

**IMPACT OF STAFF MOTIVATION ON ORGANIZATIONAL PRODUCTIVITY
A CASE STUDY OF TAC LIMITED NAIROBI COUNTY**

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PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF
BACHELOR OF COMMERCE OF GREYSA UNIVERSITY**

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DECLARATION

DECLARATION

This research project is my own original work and to the best of my knowledge has not been presented for the award of a degree in any other university

Signature..... EW Date 13/12/2024

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ABSTRACT

Adopting staff motivation practices in a business by the management, boosts the organizational productivity since the employees are encouraged and motivated to work harder in order to boost production. This research investigated the impact of staff motivation practices on organizational productivity, with a focus on identifying the key factors that drove employee performance and subsequently the overall productivity of a firm. This was a case study of TACC Stores, a store which deals with home interiors and sanitaryware. The study specifically examined the effect of monetary incentives; recognition and rewards and career development opportunities on the organizational productivity. Over the recent years, various organizations have adopted the policy of motivating their employees in order to boost their production. They have significantly adopted various techniques and practices of staff motivation, ranging from recognition, empowerment, career development, and many more other practices. Based on this, this research seeks to investigate the impact of staff motivation practices on organizational productivity. Various studies that have been done indicate that factors like empowerment and recognition have a positive effect on employee motivation. Recognition and empowerment play an essential part in enhancing employee motivation towards organizational task (Manzoor, 2011). Other studies that have been done indicate that 66% of organizational productivity is explained by staff motivation practices. Most researches that have been done only study the effect of employee motivation on employee performance not focusing on the organizational productivity. This study used a qualitative approach of data collection. The data was collected through administering questionnaires to the employees of TACC Stores. A target population of 40 employees was used. The sample size for this study was 12 employees. Primary data was collected and the data analyzed qualitatively.

CHAPTER 1: INTRODUCTION

1.1 INTRODUCTION

This chapter introduces the study's focus on TACC employee motivation practices and their impact on organizational productivity. Employee motivation is a critical factor influencing organizational performance and success. Motivated employees are likely to be more engaged, productive and committed. This chapter covers the background, problem statement, purpose of the study, conceptual framework, research questions, objectives of the study, significance of the study, scope and limitations of the study.

1.2 BACKGROUND OF THE STUDY

In today's highly competitive business environment, organizations are increasingly recognizing the critical role of human capital in achieving and sustaining competitive advantage. As businesses strive to maximize productivity and performance, the motivation of employees has emerged as a key factor influencing organizational success.

Motivation issues have become progressively significant. Unmotivated employees are less useful and show unwanted practices like absenteeism, and disregard leading to the company regulations. The topic of motivation then turns into an issue of trading down pay labourers who persuade them to get the results they need. Motivation is integral not only to individual performance but also to the overall effectiveness of an organization.

(Nguyen 2017) workers are individuals who utilize their abilities and information to help the organizations in accomplishing its objective associations all over the planet that place HR at the core of their business and ceaselessly further develop worker motivation and execution levels will quite often be more proficient. Numerous studies have demonstrated that motivated employees tend to be more productive, exhibit higher levels of job satisfaction, and contribute to a positive workplace culture, in turn leading to higher levels of productivity.

However, understanding the specific elements of motivation that most significantly impact productivity remains a challenge. A study by Ben Nancholas shows that organizations often struggle to identify the right mix of incentives and conditions that can effectively enhance employee motivation and, in turn, boost organizational productivity. Based on this, this research aimed to explore the impact of staff motivational practices on organizational productivity.

Despite the widespread acknowledgment of the importance of staff motivation, there is still a need for a deeper understanding of how these motivation practices influence productivity. By examining the relationship between staff motivation and organizational productivity, this study seeks to provide insights to organizations, to help them design more effective motivational strategies, thereby increasing their productivity and obtaining a competitive positioning in the marketplace.

1.3 PROBLEM STATEMENT

Employee motivation stands as a cornerstone for organizational success, yet its complexity and multifaceted nature present significant challenges for employers. Many organizations struggle to effectively understand and address motivational factors within their workforce.

Despite TACC Stores' established presence in the home interiors and sanitaryware industry, the company faces challenges in achieving consistent levels of organizational productivity. Preliminary observations suggest that fluctuations in employee motivation may be contributing to these productivity issues. While the management has implemented various incentive programs and recognition schemes, the effectiveness of these measures in enhancing staff motivation and, subsequently, improving organizational productivity remains unclear.

Given the competitive nature of the home interiors and sanitary ware market, TACC Stores must optimize its workforce performance to maintain and enhance its market position. However, the lack of a clear understanding of how different motivational practices impact organizational productivity has hindered the development of targeted strategies to address these challenges.

This study sought to investigate the relationship between staff motivation and organizational productivity at TACC Stores. By identifying the key motivational drivers within the organization and their impact on organizational productivity, the research aimed to provide actionable insights that can help TACC Stores and other firms to enhance their operational efficiency and achieve sustainable growth in a competitive market.

1.4 PURPOSE OF THE STUDY

To contribute to the academic and practical understanding of motivation and productivity.

To provide evidence-based recommendations for improving productivity.

