MOTIVATION PRACTICES AND EMPLOYEE PERFORMANCE OF PHARMACEUTICAL COMPANIES IN UGANDA:

A CASE STUDY OF SUPER MEDIC PHARMACEUTICAL LIMITED KAMPALA

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AUGUST, 2014
DECLARATION

I, Nyadoi Catherine Oteba, declare that this research report has not been submitted for any degree to any University. I declare that to the best of my knowledge any help received in preparing this work, and all sources used, have been acknowledged in this report.

Signature: ........................................

Nyadoi Catherine Oteba

Date: ...............................................
APPROVAL

This research report has been under our supervision as Kyambogo University as supervisors and is ready for submission to the examiners of the University.

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Date: 23/12/2014

Signature: 

Owino Phillip

Date: 30/12/2014
DEDICATION

I dedicate this work to GOD and my lovely family who assisted me financially in the completion of my field study and report. I also dedicate this research work to Super Medic Pharmaceutical staff for their support in providing the necessary information for the completion of the report.
ACKNOWLEDGEMENT

I owe an acknowledgement to my supervisors and to the individuals, teams, executives and organizations whose contribution and help have made this research a reality.

I am thankful to Dr. Regis Zombeire Kamaduuka for all her efforts, swift responses, and for her professional and academic advice. Dr. Regis Zombeire Kamaduuka’s help and encouragement has enabled me to realize my potential in the development of this report.

I feel greatly privileged in being supervised and taught by Mr. Owino Phillip. I thank him for all his support and affection from laying the foundations of this research right up until the completion of this report. I also thank Kyambogo University for bestowing upon me the honor and opportunity to be a part of an esteemed community around the country.

My gratitude also goes to the highly supportive staff at the Super Medic Pharmaceuticals Limited and the ever Smiling ladies at the front desk. Thank you! I greatly appreciate the cooperation and support of my colleagues at the Medicines Transparency Alliance (MeTA). My words of gratitude cannot be complete without thanking my family, the most resilient ‘my mother and father’, my brothers and sister and my friends whose unfathomable support has made it possible.

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ABSTRACT

The purpose of the study was to investigate motivation practices and employee performance in pharmaceutical company, a case of Super Medic pharmaceutical Ltd, Kampala.

The study was guided by the following objectives: to establish the most important motivation practices for the employees’ performance at Super Medic Limited, to assess the relationship between recognition and employees’ performance at Super medic Limited, to establish the extent to which promotion leads to employees’ performance at Super Medic Limited. A case study survey design was used for this study and both qualitative and quantitative methods were analyzed using tables, samples, percentages and frequencies. The total number of people forming the population is about Eighty five(85). Thus, all the 85 employees were given questionnaires and 63 responded representing about (74%). That is, all were offered the chance to participate in the study but some about (26%) inevitably partially declined and data were analyzed using tables, frequencies and percentages. The major findings on motivation practices indicated that the respondents prefer salary increase, fringe benefit and promotion compared to responsibilities which are preferred by managers. It was recommended that Salary increase should be done annually because employees are concerned about their needs in the company.

The study found out that there is high level of loyalty to the company which is good because accumulated experience of such a loyal staff could also effect on the increase of customer satisfaction and customer retention.

The major recommendation was that similar study should be done with a representative sample at Kampala Pharmaceutical Industry. The sample size can be enlarged and different statistical tools can be used in the research. That apart, most government pharmaceutical industry can also investigate levels of motivation that can enhance their employees’ performance. Their findings would help the company to determine which motivation practices their employees’ desire most.
CHAPTER ONE

INTRODUCTION

1.0 Introduction

The purpose of the study was to investigate motivation practices and employee performance in pharmaceutical companies in Uganda. This provides an entry to the overall study by detailing the introduction, background to the study, statement of the problem, research objectives, research questions, and scope of the study, significance of the study and definitions of terms.

1.1 Background to the study

It is widely recognized in the human resource literature that motivation of workers in both private and public organizations leads to a higher quality of human resources and optimum performance. Motivation is a topic that is extensively researched. In the twentieth century the first important motivational theories arose, namely Maslow’s hierarchy of needs (1943), Herzberg’s two-factor theory (1959) and Vroom’s expectancy theory (1964). These researches focused on motivation in general and employee motivation more specifically. In the past years various definitions of motivation were defined, e.g. Herzberg (1959) defined employee motivation once as performing a work related action because you want to.

Motivation as the content refers to the extent to which employees are willing to perform well and their ability and also the extent to which they possess the skills and abilities necessary to perform well. Feldman and Daniel (1983).

This is important since it implies that beyond a certain level, lack of ability cannot be compensated for high level of ability. To managers, motivation has a much stronger practical significance. Everything achieved in or by an organization ultimately depends on human activity. Managers therefore are vitally
Concerned with having subordinates who effectively channel their energies into performing their allocated tasks.

Consensus is also growing among managers, about the significance of combining good human resource performance and approaches on motivation incentives to encourage good performance. Super Medic limited organization is not an exception and the notion of workers' motivation and good performance outcomes is not new. As the organization seeks to improve workers' performance, severe challenges hinder to achieve the overall objective. The organization extends adequate motivation practices to its entire population.

Motivation theory can help us to consider the different investments which can be made in people. Investment in workers through motivation measures are made today with the hope of future benefits for an organization. "In a world characterized by competition, customer focus and the need for speed and flexibility, in order to get the results you want, you still have to depend on your people to carry the day" (Storey, 2001:9). This therefore makes it a necessity to employ "talented individuals, who need to be developed, motivated, rewarded and provided with the organizational cultures and work processes that will make them to be successful" (Hay group, 2000 in Storey, 2001: 9). The study makes a critical analysis of motivation practices and employees performance in Super Medic limited and identifies several motivation practices that can help boost performance. Its central question is: Why

Are employees not performing as expected? Its assumption is that qualified and skilled workers have assumed their rightful positions based on the job description and specification but their performance is not satisfactory. The research examined whether this is due to limited or inadequate motivation practices to induce good performance. In order to do this analysis, this research used a conceptual framework to relate the key concepts of motivation practices and employee performance approaches to work and organizational performance. It also engaged the use of motivation theories in its theoretical framework.
1.1.1 Motivation Practices

Motivation practices are packages and activities which management uses to stimulate employees at their work place (Armstrong, 2006). Motivation practices can be divided into extrinsic and intrinsic motivation. Extrinsic motivation refers to external factors, which can be measured in monetary terms, such as salary and benefits, promotion and disciplinary action, Hellriel al, (1999). Extrinsic motivators can have an immediate and powerful effect, but it will not necessarily last long. Intrinsic motivation refers to internal factors such as job satisfaction, responsibility, freedom to act, scope to use and develop skills, abilities and quality of working life are likely to have a deeper and long term effect, Hellriel al, (1999). These two different aspects of motivation are connected to each other and cannot be seen in isolation.

From the above definitions, some issues are brought to mind that deal with what starts and energizes human behavior, how those forces are directed and sustained as well as the outcomes they bring about (performance). The level of these drives, energies, and abilities can influence how employees perform at the Super Medic Limited.

