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Effects Of Employee Motivation On Organizational Performance At Ethiopian Telecom South West Region Jimma

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Abstract

The study examined the effects of employee motivation on organization performance of crews in Ethio telecom South West Region Jimma. The data were collected through self-administered questionnaire from 229 respondents and 219 were returned. Both primary and secondary sources of data were consumed in this study. The quantitative research approach was implemented and simple random sampling technics were adopted to provide equal chances for respondents. The data were analyzed by SPSS version 20.0 using an exploratory research design and data was analyzed using correlation and regression analysis. The correlation analysis indicates that there was a positive relationship between the independent variables (employee motivation) and dependent variables (organization performance). The result of the regression implies that the independent variables (employee benefit, promotion, teamwork, training and working environment) have accounted for 78.1% of variance in the dependent variable. Based on the outcome of the study, the researchers recommend that, it is better if the company focuses on employee motivation factors, mostly Promotion, employee benefit, teamwork and training so as to improve its performance. Based on the outcome of the study, the researchers recommend that, it is better if the company focuses on employee motivation factors, mostly Promotion, employee benefit, teamwork and training improve its performance.

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1. Introduction

Employee motivation is one of the rules of managers of growth efficient task control between personnel in businesses. A motivated employee is responsive of the precise goals and goals he or she ought to achieve consequently he or she directs its attempt in that course. Motivation formulates an enterprise greater successful because provoked employees are constantly seeking out progressed practices doing more. Getting employees to do their satisfactory performance even in energetic circumstances is one of the personnel most stable and greasy demanding situations and this can be made possible over motivating them. Motivation principle is concerned with what determines purpose directed behavior. Those wishes, how the fulfillment of goals and or comments on their success reinforces a successful behavior and the way perception in a single's capacity to perform a specific task will actuate behavior that is anticipated to achieve the successful overall performance of that challenge (Armstrong, 2006).

Factors affecting employee's motivation, nobody work for free, nor need to them. Employees need to earn affordable revenue and fee, and personnel choice their people to sense that is what they're getting (Houran. J, 1974). Money is the fundamental incentive, no other incentive or motivational technique comes even close to it to appreciate to its influential cost (Sara et al., 2004). It has the supremacy to magnetize, preserve and motivate people in the direction of better performance. Frederick Taylor and his scientific associate defined money because the most essential issue in motivating the economic workers to acquire extra productivity (Adeyinka et al., 2007). Studies have suggested that a reward is now reason for satisfaction of the employee which directly affects the performance of the employee (Kalimullah et al., 2010). The rewards are management tools that optimistically make a contribution to company's effectiveness by using influencing character or organization conduct.

All organizations use pay, promotion, bonuses or different types of rewards motivate and inspire high level performances of employees (Reena et al., 2009). To use salaries as a motivator effectively, managers need to recall revenue systems which ought to include significance. Organization attach to every job, payment in keeping with overall performance, non-public or special allowances, fringe advantages, pensions and so on (Adeyinka et al., 2007). And if you want them to believe you and do things for you and the institute, they want to be inspired (Baldoni. J, 2005). Theories imply that leader and fans raise one another to better stages of morality and motivation (Rukhmani. k, 2010). Motivation is solely and really a management behavior. It stems from wanting to do what is right for people in addition to for the organization. Management and motivation are dynamic techniques (Baldoni. J, 2005).

Managers are highly involved in the process of modeling or re-shaping the organizational structure in a manner that inspires and increases the level of employee motivation. It is widely known that employees are motivated and stay within an organization for as long as they feel that the organization is able to provide an opportunity for self-actualization and personal development. The fulfillment of such conditions contributes to an improvement of the employee's willingness to strive toward successfully achieving the organizations goals and objectives (Pereira, 2012). Research shows that job satisfaction is positively related to job performance, in addition low motivation and low job satisfaction has negatively affected organizational performance Therefore, an employee motivation is likely to have effects on the outcome of care and performance of work.