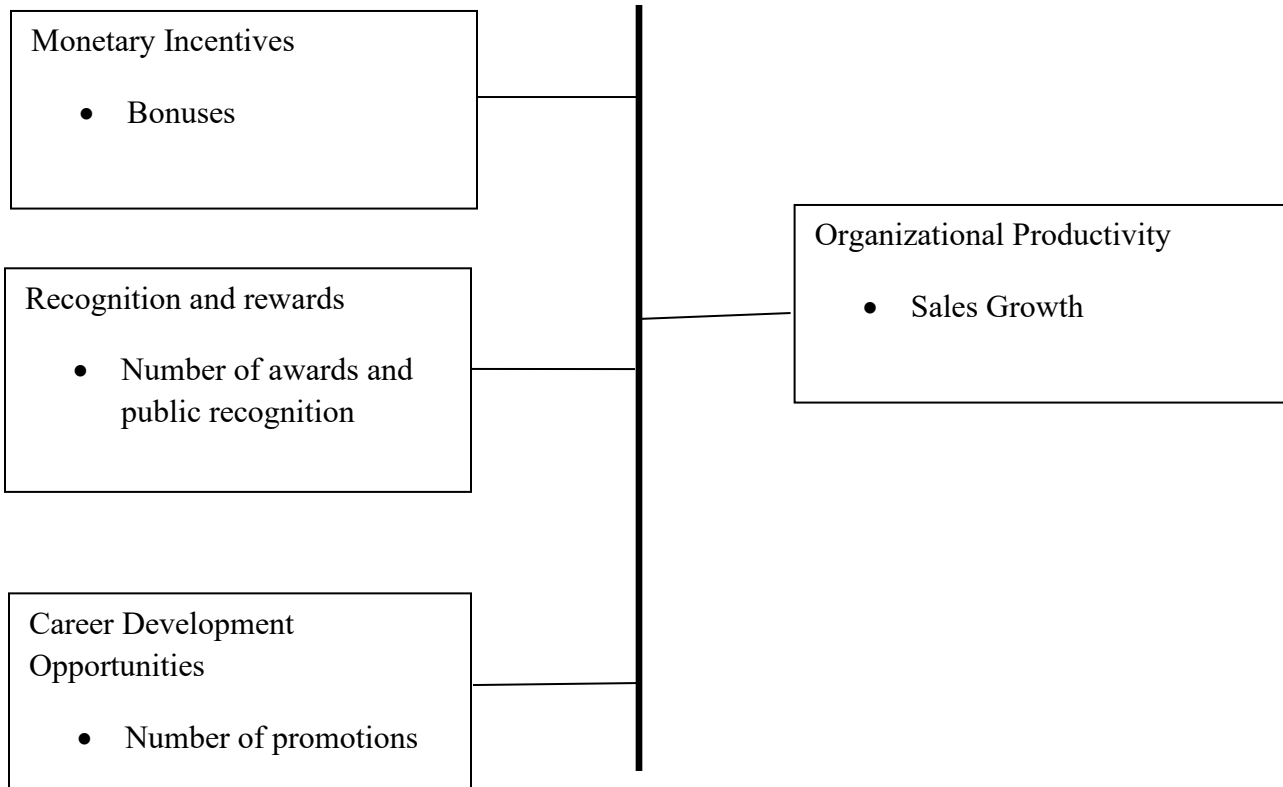
To help different organizations, mainly TACC Stores, to improve their organizational productivity by incorporating and adopting various staff motivation strategies or practices.

1.5 CONCEPTUAL FRAMEWORK

Theoretical framework is a structure that presents the relationship between the central constructs in a given study (Kothari 2004). Conceptual Framework offers and provides an explanation of how the researcher perceives the relationship between variables deemed to be important in a study (Mugenda 2019). The figure below represents a study of the independent variables and the dependent variable, showing how staff innovation practices affect organizational productivity.

Independent Variables

Dependent Variables



1.5 RESEARCH QUESTIONS

1. How do money incentives affect organizational productivity?
2. How does recognition and awards affect organizational productivity?
3. How do career development opportunities affect organizational productivity?

1.6 OBJECTIVES OF THE STUDY

1.6.1 GENERAL OBJECTIVES

1. To determine the impact of staff motivation practices on organizational productivity

1.6.2 SPECIFIC OBJECTIVES

2. To investigate the effect of monetary incentives on organizational productivity.
3. To determine the effect of recognition and rewards on organizational productivity.
4. To investigate the effect of career development opportunities on organizational productivity

1.7 SIGNIFICANCE OF THE STUDY

This study will help the business to create an environment where employees feel engaged, valued and motivated to perform their best, ultimately leading to higher productivity morale and retention rates. It will also equip the management with the information on which staff motivation strategies to adopt in order to maximize productivity.

1.8 SCOPE OF THE STUDY

This study included identifying factors influencing motivation, exploring different motivational theories, analyzing the impact of motivation on employee performance and assessing strategies for enhancing motivation within organizations.

It encompassed various aspects such as monetary incentives, recognition and rewards and career development opportunities.

1.9 LIMITATIONS OF THE STUDY

Limited population size.

This study only focused on the population of TACC Stores employees

Data Bias

The employees selected for the study were hesitant to share some information

1.10 Delimitations of the Study

Geographical Delimitation

This study only focused on TACC Stores in Nairobi which could not be a representation of other firms.

Types of motivation practices

This study focused only on monetary incentives, recognition and reward, and career development opportunities.

CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

This chapter covers the reviews by each objective the theoretical framework and summary of identified gaps in literature review.

2.2 REVIEW OF LITERATURE RELATED TO THE MAIN CONCEPT

Employee motivation is a critical factor in determining the success of an organization. According to Robbins and Judge (2013), motivation is defined as the processes that account for an individual's intensity, direction, and persistence of effort towards attaining a goal. In organizational settings, motivated employees are more likely to perform at higher levels, exhibit greater commitment, and contribute to overall productivity. This literature review examines key aspects of staff motivation, particularly focusing on monetary incentives, recognition and rewards, and career development opportunities, and their impact on organizational productivity.

