele Samson

MBA Student

4. How many years have you worked for this organization?

YEARS OF SERVICE		
Less than 1 year	1-2 years	Over 3 years

5. Work Area?

WORK AREA		
Manager	Supervisor	Early morning deliverer

6. Nature of work contract?

NATURE OF WORK CONTRACT		
Permanent	Fixed	Back-up

WITH RESPECT TO SECTION II, III AND IV, PLEASE INDICATE THE LEVEL OF AGREEMENT WITH EACH STATEMENT

LEVELS OF AGREEMENT				
STRONGLY DISAGREE	DISA-GREE	NEITHER AGREE NOR DISAGREE	AGREE	STRONGLY AGREE
(1)	(2)	(3)	(4)	(5)

SECTION II: EXTRINSIC FACTORS THAT INFLUENCE EMPLOYEE MOTIVATION:

Extrinsic factors that influence employee motivation are those that are determined by the external surroundings of the employee. The following best describe the major extrinsic factors that influence employee job motivation in the organization:

LEVELS OF AGREEMENT		1	2	3	4	5
a.	The monetary incentives/salary structure has an impact on my level of motivation.					
b.	The style of leadership in the organization has an influence on my degree of work motivation.					
c.	The effectiveness in which information is made available in the organization has an influence on my motivation level.					
d.	Provision of job security by the organization has an impact on my motivation level.					

e	The nature of my job influences my level of motivation at my job.					
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SECTION III: INTRINSIC FACTORS THAT INFLUENCE EMPLOYEE MOTIVATION:

Intrinsic factors that influence employee motivation refer to those factors that arise from within the employee. This relates to employee’s inner factors that makes them satisfied with their job and motivate them to perform.

The following best describe the major intrinsic factors that influence employee motivation in the organization.

LEVELS OF AGREEMENT		1	2	3	4	5
a.	The degree of trust exhibited at my work place is a determinant of my level of motivation at work.					
b.	I am more motivated to perform my work tasks when I feel there is fairness of treatment at the workplace					
c.	The level of empowerment and employee autonomy at my organization has an impact on my motivation level at work.					
d.	Availability of spare time for personal development at my work place has an impact on my motivation level at work.					
e.	I am more motivated to do my job when I feel I am recognized and appreciated for my contribution to the organization.					

SECTION IV: THE IMPACT OF EMPLOYEE MOTIVATION ON EMPLOYEE PERFORMANCE

1. The following best describe the impact of employee motivation on performance in your organization

LEVELS OF AGREEMENT		1	2	3	4	5
a.	I believe the level of employee motivation in my organization has a direct impact on absenteeism levels.					
b.	The level of employee motivation at my current job has a direct impact on my productivity level.					
c.	The degree of motivation of employees in the organization has a direct impact on the levels of turnover. (Turnover is the process in which employees leave the organization and have to be replaced).					
d.	I believe the level of employee motivation in the organization has an impact on the employee safety practices.					

What other factors besides the ones mentioned above do you believe have a significant impact on employee motivation in the organization?

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What recommendation can you give about how best to increase employee motivation levels in the organization?

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Thank you very much for taking time to complete this survey.