

THE EFFECT OF THE EMPLOYEE MOTIVATION ON THE EMPLOYEE PERFORMANCE IN BANKS IN SOMALIA

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Received: Dec 12, 2020

Accepted: February 23, 2021

Published: May 01, 2021

Abstract

The purpose of this study is to examine the effect of employee motivation on the employee performance in banks in Somalia. The article uses a quantitative survey method to empirically analyze the data collected by the questionnaire. The data was collected from 365 employees and managers who work in several Somalian banks in different cities in Somalia. The Employee Motivation Scale developed by Gagné et al. (2010, pp. 641-642) has 12 items and was taken from Zengin (2019, pp. 22-23) and The Job Performance Scale developed by Goodman and Syantek (1999, p. 261) has 25 items were used in the study. Frequency distribution analysis, reliability analysis, factor analyses, correlation analysis, and regression analysis were applied to the data. According to the results of the analysis, the employee motivation affects the employee performance in banks in Somalia.

Keywords: *Employee Motivation, Employee Performance, Somalian Banks*

1. Introduction

The importance of the effect of the employee motivation on the employee performance attracted the attention of researchers in the last decades. Nowadays employees are more skilled and qualified. It is more difficult for companies to gain and retain these employees. Thus, they have to improve the motivation of their employees via several methods including leadership practices, monetary and non-monetary rewards. If companies attract qualified employees, motivate them appropriately, they can improve performances of their employees. An improved employee motivation will improve a company performance as well.

Motivation was coined from the word 'motive' meaning drives, desires, or needs of people. It is a process for leading people to actions to accomplish objectives (Chaudhary & Sharma, 2012, p. 29).

Only if people are motivated, they can like working hard. Each employee is motivated by different methods. Employee motivation can be defined as a reflection of a creativity, an energy level, and a commitment which employees bring to their jobs (Shahzadi et al., 2014, p. 159).

An employee performance reflects what an employee does or what he doesn't do. It involves a work attendance with a helpful and an accommodative behavior, and quantity, quality and timeliness of output (Yang, 2008) (Shahzadi et al., 2014, p. 161).

Researchers perceive a motivation as a building block to develop influential management theories whereas managers perceive it as a main part of a performance equation for all organizational levels (Steers, Mowday, & Shapiro, 2004, p. 379).

The purpose of this study is to examine the effect of the employee motivation on the employee performance in banks in Somalia. The article has the following four sections: (1) The concept of an employee motivation; (2) The concept of an employee performance; (3) Research methodology and the findings; and (4) Conclusion.

2. The Concept of An Employee Motivation

An employee motivation affects an employee performance and triggers a company success in the marketplace. Nowadays, companies are in dynamic environments and face challenges. An improved employee motivation and performance can be considered as strengths of companies to overcome threats and get the advantage of more opportunities to have strong, leading market positions. Dimensions of an employee motivation were explained in this section.

Being motivated means being moved to do something. People who don't feel an inspiration or an impetus for an action can be defined as unmotivated whereas people who are activated or energized toward ends can be defined as motivated (Ryan & Deci, 2000a, p. 54).

Different motivation types based on different goals or reasons which rise an action are distinguished in Self-Determination Theory (SDT) (Deci & Ryan, 1985). An intrinsic motivation is doing something due to being enjoyable or interesting whereas an extrinsic motivation is doing something due to leading to a separable outcome (Ryan & Deci, 2000a, p. 55).

An intrinsic motivation triggers and maintains activities through the satisfaction of an influential volitional action (Ryan, Kuhl, & Deci, 1997) (Deci, Koestner, & Ryan, 1999, p. 658).

An intrinsic motivation is doing something for its own sake due to being enjoyable and interesting (Ryan, 1995) (Gagné, et. al., 2010, p. 629).

An identified regulation is doing an activity because a person identifies it with its meaning or value, and accepts it as his own which shows it is autonomously regulated. Identified people have behaviors or commit into activities for their perceived relations or meanings to their personal goals (Koestner & Losier, 2002) (Gagné, et al., 2010, p. 629).

