



International Journal of Multidisciplinary Research and Growth Evaluation.

Exploring the Impact of Motivation on Employee Performance in Private Companies

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Article Info

ISSN (online): 2582-7138

Volume: 06

Issue: 01

January-February 2025

Received: 11-11-2024

Accepted: 14-12-2024

Page No: 105-113

Abstract

The primary goal of this research is to investigate how employee motivation influences performance in private organization. The study examined how awards, promotions, and wage increase effect employee performance. The research utilized a descriptive approach with 52 participants, chosen through simple random selection. The information was gathered through a structured survey and analyzed with SPSS version 29. The results suggest that incentives, drive, and marketing campaigns noticeably boost employee performance. A correlation analysis indicates a significant positive association between promotion strategies and employee productivity, with a correlation coefficient of 0.891 and a significance level of less than 0.05. The findings highlight how rewards and motivation are crucial in enhancing employee productivity. The research suggests that companies should prioritize employee motivation and promotion strategies to boost company growth and enhance employee performance, and productivity.

Keywords: Employee Motivation, Performance, Reward Systems, Job Satisfaction, Pay Raises

1. Introduction

Motivation plays a vital role in the continued effective operation and survival of an organization (Abdi Mohamud *et al.* 2017) ^[1]. Identifying a requirement in employees and assisting them in fulfilling it efficiently is what motivates them. Encouraging employees enhances their professional growth to align with the organization's requirements. Each branch manager works with employees to identify their needs. They align these requirements with the organization's criteria. Keeping employees motivated is crucial. It enhances both joy and productivity. Motivation comes from passion, dedication, and innovation. Managers motivate employees to reach their goals. Finishing this assignment could be difficult. The goal is to create a businesslike and motivating environment. This promotes a positive work atmosphere. Understanding motivation theory and applying it in practice is difficult. They encompass various areas of research.

Motivation is essential for success in all organizations, as it drives performance and is crucial for achieving goals, with businesses encountering difficulties in its absence. Motivation is a difficulty faced by all organizations, be it in the public or commercial sphere. Hamed & Potapova (2021) ^[17] state that the idea of "motivation" is essentially based on the term "motive." A person's motives refer to their necessities, desires, and cravings. Therefore, employee motivation is how a company encourages its employees with incentives, bonuses, and other rewards to achieve organizational goals. Businesses rely heavily on human capital, specifically their workforce, as their primary assets in terms of competitiveness. Motivation is essential for organizations to concentrate on motivating employees and achieve organizational goals effectively

Today, the subject of motivation is being widely discussed. At present, the correlation between employee productivity and overall company success, as well as motivation, is a trending topic. Motivation plays a crucial role in enhancing employee performance and organizational efficiency, driving employees to prioritize their duties (Abdi Mohamud *et al.*, 2017) ^[1]. Offering competitive pay can boost employee productivity and improve overall organizational performance (Munyambu, 2021) ^[29].

Salary raises are intended to inspire a shift in leadership, particularly encouraging employees to consider their company's objectives and financial limitations to boost employee motivation. According to Guzak & Kang (2018)^[16], annual pay raises will be based on performance rather than length of employment. Inayat & Khan (2021)^[19] mentioned that human resource professionals are concerned about how inadequate compensation can affect employee performance, leading to a decline in output quality. Managers' indifference towards guaranteeing fair pay could lead to issues in industrial environments. Businesses see their employees as their most precious assets and having a positive attitude towards work can increase efficiency. Appropriate incentive packages can encourage employees to focus on their tasks and goals.

Several studies examined employee motivation and its impact on performance in Somalia, where employees exhibited low attitudes, satisfaction, and perceptions (Ahmed, 2020)^[3]. Issues such as inadequate satisfaction and weak employee relationships were identified as contributing factors to negative behavior and the consistent failure to meet annual productivity targets.

Previous strategies involving team-based rewards, salary increases, and other reward systems were found ineffective, highlighting the need for further evaluation (2010). Efforts to inspire workers did not result in improved performance or changes in staff attitudes, personalities, and perceptions. Consequently, the organization faced a decline in support from various stakeholders, customers, and investors (Aji & Akbardin, 2024; Abdulle, *et al.* 2023)^[4, 42].

