

# Employees Motivation and its Effects on Productivity and the Performance of Microfinance Institutions

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Submitted: 15 December 2023 Accepted: 22 December 2023 Published: 02 January 2024

**Citation:** Jean Bosco Harelimana, Alice Niyitanga (2024) Employees Motivation and its Effects on Productivity and the Performance of Microfinance Institutions. *Sci Set J of Economics Res* 3(1), 01-09.

## Abstract

The research purpose was to examine the “Employees Motivation and its effects on Productivity and the Performance of Microfinance Institutions. The study used a descriptive research design in which both qualitative and quantitative techniques were utilized. Target population of the study comprised 230 employees from all departments in COPEDU PLC; sample size is 146 employees by selected randomly.

The researcher distributed the questionnaires by using self-administered structured questionnaires and the data collected. The data was processed by using a statistical package for social sciences (SPSS) version 20.0 was used to analyze the data collected through the questionnaire. The relationship between variables was established by using correlation model. The findings are based on objectives which COPEDU PLC provides payment scheme. Respondents strongly agreed that COPEDU PLC pays its employees the appropriate salaries with a mean of 4.6370 and standard deviation of 0.71323.

Respondents also strongly agreed that COPEDU PLC remunerates its employees basing on their level of education with a mean score of 4.3904 and standard deviation of 1.20558. Respondents also strongly agreed that COPEDU PLC remunerates its employees basing on experience with a mean score of 4.3356 and standard deviation of 1.26097. Respondents also strongly agreed that the COPEDU PLC pays its employees extra money on over times works with a mean score of 4.1096 and standard deviation of 1.48613.

The results implied that salary payment is the most important as well as motivating benefit which is received as a result of performing a service or task. Pay is the one which motivates individuals to move out and seek employment. The method in which people are paid has an effect on their attitude towards customers, the quality of their work, as well as their readiness to be flexible as well as learn new skills. High levels of can ensure that the microfinance institution attracts and at the same time retains employees of high quality.

**Keywords:** Employees Motivation, Productivity, Performance.

## Introduction

The employees’ motivation is one of the best contributors to microfinance institutional performance and productivity. The employees’ job satisfaction is the essential factor of employees’ motivation because the employees want to satisfy their needs from lower to higher level. Motivation of employees within microfinance institutions was one of the fundamental factors for enhancing productivity, profitability, and performance through physical, employees and financial interaction, (Gutsy, 2012).

To overcome these constraints, a positive and strong relationship must be created and maintained between employees and

their microfinance institutions. Employees of microfinance institutions are the most central part. So, they need to be influenced towards tasks fulfillment. In any microfinance institution, employees are one of the biggest resources that microfinance institutions have which contributed to its overall growth and effective (Olding, 2014).

Maslow’s theory of motivation, human beings have wants and desires which influence their behavior. He advances a key statement worth noting, only unsatisfied needs influence behavior, satisfied need does not. From Maslow’s perspective, there is a strong link between trying to satisfy human needs and motivation. This kind

of employee needs assessment is critical for success and sustainability of company's performance. Motivation of employees is an important factor that can cause failure or success of the firm based on satisfied or unsatisfied needs (Chijoriga, 2015).

The need to increase productivity and efficiency in the workplace or any microfinance institution has led to increasing academic interest in the area of motivation over the years. Scholars have been keenly interested in knowing what factors are responsible for stimulating the will to work. Thus, motivation has become an issue of concern for both scholars and practitioners of personnel management. From productivity and performance to recruiting and retention, hardworking and happy employees lead to harmony and microfinance institutional triumph (Ryan, 2012).

The performance of microfinance institutions and employee motivation has been the focus of intensive research effort in recent times. Employees are motivated in order to achieve their mission and vision, which is of paramount concern. Employees in both public and private sector microfinance institutions are becoming increasingly aware that motivation increases productivity. Lack of proper motivation may result in losses which may eventually lead to low staff turnover, poor attitude towards work, low output level and low profitability. It is in the light of this that the study intends to look into the effects of motivation on the performance of the employees at COPEDU PLC.