2. Literature Review

According to Butkus & Green (1999), motivation is originated from the word "motivate", means to move, push or impact to continue for satisfying a want. Motivation is a fixed of publications worried with a kind of energy that enhances overall performance and directs closer to engaging in a few definite objectives (Kalimullah et al., 2010). Helliegel, Slocum, and Woodman describe motivation as the force acting on or within a person that causes the man or woman to act in a, goal-directed manner (Hellriegel, 1992). Daft and Marcic explain that motivation refers to the forces either within or outside to someone that provoke passion and persistence to pursue a positive path of movement (Daft, 2004). Bartol and Martin (1998). Consider motivation is an effective tool that boosts conduct and triggers the tendency to preserve. In different expressions, motivation is an internal force to satisfy an unsatisfied want and to attain a certain goal or objective.

Consequently, managers need to not limit themselves to at least one specific motivational component, as an alternative, they should consider numerous motivational fashions to grasp the different wishes of employees (Kim et al., 2006). It additionally describes the way to inspire humans to apply their efforts and abilities to achieve the business enterprise's desires in addition to satisfy their own needs (Armstrong, 2001).

Motivation Theories

Employee motivation is an intricate and sophisticated subject; however, modern managers must face and deal with this topic to obtain organizational success. To enhance understanding of employee motivation, managers must recognize the requirements of employee motivation, its concepts, and differences in individual needs. According to (Kim et al., 2006) this understanding of the employee motivation process requires a systematic approach, and managers must realize that employee motivation and its process are there to motivate their employees. Therefore, employee input must be valued and included throughout this process Maslow was a psychologist who proposed that within every person is a hierarchy of five needs (Coulter, 2002).

Another classic Motivational theory is Douglas McGregor's Theory X and Theory Y. He is best known for proposing two assumptions about human nature. Very simply, Theory X is a negative view of people that assumes workers have little ambition, dislike work, want to avoid responsibility, and need to be closely controlled to work effectively. Theory Y is a positive view that assumes employees enjoy work, seek out and accept responsibility, and exercise self-direction. McGregor believed that Theory Y assumptions should guide management practice and proposed that participation in decision making; responsibility and challenging jobs and good group relations would maximize employee motivation. (Coulter et al., 2002). Frederick Herzberg's two-factor theory (also called motivation hygiene theory) proposes that intrinsic factors are related to job satisfaction, while extrinsic factors are associated with job dissatisfaction. On the other hand, when they were dissatisfied, they tended to cite extrinsic factors arising from the job context, such as company policy and administration, supervision, interpersonal relationships, and working conditions. (Coulter et al., 2002)

Intrinsic Motivation

Deci and Ryan (1985) suggested that intrinsic motivation is based on the needs to be competent and self-determining (that is, to have a choice). Intrinsic motivation can be

enhanced by assigning suitable job or role design. According to (Katz, 1964) the job itself must provide sufficient variety, sufficient complexity, sufficient challenge, and sufficient skill to engage the abilities of the worker