This study aims to assess the influence of employee motivation on performance within the companies. It seeks to investigate how appropriate reward systems can transform employee attitudes and improve their overall performance. The primary objectives include evaluating the effects of rewards, promotions, and salary increases on employee performance in Mogadishu.

2. Conceptual Review

2.1. Employee Motivation

Motivation, which drives individuals to pursue a goal and persist in their efforts to achieve it, plays a crucial role in shaping employee attitudes, perceptions, and behaviors (Kulmie, *et al.* 2023)^[38]. Therefore, it is not unexpected that motivation plays a key role in motivation theories such as path-goal. Employee personalities, attitudes, perceptions, and behaviors are greatly impacted by motivation-reward behaviors. According to Kalogiannidis (2021)^[21], motivation is described as the connection between top management and subordinates that is focused on achieving common goals and results. Ali & Anwar (2021)^[6] proposed that motivation is present in individuals and includes utilizing persuasion to reach objectives. Motivation through rewards impacts employee morale, job satisfaction, and outcomes such as task performance, organizational commitment, and turnover intentions.

Michaelsen and Esch (2021)^[28] suggest that motivated conduct involves guiding a group or oneself toward a goal and inspiring others to do the same with skill and dedication. Motivation involves guiding organizational members toward achieving goals, while team-based rewards are contingent on group performance, leading to increased motivation and performance.

Pay raises aim to change the management culture by

motivating employees to align with their company's goals and financial constraints, ultimately boosting employee motivation. This can be accomplished by tying annual salary raises to individual performance instead of years of service Riwukore *et al.* (2021)^[35]. Al-Jedaia & Mehrez (2020)^[5] discovered that while high motivation indexes are not connected to previous performance records, they are linked to increased performance potential and organizational reputation. This highlights the significant impact of behavioral complexity and dynamics on perceived levels of motivation. The impact of the employee motivation strategy was seen to be closely tied to the employee's level of motivation. Motivation, as described by Looor-Zambrano *et al.* (2022)^[22], is the bond of influence between top management and employees striving for impactful changes and goals in line with their common purpose.

Employee motivation is not a new concept in human resource management. Various areas of study have established different meanings for the term "employee motivation," leading to varying interpretations. There are many different understandings, however, they share a similar idea. Motivation, in the fields of psychology, economics, and human studies, is defined as factors that drive a person to engage in a specific behavior. Different types of motivation models include rational-economic, social, self-actualizing, and complex categories. The purpose of Herzberg's dual-factor theory is to distinguish between hygiene factors and motivation in the workplace. Factors related to hygiene, such as salary packaging and working environment, are designed to avoid employee discontent and lack of motivation. Fair pay and working conditions are both examples of hygienic factors. This framework aids researchers in comprehending and dealing with different motivating aspects in the work environment according to Ghazi *et al.* (2013)^[14].

2.2. Employee Reward

Reward strategies are essential in the real world as they help to motivate and oversee performance effectively. These tactics blend financial and non-financial rewards to appeal to, maintain, and motivate skilled staff members. Monetary advantages like salary sacrifices and competitive pay are important, but non-financial benefits are also strong motivators. Managers need to understand what truly drives their employees and realize that these motivations may be different from what motivates others. San *et al.* (2012)^[37] recommend that reward practices should clearly and directly show the connection between rewards and effort. As per the suggestion of Grabner & Martin 2021^[15], it is advised that organizations introduce performance-based incentive rewards to achieve positive motivational characteristics. Managers who are fair in rewarding their employees generally have better rates of success. Research in the field of economics reveals that performance evaluations are biased. In a company, ensuring a good connection with acknowledging achievements and preventing bias relies on transparent equity.

As stated by Baker in 2002. The idea of controllability pertains to an employee's capacity to affect or manage the result. To keep a handle on reward procedures, the effect of a reward on employee performance must be kept to a minimum. Increased control over reward practices results in improved effectiveness in achieving higher performance levels. The incentive program should encourage and inspire workers, based on the firm's strategy, ability to recruit and

keep skilled employees, and maintenance of a nurturing environment and culture.