Therefore, the problem of motivation in COPEDU PLC is that the study will clearly state some of the motivational strategies that will help them to motivate staff and also achieve microfinance institutional goals. Employee motivation promotes workplace harmony and increases employee's performance. Most microfinance institutions have poor motivation that affects negatively productivity and performance. That lack of motivation may lead to frustration or to irrational behavior. Such situation is also found in Rwanda whereby many microfinance institutions close their doors because they don't know or master well the secret of success for their competitors which are motivation of employees.

Many researchers stated that productivity and therefore profitability is a function of behavior of the employees of the business, and it follows that successful influencing of that behavior is the key to higher productivity. The parties may also agree in writing that the employee be paid on a commission basis, but the employer may not pay the employee less than the prescribed minimum wage for the period worked (Rutikanga, 2016).

For this reason, therefore, the researchers preferred to conduct research on the contribution of employee's motivation on the performance of microfinance institutions in Rwanda, a case of COPEDU PLC (2017 - 2022).

### Objectives

The general objective of the study is to assess the effects of employee's motivation on the productivity and performance of Microfinance Institutions in Rwanda.

In order to achieve the principal objective, the researcher postulates the following specific research objectives:

1. To identify the employee's motivation determinants of COPEDU PLC
2. To assess the level of productivity and performance of COPEDU PLC
3. To find out the relationship between employees' motivation, productivity and the performance of COPEDU PLC.

### Review of Literature

A survey conducted by Velnampy to test Maslow's hierarchy of needs theory reveals that consciously or unconsciously lower-level employees in both public and private sector organizations of Sri Lanka attach more importance to lower-level needs and higher level employees emphasize higher level needs. In another study, Sajuyigbe, et al. collected data from 100 employees of selected manufacturing companies in Ibadan, Nigeria and concluded that pay, performance bonus, recognition and praise were significantly related to organizational performance, supporting Herzberg's motivation hygiene theory.

Apart from cash or monetary rewards, motivation theories and empirical studies also attest to the role of non-cash rewards in motivation especially in technology-based, high paying jobs. Brown and Armstrong reported that the non-financial schemes in their survey were particularly popular among knowledge and technology-based sectors as well as sales and service companies. Another study by Beran confirmed that the majority of companies have in place one form of non-financial rewards or the other, especially employee recognition and that the policy enhanced productivity.

In another study, Rose discovered that the respondent companies that prefer non-financial rewards are those that rely on high level of customer contact. Studies using data collected in the United Kingdom also attests to the role of non-financial incentives in motivating employees to high productivity. In a 2009 McKinsey Quarterly survey of 1,047 executives, managers and employees from a range of sectors in the United Kingdom (Vrancic, 2015), the respondents view three non-financial motivators: praise from immediate managers, leadership attention (for example, one-on-one conversations) and a chance to lead projects or task forces as no less or even more effective motivators than the three highest-rated financial incentives: cash bonuses, increased base pay, and stock or stock options [1-10].

In addition, it was also found that the survey's top three nonfinancial motivators play critical roles in making employees feel that their companies value them, take their well-being seriously and strive to create opportunities for career growth. Another study conducted by Ng, et. al. as cited in Singh, et. al. (2017) sought to study the expectations and priorities of young employees.

They found that this category of workers rated opportunities for career advancement as the most desirable work-related attribute followed by good people to relate to and opportunities for good training and development. According to these researchers, surprisingly, pay, benefits and job security were ranked in the middle behind career advancement.

In Pakistan, Tausif (Haider, et al., 2015) conducted a survey among public school teachers and found that non-financial rewards were essential in developing employees' job satisfaction and motivation. Similarly, Barton (Haider, et al., 2015) found

that employee recognition is the most important factor among non-financial rewards in enhancing job satisfaction.