Extrinsic Motivation

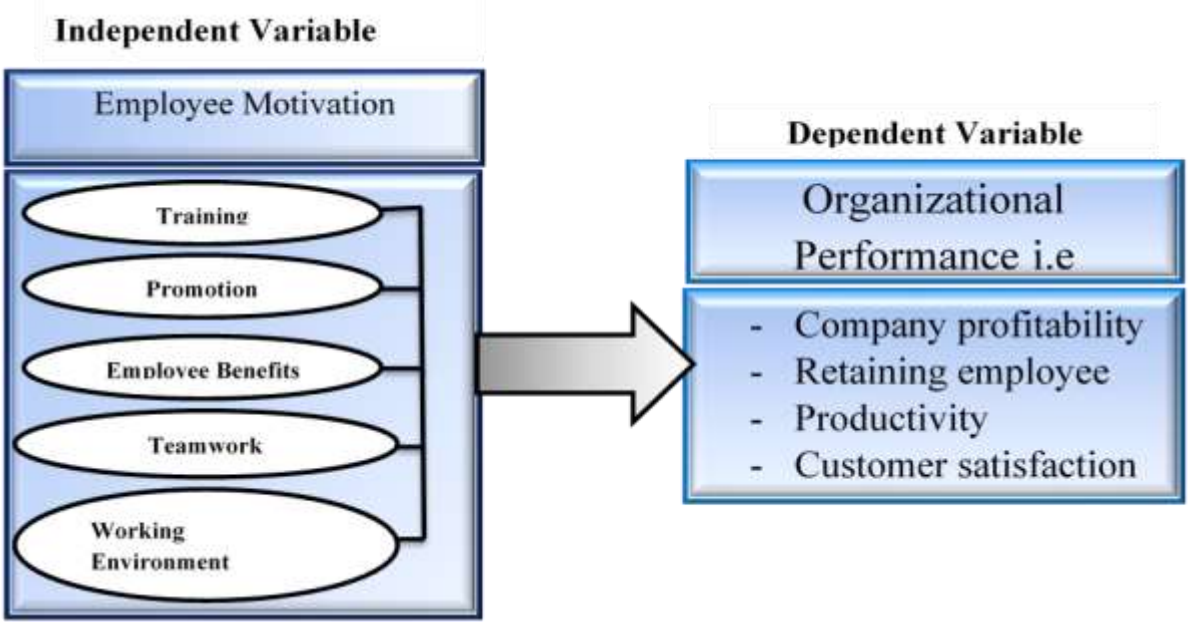
Extrinsic motivation occurs when things are done to or for people to motivate them. These include rewards, such as incentives, increased pay, praise, or promotion; and punishments, such as disciplinary action, withholding pay, or criticism. Extrinsic motivators could have an immediate and powerful effect but will not necessarily last long. The intrinsic motivators, which are concerned with the quality of working life (a phrase and movement that emerged from this concept) are likely to have a deeper and longer-term effect because they are inherent in individuals and their work and not imposed from outside in such forms as incentive pay and summarized in Table below The most significant ones are those concerned with expectancy, goal setting and equity, which are classified as process or cognitive theories Armstrong(2009).

Salary is very important for everyone. Wages must first be received fairly (Wheelhouse, 1989). As (Bohlander, Snell and Sherman, 2001, cited in Petcharak, 2002, p. 22) argued pay is a major consideration in human resource management because it provides tangible reward for employee's service. According to (Wentzel & Wigfield 2009). the connection between worker motivation and employee productivity is not always well established. However, the consensus is that motivation ends in growth of productiveness in the long run. According to (Sara, 2004). major factors that affects employee performances are fair pay, bonus, reward, promotion, and training.

Dessler (2008) presented that promotion is said to be came about employee makes a shift inside the upward direction within organizational hierarchy and movements to a place of more duty and responsibility. (Armstrong et al., 2009) argue that a promotion coverage could maximizes the company's goal by enhancing employee's motivation. According to Milkovich (2011). employee benefit has its own impact on company performance as well as individual's productivity. High-performance teams are characterized by a deep sense of commitment to their growth and success (Armstrong et al., 2009). Thus, teamwork plays a vital role on employee performance and organization productivity. Centers and Bugental (1970) discovered that at better occupational level, "motivators" or intrinsic activity elements were extra valued, while at lower occupational levels "hygiene factors" or extrinsic job factors had been extra valued. As many researches additionally suggest those elements have significant effect on the task performance of employees. According to Negash, Zewude, Megersa, (2014). there was significant and positive association between compensation and work motivation. Inconclusion different variable and statistical measurements had been applied and tested by several researchers.

Conceptual Framework

From the literature collected for the study the factors that increases employee performance are training, promotion, employee benefits, teamwork and working environment which leads to better organization productivity. The Researcher was provided detailed information on the application and results of motivational factors, so that it can justify the association or the connection of outcomes of employee motivation on organization performances.
The below Conceptual model was used in this study.



source: constructed from review literature

3. Research Methods

This study was employed descriptive and exploratory. It is descriptive since descriptive data were collected through a questionnaire and it is also exploratory because the researcher would explore the effects of motivation on organization performance so as to meet the research objective. Both primary and secondary types of data were collected. The primary data was collected by using structured questionnaires. The Secondary data was collected from published journal articles, human resource books, organizational manuals, and any relevant secondary sources. The populations of the study were the entire region professional employee starting from regional management level to lower level employees of the company. Currently, there were total of 540 employees in the region based on data taken form the regional human resource department from the total of 540 employees 229 samples were drawn based on Taro Yamane (1967) formula.