2.3. Employee Promotion

Promotion is vital for identifying and placing the right people in leadership roles, and for motivating managers and supervisors to develop a personnel strategy that motivates employees to achieve their objectives. Promotion is referred to as the movement of labor to a higher pay, responsibility, or organizational level, as defined by Razak *et al.* (2018) [33]. A promotion is described as an internal job transition that leads to either a higher salary or greater job significance. Nevertheless, the provided definition implies that a promotion involves an increase in both status and pay simultaneously for a job change to be considered as such. Getting promoted is important for employees because it helps build trust and acknowledgment of their talents and capabilities, which enables them to hold onto top positions. Razak, *et al.* (2018) [33] propose that both work performance and seniority are essential factors in deciding whether an employee deserves a promotion. This method helps counteract deficiencies in promotion that are solely based on experience or skills. Workers in companies typically anticipate perks and their contentment or discontent with the work setting can influence their actions on the job. Hence, it is crucial to elevate individuals who have expertise and strong skills to secure the most effective promotion. Job satisfaction pertains to a person's general feelings about their job, indicating the connection between the individual and their work setting. According to Judge, *et al.* (2017) [20], satisfaction is experienced when the person finds their job and environment enjoyable, while dissatisfaction occurs when the individual does not find their work and surroundings attractive.

2.4. Employee Pay Increase

According to Suff & Cox, performance-based salary increases promote a change in the management culture, specifically aiming to motivate employees by aligning annual salary raises with their performance rather than tenure, encouraging them to take into account their company's goals and financial limitations. According to DeNisi & Smith (2014) [11], performance and motivation are impacted by several factors, which makes it challenging to establish a direct correlation between salary increases and performance outcomes. They highlight the significance of performance evaluations in administering pay-for-performance systems, as performance is impacted by multiple factors. Smith, *et al.* suggested that performance appraisal distortion can harm performance and motivation, and recommended that managers should review appraisals, communication of success and failure, and reward attachments to prevent distortion. They also propose separating performance evaluation from salary determination. Nonetheless, Boachie-Mensah and Dogbe (2011) [9] highlighted the connection between employees' remuneration and their performance in pay systems based on performance. Various compensation plans could be tied to these results, which might involve beneficial inputs from either the group or the person. There are potential dangers linked to raising wages, especially if handled incorrectly or poorly executed. Employees and managers might start to doubt the effectiveness of salary increases because of improper planning, too much attention to financial outcomes,

insufficient variation in salaries, and excessive focus on individual achievements. Motivation involves the orientation and strength of achievement, and conventional incentive schemes should not overlook the capacity to recognize employees for their adaptability and individual qualities. Baker *et al.* (1988) [8] suggest that the limited financial budget for rewards in public service organizations may diminish the impact of salary hikes, as the methods used for evaluating performance can influence their effectiveness.

2.5. The Performance of Employees

Various factors such as organizational structure, job security, motivation, happiness, compensation, training, and performance evaluations impact employee performance (Nor, 2015) [32]. An enthusiastic employee devotes themselves to their goals and objectives, directing their energy toward accomplishing them. Organizations benefit from motivated employees who continuously seek ways to improve operations (Warsame & Dahir, 2024) [41]. Encouraging employees to perform at their highest level in challenging situations is an ongoing concern. Employees anticipate receiving proper pay and perks, and financial reward is the main driving force. No other form of incentive or strategy can rival its strong impact (Nor, 2023) [43] Dobre (2013) [12]. Providing incentives to staff boosts their contentment, leading to enhanced performance from happier employees. Businesses use various rewards, such as wages, bonuses, personal perks, and promotions, to encourage and acknowledge outstanding performance. Emelianova (2019) [13] and Nor (2018) [39] recommends considering salary packages, performance-based pay, personal perks, and additional benefits to effectively use money as a motivator. Job performance is more than just an employee's skill; it is a fundamental principle in the field of work and organizational psychology. In the last ten to fifteen years, scientists have broadened their understanding of performance and discovered factors and actions linked to it. As companies adjust to new demands, performance ideas and criteria change as well. According to Nor (2022) [18] and Rimadias *et al.* (2016) [34], job performance is a thorough evaluation of an employee's performance, which encompasses their expertise, abilities, leadership skills, ethics, and mental capabilities. It includes their creativity, resolution methods, use of resources, efficiency, and time organization. Job performance is a complex framework that mirrors an employee's overall work performance.