Bull and Haider conducted a study and concluded that challenging jobs enhanced employee job satisfaction. Finally, several universities and technology related institutions in the United States like Massachusetts Institute of Technology (MIT), University of Washington and University of California have designed, implemented and maintained employee recognition programmes to encourage hard work and productivity in the workplace [10-15].

In an empirical study to test equity theory, Griffeth and Gaertner developed and tested a model using data collected from 192 hospital employees using structural equation modeling which placed satisfaction and intention to quit as mediators of employee turnover. The researchers utilized many dimensions of perceived unfairness which includes: pay rules (the fairness of one's pay relative to one's coworkers and the fairness of granting pay increases and promotions); pay administration (or the perceptions of the fairness of the supervisor in administering the rules for pay increases and promotions); pay level, work pace (or the fairness of the supervisor in maintaining a fair pace of work activity and rule administration.

The results showed that pay rules, pay administration and work pace or supervisor satisfaction were strongly related to quit intentions. Other studies aimed at testing equity theory include Summers and Hendrix (1991, as cited in Griffeth & Gaertner, 2019) who found a significant relationship between job satisfaction and intention to quit and Iverson and Roy (Griffeth & Gaertner, 2020) who investigated the perception of various pay and benefits in relation to co-workers and found a strong correlation between pay equity and job satisfaction.

Staff training and development is another indispensable motivator in the workplace. In a study conducted by Aibievi collected data from 100 non-academic staff of University of Benin, Nigeria to test the impact of training and development on employee motivation. The study found a significant positive relationship between training and motivation; that trained staff were found to be more dedicated to duty compared to those who did not receive training and also that training could lead to increased productivity [16-20].

Based on the preceding discussion on theories and empirical evidence, we are compelled to arrive at the following synthesis of the literature. First and foremost, there is the need to motivate workers in order to increase their productivity and also that there are many financial and non-financial strategies for motivating workers.

Secondly, it appears that there is no single general rule applicable to each and every circumstance. Differences exist amongst lower, middle, and higher-level employees in terms of their needs. For some, the literature suggests that monetary rewards and supervision are necessary strategies before they can perform. Others work better in an atmosphere of fairness, equity, love, and encouragement. Some must be compelled or even punished before they can work [21-25].

## Methodology

The study used a descriptive research design in which both qualitative and quantitative techniques was utilized. The target population of the study comprised 230 employees from all de-

partments in COPEDU PLC. Random sampling was applied to selecting a certain number of respondents based on the nature of the office. By using the Yamane and Amin's formula, the sample was definitely 146 employees.

According to Grawtz, Measurement and scale means how data was processed for facilitating the analysis of data. For instance, using mean, median, standard deviation and Likert-scale where: 5 = Strongly Agree, 4 = Agree, 3 = Disagree and 1 = Neutral, 2 = Strongly Disagree. The data was analyzed by explaining the facts collected from the field under which the researcher was able to quote respondents' responses [26-30].

First objective: To identify the employee's motivation determinants of COPEDU PLC by using statistical package for social sciences (SPSS) version 20.0 was used to analyze the data collected through the questionnaire. Second objective: To assess the level of productivity and performance of COPEDU PLC by using statistical package for social sciences (SPSS) version 20.0 was used to analyze the data collected through the questionnaire. Third objective: To find out the relationship between employees' motivation and productivity/performance of COPEDU PLC by using statistical package for social sciences (SPSS) version 20.0 and Pearson correlation analysis to determine relationship between independent variable and dependent variable is significant whether positive or negative.

## Findings and Results discussion

This section concerned with presentation of research findings and interpretation of data collected for an attempt to answer to the research questions mentioned in general introduction to enable the researcher to draw a conclusion based on the study objectives such to identify the employee's motivation determinants of COPEDU PLC, to assess the level of productivity and performance of COPEDU PLC and to find out the relationship between employees' motivation and productivity/performance of COPEDU PLC.