According to Brumbrach (1988), Performance means both behaviors and results. Behaviors emanate from the performer and transform performance from abstraction to action. Not just the instruments for results, behaviors are also outcomes in their own right (the product of mental and physical effort applied to tasks and can be judged apart from results). Performance is often defined simply in output terms (achievement of quantified objectives) in matters not only of what people achieve but how they achieve it, (Armstrong, 2006).

Performance measurement is an important concept and it is the basis for providing and gathering feedback, it identifies where things are going well to provide the foundations for building further success and it indicates where things are not going so well so that corrective action can be taken.
Measuring performance is relatively easy for those who are responsible for achieving quantified targets such as sales. It is more difficult in the case of knowledge workers such as scientists. But this difficulty is alleviated if a distinction is made between the two forms of outputs and outcomes. An output is a result that can be measured quantifiably while an outcome is a visible effect that is the result of effort but cannot necessarily be measured in quantified terms (Armstrong, 2006).

In the context of the study, Super Medic is pharmaceutical company and wholesaler in drugs which employees people in supporting wholesale activities. Bateman and Snell (1996), contend that motivation is the force that energizes, direct and sustains a person’s effort towards the achievement of a goal. A highly motivated person will work hard towards the achievement of organizational goal, given the ability and adequate understanding of the job. Therefore, the challenge for today’s management is to administer motivation practices which will encourage employees to improve their work performance and productivity. To this end modern day managers in the pharmaceutical companies are therefore adopting various kind of motivation practices not only to retain employees but also help them to achieve competitive advantage in the market.

1.2 Statement of the problem:

Motivation is crucial for the effectiveness of performance in an organization (Armstrong, 2006). This depends on various practices such as salary increase, fringe benefits, promotion and responsibility. Nevertheless motivation practices in some cases seem to below and as a result a number of customers are complaining of the poor ways employees are attending to them, employees are not meeting target required by the management, they come late, poor time management and there is lack of commitment in Super Medic Limited according to the report of financial year (FY 2013/2014). This was observed by absenteeism, loss of customers, low customer satisfaction and cost reduction. This raised the question as to whether there was a link between motivation practices and employees’ performance. The study therefore sought to assess the motivation practices of employees’ performance at Super Medic
1.3 General Objectives:

This study examined motivation practices and employees’ performance in Super Medic Pharmaceutical Limited, with the aim of identifying different motivation practices that have increased employee performance.

1.4 Specific Objectives:

1. To assess the most important motivation practices used by Super Medic Limited to boost employee performance.
2. To assess the relationship between recognition and employee performance at Super Medic Limited.
3. To analyze the extent to which promotion leads employee performance at Super Medic Limited.

1.5 Research Questions

1. What are the most important motivation practices used by Super Medic Limited to boost employee performance?
2. What is the relationship between recognition and employee performance at Super Medic Limited?
3. To what extent does promotion lead employee performance at Super Medic Limited?

1.6 Scope of the study

1.6.1 Geographical scope

The study was limited to Super Medic Limited which is located in William street in Kampala District and consists of (9) branches of which (6) branches was covered because it is within Kampala.

1.6.2 Content scope

The study basically investigated the motivation practices as the independent variable on employees’ performance at Super Medic Limited.
1.6.3 **Time scope**

The study covered a period of nine months. This was because the limited time and financial resources to have it accomplished.

1.7 **Significance of the study**:

The research findings would reveal whether these practices enhance staff performance and how management can strategically maximize the human resource potentials to the fullest in the midst of the new entrants.

The findings of the study will therefore provide vital information to policy makers and human resource managers of Super Medic Ltd to either consolidate or re-think ways of motivating staff of super Medic Ltd.

The research findings will also add to the existing body of knowledge on the issue of motivation and productivity in the pharmaceutical sector.

1.8 **Definition of key terms**

**Motivation practices**

Motivation practices are packages and activities in which management uses to stimulate employees at their work place.

**Employee Performance:**

Employee performance is also known as job performance and this has been defined as the overall expected value from employees’ behaviors carried out over the course of a set period of time. This definition, although fairly technical, includes specific ideas that are worth breaking down: According to the researcher:

- Performance is a property of behavior, or, plainly stated, what people do at work.
An employee’s behavior adds expected value to the organization – that is, an employee’s behaviors may be distinguished as helping or hindering an organization, but the outcomes of employee behaviors are rarely measured so their value is merely expected.

Performance can further be broken down into two distinct types:

Task Performance - These are the actions that contribute to transforming raw materials to goods and services, the things that are typically included in job descriptions. Examples include selling clothes, drilling holes, or teaching a class.

Contextual Performance - These are the behaviors that contribute to overall effectiveness through supporting the social and psychological climate of the workplace. Examples include cooperating with teammates, diffusing conflicts, and cleaning up the conference room (Borman & Motowidlo, 1993)

In conclusion this chapter has covered the introduction, the background of the study, problem statement, objectives of the study, research questions, significance of the study, as well as the scope and limitations of the study.
CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter contains reviewed Literature about the subject of the study. It specifically contains literature on theories of motivation, conceptual framework. Motivation practices and employee performance

2.1 The concept of motivation

The term motivation arose in the early 1880’s; before that time the term “will” was used by philosophers as well as social theorists when discussing effortful, directed and motivated human behavior (Forgas, Williams and Laham, 2005). According to them motivation used to be considered as: an entity that compelled one to action. Lately, various researchers proposed different definitions of motivation. Motivation has been defined as: the psychological process that gives behavior purpose and direction (Kreitner, 1995); a predisposition to behave in a purposive manner to achieve specific, unmet needs (Buford, Bedeian, & Lindner, 1995). Employee motivation related to employee performance in the organization internal drive to satisfy an unsatisfied need (Higgins, 1994); and the will to achieve (Bedeian, 1993). Mitchell (1982) stresses that although there is some disagreement about the importance of different aspects in the definition of motivation, there is consensus about some underlying properties. Namely, that motivation is an individual phenomenon, it is described as being intentional, it is multifaceted and that the purpose of motivational theories is to predict behavior. Mitchell (1982) also argues that motivation is concerned with action, the internal and external forces that influence one’s choice of action. And that motivation is not the behavior itself, and it certainly is not performance. In relation to this, Mitchell (1982) proposes his own definition of motivation:
motivation becomes the degree to which an individual wants and chooses to engage in certain specified behaviors.

The first question that arises is: “why managers need to motivate employees?” (Herzberg, 1959). According to Smith (1994) it is because of the survival of the company. Amabile (1993) adds to his statement by arguing that it is important that managers and organizational leaders learn to understand and deal effectively with their employees’ motivation; since motivated employees are necessary to allow organization become successful. She also argues that unmotivated employees are likely to expend little effort in their jobs, avoid the workplace as much as possible, exit the organization and produce low quality of work. In the case that employees are motivated; they help organizations survive in rapidly changing workplaces (Lindner, 1998). Lindner also argues that the most complex function of managers is to motivate employees; because what motivates employees changes constantly (Bowen and Radhakrishna, 1991). In this paragraph the different perspectives of motivation are described.