2.6. Review on Previous Studies

Based on Thorndike's theory, behaviors leading to rewards are more probable to be repeated than behaviors leading to punishments (Rupia *et al.*, 2012) [36]. Yahya and Goh observed that modern workers require constructive guidance, encouragement, and incentives to effectively apply their knowledge for enhanced efficiency and higher standards. Appropriate feedback and rewards given in a structured manner can lead, educate, and inspire individuals toward beneficial transformation. If their output is not higher than others receiving the same reward, there is no justification for raising it. Additionally, the success and endurance of a company depend on the way its human resources are handled. Yahya and Goh also see promotions as a way to place employees in suitable positions, not just as a reward. From this perspective, getting a promotion impacts both the employee's well-being and the organization's success. Hence,

it is important to ensure that the promotion of employees in organizations is carried out with adherence to designated policies and procedures. In opposition to that, rather than enhancing motivation and ultimately work performance, promotion hinders employees' performance. According to Pinder (2014) [31] promotion always entails a salary increase, whether it occurs within the same rank or to a higher rank. At the time of being promoted within a job grade, employees are evaluated based on their length of service and professional skills, showing a correlation between promotion methods and employee effectiveness. Proposed that promotion practices have a positive correlation with the performance of university teachers. In this research project, a scholar will investigate how promotions affect the performance of employees within public organizations in Tanzania.

In a study by Malik *et al.* (2014) [24], it was found that aspects like strong performance, high sense of self-determination, and belief in rewards for good performance all have a positive influence on employees' intrinsic motivation. Stated differently, when employees anticipate being acknowledged for completing a task proficiently, their drive to excel at it will rise. He argued that a happy employee is a productive one according to this perspective. Michaelsen and Esch (2021) [28] highlight the significance of both job satisfaction and motivation. They claim that a motivated worker is satisfied, and vice versa. Ammatikorkeakoulu (2009) [7] suggests that when employees are motivated, it enhances their mental and physical well-being, leading them to see their work as fulfilling both their personal needs and the goals of the organization.

3. Methodology

3.1. Research Design, Population, and Sample Size

The research design is described as "the organization of requirements for gathering and examining data in a way that seeks to blend relevance to the research goal with efficiency in process." This research utilized both descriptive and case study designs. A descriptive study examines the attributes linked to the subject population. Suggest that descriptive research provides a precise depiction of individuals, occurrences, or circumstances. The descriptive design approach is suitable for this research because it offers a quantitative overview of the sample population's attitudes, experiences, and opinions. Furthermore, this research employed a cross-sectional design, which entails studying individuals with varying important traits at a particular moment.

This study utilized a quantitative methodology. Quantitative research includes any method of gathering data (like surveys) or analyzing data (like charts or statistics) that produces or involves numerical data. The population is the complete set of individuals, occurrences, or objects that the researcher aims to study. The focus group for this research included the employees of Hadiid Company in Mogadishu, Somalia, consisting of 60 participants (Mascuud A., 2020, HR Director) [25]. For this research, 60 respondents were chosen from the available pool, focusing on managers for their pertinent insights and supervisors for their department's low employee morale.

A sample is a portion of the population chosen for the study (Bryman & Bell, 2003) [10]. The study size was determined as 52 participants through the use of Slovene's formula:

$$n = N / (1 + N(e^2)) = 60 / (1 + 60(0.05^2)) = 52$$

This formula was used with a 95% confidence level. In this formula:

- N = Population size
- n = Sample size
- e = Margin of error

The study's sampling process involved using a probability sampling method known as a simple random procedure. This guarantees that all respondents have an equal chance of being chosen, making probability sampling the sole technique that ensures a representative sample.