### The Employee's Motivation Determinants of COPEDU PLC

**Payment Scheme:** The results from SPSS analysis on the COPEDU PLC provides payment scheme. Respondents strongly agreed that COPEDU PLC pays its employees the appropriate salaries with a mean of 4.6370 and standard deviation of 0.71323. Respondents also strongly agreed that COPEDU PLC remunerates its employees basing on their level of education with a mean score of 4.3904 and standard deviation of 1.20558.

Respondents also strongly agreed that COPEDU PLC remunerates its employees basing on experience with a mean score of 4.3356 and standard deviation of 1.26097. Respondents also strongly agreed that COPEDU PLC increase employees' salaries wages based on past experience with a mean score of 4.2808 and standard deviation of 1.34802. Respondents also strongly agreed that the COPEDU PLC pays its employees extra money on over times works with a mean score of 4.1096 and standard deviation of 1.48613.

The results implied that salary payment is the most important as well as motivating benefit which is received as a result of performing a service or task. Pay is the one which motivates individuals to move out and seek employment. The system of pay may be used by management to influence the behaviours of

employees for increased performance of the microfinance institutions (Milkovich et al., 2005).

In this regard, the payment of salary is deemed as a necessary motivator for performance of a specific task. Pink (2013) stated that the salary pay system plays a vital role in strategy implementation. The method in which people are paid has an effect on their attitude towards customers, the quality of their work, as well as their readiness to be flexible as well as learn new skills. High levels of can ensure that the microfinance institution attracts and at the same time retains employees of high quality [30-35].

**Staff Promotion:** The results show that COPEDU PLC provides promotion indicated that the respondents agreed that the COPEDU PLC provides Incentives to its employees 100% aims to achieve adaptation with the changes in the external environment with a mean of 4.2671 and standard deviation of 1.32504. Respondents also strongly agreed that Incentives contribute to your job performance accordingly is committed to planning for the employees with a mean score of 4.0342 and standard deviation of 1.41135 [36-40].

Respondents also strongly agreed that the health conditions of employees have improved because of COPEDU PLC different incentives with a mean score of 4.3562 and standard deviation of 1.11874. Respondents agreed that Employees are motivated when they are engaged responsible and autonomy in their duties assigned with a mean score of 3.4726 and standard deviation of 1.84277. Respondents agreed that COPEDU PLC contributes on their employees' professional training to grow up professionally with a mean score of 4.5068 and standard deviation of 1.13409. Respondents agreed that COPEDU PLC employees perform better their job due to the professional training with a mean score of 4.5822 and standard deviation of 0.85304.

Respondents agreed that COPEDU PLC employees perform better their job due to the professional training with a mean score of 4.3082 and standard deviation of 1.08637. The results implied that the majority promotion should aim at recognizing the best talent in the firm such employees should be promoted to senior positions and promotion should also provide career advancement opportunities to employees according to the available opportunities and the employees abilities. Most employees evaluate themselves at a high level and feel that their work should be recognized. Promotion is used for rewarding good performance, recognizes worker capabilities and also used in firms as a staff development mechanism (Pousa & Mathieu, 2010) [41-45].

It enables retention of employees as a laid down succession plan that is clear for the workforce, motivates them and encourages better performance and a long-term commitment to work for the microfinance institutions. Employees who work for firms that use the promotion strategy also feel that they have job security. The promotion is the advancement of an employee from one job position to another that has a higher salary range, higher level job title and more and higher-level job responsibility [46-50].

Macey et al., (2014) indicates that the main purpose of promotion is to put employees in a position where they will be of greater value to microfinance institutions. Promotion also aids

to develop competitive spirit and zeal in the employee and promotes self-development. In the corporate sector, promotions don't make much difference to that in the government sector. In government it's the ultimate desire of an employee and is the only way for the employee's career development. despite this variation every microfinance institution should make advance plans for promotion which should consist of a carefully planned programme that is implemented on the basis of seniority, merit or a combination of both (Elnaga & Imran, 2013) [51-55].