2.3 THE ROLE OF MONETARY INCENTIVES IN EMPLOYEE MOTIVATION

Monetary incentives, particularly bonuses, are commonly used by organizations to motivate employees. The expectancy theory of motivation, as articulated by Vroom (1964), suggests that individuals are motivated to perform when they expect that their effort will lead to desired rewards. Monetary incentives, such as bonuses, fulfill this expectation by providing financial rewards that directly correspond to an employee's performance. Studies have shown a positive relationship between monetary incentives and employee motivation. Banker, Lee, Potter, and Srinivasan (2000) found that performance-based incentives significantly increased productivity in their study of call centers. Similarly, Lazear (2000) demonstrated that introducing performance-based pay led to a 44% increase in productivity among auto glass installers. However, monetary incentives are not without limitations. Kohn (1993) argues that external rewards, such as bonuses, can undermine intrinsic motivation, leading employees to focus solely on financial gains rather than job satisfaction or personal growth. Despite these criticisms, monetary incentives remain a popular and effective tool for enhancing employee motivation and organizational productivity.

2.4 RECOGNITION AND REWARDS AS MOTIVATIONAL TOOLS

Recognition and rewards play a crucial role in motivating employees by acknowledging their contributions and achievements. Herzberg's Two Factor Theory (1959) identifies recognition as a key motivator that can lead to job satisfaction and increased performance. Recognition can take various forms, including public acknowledgement, awards, and verbal praise. Research has shown that non-monetary recognition, such as public acknowledgement, can foster a sense of belonging and self-worth among employees, which in turn enhances their productivity. A study by Grawitch, Gottschalk, and Munz (2006) found that employees who received regular recognition were more engaged than those who did not. Public recognition, in particular, has been shown to have a profound impact on employee motivation. A study by Stajkovic and Luthans (2001) found that public recognition led to a 17% increase in performance among

employees in large manufacturing firms. This suggests that recognizing employees' efforts in a public setting can serve as a powerful motivator, encouraging others to strive for similar acknowledgement.

2.5 CAREER DEVELOPMENT OPPORTUNITIES AND EMPLOYEE MOTIVATION

Career development opportunities are another critical factor in motivating employees. According to the self-determination theory, as developed by Deci and Ryan (1985), individuals have an inherent need for growth, development, and self-actualization. Organizations that provide opportunities for career advancement can fulfill these needs, leading to higher levels of employee motivation and productivity. Research supports the positive impact of career development opportunities on employee motivation. Noe, Hollenbeck, Gerhart, and Wright (2017) highlight that employees who perceive ample opportunities for growth and advancement are more likely to be motivated and engaged. This is particularly true in environments where promotions and career progressions are clearly linked to performance. Moreover, career development is not limited to promotions alone; it also includes training and professional development opportunities. A study by Bartlett (2001) found that employees who participated in training programs were more committed to their organizations and exhibited higher levels of job performance. This underscores the importance of providing continuous learning and development opportunities to sustain employee motivation.

2.6 ORGANIZATIONAL PRODUCTIVITY AND ITS RELATIONSHIP WITH EMPLOYEE MOTIVATION

Organizational productivity is often measured by output, efficiency, and financial performance, among other metrics. According to Richard, Devinney, Yip, and Johnson (2009), productivity is a crucial determinant of an organization's success and competitiveness in the market. The relationship between employee motivation and organizational productivity has been extensively studied, with numerous findings indicating a strong positive correlation. Motivated employees are more likely to contribute to the organization's productivity by working efficiently, maintaining high-quality standards, and actively participating in achieving organizational goals. A study by Judge, Thoresen, Bono, and Patton (2001) found that job satisfaction, a key indicator of employee motivation, was positively related to productivity across multiple industries. Sales growth, as a measure of organizational productivity, can be directly influenced by employee motivation. Motivated sales staff are more likely to engage customers effectively, close sales, and contribute to the company's revenue growth. A study by Jones, George, and Hill (2000) found that motivated employees in the retail sector significantly contributed to increased sales and customer satisfaction.

2.6 GAPS IN THE LITERATURE

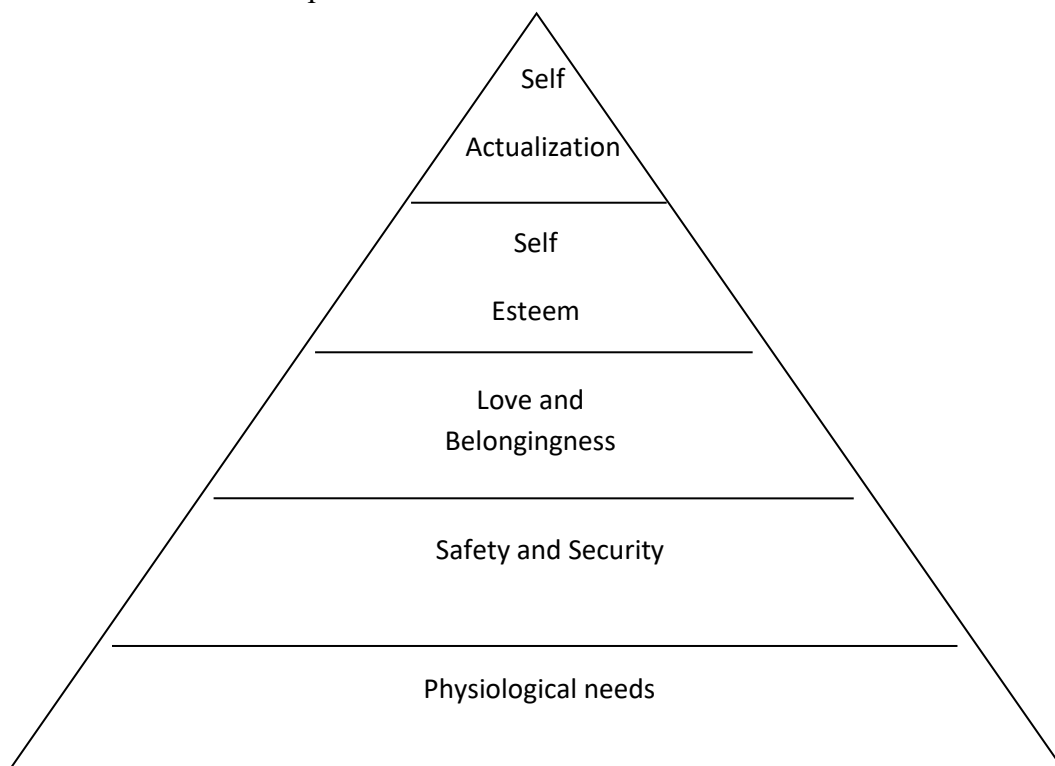
While extensive research has been conducted on the relationship between employee motivation and organizational productivity, gaps remain in understanding how specific motivational factors, such as recognition and rewards, and career development opportunities, influence productivity in different organizational contexts. This study aims to address these gaps by focusing on TACC