Table 1: Population and sample Size distribution table

No	Category	Population size	Sample size
1.	Top management	10	9
2.	Middle management	35	30
3.	Low management	15	13
Total		60	52

3.2. Collection and Analysis of Data.

This research made use of surveys as the main method for gathering data. A questionnaire is a set of items that individuals are required to answer in writing. Mainly utilized in quantitative studies, a survey is a method of gathering data where every participant is required to answer a standardized set of questions in a specific sequence. The tool chosen was based on the type of data needed, the timeline, and the study goals. Because the research explores how employee motivation influences employee performance, the researcher concluded that the best way to understand the presence and impact of employee motivation was to directly ask employees using a questionnaire. This method permits the quick production of trustworthy and accurate data.

The results were shown through frequency tables, percentages, and average values. The answers from the surveys were organized, labeled, and handled with the SPSS version 29.0 to evaluate the information using descriptive statistics. This technique created numerical summaries by using tables, percentages, and central tendency calculations. Data analysis was carried out using a descriptive technique. The survey employed a four-point Likert scale, with options spanning from 1 (strongly disagree) to 4 (strongly agree).

Table 2: Mean range and their interpretation

Mean Range	Respondents Mode	Interpretation
1.00 up to 1.75	Strongly disagree	Very poor
1.76 up to 2.50	Disagree	Poor
2.51 up to 3.25	Agree	Very good
3.26 up to 4.00	Strongly Agree	Excellence

4. Results

The main aim of this research was to examine how employee motivation impacts performance. The data was meticulously analyzed using SPSS 29.0 and systematically displayed in tables. This approach ensured that the data analysis and interpretation were in alignment with the research inquiries and objectives, providing a thorough portrayal of all collected data from the specific group of participants. The demographic portion of the questionnaire included variables such as gender, age, marital status, education level, and job experience, which aimed to clarify the characteristics of the respondents. This understanding is crucial for comprehending how employee motivation affects

performance.

4.1. Demographic Characteristics of the Respondents

As illustrated in Table 5.1, the study achieved a 100% response rate. All questionnaires were duly collected. 44 men out of the 52 responders were male. This makes up 84.6 percent of the entire sample. In contrast, 8 respondents were female, representing 15.4%. The age distribution was segmented into four categories. Below 20 years: 5 respondents, 9.6%. Ages 20-30: 12 respondents, 23.1%. Ages 31-40: 28 respondents, 53.8%. Ages 41 and above: 7 respondents, 13.5%. The majority, 53.8% were aged between 31-40 years. In terms of marital status, 12 respondents (23.1%) were single. Meanwhile, 40 respondents (76.9%) were married. Job experience among respondents was categorized as follows. Less than one year: 7 respondents, 13.5%. 1-2 years: 25 respondents, 48.1%. Above 3 years: 20 respondents, 38.5%. Most respondents, 48.1%, had 1-2 years of experience. Educational qualifications were classified into five groups. Secondary level: 10 respondents, 19.2%. Diploma holders: 9 respondents, 17.3%. Bachelor's degree

holders: 13 respondents, 25.0%. Master's degree holders: 17 respondents, 32.7%. Others: 3 respondents, 5.8%. The largest group comprised master's degree holders, 32.7%. This suggests a highly educated workforce.

This demographic analysis provides a comprehensive understanding of the sample population. Such understanding is essential for interpreting the impact of employee motivation on performance. Table 5.2 demonstrates the significant role of rewards in employee performance. The average mean score of 2.93 and a standard deviation of 0.887 underscore the importance of rewards in Human Resources Management. Rewarding employees motivates them to work harder and better, knowing their well-being is valued. Motivated employees show higher productivity and efficiency. They are more willing to work towards organizational goals. A mean score of 3.23 and a standard deviation of 0.807 further highlight rewards as a key technique for influencing organizational members toward achieving these goals. Overall, rewards are crucial for enhancing employee performance and promoting organizational success.