**Staff Rewards:** The results show that COPEDU PLC provides rewards indicated that the respondents agreed that COPEDU PLC appreciates its employees in appropriate manner with a mean of 4.4970 and standard deviation of 1.05706. Respondents also strongly agreed that the bank uses non-monetary rewards like recognition, and flexible working hours in motivating the employees with a mean score of 4.4909 and standard deviation of 1.06850.

Respondents also strongly agreed that Employees of COPEDU PLC normally receive recognition when they perform above expectation of the firm with a mean score of 4.4667 and standard deviation of 1.11822. Respondents agreed that COPEDU PLC pay policy usually helps to attract and retain very high performing employees with a mean score of 4.4727 and standard deviation of 1.11292. Respondents agreed that my supervisor or branch manager recognizes for the job well done with a mean of 4.4970 and standard deviation of 1.05706. Respondents also strongly agreed that COPEDU PLC has observed a long-term improvement of the quality of work as a result of the reward system in place with a mean score of 4.4909 and standard deviation of 1.06850.

Respondents also strongly agreed that COPEDU PLC has a wellness benefit program e.g. gym or sports club membership that leads to employee's motivation with a mean score of 4.4667 and standard deviation of 1.11822. Respondents agreed that Recognition is a cost-effective tool to motivate employees in the microfinance institution with a mean score of 4.4727 and standard deviation of 1.11292. Respondents agreed that Recognition by COPEDU PLC to the employees causes a significant increase in job performance with a mean score of 4.4727 and standard deviation of 1.11292.

Respondents agreed that Employees of COPEDU PLC are given allowances which boost their morale in work performance with a mean of 4.4970 and standard deviation of 1.05706. Respondents also strongly agreed that motivated employees improve microfinance institution's productivity and job performance with a mean score of 4.4909 and standard deviation of 1.06850. Respondents also strongly agreed that COPEDU PLC uses non-monetary rewards (e.g. gift vouchers, movie tickets, or Lunch/Dinner for two) to motivate employees with a mean score of 4.4667 and standard deviation of 1.11822. Respondents agreed that Bonuses play an important role in keeping employees motivated in COPEDU PLC and Bonuses are used in COPEDU PLC to reward good performance with a mean score of 4.4727 and standard deviation of 1.11292. The result of this study revealed that there was a positive and strong association between rewards and employee satisfaction and motivation.



Snyder, osland & Hunter (1996) examine that private sector employees are more satisfied than public sectors employees on the basis of performance-based rewards. The microfinance institutions that give rewards on personal and individual basis instead of group basis, this act leads to demotivate employee's behavior [56-60].

Poor rewards system in microfinance institutions creates dissatisfaction in employees and dissatisfaction increases an absenteeism and employee turnover rate. Shafiq & Naseem (2011) also state that poorly designed reward system and poor compensation in microfinance institutions mitigate the employee motivation and disrupt the employee performance. Fringe benefits, work-life balance, healthcare insurance, pension, and bonus play an essential role to encourage employee performance.

Uppal (2005) describes in his study that fringe benefits like insurance positively correlate with employee satisfaction. Individual job retention decision in public and private sector, salary, and timely promotion are two important factors that affect performance. (Snyder, Oslan & Hunter, 1996). Salary influences the employee behaviors in which measured employee satisfaction and promotion motivates the individual. The short-term and long-term rewards encourage the knowledge sharing culture in the microfinance institutions and the employee is more loyal towards their microfinance institutions.

Kessler & Purcell investigated that microfinance rewards encourage the knowledge sharing culture in the microfinance institutions that led to microfinance institutions performance. Beyond, according to Chiang & Birch non-microfinance intrinsic reward such as the provision of holidays, social benefits increase the employee motivation level. An imbalance reward system in a microfinance institution jeopardizes the employee's performance and effectiveness and will create a conflict and stressful environment in the microfinance institutions.