Stores. By examining the impact of monetary incentives, recognition and rewards, and career development opportunities on organizational productivity, this research will contribute to a deeper understanding of the motivational strategies that are most effective in enhancing productivity in a retail setting.

2.7 MASLOW HIERARCHY OF NEEDS THEORY

This is a motivational theory in psychology comprising a five-tier model of human needs, often depicted as hierarchical levels within a pyramid.

According to Maslow (1943,1954), human needs were arranged in a hierarchy, with physiological (survival) needs at the bottom and the more creative and intellectually oriented self-actualization needs at the top .



Maslow argued that survival must be satisfied before individual can satisfy the higher needs. The higher the hierarchy, the more difficult it is to satisfy the needs associated with that stage, because of the interpersonal and environmental barriers that inevitably frustrate us.

1. Physiological need

These are biological requirement for human survival eg. Food, air, drink, shelter, clothing, sex, sleep etc or most basic needs is for physical survival which the human body cannot function optimally if not satisfied thus this will be the first thing that motivates our behavior. Once that motivates employees and so on .

2. Safety need

Once physiological needs are satisfied, the need for security and safety becomes salient. Employees want to experience order, predictability and control in their lives safety needs can be fulfilled by family and society eg. Police, employment etc.

3. Love and belongingness

Refers to a human (employee) emotional need for interpersonal relationship, affiliating connectedness and being part of a group eg. Friendship, acceptance, Receiving and giving affection and love.

4. Esteem need

It includes self worth, accomplishment and respect maslow classified esteem needs into two categories .

- i. Esteem for one self (dignity, achievement, mastery, independence) and
- ii. The desire for reputation or respect from other eg status, prestige.

Esteem presents the typical human desire to be accepted and valued by others

People and valued by others.

People often engage in a profession to gain recognition.

5. Self-Actualization

They refer to the realization of a person's (employee) potential, self fulfillment, seeking personal growth and peak experiences.

This level of needs refers to what a personal full potential is and the realization of that potential.

Maslow (1973,1987, p.64) describes this level as the desire to accomplish everything that one can, and to become everything one is capable of becoming .

CHAPTER THREE: RESEARCH METHODOLOGY

3.0 INTRODUCTION

This chapter covers the research design, study area, target population, sampling techniques, sampling size, measurement of variables, research instruments, validity of measurement, data collection techniques, data analysis, logistical and ethical consideration, references and appendices .

3.1 RESEARCH DESIGN

The research design that was used was qualitative design, where interviews were conducted on the focus group with employees and managers to gain deeper insights into motivational factors and their perceived impact on productivity.

3.2 STUDY AREA

The study was conducted in TACC Stores. It is located in Nairobi County, Lavington. It was chosen because it has recently been faced with low and decreasing sales, and the low sales may be attributed to lack of employee motivation.

3.3 TARGET POPULATION

The target population of this study comprised of all the 40 employees of TACC Stores.

3.4 SAMPLING TECHNIQUES

A stratified random sampling technique was used to select the respondents that took place in the study.

3.5 SAMPLE SIZE

The sample size was determined using the Krejice and Morgan (1970) formula. With a confidence level of 95% and a margin error 5%. All the 40 employees of the organization were divided into 4 groups, then 3 individuals were selected from each group, giving a sample size of 12 employees.

3.6 MEASUREMENT OF VARIABLES

The variables and their corresponding measures are presented in the table below .

Variable	Measures Indicators /	Measurement Scale	Question Number
Intrinsic motivation	Purpose	Likert scale (1-5)	Q1, Q3, Q2
Extrinsic motivation	Salary bonuses	Likert scale (1-5)	Q1, Q3, Q2
Leadership style	Autocratic democratic	Likert scale (1-5)	Q1, Q3, Q2

3.7 RESEARCH INSTRUMENTS

Questionnaires were used as the research instrument for the study which are aimed to gather data on the identified variables.

3.8 VALIDITY AT MEASUREMENTS

Predictive validity was used to demonstrate the ability of the measurement instrument to predict future outcomes related to employee motivation and organizational productivity. Construct validity was used to demonstrate that the measurement instruments accurately assess the theoretical contrasts it is intended to measure.

3.9 RELIABILITY OF MEASUREMENT

Reliability was assessed using Cronbach's Alpha coefficient for the questionnaire related to each variable which indicates internal consistency and reliability of measurement.

3.10 DATA COLLECTION TECHNIQUES

Questionnaires were used to gather self-reported data from employees' motivation levels, job satisfaction and perceived productivity.