An identification causes a bigger autonomy if a behavior of a person reflects his identity or values (Ryan, 1995, p. 406).

An introjected regulation is interesting because although the regulation is a controlled form of an internalized extrinsic motivation, it is within a person (e.g., An employee works because it makes him feel like a worthy person) (Gagné & Deci, 2005, p. 334).

An introjection consists of taking in a regulation but not accepting it as his own. It is a controlled form of regulation in which behaviors are performed to avoid anxiety or guilt to have ego enhancements. An introjection highlights a regulation by a contingent self-esteem (Deci & Ryan, 1995) (Ryan & Deci, 2000b, p. 72).

Externally regulated people act with the intention of avoiding undesired consequences or having desired ones. They are energized to do actions if the action is instrumental to these ends (i.e. An employee works while his boss is watching) (Gagné & Deci, 2005, p. 334).

An external regulation is the least autonomous form of an extrinsic motivation. The behavior is triggered by external contingencies such as deadlines, punishments or rewards. These contingencies to perform the behavior are not internalized. An externally regulated action is determined by external forces. External locus of causality represents it (deCharms, 1968) (Vansteenkiste, Lens, & Deci, 2006, p. 21).

3. The Concept of An Employee Performance

An improved employee performance accelerates improvement of a company performance. Nowadays, a company performance has different dimensions. Human resources are the most important resource of companies to gain and maintain competitive advantages. Thus, managers should try to improve performances of their employees to improve the overall company performance. Dimensions of an employee performance were explained in this section.

According to several researchers (Mathis & Jackson, 2006, p. 378; Soepardjo & Nugrohoseno, 2014), the performance is defined as what employees do or not do. An employee performance shows how much each employee makes contribution to the company in terms of work attendance, quantity and quality of an output, period to produce an output, and a cooperative attitude (Ariawaty, 2020, p. 319).

Locke and Latham (1990) state that loyal and highly committed employees are extremely important to achieve goals of companies. Highly committed employees are more productive and qualified, have higher responsibilities, work loyalties, and job satisfactions (Karim & Rehman, 2012). Sahoo, Behera, and Tripathy (2010) showed that a

committed employee to his career and job has less intention to quit or take leave, feels a job satisfaction, and has a higher intrinsic motivation (Hanaysha, 2016, pp. 298-299).

An altruism is an attitude arising from an initiative and a voluntary behavior whose interactions are perceived by an employee to another one (Argote et al., 2003) (Emilisa, 2019, p. 99).

An altruism is an attitude willing to help colleagues, leading to actions for assisting colleagues to address problems and complete tasks. This behavior will support a cooperation which is necessary for a teamwork (Organ, 2006) (Emilisa and Lunarindiah, 2018, p. 55).

A conscientiousness is an attitude leading to employee behaviors to obey organizational rules. For instance keeping attendance level above the minimum limit, being at work and completing the work on time. This behavior will drive an employee effectiveness and efficiency (Organ, 2006) (Emilisa and Lunarindiah, 2018, p. 55).

A conscientiousness trait is related to an employee task and contextual performances directly (Jiang et al. (2009)) An employee with conscientiousness trait will have a higher performance (Hassan, Akhtar, & Küçük Yılmaz, 2016, p. 5).

A task performance can be defined as the degree to which an employee meets or exceeds focal role expectations (Harrison, Newman, & Roth, 2006, p. 307).

A task performance can be defined as providing services or producing outputs such as expertise in job related tasks. It consists of activities supporting organizational services or techniques such as planning and coordinating (Borman & Motowidlo, 1993) (Daryoush et al, 2013, p. 101).

4. Research Methodology and Findings

4.1. The Purpose of the Study

The purpose of this research is to determine the effect of the employee motivation on the employee performance.

4.2. The Sample of the Study

This study was conducted in banks in Somalia. The questionnaire was sent to 400 employees and managers who work in several Somalian banks in different cities. 365 responses were analyzed.