**Job Security:** The results show that COPEDU PLC provides job security indicated that COPEDU PLC provides health insurance to its employees 100% with a mean of 4.4909 and standard deviation of 1.05124. Respondents also strongly agreed that COPEDU PLC employee's family is beneficiary of health insurance from COPEDU PLC with a mean score of 4.4932 and standard deviation of 1.12799.

Respondents also strongly agreed that Job satisfaction increases the financial performance and profitability of COPEDU PLC with a mean score of 3.8973 and standard deviation of 1.36826. Respondents agreed that Job satisfaction handles personal financial problem of employees at COPEDU PLC with a mean score of 4.0137 and standard deviation of 1.35436. Respondents agreed that Job satisfaction increases teamwork spirit among employees at COPEDU PLC with a mean score of 4.1644 and standard deviation of 1.38975.

Respondents agreed that Job satisfaction enhances employees 'retention at work by reducing absenteeism at COPEDU PLC with a mean score of 2.1918 and standard deviation of 0.79927. Respondents agreed that employees are motivated by Health insurance comparing to remaining benefits in COPEDU PLC with a mean score of 3.6164 and standard deviation of 1.40079.

Respondents agreed that COPEDU PLC helps its employees to grow up skilled and healthily with a mean score of 3.6096 and standard deviation of 1.39147. Respondents agreed that the good relationship of COPEDU PLC employees with supervisors has an effect on COPEDU PLC performance with a mean score of 3.6575 and standard deviation of 1.36173.

The result implied that job security occurred where the situation of specific workers' ethnic team likely to influence other group of ethnic in some companies or microfinance institutions. In this situation, the junior works who will feel insecurity will not be able to perform their tasks effectively and efficiently and effectively within microfinance institutions. It was indicated that the pressure of economic has prioritized the security of work among employees is a key of microfinance institutions performance so that each microfinance institutions has to seek the balancing way to both job security of workers and the performance of microfinance institutions, (Bumi, 2001, Hassan, 2010).

### **The Productivity and Performance of COPEDU PLC**

Participants were asked again to rate their agreement on the microfinance institutions efficiency, productivity, commitment, attitude and behavior and growth. Efficiency and productivity indicators are performance measures that show how well the institution is streamlining its operations. Productivity indicators reflect the amount of output per unit of input, while efficiency indicators also take into account the cost of the inputs and/or the price of outputs.

**Efficiency:** The efficiency on employee's productivity and performance indicated that the respondents agreed the microfinance institution is efficiently using its human, financial and physical resources with a mean of 3.7758 and standard deviation of 1.38965. Respondents also agreed with this statement costs of staff members are related to their productivity and performance with a mean score of 3.7697 and standard deviation of 1.38205. Respondents also agreed that the physical facilities (buildings, equipment) are used optimally with a mean score of 3.8121 and standard deviation of 1.35065.

Respondents also agreed that the financial resources are used optimally with a mean score of 3.7939 and standard deviation of 1.37263. Respondents also agreed that there are administrative systems in place that provide good value for costs with a mean score of 3.8606 and standard deviation of 1.33844. Respondents also agreed that there are quality administrative systems in place to support efficiency (financial, human resources, program, and strategy) with a mean score of 3.8242 and standard deviation of 1.36127.

The results implied that majority of respondents said that employee efficiency is an employee characteristic and relate to the speed and accuracy of an employee at the job task. The concept relates to employee productivity the more efficient they are the more productive they will be if managed correctly. The employee experience, the work environment, co-workers, managers, and other variables all interact to affect performance. Employers that want to improve employee performance, therefore, should perform detailed assessments within their microfinance institution. Those assessments can help uncover problems as well as solutions.

**Productivity:** The productivity on employee's performance indicated that the respondents agreed the employees in the employees of COPEDU PLC are aware of the microfinance institutional objectives, mission statement, vision and objectives it intends to achieve with a mean of 4.1515 and standard deviation of 0.96022. Respondents also agreed with these statement employees in the employees of COPEDU PLC usually meet deadlines while accomplishing their tasks with a mean score of 4.1515 and standard deviation of 0.96022.