It is evident that managers need to motivate employees to obtain the desirable results for the organization. And it can be stated that there is consensus about the facts that motivation is an individual phenomenon, it is described as being intentional, it is multifaceted and that the purpose of motivational theories is to predict behavior. It seems that Herzberg and Maslow were among the first researchers at this topic and their theories are still being used today. Therefore, these theories clarify the concept of motivation which emphasizes that motivation is a paramount factor in promoting employee performance in the organization.
2.1 Theories of Motivation

2.1.1 The content (need) theories (Maslow's hierarchy of needs)

Malik et al (2011) discussed the early theories of motivation which include Hierarchy of needs theory, and Herzberg Two Factor Theories. Hierarchy of need identifies five levels of human needs: physiological, safety, social, ego, and self-actualizing. Lower level needs must be satisfied first before the next higher level need since this will motivate employees. Maslow's hierarchy of needs is often portrayed in the shape of a pyramid with the largest, most fundamental levels of needs at the bottom and the need for self-actualization at the top. While the pyramid has become the way to represent the hierarchy, Maslow himself never used a pyramid to describe these levels in any of his writings on the subject.

The most fundamental and basic four layers of the pyramid contain what Maslow called "deficiency needs" or "d-needs": esteem, friendship and love, security, and physical needs. If these "deficiency needs" are not met with the exception of the most fundamental (physiological) need there may not be a physical indication, but the individual will feel anxious and tense. Maslow's theory suggests that the most basic level of needs must be met before the individual will strongly desire (or focus motivation upon) the secondary or higher level needs. The human mind and brain are complex and have parallel processes running at the same time, thus many different motivations from various levels of Maslow's hierarchy can occur at the same time. Maslow spoke clearly about these levels and their satisfaction in terms such as "relative," "general," and "primarily." Instead of stating that the individual focuses on a certain need at any given time, Maslow stated that a certain need "dominates" the human organism. Thus Maslow acknowledged the likelihood that the different levels of motivation could occur at any time in the human mind, but he focused on identifying the basic types of motivation and the order in which they should be met.
In the study, Maslow's hierarchy of needs (1943) was adopted because it advocates for employees' various needs. Physiological needs may be satisfied by the person's pay check, but it is important to remember that pay may satisfy other needs such as safety and esteem as well. Providing generous benefits that include health insurance and company-sponsored retirement plans, as well as offering a measure of job security, will help satisfy safety needs. Social needs may be satisfied by having a friendly environment and providing a workplace conducive to collaboration and communication with others. Providing promotion opportunities at work, recognizing a person's accomplishments verbally or through more formal reward systems and job titles are ways of satisfying esteem needs. Finally, self-actualization need may be satisfied by the provision of development and growth opportunities on or off the job, as well as by work that is interesting and challenging. By making the effort to satisfy the different needs of each employee, organizations may ensure a highly motivated workforce. The important aspect of Maslow's model is that it provides for constant growth of the individual. However in the long run, when these needs of employees are not met it could serve as de-motivating to the employees.

Source: ("Business Management Articles", April 10, 2009)
2.1.2 Herzberg two factor theory

Herzberg (1959) developed a well known motivation theory, namely the Two-Factor Theory; he distinguishes in his theory between motivators and hygiene factors. Important is that factors are either motivators or hygiene factors, but never both. Motivators are intrinsic motivational factors such as challenging work, recognition and responsibility. And hygiene factors are extrinsic motivational factors such as status, job security, salary, company policy and administration, technical supervision, interpersonal relationship with supervisors and work conditions; they are associated with job content. Motivating factors can, when present, can lead to satisfaction and hygiene factors, when not present, lead to dissatisfaction, but the two factors cannot be treated as opposites from each other. Herzberg defines motivation in the workplace as performing a work related action because you want to. Therefore in this study the theory was adopted because it clearly brings out what factors motivate employees of Super Medic Ltd and also assess their motivation practices and ensure that these motivate them to give out their best and practices that are not satisfying should be des-engaged.

Below in table 2.1.2 is presented with Herzberg’s motivators and hygiene. As seen in the figure, motivators are intrinsic conditions to the work itself and hygiene extrinsic conditions to the work.

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<th>Motivators (leading to satisfaction)</th>
<th>Hygiene (leading to dissatisfaction)</th>
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<td>Company policy</td>
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<td>Recognition</td>
<td>Supervision</td>
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<tr>
<td>Work itself</td>
<td>Relationship with boss</td>
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<tr>
<td>Responsibility</td>
<td>Work condition</td>
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<tr>
<td>Advancement</td>
<td>Salary</td>
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<tr>
<td>Growth</td>
<td>Responsibility with peers</td>
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<td></td>
<td>Security</td>
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The Two-Factor Theory of Herzberg (1959) is related to Maslow’s (1943) theory of motivation, named
Maslow (1943) states in his need-hierarchy that there are at least five sets of goals, which are called the basic needs, namely: physiological, safety, love, esteem and self-actualization. And we are motivated by the desire to achieve or maintain the various conditions upon which these basic satisfactions rest and by certain more intellectual desires

2.1.3 Conceptual Framework

The conceptual framework has explored the relationship between motivation practices and employee performance in Super Medic Limited. Motivation practices being the independent variables of which the parameters to be measured are: recognition, responsibility in job, promotion, fringe benefits, salary. The dependent variables are related to employee performance amidst influence from intervening variables such as company policy.

FIG 2.1.3: Conceptual framework
On the relationship among variables, the existence of good motivation practices such as recognition, responsibility in the job, fringe benefits, promotion and influence support from the government (supporting inputs); and this in turn influence performance in terms of meeting targets, customer satisfaction and with expectation of customer retention. However, company policy is the intervening variables that may also influence the effectiveness of employees’ performance.

2.2 Motivation Practices

Motivation practices are packages and activities which management uses to stimulate employees at their work place (Armstrong, 2006). Motivation practices can be divided into extrinsic and intrinsic motivation. Extrinsic motivation refers to external factors, which can be measured in monetary terms, such as salary and benefits, promotion and disciplinary action (Kreither al 1999). Extrinsic motivators can have an immediate and powerful effect, but it will not necessarily last long. Intrinsic motivation refers to internal factors such as job satisfaction, responsibility, recognition, freedom to act, scope to use and develop skills and abilities and quality of working life are likely to have a deeper and longer term effect (Kreither al. 1999). These two different aspects of motivation are connected to each other and cannot be seen in isolation.

From the above definitions some issues are brought to mind that deal with what starts and energizes human behavior, how those forces are directed and sustained as well as the outcomes they bring about (performance). The level of these drives, energies, and abilities can influence how employees perform at the Super Medic Ltd.

Ifinedo (2003), demonstrates that a motivated worker is easy to spot by his or her dedication, enthusiasm, focus and general performance and contribution to organizational objectives and goals.