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

Where n is the sample size
N is the total population size and e is the level of precision
By using above formula we obtain sample size $n = \frac{540}{1+540(0.05)^2} = 229$

The researchers used simple random sampling technique to distribute the survey questionnaires to acquire participant's perception towards the effects of employee motivation on organizational performance.

In order to analyze the data gathered and come up with answers to the question raised exploratory methods was employed. The collected questionnaires were analyzed statistically with the help of SPSS (statistical package for social science) version 20. Moreover, it was summarized by frequencies, percentages, means, and standard deviations. Determination of the relationship between the identified independent and dependent variables, the researcher

use Pearson's correlation coefficient and to show the extent of variation in the dependent variable that was explained by the independent variable, the data was computed by regression analysis so as to answer the research questions. According to Creswell (2009) criteria for choosing statistical testes when the number of independent variable would be more than two and dependent variable is one multiple regression was statistically tested. In this regard the following multiple regression models were used to determine the variation or qualitative associations between the variables as follows:

$$Y = \alpha + \beta 1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where: Y dependent variable = Organization performance, α = Constant, β_1=is the coefficient of Employee benefit, β_2=is the coefficient of Promotion, β_3=is the coefficient of trainings, β_4=is the coefficient of Team work, β_5=is the coefficient of working condition
When β_1= is the change in y for one unit change in X_1 and β_2 = is the change in y for one unit change in X_2, β_3= is the change in y for one unit change in X_3, β_4= is the change in y for one unit change in X_4, β_5= is the change in y for one unit change in X_5. X_1 = Employee benefit, X_2 = Promotion, X_3 Training, X_4 Team work, X_5 Working environment and e = is the error term.

4. Result

Descriptive Statistics of Employee Motivation and Organization Performance

As described in the research methodology, Likert scale was used to measure the effect of motivational factors for increasing organizational performance. The researcher has revealed employee's insight towards motivational factors that influences company productivity.

Table 1. Employee motivation and organization performances

Descriptive statistics				
No	**Variables**	**N**	**Mean**	**Standard Deviation**
1	Employee Benefit	219	2.85	1.42
2	Working environment	219	2.82	1.43
3	Promotion	219	3.13	1.42
4	Training	219	3.12	1.39
5	Teamwork	219	3.04	1.47
6	Organization performance	219	3.09	1.41

Source: Own filed survey (2018)

As shown in the above table 1 statistics, results were sorted based on their occurrence in the questionnaires. The mean value of an employee benefit package is=2.85 (SD=1.42) this shown that, the majority of the respondents were averagely satisfied with the benefit packages of the company. This indicates that employee benefit has impact employee performance. The average mean value of working environment is=2.82 (SD=1.43) this indicates that employees of the organization were also averagely satisfied with the working environments in which they were currently working on. This indicates that the working environment has an effect on employee performances.

As indicated in the above table the mean value of promotion is = 3.13 (SD=1.42) from this we noticed that average of employees were satisfied and motivated when they were got a promotion opportunity and fair promotion policy and procedure within the company. From this we deduce that promotion is the most important factor that motivates and affects the employees of the company. Accordingly, the average mean value of training is = 3.12 (SD=1.39) which is shown on the table above indicates that average of employees were satisfied and motivated by the training given to them by the company and believed that training is important to advance their performance, this also leads to increase the performance of the organization as well. The other determinants that affect employee motivation is teamwork which was shown in the table 1 above and the mean value is = 3.04 (SD=1.47) this shows that an average of the organizations crews motivated when they were working in teams, and believed that teamwork increases their productivity, this could increase the company's performance.

As illustrated in the above table 1 the respondents were requested to rate or select the effects of employee motivation on the performance of the company and replied that the mean value is= 3.09 (SD=1.41) this indicates that an average of the respondents were agreed that employee motivation has an effect on organizational performance in terms of profitability, employee retention, productivity and customer satisfaction. Therefore, from the above paragraphs one can reveal that predictor variables such as employee benefit, working environment, promotion, training and teamwork could have averagely affects the dependent variable that is organizational performance.