Respondents also agreed that the employees in the employees of COPEDU PLC achieve their specified targets with a mean score of 4.1394 and standard deviation of 1.00545. Respondents also agreed that the employees in the employees of COPEDU PLC are encouraged to appraise themselves with a mean score of 4.1394 and standard deviation of 1.00545. Respondents also agreed that employees in the employees of COPEDU PLC are creative and innovative with a mean score of 4.1394 and standard deviation of 1.00545. Respondents also agreed that increases productivity and leads to job satisfaction, employee rewards enhance productivity with a mean score of 4.1030 and standard deviation of 1.07422.

The results implied that majority of respondents said that productivity refers to a measure of employees' efficiency in realizing microfinance institutional performance objectives (Guest, 2011). Human resource practices exert enormous influence on the nature of job structures, performance objectives, and rewards, which in turn determines employees' productivity. Casey (1995) established that productivity is affected positively by employees. In his paper, he explained that firms considered the adoption of new work practices to improve productivity [61].

Further, this paper provided empirical evidence to support the conclusion that the adoption of a coherent system, new work practices, including work teams, flexible job assignments, employment security, training in multiple jobs, and extensive reliance on incentive pay, produces substantially higher levels of productivity than those that do more 'traditional' approaches involving narrow job definitions, strict work rules, and hourly pay with close supervision. In contrast, adopting individual work practice innovations in isolation had no effect on productivity [62].

**Commitment:** The commitment of employee's performance indicated that respondent also agreed with commitment programs enhances employee performance with a mean of 4.4606 and standard deviation of 1.14496. Respondents also agreed that the employees in the feel emotionally attached to this microfinance institution with a mean score of 4.5515 and standard deviation of 1.07298. Respondents also agreed that the employees would be very happy to spend the rest of my career with this microfinance institution with a mean score of 4.0242 and standard deviation of 1.33413.

Respondents also agreed that employees would not leave my microfinance institution right now because I have a sense of obligation to the microfinance institution with a mean score of 4.1273 and standard deviation of 1.31206. The results implied that majority of respondents said that the commitment as the ability for an employee to exercise discretion to stick with any

employer over a foreseeable long period of time based on either specified or unspecified reasons. Reynolds (2014) argues that in most banks, employees do commit psychologically to their employers based on perceived treatment, actual treatment, or based on tangible or intangible benefits they get from the employer.

Neuman and Cunningham (2008), Most employees who commit to an institution for a long period of time usually learn comprehensively, the internal operations of the microfinance institution, both in systems and processes, and thus are in a position to enhance their performance and microfinance institutional performance. This is explained by the fact that committed employees do understand what works and what doesn't work within the microfinance institution, have developed relationships, partnerships and teamwork's that enables for work to get done effortlessly compared to employees with short term tenures at work. According to Wright (2003), employees who are committed to their microfinance institutions are expected to show more productive behavior, are more knowledgeable, compared to employees that don't commit to microfinance institution for long periods of time. Tanvee (2011) argues that there exists a relationship between employee commitment and employee performance [63].

**Growth:** The growth of employee's performance indicated that the respondents agreed the microfinance institution has growth in human capital with a mean of 4.4909 and standard deviation of 1.05124. A respondent also agreed with microfinance institution has growth in employee performance with a mean score of 4.4424 and standard deviation of 1.13348.

Respondents also agreed that the skills gained from non-microfinance institutional professional training, employees achieve their daily tasks accurately for company's growth with a mean score of 4.4667 and standard deviation of 1.10174. The majority of respondents said that the microfinance institution growth as a state in which a microfinance institution progresses from one level to another level based on set performance objectives.