3.11 DATA ANALYSIS

Linear regression analysis was used to analyze the data

$$Ie Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3$$

Y = employee productivity

B₀ = Intercept

B₁ B₂ B₃ = Co efficient of the independent on dependent variable

X₁ = intrinsic motivation

X₂ = extrinsic motivation

X₃ = Leadership style

3.12 LOGISTICAL AND ETHICAL CONSIDERATIONS

Logistics

An appropriate of diverse employees and organizational contexts which will be stratified sampling.

Ethical consideration

Confidentiality will be maintained and avoiding harm by minimizing any potential risks of the participants.

CHAPTER FOUR: RESULTS AND FINDINGS

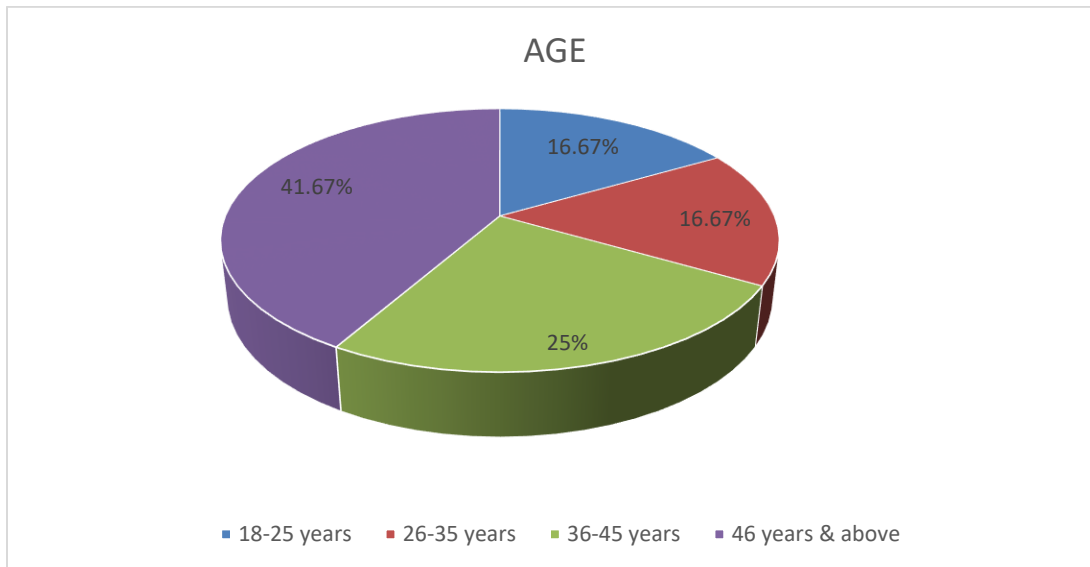
4.1: Introduction

This chapter is a graphical representation of the study results and findings. It provides the descriptive and inferential analysis of the study findings based on the objectives of the study. It is divided into various sections that provide analysis of the general data of the respondents, the descriptive analysis, the correlations, the model summary, the ANOVA and the coefficients.

4.2: General Information

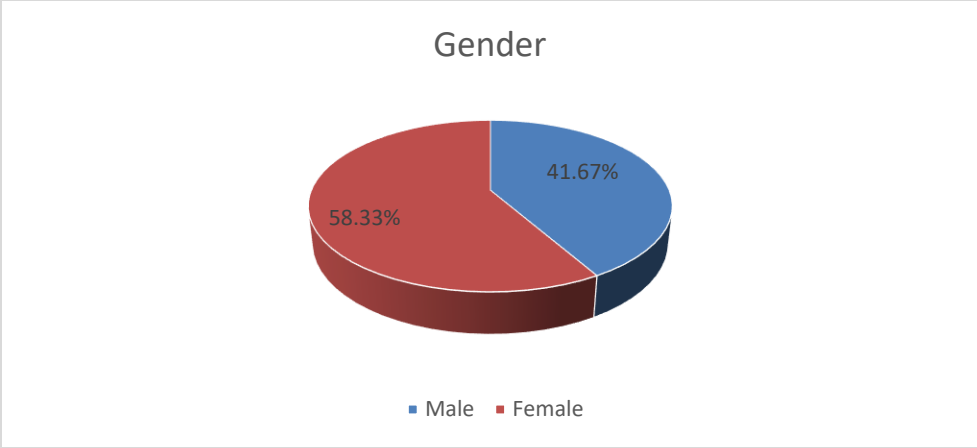
4.2.1: Age

This study sought to determine the ages of the respondents that were taking part in the study. The figure below shows that 41.67% of the respondents were 46 years and above, 25% were aged 36-45 years, 16.67% were aged 26-35 years and 16.67% were aged 18-25 years.



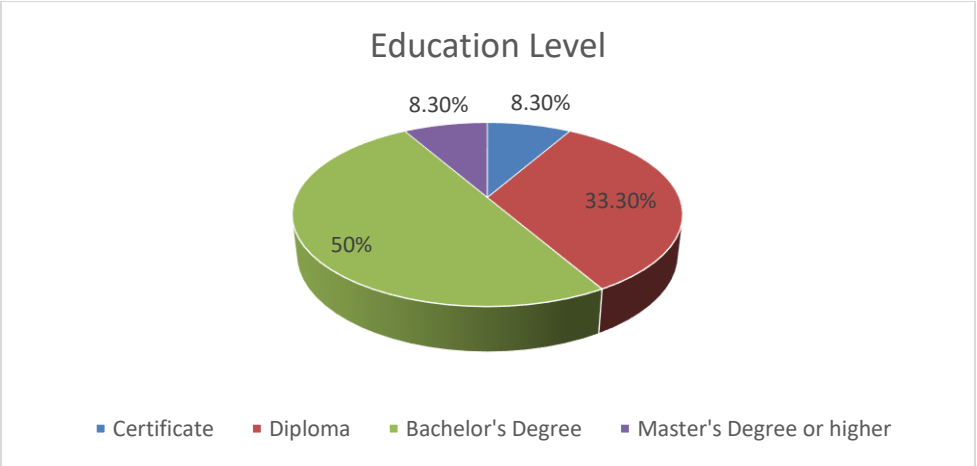
4.2.2: Gender

This study sought to determine the gender of the respondents and they were as follows: 14.67% were male while 58.33% were female. This indicates that there was some little disparity in the gender distribution. This however did not affect the results.