All organizations are concerned with what should be done to achieve sustained high levels of performance through people. This means giving close attention to how individuals can best be motivated through such means as incentives, rewards, leadership and, importantly, the work they do and the organization’s context
within which they carry out that work. The aim is to develop motivation processes and a work environment that will help to ensure that individuals deliver results in accordance with the expectations of management. Motivation practices on the purpose of current investigation will include recognition, responsibility, promotion, fringe benefits and salary.

2.2.1 Recognition

Mckenna and Terry, (2005) stated that recognizing employees involves acknowledgment of employee achievement and this can be public or private, and involve a monetary reward or nonmonetary reward. Therefore, positive recognition becomes the better option for the management to use frequently to their employees as motivational tactic.

Basing on the study by Evans, (1996) certification and applause which is a form of recognition and it is very specific from physically managers applaud their people by giving them a round of applause for specific achievements and this can be applicable through meetings or sponsored social gathering. The employees thus feel part of the team contributing to the success of the service provided hence feeling motivated.

2.2.2 Responsibility

According to Armstrong and Murlis (1994) responsibility is one of the most effective ways of motivating people. People need to be responsible for their own work to be rewarded accordingly. Individuals are motivated when they are provided with means to achieve their goals. Increased responsibility, which motivates will be determined by the way the job is designed and use of performance management processes. According to Jennifer James, university professor and author of Thinking In The Future says, “Many specialists now preach the gospel of worker empowerment. It is a rejection of the corporate hierarchy and paternalism of the past and for good reason: empowerment increases energy. When workers are permitted to
invest their energies in a personal process of learning and discovery while on the job, the increase in productivity, quality, and efficiency is phenomenal.

When managers and employees work together to create a respectful, self-motivating environment, there is potential for better results for both the department and the larger organization. Managers and supervisors have high demands on their time. Influencing self-responsibility in their employees can benefit the manager’s workday. This style of management/supervision can create an environment for building trust with long-term benefits towards achieving goals.

2.2.3 Promotion

According to Armstrong, (2006) the advancement of an employee from one job position to another job position that has a higher salary range, a higher level job title, and, often, more and higher level job responsibilities, is called a promotion. Sometimes a promotion results in an employee taking on responsibility for managing or overseeing the work of other employees. Decision making authority tends to rise with a promotion as well. As noted, Herzberg's theory suggests that opportunities for promotions and actual promotions are more likely to motivate higher performance than regular pay structures. This is supported by Maslow's earlier needs theory, which ranks self-esteem and self-actualization as higher-order needs compared with physiological needs, which would include pay, as lower-order needs. Promotions do usually increase pay, but the motivational influence stems from recognition, increased responsibility, more challenging work and a personal sense of accomplishment all of which are motivating factors, according to Herzberg. Herzberg even notes "opportunities for advancement" specifically as a motivator.

According to Armstrong and Murlis (1994) a promotion is viewed as desirable by employees because of the impact a promotion has on pay, authority, responsibility, and the ability to influence broader
A promotion raises the status of the employee who receives a promotion which is a visible sign of esteem from the employer.

A promotion is a form of recognition for employees who make significant and effective work contributions (Cole, 2001). Consequently, a dilemma arises in organizations since repeated promotions generally place an employee in a management role. Employers are challenged to provide alternative career paths for employees who deserve the benefits and recognition provided by a promotion, but do not aspire to manage the work of other employees. Individual contributors must be eligible for promotions that recognize and reward their role as contributors. A promotion is a powerful communication tool about what is valued within an organization. Thus, a promotion must be available to employees who play any role in the contribution of work and value.

### 2.2.4 Fringe benefits

Storey, (2001) fringe benefits are property and services whose benefit to employees often outweighs the cost to the employer. Generally, fringe benefits are part of your employees' taxable wages, but there are certain fringe benefits that are accepted from this rule and you can still take a business deduction for their cost. Nontaxable fringe benefits include no-additional-cost services, qualified employee discounts, working condition fringe benefits, very minimal fringe benefits and qualified transportation fringe benefits.

McKenna, (2005) fringe benefits are a major consideration in a total compensation package. Salaries are important, but employees often accept or leave a job based on the quality of fringe benefits. Health insurance costs have become very expensive and employees that may have previously left a job more likely stay for these benefits. Fringe benefits are tools used by human resources to hire and retain top talent and to help create a motivated workforce.
Fringe benefits are generally, but not necessarily affordable for bigger companies. When organizations have a greater number of employees, the economies of scale weigh in their favor. They can afford special benefits to employees on a larger scale, which makes it affordable and is usually very rewarding, too (Armstrong, 2000).

Lindner, (1998) if the organization can take of say, the children’s education or health insurance, it is taking the load off the employee’s shoulder for a major expense. This is the kind of benefit that will make the employee happy and satisfied, a direct result of which is increased productivity at work. It is well known that happy employees are the more productive ones. This realization on the part of employers has resulted in increased importance of fringe benefits.

2.3. Performance in organizations

Performance in organizations can be separated in organizational performance and job performance (Otley, 1999). According to Otley, the performance of organizations is dependent upon the performance of employees (job performance) and other factors such as the environment of the organization. The distinction between organizational and job performance is evident; an organization that is performing well is one that is successfully attaining its objectives, in other words: one that is effectively implementing an appropriate strategy (Otley, 1999) and job performance is the single result of an employee’s work (Hunter, 1986). Since the aim of this thesis is to provide a link between motivating employees and their performance, organizational performance lies outside the scope of this research and only job performance is addressed.

2.3.1 Employee performance

Performances can be separated in organizational and employee performance. Employee performance is also known as job performance. However, it seems that job performance is mostly subjectively
measured in organizations and it will appear that there are few alternative options.

A good employee performance is necessary for the organization, since an organization’s success is dependent upon the employee’s creativity, innovation and commitment (Ramlall, 2008). Good job performances and productivity growth are also important in stabilizing our economy; by means of improved living standards, higher wages, an increase in goods available for consumption, etc (Griffin et al., 1981). Griffin et al. also argue that therefore research of individual employee performance is important to society in general.

Employee production and employee job performance seems to be related; e.g. in the U.S. performance is in some cases measured as the number and value of goods produced. However, in general productivity tends to be associated with production-oriented terms (e.g. profit and turnover) and performance is linked to efficiency or perception-oriented terms (e.g. supervisory ratings and goal accomplishments) (Pincus, 1986).

According to Hunter and Hunter (1984) crucial in a high job performance is the ability of the employee himself. The employee must be able to deliver good results and have a high productivity. Hunter and Hunter (1984) also argue that this is something the organization can know at forehand; they can select employees with the required abilities or they can recruit those employees themselves. Of course the latter is more time consuming, but can obtain better results in the end (Hunter, 1986).