Correlation Analysis

In this section, the direction and degree of the strength of the relationship among the variables were examined, it is possible to determine the correlation among all scopes of the independent variables (Employee benefits, working environment, promotion, training and teamwork) and the dependent variables (organization performance) were used to analyze the strength, direction and statistical significance of the relationship as indicated table 2 below.

Table 2. Pearson correlation analysis for independent and dependent variables

Correlations

		EMPB	WENV	PR	TR	TMW	ORGP
EMPB	Pearson Correlation	1	.373**	.553**	.350**	.520**	.664**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	219	219	219	219	219	219
WENV	Pearson Correlation	.373**	1	.420**	.471**	.376**	.504**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	219	219	219	219	219	219
PR	Pearson Correlation	.553**	.420**	1	.499**	.478**	.807**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	219	219	219	219	219	219
TR	Pearson Correlation	.350**	.471**	.499**	1	.330**	.598**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	219	219	219	219	219	219
TMW	Pearson Correlation	.520**	.376**	.478**	.330**	1	.606**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	219	219	219	219	219	219
ORGP	Pearson Correlation	.664**	.504**	.807**	.598**	.606**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	219	219	219	219	219	219

. Correlation is significant at the 0.01 level (2-tailed). EMPB=Employee benefit, WENV=Working environment, PR=Promotion, TR=Training, TMW=Teamwork, ORGP=Organization performance.

Regression Analysis

Regression analysis supports in order to measure the relative strength of the independent variable on the dependent variable. Thus, in order to examine the statistically significant effect of the independent variables on the dependent variable, multiple regression analysis was used. According to Kothari (2004), multiple regression analysis applied when the researcher has one dependent variable, which is supposed to be a function of two or more independent variables. The objective of this exploration is to make a prophecy about the dependent variable based on its covariance with all the concerned independent variables.

Diagnosis Test

Before applying regression analysis to assess the effect of employee motivation on organization performance, some tests were determined in order to confirm the appropriateness of data to assumptions of regression analysis as follows:

Multicollinearity Test

According to Andy field (2013) one way of identifying multicollinearity is by scanning a correlation matrix of the predictor variables. SPSS yields various collinearity diagnostics, one of which is the variance inflation factor (VIF). The VIF shows whether a predictor has a strong linear relationship with the other predictor and tolerance statistics which is the reciprocal of VIF. There is no one best rule that determines the value of VIF but there are some general guidelines: If the largest VIF is greater than 10 then there is cause for concern (Bowerman, O'Connell, & Myers, 1990). If the average VIF is substantially greater than 1 then the regression may be biased (Bowerman & O'Connell, 1990). Tolerance below 0.1 indicates a serious problem. Tolerance below 0.2 indicates a potential problem (Menard, 1995). As indicated in the table 3 below tolerance value of all variables were above 0.5 and variance inflation factor (VIF) less than 2 hence, we conclude that there was no multicollinearity issues exist.

Table 3. Collinearity Statistics summary

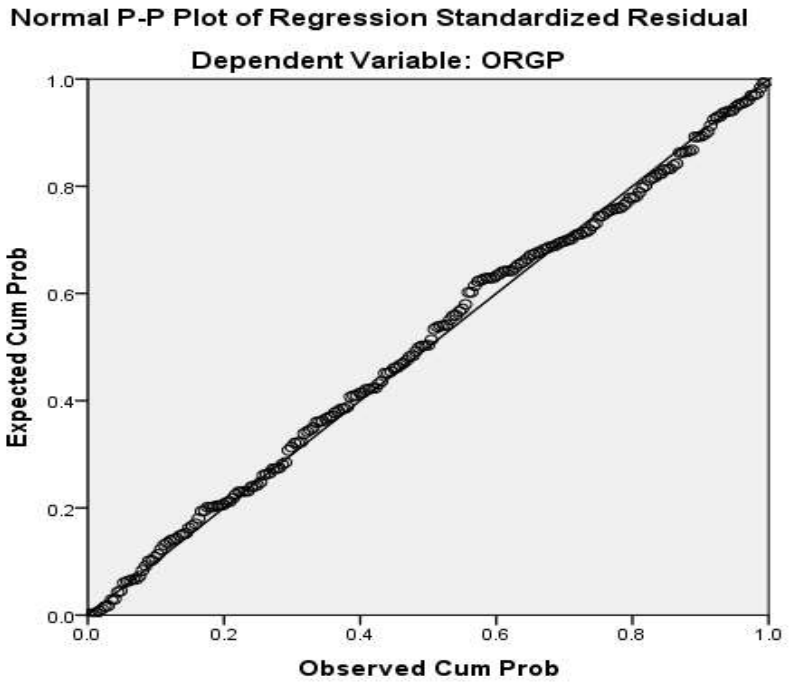
Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Employee Benefit	.600	1.666
	Working Environment	.698	1.433
	Promotions	.554	1.805
	Trainings	.666	1.502
	Teamwork	.657	1.521
a. Dependent Variable: Organization Performance			