4.3. The Model of the Study

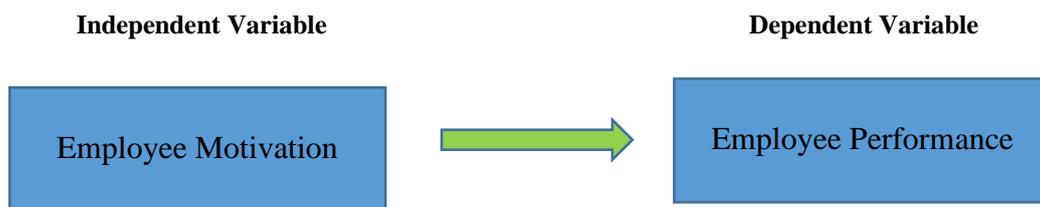


Figure 1. The Model of the Study

4.4. Hypothesis of the Study

The hypotheses of the research are as follows;

H1: Motivation has a positive effect on performance

H1a: Intrinsic Motivation has a positive effect on performance

H1b: Identified Regulation has a positive effect on performance

H1c: Introjected Regulation has a positive effect on performance

H1d: External Regulation has a positive effect on performance

4.5. Methodology of the Study

This research is a quantitative research. Frequency distribution analysis, reliability analysis, factor analyses, correlation analysis, and multiple regression analysis were applied to the data. The questionnaire was sent by e-mail. Employees answered questions for the work motivation. Managers answered questions for the employee performance.

4.6. Limitation of the Study

Covid-19 created a limitation to collect data. There were time and financial restrictions for the research.

4.7. Scales of the Study

Work Motivation Scale used in this research was developed by Gagné et al. (2010) and was taken from Zengin (2019, pp. 22-23). Employee Performance Scale used in this research was developed by Goodman and Syvantek (1999, p. 261).

4.8. Research Findings

4.8.1. Frequency Distribution Analyses

Table 1 shows demographic data of the research.

Table 1. Frequency Distribution of Demographic Variables

Demographic Variables	f	%
Gender		
Male	215	58,90
Female	150	41,10
Total	365	100
Age		
20-29	136	37,26
30-39	124	33,97
40-49	84	23,01
50-59	16	4,38
50 or more	5	1,37
Total	365	100
Education		
High School	118	32,33
Undergraduate	192	52,60
Master	44	12,05
PhD	11	3,02
Total	365	100
Total Work Experience		
0-9 year	182	49,86
10-19 year	170	46,58
20-29 year	13	3,58
Total	365	100
Total Work Experience in This Company		
0-5 year	198	54,25
6-10 year	138	37,81
11-15 year	29	7,95
Total	365	100
Your Position in This Company		
Lower Level Manager	130	35,62
Middle Level Manager	45	12,33

Top Level Manager	10	2,74
Other	180	49,32
Total	365	100

Most of the employees are males, between 20-29 age, and non-manager employees. They have undergraduate degrees, 0-9 years total work experience, and 0-5 years total work experience in their current banks.

4.8.2. Reliability Analysis

The following table shows the reliability values of the variables and their dimensions.

Table 2. Reliability Analysis Results

Variables and Dimensions	Cronbach's Alpha	N of Items
Motivation	0,838	12
Intrinsic Motivation	0,866	3
Identified Regulation	0,748	3
Introjected Regulation	0,709	3
External Regulation	0,815	3
Performance	0,876	25
Altruism	0,844	7
Conscientiousness	0,888	9
Task Performance	0,829	9

Reliability values are high, acceptable or good as it is observed in Table 3.

4.8.3. Factor Analysis

The following tables include factor analyses of the dependent and independent variables.