However, job performance is more than the ability of the employee alone. Herzberg (1959) and Lindner (1998) refer to the managerial side of performance. According to Herzberg (1959) performance is: let an employee do what I want him to do. This implies that the organization’s hierarchy and task distribution are also critical for a good employee performance. Lindner (1998) adds to this statement by arguing that employee performance can be perceived as “obtaining external funds”. According to Vroom (1964) an employee’s performance is based on individual factors, namely: personality, skills,
knowledge, experience and abilities. Many researchers agree that job performance is divided in those five factors (e.g. Hunter & Hunter, 1984). Some researchers even argue that a person’s personality has a more specific role in job performance (Barrick & Mount, 1991). However, according to various researchers, it is not what performance exactly means, but how it is composed and how it is measured (Furnham, Forde & Ferrari, 1998; Barrick & Mount, 1991).

Vroom’s (1964), Hunter & Hunter’s (1984), Hunter’s (1986), etc. results are evident. Namely, Job performance can be divided in personality, skills, knowledge, experience and abilities. Some researchers even argue that personality has a more specific role in job performance. However, according to Bishop (1989) and others, job performance contains a problem; namely the measurement of performance.

A ‘Policy’ is a predetermined course of action, which is established to provide a guide toward accepted business strategies and objectives. In other words, it is a direct link between an organization’s ‘Vision’ and their day-to-day operations. Policies identify the key activities and provide a general strategy to decision-makers on how to handle issues as they arise. This is accomplished by providing the reader with limits and a choice of alternatives that can be used to ‘guide’ their decision making process as they attempt to overcome problems. Company policies and procedures are required when there is a need for consistency in your day-to-day operational activities. Policies and procedures also provide clarity to the reader when dealing with accountability issues or activities that are of critical importance to the company, such as, health & safety, legal liabilities, regulatory requirements or issues that have serious consequences. First, employees are provided with information that allows them freedom to carry out their job and make decisions within defined boundaries.

Second, employees understand the constraints of their job without using a ‘trial and error’ approach, as key points are visible in well-written policies and procedures.
Third, policies and procedures enable the workforce to clearly understand individual & team responsibilities, thus saving time and resources. Everyone is working off the same page; employees can get the “official” word on how they should go about their tasks quickly and easily.

Fourth, clearly written policies and procedures allow managers to exercise control by exception rather than ‘micro-manage’ their staff.

Fifth, they send a “We Care!” message. ‘The company wants us to be successful at our jobs.’

Sixth, clearly written policies and procedures provide legal protection. Juries apply the ‘common person’ standard. If written clearly so that outsiders understand, the company has better legal footing if challenged in court.

2.3.2 Conclusion

Performance in organizations can be divided in organizational performance and job performance. The scope of this thesis lies at motivation practices and job performance, and is known as the result of an employees’ work. A good employee performance is necessary for the organization, since an organization’s success is dependent on employee’s creativity, innovation and commitment (Ramlall, 2008). It is generally accepted that an employee’s performance is based on individual factors, namely: personality, skills, knowledge, experience and abilities (Vroom, 1964)
CHAPTER THREE

METHODOLOGY:

3.0 Introduction

This chapter on the methodology contained section on research design, area of the study, the study population, sampling techniques, sampling process and selection, sample size, methods of data collection, data quality control, data analysis, research ethical consideration and methodological limitations of the study. Quantitative and qualitative methods were used in examining motivation practices and employees' performance in Super Medic Limited in Kampala.

3.1 Research Design

The study used a case study research design and both primary and secondary researches were utilized. This enabled to collect data in depth, Amin, (2005). Both Quantitative and Qualitative approaches were used in the study: This is because the Quantitative approach allowed the researcher to solicit information that can be qualified (Mugenda and Mugenda 1999). Combining numerical and descriptive information helped to enrich the integration of findings of the study. The approach involved presenting the collected data and analyzing it objectively in form of tables, proportions, percentages, while qualitative approach involved categorizing data into categories and themes into which they belong.

3.2 Area of the Study

The area of the study was Kampala from which questionnaires were distributed to 6 branches of Super Medic ltd given the limited time and financial resources available.
3.3. Population, Sample Size and Sampling Techniques for the Study

All the items under consideration in any field of inquiry constitute a population. It can be presumed that in such an inquiry when all the items are covered no element of chance is left and highest accuracy is obtained. Sekaran, (1990) reported that population refers to the entire group of people, events or things of interest that the researcher wishes to investigate. Quite often we select only a few items from the population for our study purposes. The items so selected constitute what is technically called a sample. Sekaran, (1990) defines a sample as a portion of the population that has attributes as the entire population. The target population for the study consists of all staff of Super Medic Limited working in the 6 branches of the Kampala area. The total number of people forming the population is about Eighty five(85). Thus, all the 85 employees were given questionnaires and 63 responded representing about (74%). That is, all were offered the chance to participate in the study but some about (26%) inevitably partially declined. The population is shown in table 3.3.1

Table 3.1: Employee categories of Super Medic Limited, Kampala

<table>
<thead>
<tr>
<th>Respondents Category</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Branch Managers</td>
<td>12</td>
</tr>
<tr>
<td>Pharmacist</td>
<td>11</td>
</tr>
<tr>
<td>Financial Manager</td>
<td>2</td>
</tr>
<tr>
<td>Sales attendants</td>
<td>44</td>
</tr>
<tr>
<td>Nurses</td>
<td>12</td>
</tr>
<tr>
<td>Store Keepers</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>85</td>
</tr>
</tbody>
</table>
3.4 Data collection method

Both primary and secondary data were used. The primary source was collected from selected persons within Super Medic Limited and the key informant interview targeted managers and pharmacists while secondary data sources included internet, books, magazines, journals; documents from pharmaceutical sector under study including sales records for 2010 and 2011; strategic plans; policy statements, reports from super medic Limited as well as relevant documents from institutions.

3.5 Research Instruments

a) Questionnaires

The main instrument that was used in data collection for this study was self-administered questionnaire (SAQ). The questionnaires are techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order (de Vaus, 2002). The main purpose for using this method was to obtain quantitative data and get people's reactions as regards to motivation practices and employee performance. The questionnaires were distributed mainly to nurses, sale attendants, and research assistant. The researcher used both open and closed ended questions that were administered directly to respondents using a questionnaire as a primary instrument. In construction of the questions, the researcher used the guidelines according to Melville and Goddard (1996) that provided the guidelines for constructing a questionnaire. They recommended a 5 point scale, where the various point illustrated the respondent’s feeling about the statements. The points refer to the following feelings; 5 = strongly agree; 4 = agree; 3 = uncertain; 2 = strongly disagree and 1 = disagree.

b) Interview Schedule

Another instrument that was used to elicit information from a specific category of respondents was interview schedule. Taylor et al (1984). The interview method was used to collect qualitative data to supplement information from quantitative data and key informants included pharmacists, branch
managers and financial manager. Kakooza, (2002); and Wisker, (2001) denoted that interviews have advantages as a method of data collection since it brings direct contact or conversation between the researcher and the respondent, and it also allows clarity of responses. Secondly, interviews give the opportunity to follow up the ideas and probe responses, which could lead to vital areas of information that the researcher might have overlooked while designing the interview schedules (Grinnell, 2001; Rothari, 2004).