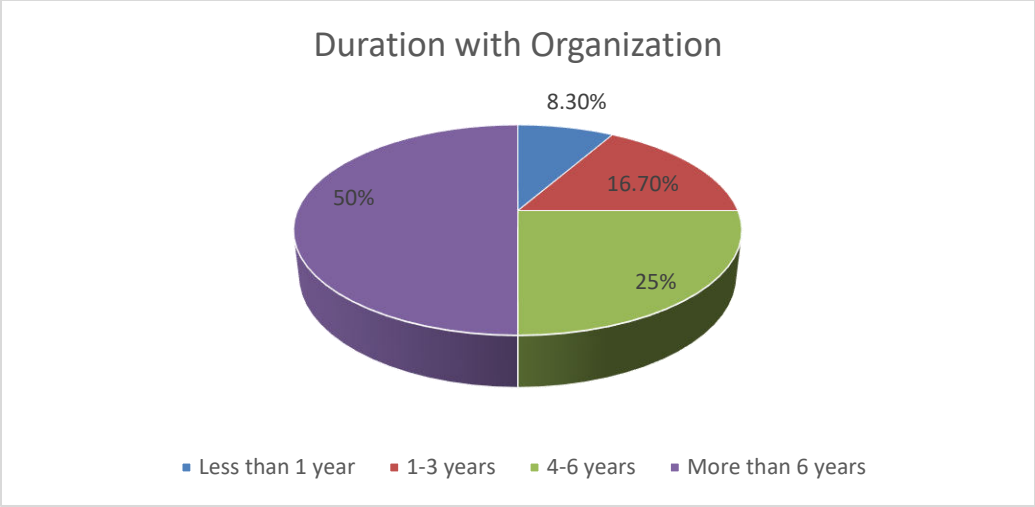
4.2.3: Education Level

This study sought to determine the education level of the respondents and they were as follows: 8.3% had a certificate, 50% had a bachelor’s degree, 33.3% had a diploma and 8.3% had a master’s degree



4.2.4: Duration with Organization

This study sought to determine how long the respondents had worked with the organization and the results were as follows: 8.3% of the respondents had worked with the organization for less than a year, 16.7% for 1-3 years, 25% for 4-6 years and 50% for more than 6 years.



4.3: Descriptive Analysis

This section provides a descriptive analysis of all the variables that were investigated.

4.3.1: Monetary Incentives

The statement with the highest rate of disagreement was “I receive bonuses regularly for my work” with 66.7% of the respondents both strongly disagreeing and disagreeing. The statement “I am more motivated to put in extra effort when bonuses are available” had the highest agreement with 66.7% of the respondents agreeing. A total mean of 3.12 suggests a neutral to slightly positive sentiment towards monetary incentives but a standard deviation of 1.530 shows high variability in their responses.

	SD	D	N	A	SA	Mean	Std Dev
	%	%	%	%	%	3.12	1.530
I am satisfied with the bonuses provided in our organization	33.3	16.7	8.3	25	16.7		
The bonuses I receive are reflective of my performance	33.3	16.7	16.7	25	8.3		
I receive bonuses regularly for my work	25	41.7	8.3	16.7	8.3		
Bonuses serve as a significant motivator for me to improve my performance	16.7	16.7	16.7	16.7	33.3		
I am more motivated to put in extra effort when bonuses are available	0	16.7	16.7	25	41.7		

4.3.2 Recognition and Rewards

The statement “Recognition and rewards are distributed fairly among employees at our organization” had the highest rate of disagreement with 58.3% of the respondents disagreeing. The statement “ Public recognition at our organization is an effective motivator for me” had the highest rate of agreement with 58.3% of the respondents agreeing. An overall mean of 3.12

suggests a slightly positive perception of recognition and rewards but a standard deviation of 1.316 shows a moderate variability between the answers of the respondents.

	SD	D	N	A	SA	Mean	Std Dev
	%	%	%	%	%	3.12	1.316
I frequently receive public recognition for my contribution to the organization	16.7	8.3	50	16.7	8.3		
I am satisfied with the number of awards given to employees for their performance	16.7	8.3	25	33.3	16.7		
Public recognition at our organization is an effective motivator for me	25	0	16.7	33.3	25		
Recognition and rewards are distributed fairly among employees at our organization	25	33.3	25	16.7	0		
Receiving public recognition or rewards positively impacts my productivity	8.3	0	8.3	58.3	25		

4.3.3 Career Development Opportunities

The statements with the highest level of disagreements are, “I am satisfied with the opportunities for promotions at our organization” and “ I receive adequate support for my career advancement at our organization” with 41.7% of the respondents disagreeing. The statement “Promotions are an important form of recognition for my hard work” had the highest level of agreement with 75% of the respondents agreeing. A mean of 3.12 suggests a positive attitude towards career development opportunities while a standard deviation of 1.379 shows a moderate variability in the answers given by the respondents.