Linearity Test

Linearity refers to the degree to which the variation in the dependent variable is related to the variation in the independent variables. To determine whether the relationship between the

dependent variable organization performance and the independent constructs employee benefit, working environment, promotion, training and teamwork is linear, so, plots of the regression residuals through SPSS software has been used.

Figure 1. Normal P-P Plots of regression



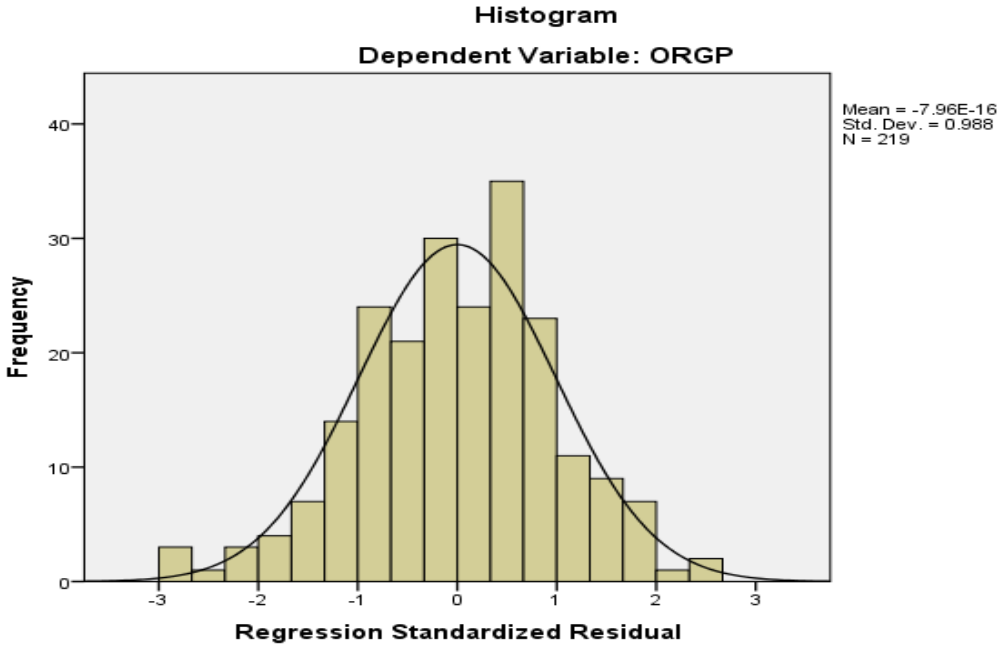
Source: Own field survey and SPSS output (2018)

The scatter plot of residuals shows no more variation in the spread of the residuals as you can see from left to right on figure 1 above. This result suggests the relationship we are trying to predict is linear. As a result, the above figure shows the normal distribution of residuals around its mean of zero. Hence the normality assumption is fulfilled as required based on the above figure, it is possible to conclude that the inferences that the researchers would made about the population parameter from the sample were valid.

Normality Test

Figure 2 shows the frequency distribution of the standardized residuals compared to a normal distribution. As you can see, although there were some residuals (e.g., those occurring around 0) that are relatively far away from the curve, many of the residuals are fairly close. Moreover, the histogram is bell shaped which lead to deduce that the residual (disturbance or errors) are normally distributed. Thus, there is no violation of the assumption normally distributed error term.