Table 3: Illustrates the demographic Characteristics of respondents

Category		Frequency	Percentage (%)
Gender	Male	44	84.6
	Female	8	15.4
Age	Below 20 years	5	9.6
	20 – 30 years	12	23.1
	31 – 40 years	28	53.8
	41 Years and above	7	13.5
Marital Status	Single	12	23.1
	Married	40	76.9
Educational level	Secondary	10	19.2
	Diploma	9	17.3
	Bachelor	13	25.0
	Master	17	32.7
	Other	3	5.8
Experience	Less than One year	7	13.5
	1-2 years	25	48.1
	3 years Above	20	38.5

Table 4: The Reward Descriptive Statistics

	Statement	Mean	Std. Deviation	Interpretation
1.	Reward establishes a significant component in Human Resources Management.	2.96	.885	Very Good
2.	Rewarding The employees encourage to work harder and better if they are aware that their well-being is taken seriously	2.92	.860	Very Good
3.	Motivated employees are more productive, more efficient and more Wising to work towards organizational goals	3.23	.807	Very Good
4.	Reward as the technique by which an individual influences organizational members towards the attainment of organizational goals	3.04	.766	Excellent
5.	Total Average Mean	2.93	0.887	Very Good

Table 5 indicates that promotions in the selected companies positively impact employee performance. The average mean is 3.10, with a standard deviation of 0.82. The first objective, which involves promoting positive staff progression in rank or position, scored 3.02 with a standard deviation of 0.98, showing very good performance. The second objective, promoting advancement to higher posts with greater responsibilities, status, and better salaries, scored 2.94 with a

standard deviation of 0.98. This also indicates very good performance. The third objective, highlighting employees' benefits to the organization, scored 3.02 with a standard deviation of 0.98, reflecting very good performance. The final objective, fostering a sense of satisfaction and encouraging ambition to continue with the company, scored 3.17 with a standard deviation of 0.98.

Table 5: Promotion Descriptive Statistics

	Statement	Mean	Std. Deviation	Interpretation
1.	Promotion the positive progression of a staff in rank or position in recognition of their contributions towards the growth and development of their institutions	3.02	.980	Very Good
2.	Promotion to advancement of an employee to a higher post carrying greater responsibilities, higher status and better salary	2.90	.799	Excellent
3.	Promotion of employees has a number of benefits not only to the employees but also to the organization in which they work	2.75	.905	Very Good
4.	Promotion creates a feeling of satisfaction with the present situation and conditions and encourages ambition to continue working with the company	3.04	.862	Very Good
	Total Average Mean	3.10	0.82	Very Good

Table 6 illustrates that the pay increase in the selected company was highly favorable. The average mean was 3.06, with a standard deviation of 0.82. Respondents responded positively to questions about pay increases, noting that it adds value for customers and fosters employee growth. They rated the program very highly, with a mean of 2.94. The third question highlighted the importance of both

variable and base pay in maximizing employee value, especially for high performers. The fourth question emphasized the impact of performance-related pay increases on management culture, encouraging staff to focus more on objectives. Overall, the pay increase in this company was considered very good.

Table 6: Pay increase Descriptive Statistics

	Statement	Mean	Std. Deviation	Interpretation
1.	Performance related pay increases Employee performance	3.15	.802	Very Good
2.	Having employee Pay increase programme Was help workers to grow, mature and ultimately add value to your organization	2.94	.826	Excellent
3.	Pay, both "variable and base," is key to ensuring you get the most value from your employees, especially high performers according to a report on salary surveys	3.15	.826	Very Good
4.	Performance related pay increase is to promote a change of management culture, and in particular, to get staff to think more about the objectives	3.17	.810	Very Good
	Total Average Mean	3.06	0.82	Very Good

Table 7 reveals an average mean of 3.05, indicating very good employee performance in the selected company. The dependent variable, "performance," was examined through several statements. Respondents agreed on the following: Performance signifies a person's devotion or sentiment of attachment to a particular object, with a mean of 3.10. This indicates excellent performance, as most respondents strongly agreed with this statement. Motivation improves employee performance, thus enhancing organizational

performance, with a mean of 2.96. This indicates good performance, as most respondents agreed. Organizations today strive to achieve employee performance more than in the past, with a mean of 3.21. This indicates very good performance, as most respondents agreed. Good motivation develops employee performance, with a mean of 2.94. This indicates very good performance, as most respondents strongly agreed.