	SD	D	N	A	SA	Mean	Std Dev
	%	%	%	%	%	3.12	1.379
I am satisfied with the opportunities for promotions at our organization	25	16.7	25	25	8.3		
Our organization provides frequent opportunities for professional growth	25	8.3	8.3	41.7	16.7		
Career development opportunities at our organization motivates me to stay with the organization	16.7	8.3	25	33.3	16.7		
Promotions are an important form of recognition for my hard work	16.7	0	8.3	50	25		
I receive adequate support for my career	25	16.7	25	33.3	0		

advancement at our organization						
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4.3.4 Organizational Productivity

The statement “I am satisfied with recent sale growth experienced by our organization” had the highest level of disagreement with 25% of the respondents disagreeing. The statement “I am more likely to enhance my productivity if I see a clear link between my efforts and sales growth” had the highest level of agreement with 91.7% of the respondents agreeing. An overall mean of 4.25 suggests a high level of agreement among the respondents regarding their contribution towards organizational productivity. A standard deviation of 1.002 suggests a low variability among their responses.

	D	SD	N	A	SA	Mean	Std Dev
	%	%	%	%	%	4.25	1.002
My efforts contribute to the sales growth of our organization	0	0	16.7	25	58.3		
I am satisfied with recent sales growth experienced by our organization	0	25	25	25	25		
Employee motivation significantly impacts the sales growth at our organization	0	0	8.3	33.3	58.3		
There is a strong relationship between my productivity and the sales growth at our organization	0	16.7	16.7	33.3	33.3		
I am more likely to enhance my productivity if I see a clear link between my efforts and sales growth	0	0	8.3	25	66.7		

4.4 Correlations

A positive correlation of 0.414 between money incentives and recognition and rewards indicates a moderate relationship between them. This means that as money incentives increase, recognition and rewards also tend to increase. A positive correlation of 0.491 between money incentives and career development opportunities imply a significant relationship between them, indicating that as money incentives increase, there is a tendency of career development opportunities to increase as well. A correlation of 0.366 between career development opportunities and recognition and rewards indicate a moderate relationship between them, suggesting that organizations that provide more recognition and rewards also tend to offer more development opportunities. A correlation of 0.235 between money incentives and organizational productivity shows a weak positive correlation, suggesting that higher money incentives are somewhat associated with increased organizational productivity, but the relationship is not particularly strong. A correlation of 0.093 between recognition and rewards and organizational productivity shows a weak positive correlation, indicating that there is hardly any relationship between recognition and rewards and organizational productivity, suggesting that increasing recognition and rewards does not have a

significant impact on productivity. A negative correlation of -0.046 between career development opportunities and organizational productivity implies that there is a negative relationship between them.

	Money Incentives	Recognition and Rewards	Career Development Opportunities	Organizational Productivity
Money Incentives	1	0.414	0.491	0.235
Recognition and Rewards	0.414	1	0.366	0.093
Career Development Opportunities	0.491	0.366	1	-0.046
Organizational Productivity	0.235	0.093	-0.046	1

4.5 Regressions

4.5.1 Model Summary

A correlation coefficient of 0.301 indicates a weak positive correlation between the predictors and the dependent variable. The relationship is positive, meaning as the predictors increase, organizational productivity tends to increase as well, but the strength of this relationship is weak. An R^2 of 0.091 indicates that approximately 9.1% of the variance in organizational productivity can be explained by the predictors in the model. This suggests that a significant portion (90.9%) of the variance in organizational productivity is due to other factors not included in the model. An adjusted R^2 of 0.042 indicates that when considering the number of predictors, only about 4.2% of the variance in organizational productivity is explained by the model. This low value suggests that the model may not be a good fit. A standard error of the estimate of 0.981 suggests that the actual organizational productivity values deviate from the predicted values by an average of approximately 0.981 units.

Model	R	R²	Adjusted R²	Std. Error of the Estimate
1	0.301 ^a	0.091	0.042	0.981

^a Predictors: (Constant), Career Development Opportunities, Recognition and rewards, Money incentives

4.5.2 ANOVA^a

The significance value of 0.147 indicates that the predictors: career development opportunities, recognition and rewards, and money incentives, do not significantly affect organizational productivity.

	Sum of Squares	df	Mean Square	F	Sig
Regression	5.372	3	1.791	1.861	0.147 ^b
Residual	53.878	56	0.962		
Total	59.250	59			

^a Dependent Variable: Organizational Productivity

^b Predictors: (Constant) Career development opportunities, Recognition and rewards, and Money incentives

4.5.3 Coefficients^a

The coefficients in the table below indicate that money incentives are the most significant predictor of organizational productivity among the variables analyzed while recognition and rewards, and career development opportunities do not present robust evidence of a significant impact in this model. In the unstandardized coefficients, a B of 0.214 for money incentives suggests that for each one-unit increase in money incentives, organizational productivity is expected to increase by 0.214 units, holding all other variables constant; a B of 0.029 for recognition and rewards suggest that a one-unit increase is associated with an increase of 0.029 units in organizational productivity, holding all other variables constant; a B of -0.161 for career development opportunities suggest that a one-unit increase in career development opportunities is associated with a decrease of 0.161 units in organizational productivity, holding all other variables constant. This negative coefficient suggests that, in this model, increased emphasis on career development might not be positively contributing to productivity.

	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std Error	Beta		
(Constant)	3.991	0.387		10.299	<0.001
Money Incentives	0.214	0.100	0.328	2.143	0.036
Recognition and rewards	0.029	0.109	0.039	0.269	0.789
Career Development Opportunities	-0.161	0.109	-0.221	-1.479	0.145

^a Dependent Variable: Organizational Productivity

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter is the conclusion of this study. The chapter provides the study's discussions, conclusions and recommendations for further research.