Figure 2. Histogram



Source: Own field survey and SPSS output (2018)

Regression Analysis Result

Table 4: Model Summary

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.886[a]	.786	.781	.39401
a. Predictors: (Constant), Teamwork, Training, Working environment, Employee benefit, Promotion b. Dependent Variable: Organization performance				

Source: SPSS Regression results output, 2018

Multiple regression result in the above table 4 indicates that employee motivation constructs (Employee benefit, working environment, Promotion, Training and Teamwork) have significant influence on the performance of the organization. The adjusted R^2 tells us how much change in the outcome would be accounted for if the model had been derived from the population from which the sample was taken (Field, 2013). In addition, the adjusted R^2 gives us the percentage of variation explained by only the independent variables that actually affect the dependent variable. As a result, the adjusted R^2 0.781 revealed that 78.1% of variance in organizational performance can be explained by Employee benefit, working environment, Promotion, Training and Teamwork whereas 21.9% were explained by other factor.

Table 5 Testing for model fit

ANOVA[a]						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	121.247	5	24.249	156.199	.000[b]
	Residual	33.068	213	.155		
	Total	154.315	218			
a. Dependent Variable: Organization performance b. Predictors: (Constant), Teamwork, Training, Working environment, Employee benefit, Promotion						

Source: SPSS Regression results output, 2018

According to (Field, 2013) the ANOVA (analysis of variance) tells us whether the model, overall results in a significantly better degree of prediction of the outcome variable. Similarly ANOVA indicates the overall fit of the model. Hence, as we seen from table 5 the value of F which is computed by dividing the mean square of explained data by the mean square of residual data is F (5, 213) =156.199, P<.001 from this one can conclude that the overall model has a better fit.

Table 6 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.172	.161		-7.276	.000
	Employee Benefit	.325	.062	.214	5.228	.000
	Working Environment	.072	.042	.064	1.696	.091
	Promotions	.606	.054	.479	11.249	.000
	Trainings	.217	.043	.195	5.021	.000
	Teamwork	.186	.041	.177	4.535	.000

a. Dependent Variable: Organization Performance

Source: SPSS Regression results output, 2018

Referenced table 6 shows that standardize beta coefficient, which tell us the unique involvement of each factor to the model. According to George (2003) a large beta value and a small P value (P<.05) revealed the predictor variable has made a significance statistical involvement to the model. On the other hand, a minimum beta value and a maximum p value (P >. 05) Indicate the predictor variable has little or no significant influence of the model. The relative importance of effects of employee motivation (independent variables) in contributing to the variance of the organizational performance (dependent variable) is described by the standardized beta coefficient. The beta value of employee benefit is (beta=.214, P<0.05), working environment (beta=.064, P>0.05), promotions (beta=.479, P<0.05), trainings (beta=.195, P<0.05), and teamwork (beta=.177, P<0.05). Among the independent variables, promotion is more significant and statistically sound and expression. This can be interpreted as every single unit improvement in the promotion will increase organizational performance by 47.9%. Therefore, the promotion has a greater amount of impact than other predictors On the other hand, the working environment has less contribution which is 6.4% of the organization performance. Table 6 also implies that employee benefit, promotions, training and teamwork have a significant influence on organizational performance at 95% confidence level. All employee motivation factors have been included in the formation of the function and detail expression as follows:

$$\mathbf{Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \beta 5X5 + e}$$

$$\mathbf{Y = -1.172 + 0.325X1 + 0.606X2 + 0.217X3 + 0.186X4 + 0.072X5 + e}$$

The outcome of this study shows that, except working environment, all variables of employee motivation have a positive and significant effect on organizational performance. From the analysis the co-efficient value of promotion in the organization was 0.606. This means that all things being equal, when the other independent variables (employee benefit, teamwork, training and working environments) are held constant, organization performance would increase by 60.6% if there is a 1-unit improvement in the promotion.