3.6 Data Quality Control

a) Reliability

Reliability can be described as the extent to which any measuring procedure gives the same or similar results if the test is repeated with the same respondents (Koul, 2004). Reliability is about consistency of the research scales (White, 2002). Although there are different forms of reliability, the current study focused on internal consistency reliability. This is the type that measures whether several items on the questionnaires that propose to measure the same general construct produce similar scores. So the internal consistency reliability was measured with Cronbach’s (1964) alpha test. The method of computing reliability is: The average inter-correlation of a six item scale is .5, and then the alpha for the scale would be: alpha = Np/[1+p(N-1)]

Where N equals the number of items and p equals the mean interitem correlation.

b) Validity

There are different types of validity, some of which include criterion and construct validity. The former aims at assessing whether a test reflects a certain set of abilities while the latter refers to whether the operational definition of a variable reflects the true theoretical meaning of a concept. However, this study considered only the content validity. White (2002) intimated that validity is concerned with the idea that the research design fully addresses the research objectives and hypotheses that have to be
answered and achieved. Validity in this case refers to the extent to which an item on the questionnaire measured the concepts it represented. Content validity in this study was applied so as to reveal whether the wording of the items used to measure a concept were clearly related to the concept or one of its dimensions. In the current study validity was determined using Content Validity Index (CVI). An expert opinion was sought on the suitability (accuracy) of the questions. The points refer to the following feelings; 5= strongly agree; 4=agree; 3 disagree; 2 strongly disagree; and 1=uncertain.

The formula used to calculate content validity index (CVI) was:

\[ CVI = \frac{\text{Number of items declared valid}}{\text{Total number of items on questionnaire}} \]

3.7 Data collection procedure

A letter was obtained from Kyambogo University that introduced the researcher to Super Medic branches. The researcher reported to human resource department from which a list of employees was obtained. The list acted as a sampling frame from which respondents were selected purposively. Thereafter questionnaires were distributed purposively and key informants such as pharmacists, branch managers and financial manager were purposely interviewed to obtain qualitative data.

3.8 Data Analysis and presentation.

The data collected was processed using the statistical package for social science (SPSS). The results of the study are shown in tables, percentage and frequency. Both qualitative and quantitative methods of data analysis were used for the study. The variables of interest to the study were motivation practices and employee performance and these were analyzed after analyzing the demographic description of respondents.
3.9 Limitations of the Study

Some employees were very rigid with information. The researcher had to convince them about the security of their responses given.

Some respondents were very busy and as such, having limited time for the researcher. Nevertheless, the researcher had to wait and be patient with employees to avail little time for her.

3.10: Ethical consideration

The researcher obtained an introductory letter from Kyambogo University introducing her to the Human Resource Manager of Super Medic. This helped to assure the respondents that the study was purely for academic purposes only.
CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF RESULTS

4.1 Introduction

The focus of this chapter is to analyze the field data and examine the findings in the light of the objectives of the study. The quantitative data collected under the survey was coded for the analysis. The qualitative data was also thoroughly discussed in relation to the objectives of the study. Analyses of the field data and the discussion of the findings therein have been presented in form of frequencies and percentages.

4.2 Response Rate

Perry, (2000) contended that, personal attributes like gender, education, family life status and age have significant effect on motivation at work place. The socio-demographic description of respondents, presented for analysis included

a) Gender
b) Age
c) Education/qualification

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>38</td>
<td>60.3</td>
</tr>
<tr>
<td>Female</td>
<td>25</td>
<td>39.7</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field survey, 2013
Table 4.1 shows the frequency and percentage of respondents according to gender. It indicates that the majority of the respondents were male (38) as shown by the high percentage (60.3%) while female were (25) consisting of (39.7%) because the work involves carrying drugs, loading and offloading of drugs.

Table 4.2: Frequency and percentage of respondents according to Age

<table>
<thead>
<tr>
<th>Age group</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-20</td>
<td>3</td>
<td>4.8</td>
</tr>
<tr>
<td>21-25</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>26-30</td>
<td>21</td>
<td>33.3</td>
</tr>
<tr>
<td>31-35</td>
<td>21</td>
<td>33.3</td>
</tr>
<tr>
<td>36-40+</td>
<td>8</td>
<td>12.7</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field survey, 2013

Table 4.2 shows that the researcher used many respondents in the age category of 26-30 and 31-35 (33.3%) which was the highest age category compared to the age categories of (15-20), 4.8%, (21-25), 15.9%, (36-40), 12.7%. because they are energetic and hardworking in terms of loading and offloading of drugs.
Table 4.3: Frequency and percentage of respondents according to qualification

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificate</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>Diploma</td>
<td>25</td>
<td>39.7</td>
</tr>
<tr>
<td>Degree</td>
<td>23</td>
<td>36.5</td>
</tr>
<tr>
<td>Others</td>
<td>5</td>
<td>7.9</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Source: Field survey, 2013**

Table 4.3 clearly shows that of all respondents, (39.7%) had diploma, which was the highest qualification followed by degree which had (36.5%) and certificate had (15.9%). This confirms that the respondents were quite capable of easily answering the questionnaires.
4.3 Most important motivation practices for employees at Super Medic Ltd

Objective one established most important motivation practices for employees’ at Super Medic Ltd which is shown on the table below.

**Table 4.4: showing important motivation practices for employees at Super Medic Ltd**

<table>
<thead>
<tr>
<th>Motivation Practices</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>Responsibility</td>
<td>1</td>
<td>1.6</td>
</tr>
<tr>
<td>Fringe benefits</td>
<td>16</td>
<td>25.4</td>
</tr>
<tr>
<td>Recognition</td>
<td>4</td>
<td>6.3</td>
</tr>
<tr>
<td>Salary increase</td>
<td>30</td>
<td>47.6</td>
</tr>
<tr>
<td>Salary loan</td>
<td>2</td>
<td>3.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

When employees were asked to choose from range of motivation practices, the most important one to each of them, majority of the respondents, 47.6% recognized enhancement of salary increase to employees as the most important of them (table 4.3.2). The next was fringe benefits 25.4% and then the third most preferred was promotions (15.9%). Thus all categories of employees at Super Medic Ltd chose enhance salary increase as their first priority because well paid employees are normally committed to their jobs and hardly indulge in fraud as against leanly paid employees.

The choice of enhanced salary increase by employees raises some concern on the employees needs in the company. The said choice is necessary so as to enable them finance their physiological needs which are fundamental in humans as identified by Maslow’s (1943) in his hierarchy of needs model.
The second best motivation practice for employees was fringe benefit. The fringe benefits constitute food allowance, transport allowance and responsibility allowance. The employees received fringe benefits on monthly basis. These benefits are easily earned by all employees than the other benefits such as recognition, responsibility and salary loan. These benefits go a long way to support the salaries paid to employees. These benefits are given to employees based on the education qualification and responsibilities and how long the person has been working with company. This is in line with goal theory where equity types are given to employees based on fair pay for equal work.