Growth can also be expressed in form of profitability, increase in human capital, increase in microfinance institutional assets, or even increase in microfinance institutional shares held privately or on the stock market. Macey et al., (2014) on the other hand indicates that most microfinance institutions globally use microfinance institution profitability to measure growth. Therefore, to measure whether human resource practices are having an impact on growth of the microfinance institution, one need to look at the overall microfinance institutional performance. To look at microfinance institutional performance, one will have to look at employee individual and collective performance. Human resource practices make it possible for employees to have a conducive atmosphere where they can exercise their roles and responsibilities (Neuman & Cunningham, 2008).

Reynolds notes that in as much as microfinance institutional growth is usually measured in profitability, changing business dynamic make it difficult to use profitability as the only quantifiable measure of growth. Different aspects of employees change over time and the changes affects employee performance differently. For instance, a study conducted Akbar (2013) indicated that microfinance institutional support for human resource on

competitive compensation enhances microfinance institutional growth in sales. This was explained by the fact that well compensated employees are highly motivated and strives to reciprocate competitive compensation with good performance.

### The Relationship Between Employees' Motivation, Productivity and Performance of COPEDU PLC

This refers to show the relationship between two variables under the study such as employees' motivation as independent variable and productivity/performance of COPEDU PLC as dependant variable. The researcher also picked one factor on each variable to link both to see their relationship.

**Table 1: The relationship between employees' motivation, productivity and performance of COPEDU PLC**

Human resource management and the organizational performance in Compassion International Rwanda		COPEDU PLC remunerates its employees basing on experience	Employees are motivated by Health insurance comparing to remaining benefits in COPEDU PLC	Employees of COPEDU PLC are creative and innovative	Good employee attitude and behavior has enhanced performance
COPEDU PLC remunerates its employees basing on experience	Pearson Correlation	1	.814**	.783**	.802**
	Sig. (2-tailed)		.000	.000	.000
	N	84	84	84	84
Employees are motivated by Health insurance comparing to remaining benefits in COPEDU PLC	Pearson Correlation	.814**	1	.874**	.787**
	Sig. (2-tailed)	.000		.000	.000
	N	84	84	84	84
Employees of COPEDU PLC are creative and innovative	Pearson Correlation	.783**	.874**	1	.729**
	Sig. (2-tailed)	.000	.000		.000
	N	84	84	84	84
Good employee attitude and behavior has enhanced performance	Pearson Correlation	.802**	.787**	.729**	1
	Sig. (2-tailed)	.000	.000	.000	
		84	84	84	84

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

The above table 4.18 explains that correlations between employees' motivation and productivity/performance of COPEDU PLC whereby the respondents N is 146 and the significant level is 0.01, the results indicate that independent variable has positive high correlation to dependent variable equal to .814, .874, .783, .729, .802, and .787 and the p-value is 0.000 which is less than 1%.

When p-value is less than significant level, therefore researcher concluded that variables are correlated. This means that there is a significant relationship between employees' motivation and productivity/performance of COPEDU PLC. We can therefore conclude that employee' motivation and productivity/performance of COPEDU PLC performance parameters as a dependent variable. Participants were asked again to rate their agreement on the microfinance institutions efficiency, productivity, commitment, attitude and behavior and growth. Efficiency and productivity indicators are performance measures that show how well the institution is streamlining its operations.

Productivity indicators reflect the amount of output per unit of input, while efficiency indicators also take into account the cost

of the inputs and/or the price of outputs. Since these indicators are not easily manipulated by management decisions, they are more readily comparable across institutions than, say, profitability indicators such as return on equity and assets. On the other hand, productivity and efficiency measures are less comprehensive indicators of performance than those of profitability [64].

### Conclusion

From the findings, the Training employees shows a strong commitment that an employer has with employees and demonstrate the value that an employer has on the employees. The relationship between workplace training and overall job performance found out that components of job training and time spent in training determined a significant relationship to employee performance on the job.

The quality of training has maximum impact on performance since work output of an employee would be dependent on the experience level that employee would have acquired. The training impacts on performance in that it determines whether one will keep the job at hand or loose it altogether if not well done.

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