Table 7: Employee performance Descriptive Statistics

	Statement	Mean	Std. Deviation	Interpretation
1.	performance, as a general term, signifies a person's devotion or sentiment of attachment to a particular object	3.10	.846	Very Good
2.	Motivation improves employee performance that increase organization performance	2.96	.862	Very Good
3.	Organizations nowadays strive to achieve the performance of their employees more than in the past	3.21	.825	Very Good
4.	the importance of the organizational performance on the employees in terms of the development of the performance and the provision of the satisfaction of the employees toward their positions	2.94	.873	Very Good
	Total Average Mean	3.05	0.85	Very Good

Table 8 reveals a strong relationship between employee performance, reward, promotion, and pay increase. A substantial correlation can be shown in the results ($r=0.987$, $p=0.000$, $p<=0.05$). A noteworthy correlation is also present

($r=0.915$, $p=0.000$, $p<=0.05$). Additionally, pay increase and promotion demonstrate a strong relationship ($r=0.97$). The p-value is significant ($p=0.000$, $p<=0.05$).

Table 8: Correlation between Motivation and employee performance Correlations

					Employee performance
Reward	Pearson Correlation Sig. (2-tailed)	1	.943** .000	.959** .000	.981** .000
	N	52	52	52	52
promotion	Pearson Correlation Sig. (2-tailed)	.943** .000	1	.894** .000	.915** .000
	N	52	52	52	52
pay increase	Pearson Correlation Sig. (2-tailed)	.959** .000	.894** .000	1	.979** .000
	N	52	52	52	52

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

5. Discussion of findings

Remuneration serves as a pivotal element in the employer-employee relationship. While a few individuals derive satisfaction from their work and may continue working after a significant lottery win, the majority are primarily motivated by the necessity to procure financial resources to sustain themselves and their dependents. Consequently, the structuring and magnitude of the salary stand as paramount considerations.

The initial findings show that most participants agree that employee motivation positively impacts performance. The data reveal an average score of 2.93 with a standard deviation of 0.887. These results indicate a high level of employee motivation in the chosen company. The main objective of this research was to assess how employee motivation affects performance. The data analysis supports the conclusions made about this goal.

The second aim was centered around promotion, which is when an employee is moved up in rank or position as a way to acknowledge their efforts in helping their organization progress and improve (Adeyemi, 2009) ^[2]. The results show that the majority of participants believe that promotion has a positive impact on employee performance, with an average score of 3.10 and a standard deviation of 0.82. Therefore, the research findings indicate that the promotion strategies implemented by these organizations are quite successful. The conclusions are corroborated by the data analysis related to the second objective.

Lloyd and Rowe (2008) ^[23] suggest that performance-based salary increases are meant to bring about a change in management culture by motivating employees to better match organizational goals and financial limits. This method aims to boost motivation by connecting yearly salary raises with performance instead of length of service. The results of the third goal demonstrate that the majority of participants concur that salary raises have a positive effect on employee productivity, with an average score of 3.06 and a standard deviation of 0.82. As a result, the research determines that the salary increase policies at the chosen company are extremely successful.

The focus when evaluating employee performance in organizations is usually on their behavior - such as working safely, following rules and orders, maintaining output quality, and protecting company property - rather than their attitude, according to Meyer and Allen (2013) ^[26]. Based on the data shown in Table 4.9, the average employee performance level was measured at a mean of 3.05 with a standard deviation of 0.85, suggesting a high level of employee performance within the chosen companies.

6. Conclusion & Recommendation

This study investigated the effect of motivation on employee performance at Companies in Mogadishu, Somalia. The study, based on findings from 52 respondents, concluded that motivation positively affects employee performance. The correlation between the independent and dependent variables is strong, as indicated by the r value ($r=.891$, $p<0.00$, $\alpha \leq 0.05$). Motivation significantly enhances employee performance, contributing to higher market share. Thus, the study concludes that proper motivation facilitates business growth. Management must find the right motivational strategies to capture the market quickly and improve employee performance. Investors should observe market trends and issues closely. Based on the findings, the study

suggests the following recommendations for business leaders and private sectors. Motivation is pivotal to business growth. Therefore, the study recommends that the management should prioritize employee motivation and capacity building to improve performance and productivity. Rewards should be provided to boost productivity. Employee motivation can improve product quality and market share. Companies should implement employee promotions for growth. Maintaining a good reputation requires controlling product quality. Utilizing recommender systems can increase relevance. Continuous motivation is crucial in dynamic market conditions. Performance-oriented promotions are essential.

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