The third is promotion which ensures that employees advance in their career development. Promotion is technically the enrichment of one’s job and its associated remuneration. Thus, when employees are promoted, they are given higher pay to compensate for the increased or higher responsibilities assigned them to carry out Super Medic mandates. This is also in the support of Fredrick Herzberg’s Two Factor Theory (1959). The motivational factors are factors that are intrinsic to the job, such as achievement, recognition, interesting work, increased responsibilities, and advancement and growth opportunities.
4.4. The relationship between recognition and employees' Performance at Super Medic Ltd

Objective two assessed the relationship between recognition and employees' performance at super Medic Ltd. Recognition is a motivation practice that enhances employee performance especially by enabling early report to work, staying on the job, delight to customers, and respect among colleagues, inner satisfaction and loyalty to the company as presented on the table below.

Table 4.5 showing a summary of the findings

<table>
<thead>
<tr>
<th>Relationship between recognition and employees' performance</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Early Reporting to work</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>Staying on the job</td>
<td>8</td>
<td>12.7</td>
</tr>
<tr>
<td>Delight to customers</td>
<td>8</td>
<td>12.7</td>
</tr>
<tr>
<td>Respect among colleagues</td>
<td>8</td>
<td>12.7</td>
</tr>
<tr>
<td>Inner Satisfaction</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>Loyalty to the company</td>
<td>22</td>
<td>35</td>
</tr>
<tr>
<td>Total</td>
<td>63</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field survey, 2013

From (table 4.5), it is certain that recognition, irrespective of the type or kind have a positive effect on employees in one way or the other. Effective recognition had influence on loyalty and job satisfaction. It ranges from (35%) for employees loyalty, Inner satisfaction is second most effect represented by (15.9%) of respondents. Staying on the job, delight to customers and respect among colleagues each attracted (12.7%) of respondents and early report to work represented by 11%. The theory of Abraham Maslow agreed with the inner satisfaction of the employees because at each point of respondent’s years
with the company a need is met per the policy of the company. This indicates that there is a good relation between recognition and employees performance for Super Medic Ltd.

4.5 The extent to which promotion leads to employees' performance at Super Medic Ltd

The study also sought to establish the extent to which promotion would lead to employees' performance at Super Medic Ltd. Promotion is a motivation practice that enhances employee performance especially by enabling employee retention and engaging employees in business success.

Table 4.6 Showing the extent to which promotion leads to employees' performance at Super Medic Ltd

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>44</td>
<td>70</td>
</tr>
<tr>
<td>Agree</td>
<td>10</td>
<td>15.9</td>
</tr>
<tr>
<td>Disagree</td>
<td>1</td>
<td>1.6</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>3</td>
<td>4.8</td>
</tr>
<tr>
<td>Uncertain</td>
<td>5</td>
<td>7.9</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Field survey, 2013

Table 4.6 shows that (70%) of respondents strongly agreed that promotion leads to employees' performance at Super Medic Ltd. Followed by those who agreed (15.9%), those who are uncertain (7.9%), those who strongly disagreed (4.8%) and those who disagreed (1.6%). This shows that employees prefer promotion because it could lead to excellent customer service. The popularity of Super Medic service is based on the level of service their customers receive. For Super Medic to
provide services, their reputation is based almost solely on employees' performance.

Some of the respondents were interviewed and responded "When your organization identifies its goals, consider the impact of performance management and employee performance". Yet another staff in different branch commented that; Employees who possess outstanding interpersonal relationship and communication skills are the employees you want up front handling your customers' business needs.
CHAPTER FIVE
DISCUSSIONS, SUMMARY, CONCLUSION, RECOMMENDATIONS AND SUGGESTIONS

5.0 Introduction

Chapter four presented the study findings. This chapter describes the discussions based on the theoretical foundation of the study presented in chapter two and the empirical evidence of the results presented in chapter four. Based on the findings in four, discussions, summary, conclusion and recommendations were made and with specific to reference to the study objectives, variables, research questions.

5.1 Discussion of the findings

5.1.1 Motivation Practices for employees at Super Medic Ltd.

The study found out that most employees were interested in salary increase with 47.6% agreeing that salary increase should be the first priority given to them, followed by fringe benefits with 25.4% and promotion with 15.9%. The study showed that employees desire short term rewards to meet their physiological needs and satisfied when rewarded upon achieving their targets. This is in agreement with Hierarchy of needs theory, (1943) who suggests that the most basic level of needs must be met before the individual will strong desire as tool to improve employee performance. The study concluded that physiological, safety, social, ego and self-actualization especially the lower needs must be satisfied first before the next higher level since this will motivate employees. The managers on the other hand are interested in intrinsic motivation such as recognition and promotion. This is in agreement to Macllend theories of achievement, power and affiliation.
In summary, objective one of the study sought to establish the most important motivation practices at Super Medic Ltd. Achieving this objective was in line in answering research question. The elements identified under this objective were salary increase, fringe benefits (various allowances), promotion, salary loans, responsibility and recognition.

5.1.2 The relationship between recognition and employee's performance at Super Medic ltd

The study found out that there is high level of loyalty to Super Medic Ltd which scored 27% which is good for the company, being punctuality at work, Inner satisfaction is the second most effect represented by (18.9%) of respondents. Staying on the job, delight to customers and respect among colleagues each attracted (15.1%) of respondents, (13.2%). This is in agreement with Bandura & Luthans, (1999) who found out that the basic human capability of forethought is the means to cognitively operationalize recognition as an incentive motivator. This forethought regulatory mechanism for recognition is explained as follows:

“Based on the recognition received and, thus, the perceived prediction of desired consequences to come, people will self-regulate their future behaviors by forethought. By using forethought, employees may plan courses of action for the near future, anticipate the likely consequences of their future actions, and set performance goals for themselves. Thus, people first anticipate certain outcomes based on recognition received, and then through forethought, they initiate and guide their actions in an anticipatory fashion”
5.1.3 The extent to which promotion leads employees’ performance at Super Medic Ltd

The study revealed that promotion can determine good performance at Super medic ltd represented by 70% respondents who strongly agreed, 15.9% agreed, uncertain 7.9%, strongly disagree 4.8% and disagreed 1.6%. This is in agreement with cole, (2001) who investigated that promotion is a form of recognition for employees who make significant and effective work contributions. The study concluded that promotions do usually increase pay, but the motivational influence stems from recognition, increased responsibility, more challenging work and a personal sense of accomplishment all of which are motivating factors. This is also supported by Maslow's earlier needs theory, which ranks self-esteem and self-actualization as higher-order needs compared with physiological needs, which would include pay, as lower-order needs.

5.2. Conclusions

5.2.1 Introduction

The study was carried out to examine motivation practices and employees’ performance at Super Medic ltd in Kampala. Conclusions and recommendations were presented basing on the data presentation, analysis and interpretation in chapter four.