Table 3. Factor Analysis for Work Motivation Scale

Dimensions and Items		Components Value	Total Variance Explained
Intrinsic Motivation	2. Because I have fun doing my job	0,855	14,222
	1. Because I enjoy this work very much	0,812	
	3. For the moments of pleasure that this job brings me	0,788	
Identified Regulation	4. I chose this job because it allows me to reach my life goals	0,885	11,154
	5. Because this job fulfils my career plans	0,795	
	6. Because this job fits my personal values	0,733	
Introjected Regulation	9. Because my reputation depends on it	0,857	11,055
	8. Because my work is my life and I don't want to fail	0,788	
	7. Because I have to be the best in my job, I have to be a "winner"	0,788	
External Regulation	10. Because this job affords me a certain standard of living	0,811	9,423
	11. Because it allows me to make a lot of money	0,794	
Total Variance Explained: 45,854			
Extraction Method: Principal Component Analysis			
Rotation Method: Varimax with Kaiser Normalization			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0,913	
Bartlett's Test of Sphericity	Approx. Chi-Square	6423,457	
	Df	766	
	Sig.	0	

Factor analysis shows that there are four factors in this scale namely Intrinsic Motivation, Identified Regulation, Introjected Regulation, and External Regulation as it is in the original scale. 12th item was removed from the analysis due to a low load. Intrinsic Motivation explains the scale by 14.222% alone, Identified Regulation explains the scale by 11.154% alone, Introjected Regulation explains the scale by 11.055% alone, and External Regulation explains the scale by 9.423% alone. These four dimensions explain the scale by 45.854% altogether.

Table 4. Factor Analysis for Performance Scale

Dimensions and Items		Components Value	Total Variance Explained
Altruism	1. Helps other employees with their work when they have been absent.	0,934	13,077
	12. Assists me with my duties.	0,847	
	13. Makes innovative suggestions to improve the overall quality of the department.	0,833	
	7. Helps others when their work load increases (assists others until they get over the hurdles).	0,804	
	3. Volunteers to do things not formally required by the job.	0,643	
	15. Willingly attends functions not required by the organisation, but helps in its overall image.	0,622	
Conscientiousness	2. Exhibits punctuality arriving at work on time in the morning and after lunch breaks.	0,816	11,497
	11. Does not take unnecessary time off work.	0,747	
	6. Exhibits attendance at work beyond the norm, for example, takes fewer days off than most individuals or fewer than allowed.	0,733	
	8. Coasts toward the end of the day.	0,704	
	10. Spends a great deal of time in personal telephone conversations.	0,643	
	4. Takes undeserved work breaks.	0,622	
	16. Does not spend a great deal of time in idle conversation.	0,601	
Task Performance	17. Achieves the objectives of the job.	0,802	6,362
	21. Could manage more responsibility than typically assigned.	0,715	
	22. Appears suitable for a higher-level role.	0,633	
	23. Is competent in all areas of the job, handles tasks with proficiency.	0,601	
	18. Meets criteria for performance.	0,581	
	25. Plans and organizes to achieve objectives of the job and meet deadlines.	0,576	
Total Variance Explained: 30,936			
Extraction Method: Principal Component Analysis.			
Rotation Method: Varimax with Kaiser Normalization.			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.			0,819
Bartlett's Test of Sphericity	Approx. Chi-Square	8736,278	
	Df	769	
	Sig.	0	

Factor analysis shows that there are three factors in this scale namely Altruism, Conscientiousnes, and Task Performance as it is in the original scale. 5, 9, 14, 19, 20 and 24th. items were removed from the analysis due to low loads. Altruism explains the scale by 13.077%, alone, Conscientiousnes explains the scale by 11.497% alone Task Performance explains the scale by 6.362% alone. These three dimensions explain the scale by 30.936% altogether.

4.8.4. Correlation Analysis

Correlation values between variables and their dimensions are presented as follows:

Table 5. Correlation Analysis Results

Variables	Ort.	Std. D.	Motivation Total	Intrinsic Motivation	Identified Regulation	Introjected Regulation	External Regulation	Performance Total	Altruism	Conscientiousness	Task Performance
Motivation Total	3,285	0,774	1								
Intrinsic Motivation	4,724	0,667	-0,013	1							
Identified Regulation	4,086	0,176	-0,017	0,023*	1						
Introjected Regulation	4,424	0,317	-0,024	0,031	0,012	1					
External Regulation	4,479	0,674	-0,88	0,002*	0,015	0,444	1				
Performance Total	4,286	0,454	0,412**	0,224**	0,056**	0,078**	0,088**	1			
Altruism	4,724	0,267	0,208*	0,076*	0,054	-0,044	0,134	0,076	1		
Conscientiousness	4,086	0,176	0,102*	0,224	0,204*	-0,017	-0,034	0,114*	-0,22	1	
Task Performance	4,424	0,345	0,079**	0,033	0,034	0,039	-0,017	0,033	-0,055	-0,057	1
*Correlation is significant at the 0.05 level (2-tailed)											
**Correlation is significant at the 0.01 level (2-tailed)											