From the analysis the co-efficient value of employee benefit was 0.325. This means that all things being equal, when the other independent variables (promotion, teamwork, training and working conditions) are held constant, organization performance would increase by 32.5% if there is 1-unit improvement in employee benefit package. This was statistically significant (0.00<0.05) i.e. the variable (employee benefit) is making a significant unique contribution to the prediction of the dependent variable (organization performance). Indicated from the analysis the co-efficient value of training was 0.217. This means that all things being equal, when the other independent variables (promotion, employee benefit, teamwork and working conditions) are held constant, performance would increase by 21.7% if there is 1-unit improvement in training. This was statistically significant (0.00< 0.05) i.e. the variable (training) is making a significant unique contribution to the prediction of the dependent variable (organization performance).

As shown from the analysis the co-efficient value of teamwork was 0.186. This means that all things being equal, when the other independent variables (promotion, employee benefit, training and working conditions) are held constant, performance would increase by 18.6% if there is a 1-unit improvement in teamwork. This was statistically significant (0.00< 0.05) i.e. the variable (teamwork) is making a significant unique contribution to the prediction of the dependent variable (organization performance). Furthermore, from the findings of this study, researchers found out that not all of the variables selected by the researchers have significant effects on organization performances.

From the analysis the co-efficient value of working environment was 0.072. This means that all things being equal, when the other independent variables (promotion, employee benefit teamwork, and training) are held constant, performance would increase by 7.2% if there is 1-unit improvement in the working environment. This was statistically insignificant because it has value more than 0.05 i.e. the variable (working environment) is not making any unique contribution to the prediction of organization performance. From total of five selected variables (employee benefit, promotion, training, and teamwork) have positive unique contribution to organizational performance. Among this promotion has the most unique contributor of all, this supports Vrooms (1969) expectancy theory of motivation that argues, an employee will be motivated to exert a high level of effort that leads to good performance appraisal followed by organization rewards such as promotion which later meets personal goal. On the contrary, the working environment has no significant unique contribution to company performance. Regarding to this it is possible to deduce that promotion and employee benefit contribute more for organizational performance and would be focusing area for the company to inspire its workforce.

5. Conclusion and Suggestion

Depending on the outcome of this study the following conclusions were made. The purpose of this study was to examine the effect of employee motivation on company performance. For

any organizations to be productive and successful, having of motivated employees has the most important issue to be emphasized by the organization. Since organizations will be efficient if and only if their employees are motivated and this could happen among others through having an effective motivation of employees assured by the company.

On employee motivation, it can also be concluded that promotion, employee benefit package, training, teamwork and working environment have an impact on organization performance that also leads to increase productivity and performance of employees of the company. Similarly, promotion, employee benefit, training and teamwork have unique and significant contribution to company performance based on the result of this study. Furthermore, the result shows that employees of the company were averagely agreed with the employee benefit currently provided by the company.

Likewise, the result of this study concludes that employee motivation is very important factors that the region managements needs to focus on to achieve region target or goal as well as to contribute more to company performance. Ignoring this factor could cause to build demotivated employees, which are subject to reduce performance, lower commitment, and lower motivation or even contribute to the lesser productivity of the company. In contrast working environment has least unique effects on company performance in this investigation result which shows that the working environment has an insignificant impact on company performance. In summary, the major finding of this study implies that employee motivation has a positive effect on the Ethio telecom company performance.

Based on the outcomes and conclusions the researchers recommend that the managements of the company need to motivate and encourage their staffs so as to advance their performance. It is important to work closely with HR departments to have promotion opportunities and flexible career development which are highly prioritized by crews as an important motivation factor. Employees who work harder and perform well and meet their targets should be motivated by their respective organizations by giving them a special treatment in terms of incentives like bonus, salary increment, transportation and housing allowances and training programs to induce others to follow their footsteps. Incentives were generally developed to generate employee motivation, satisfaction, and greater performance of any company. In addition, with an effective incentive, employees could gain several social and psychological benefits as a result of improving their purchasing power to meet his or her needs of goods and services. Therefore, it can be concluded that incentives have great potential for improving employee work performance and increasing production efficiency through encouraging individuals or groups to act in a desired and productive way. And also the implementation of teamwork can increase efficiency and encourage employees to work more smarter and strongly.

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