5.2.2 Important motivation practices for employees at Super Medic ltd

Objective one sought to establish the important motivation practices for employees at Super Medic ltd and conclusion were drawn that salary increase, fringe benefit and promotion were chosen as the most preferred motivation practices because this can enable employees to finance their physiological needs which are fundamental in humans as identified by Maslow’s (1943) in hierarchy needs model.
5.2.3 The relationship between recognition and employees’ performance at Super Medic ltd

This objective of the study endeavored to assess the relationship between recognition and employees’ performance. The following conclusion were drawn from this objective that loyalty to the company, inner satisfaction, respect among colleagues, delight to customers, staying on the job and early reporting to work are all as result of recognition of employees which increases performance at Super medic ltd.

5.2.4 The extent to which promotion leads to employees’ performance at Super Medic ltd

Study objective three of the study sought to examine the extent to which promotion can lead to employees’ performance at Super Medic ltd. Several conclusions were drawn from the study findings in respect to this objective. From the study findings, there is evidence that employees prefer promotion because it could lead to excellent customer service, employee retention, and also engages employees in the business success at Super medic ltd.

5.4 Recommendations

The study was purposely carried out to investigate motivation practices and employees’ performance in Super Medic ltd in Kampala. The following recommendations have been made based on the study finding.

5.4.1 Important motivation practices for employees at Super Medic ltd.

Salary increase should be done annually because employees are concerned about their needs in the company. The salary increase is necessary so as to enable them finance their physiological needs which are fundamental in humans as identified by Maslow’s (1943) in his hierarchy of needs model.
5.4.2 The relationship between recognition and employees' performance

Managing directors and management should approve of new motivation practices which influence performance at the company. Management can do well by increasing the value of the motivation practices which is already in existence to enhance performance and to avoid employee turnover.

Furthermore, the innovation of employees must be accepted and articulated in order to enhance performance. Besides this, managers of new branches should ensure that employees take delight in serving customers all the time.

5.4.3 The extent to which promotion leads to employees' performance at Super Medic Ltd

The employees should be motivated with meritorious promotion, job rotation and job enrichment to reduce boredom and challenged to innovative. Supervisors and managerial staff should be trained to develop better skills and knowledge so that employees can be up to the task when given the opportunity. Training and development of employees must not be ignored so that to develop more skills and knowledge and also to become more innovative.

5.5 Further research

It is suggested that further study can be extended to Kampala pharmaceutical Industry to investigate motivation practices and employees' performance because it is a manufacturing industry. The sample size can be enlarged in that region and different statistical tools can be used in the research. That apart, most government pharmaceutical industry/ company can also investigate levels of motivation that can enhance their employees' performance. Their findings would help the company to determine which practices their employees' desire most.
REFERENCES


Mc Kenna, T., (2005). How to recognize good job performance: Avoiding the pitfalls. Issues of national
petroleum news


Management


APPENDICES

Appendix I Questionnaire for Super Medic Employees

Motivation Practices and Employees' Performance In Super Medic Pharmaceutical Limited

Dear respondent,

The purpose of this research study is to establish motivation practices and employees’ performance in pharmaceutical companies in Uganda. This study is conducted for a requirement for the award of a degree of Masters of Business Administration (MBA) of Kyambogo University. Your honest response to this questionnaire is needed to enable the success of the whole research process. The research data shall be used specifically for academic purposes. All the data provided shall be kept confidential and shall not be used for any other purpose apart from the intended purpose.

SECTION A: General information of respondents

In this section tick the most appropriate answer that best explains you as a respondent

1. Name of the Organization: ..........................................................................................................................

2. Branch..........................................................................................................................................................

3. Position:........................................................................................................................................................

4. I am
   a. Male [ ]
   b. Female [ ]

5. My age is between
   a. 15 and 20 years [ ]
   b. 21 and 25 years [ ]
   c. 26 and 30 years [ ]
   d. 31 and 35 years [ ]
   e. 36 and 40+ years [ ]

6. Level of Qualification
   a. Certificate [ ]
   b. Diploma [ ]
   c. Degree [ ]
   d. Others [ ]
In the sections that follow, there are question items in form of statements. As a respondent, you are supposed to show your level of agreement with the statement by ticking appropriately in one of the 5 columns labeled SA (Code 5), A (Code 4), D (Code 3), SD (Code 2) and uncertain (Code 1). These abbreviations mean SA = Strongly Agree, A = Agree, D = Disagree, SD = Strongly Disagree and uncertain.

SECTION B: Motivation practices
This section entails information relating to motivation practices. The question items are subdivided into the measures of motivation practices. Please indicate the extent to which you agree on the different motivation practices in this organization.

<table>
<thead>
<tr>
<th>Motivation Practices</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Majority of employees prefer the following motivation practices at Super Medic Ltd</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Recognition</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>b. Responsibility in job</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Fringe benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Salary loans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2) Which of the following practices is most important to you</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Salary</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>b. Fringe benefits</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Promotion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Responsibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Recognition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Salary loan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3) Most of employees of Super Medic Ltd often benefit from these practices</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>4) Motivation practices are adequate enough to motivate employees of Super Medic Ltd</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
SECTION C: Relationship between recognition and employees' performance at Super Medic Ltd.

This section entails information relating to relationship between recognition and employees’ performance. The question items are subdivided into the measures of relationship between recognition and employees' performance. Please indicate the extent to which you agree.

<table>
<thead>
<tr>
<th>Relationship between recognition and employees’ performance</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 Recognition has a big effect on employees’ performance at Super Medic Ltd in the following areas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Early reporting to work</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>g. Staying on the job</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h. Respect amongst colleagues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Delight to customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>j. Inner satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>k. Loyalty to the company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6 Do you think recognition has great effect on employees’ work output?</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>7 Most of employees of Super Medic Ltd are able to achieve same levels of output if these practices were not introduced or were withdrawn by management</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>
SECTION D: The extent to which promotion can lead to employees’ performance at Super Medic Ltd

This section entails information relating to the extent to which promotion can lead to employees’ performance. The question items are subdivided into the measures to which promotion can lead to employees’ performance. Please indicate the extent to which you agree.

<table>
<thead>
<tr>
<th>The extent to which promotion can lead to employees’ performance at Super Medic Ltd</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>8  Do you agree that promotion of employees at Super Medic Ltd encourages good performance</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>9  Do you think promotion can determine employee retention at Super Medic Ltd</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>10 Do you think promotion can lead to employees’ engagement in business success at Super medic Ltd</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

*Thank you so much for taking time to fill this questionnaire.*
Appendix II Interview Guide

Date of Interview 

Professional Practices

Motivation Practices

1. Are there motivation practices in this company
2. What are some of the motivation practices at Super Medic Ltd
3. Do these motivation practices encourage employees’ good performance

Relationship between recognition and employees’ performance

1. Is recognition necessary for employees’ performance at Super Medic Ltd
2. How does recognition effect on employees output
3. Are employees able to achieve the same levels of output if these motivation practices were not introduced or were withdrawn by management

The extent to which promotion leads to employees’ performance at Super Medic Limited

1. Do you think employee retention can encourage good performance
2. Do you think promotion of employees at Super Medic Limited can encourage good performance
3. Do you think that engagement of employees in business success can improve future performance at Super Medic Limited