Table 6 presents that the correlation values among motivation, performance and their dimensions. They are positive and statistically significant. Correlation values are significant at the level of 0.01 and 0.05. The correlation between total performance and total motivation is 0,412. Correlations between dimensions of the motivation and the total performance are as follows respectively 0,224, 0,056, 0,078, and 0,088. They are statistically significant at 0.01 confidence level.

4.8.5. Multiple Regression Analysis

The results of Multiple Regression Analysis is as follows:

Table 6. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	F	Sig.
1	0,402	0,161	0,162	0,83455	6,044	0,000

Independent variables can explain 16,2% of the model. The high F value shows that parameters of the model are statistically significant.

Table 7. Regression Model

Independent Variables (Motivation Scale Dimensions)	B	Standard Deviation	Beta	t	Sig.
Intrinsic Motivation	0,322	0,121	0,345	4,508	0,000
Identified Regulation	0,106	0,122	0,108	3,329	0,000
Introjected Regulation	0,065	0,056	0,066	3,278	0,001
External Regulation	0,182	0,101	0,189	2,582	0,001
F: 12,342 df: 5 R2: 0,284 p<0,05					
Dependent Variable:					
Performance					

Beta values represent the coefficients of the independent variables which affect performance and they are positive in the table. Thus, the dimensions of the motivation affect the performance positively. The coefficient of Intrinsic Motivation was 0.345, the coefficient of Identified Regulation was 0.108, the coefficient of Introjected Regulation was 0.066, and the coefficient of External Regulation was 0.189. Significance values for these coefficients are less than 0.05 and statistically significant. So, each motivation variable affects performance positively. Thus, all hypotheses are accepted.

Table 8. The Results of Hypotheses

HYPOTHESIS	RESULT
H1: Motivation has a positive effect on performance.	ACCEPTED
H1a: Intrinsic Motivation has a positive effect on performance	ACCEPTED
H1b: Identified Regulation has a positive effect on performance	ACCEPTED
H1c: Introjected Regulation has a positive effect on performance	ACCEPTED
H1d: External Regulation has a positive effect on performance	ACCEPTED

5. Conclusion

The purpose of this study is to examine the effect of the employee motivation on the employee performance in banks in Somalia. The questionnaire which has demographic questions and two scales namely Work Motivation Scale with 12 items and Employee Performance Scale with 25 items were sent to 400 employees and managers who work in several banks in different cities in Somalia via e-mail. 365 of responses were analyzed via SPSS 19 program. The cronbach's alpha value of the Work Motivation Scale was 0.838 and whereas the cronbach's alpha value of Job Performance Scale was 0.876. These values are accepted as reliable values. Intrinsic motivation, identified regulation, introjected regulation, and external regulation were found as dimensions of Work Motivation Scale as it is mentioned in the original scale. They can explain 45.854% of the scale altogether. On the other hand, conscientiousness, altruism, and task performance were found as dimensions of Performance Scale as it is mentioned in the original scale. These dimensions explain 30.936% of the scale altogether. A correlation analysis was conducted to find the relations between variables and their dimensions. A regression analysis was conducted to determine the effect of the work motivation on the employee performance. Then, hypotheses were tested. Since, all coefficients of dimensions of motivation are statistically significant, all hypotheses are accepted. If companies focus on improving employee motivations, they can improve employee performances. Thus, performances of companies can improve. High employee motivation and performance will be strengths of companies to gain and sustain competitive advantages in the marketplace.

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