5.2 Summary of the Study

The objective of this study was to determine the impact of staff motivation practices on organizational productivity of TACC Stores. The study sought to investigate: the effect of money incentives on organizational productivity; the impact of recognition and rewards on organizational productivity and the effect of career development opportunities on organizational productivity. The research design that was used was qualitative design, where interviews were conducted on the focus group with employees and managers to gain deeper insights into motivational factors and their perceived impact on productivity. The study was conducted in TACC Stores. It is located in Nairobi County, Lavington. It was chosen because it has recently been faced with low and decreasing sales, and the low sales may be attributed to lack of employee motivation. The target population of this study comprised of all the 40 employees of TACC Stores. A stratified random sampling technique was used to select the respondents that took place in the study. The sample size was determined using the Krejcie and Morgan (1970) formula. With a confidence level of 95% and a margin error 5%. All the 40 employees of the organization were divided into 4 groups, then 3 individuals were selected from each group, giving a sample size of 12 employees. Questionnaires were used as the research instrument for the study which are aimed to gather data on the identified variables. Linear regression analysis was used to analyze the data. The study revealed that: money incentives significantly affect organizational productivity, recognition and rewards do not significantly affect organizational productivity and career development opportunities negatively affects organizational productivity. The regression analysis of the variables showed that approximately only 4.2% of the variance in organizational productivity can be explained by the predictors: money incentives, recognition and rewards, and career development opportunities.

5.3 Conclusions

5.3.1 Money Incentives and Organizational Productivity

Based on the regression and correlation analysis, this study concludes that money incentives have a significant effect on organizational productivity as indicated by the p-value of 0.036. The positive coefficient of 0.214 indicates that as money incentives increase, organizational productivity tends to increase as well. This suggests that providing money incentives as a staff motivation practice, is likely to enhance organizational productivity.

5.3.2 Recognition and rewards and Organizational Productivity

There is no statistically significant relationship between recognition and rewards and organizational productivity, as the p-value is much greater than 0.05. The coefficient of 0.027,

which is close to zero suggests that changes in recognition and rewards have little to no impact on organizational productivity.

5.3.3 Career development opportunities and Organizational Productivity

There is no statistically significant relationship between career development opportunities and organizational productivity at the 5% significance level as, as the p-value is 0.145, which is above 0.05. However, the negative coefficient of -0.161 suggests a potential inverse relationship, where increased career development opportunities might be associated with a slight decrease in organizational productivity. Since this relationship is not statistically significant, it implies that the effect of career development opportunities on productivity is uncertain and might not be a key factor in driving productivity within the organization.

5.4 Recommendations for Policy and Practice

The organization should consider implementing or enhancing monetary incentive programs, such as bonuses. Since the analysis shows a significant positive impact of money incentives on productivity, these incentives could be crucial in motivating employees and improving overall organizational performance.

Given that recognition and rewards were not found to significantly impact productivity, the organization should reassess the effectiveness of current recognition programs. It may be beneficial to either revamp these programs to make them more meaningful or shift focus to other areas that could more effectively boost productivity.

The organization should implement a more targeted approach to career development that aligns with both employee aspirations and the organization's strategic objectives. This could involve offering skill-building opportunities that directly contribute to job performance, or setting clear expectations on how career growth is linked to productivity

5.5 Recommendations for Further Research

Conduct longitudinal studies to examine the long-term impact of money incentives on organizational productivity.

Examine the impact of career development opportunities on organizational productivity in other firms.

Future research should consider different organizational contexts and industries to determine if the findings are generalizable.

APPENDICES

APPENDIX 1: QUESTIONNAIRE

IMPACT OF STAFF MOTIVATION PRACTICES ON ORGANIZATIONAL PRODUCTIVITY: A CASE STUDY OF TACC STORES

This study seeks to investigate the impact of staff motivation practices on organizational productivity. Your participation and responses will be highly appreciated.

A) DEMOGRAPHIC INFORMATION

1. What is your age?

18-25 years 26-35 years 36-45 years 46 and above

2. What is your gender?

Male Female

3. How long have you been working in this organization?

Less than 1 year 1-3 years 4-6 years More than 6 years

4. What is your highest level of education?

Certificate Diploma Bachelor's Degree Master's Degree

B) MONETARY INCENTIVES

Using a scale; 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, please indicate your level of agreement.

	SD	D	N	A	SA
I am satisfied with the bonuses provided in our organization					
The bonuses I receive are reflective of my performance					
I receive bonuses regularly for my work					
Bonuses serve as a significant motivator for me to improve my performance					
I am more motivated to put in extra effort when bonuses are available					

C) RECOGNITION AND REWARDS

Using a scale; 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, please indicate your level of agreement.

	SD	D	N	A	SA
I frequently receive public recognition for my contribution to the organization					
I am satisfied with the number of awards given to employees for their performance					
Public recognition at our organization is an effective motivator for me					
Recognition and rewards are distributed fairly among employees at our organization					
Receiving public recognition or rewards positively impacts my productivity					

D) CAREER DEVELOPMENT OPPORTUNITIES

Using a scale; 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, please indicate your level of agreement.

	SD	D	N	A	SA
I am satisfied with the opportunities for promotions at our organization					
Our organization provides frequent opportunities for professional growth					
Career development opportunities at our organization motivates me to stay with the organization					
Promotions are an important form of recognition for my hard work					
I receive adequate support for my career advancement at our organization					

E) ORGANIZATIONAL PRODUCTIVITY

Using a scale; 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree, please indicate your level of agreement.

	SD	D	N	A	SA
My efforts contribute to the sales growth of our organization					
I am satisfied with recent sales growth experienced by our organization					
Employee motivation significantly impacts the sales growth at our organization					
There is a strong relationship between my productivity and the sales growth at our organization					
I am more likely to enhance my productivity if I see a clear link between my efforts and sales growth					

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