

**EFFECT OF NON FINANCIAL MOTIVATION ON EMPLOYEE'S  
EFFICIENCY AND PRODUCTIVITY OF SELECTED DEPOSIT MONEY  
BANKS IN ADAMAWA STATE**

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**ABSTRACT**

The aim of this study is to examine the effect of non-financial motivation on employee's efficiency and productivity of some selected listed deposit money banks in Adamawa State. The population of this study is four hundred and Eighty (480) across section of the staff of GT Bank, UBA, and First Bank Plc Yola Branch, Adamawa state. While 241 staff were randomly selected. The technique for data analysis used in this study is linear regression. This study revealed that the workers motivational processes in selected Bank have undergone tremendous change. The seeming loss of one of the most cherished and envied hallmarks of the organization job security and the uncertainties about wages and salaries would appear to have greatly affected the workers morale in the selected banks. Under such a condition, workers cannot give their best and expected return or output from the job. There is need to fish out talents for reward to serve as incentive to them. The management should strive at introducing staff bus; cafeteria building so as to provide better and suitable relax environment, and create a work climate that can promote efficiency and productivity. The self-esteem will be heightened and the workers will work with a strong sense of mission and dedication to duty so that they can effectively assist in the management of our scarce resources for the attainment of organizational policies, objectives and programmes.

**Keywords:** Non Financial Motivation, Employees Efficiency, Productivity

## **1. INTRODUCTION**

All organizations are concerned with what should be done to achieve sustained high levels of performance through people. Consequently the subject of adequate incentives for Employees, as derived from the so many attempts made by management practitioners, is to look for the best way to manage so as to accomplish organizational objectives or mission with the least inputs of materials and human resources available. Certain problems of inadequate motivation however do arise as it concerns certain individuals who come into the work situation with differences in expectation, behaviour and outlook, (Anita, 2015). These problems of inadequately employee's motivation may be divided into two categories. First, the inability of certain individuals to be motivated may stem from the fact that there is a deficiency in their personality. For such people, the desire to avoid failure may be too strong while paradoxically, the motive to produce positive results may be too weak. Secondly, this could produce a general resistance to achievement-oriented activity that should naturally be overcome by other extrinsic modes of motivation if there is to be any spur to achievement oriented activity at all. Even when the achievement motive is relatively strong, the challenges before the individual worker may be proven to be inadequate or too difficult; whichever of these that apply to the individual worker will usually manifest themselves in different ways such as lack of enthusiasm or premature surrender (Bryans & Crouin, 2005).

In spite of all these apparent attendant problems of motivation, efficiency and productivity, every organisation do necessarily seek means of ensuring continuous productivity, which would be geared towards the accomplishment of organisation goals (Soltan, 2014). The organizational system under study cannot be said to be different in any way, in terms of producing the results for which it was set up. In all these processes the private organisation and indeed the banking industry has thus helped to make Nigeria the country it is today. This study will examine to what extent the financial and non-financial incentives such as achievement, job security, recognition, advancement, job enrichment or the job itself, responsibility, decisional participation and management style employed to raise the morale of the worker for high productivity.

## **2. LITERATURE REVIEW**

Salanova and Kirmanen (2010), made a study on employee satisfaction and work motivation, the main aim was to find out the level of employee satisfaction and to find out possible aspects of motivation for improvements. Salanova and Kirmanen (2010), found that, work motivation consists of many different aspects. It is very important for the managers to make the employees feel motivated towards the work

they do. Motivated workers are less absent from work and the productivity of the company is more likely to grow. The employees are feeling good about enjoying working every day and performing their best. They also say it usually feels good to come to work every day. According to the results the workers do not feel so optimistic about the future success with the company, although a number of the respondents feel good about it. This might have an effect on the work motivation. Employees who feel that their future is successful at the company work better than those who are insecure about it. Workers get intrinsic motivation from the work itself. Work is supposed to fulfil the employee's basic needs. In average most of the employees are feeling fairly satisfied with the fulfilment of their basic needs by work. Finally the study concluded that, the workers are not satisfied with the current salary and the fairness of the wages system compared to the tasks they do. Other aspects of the wages system at the company are fairly satisfying to the employees. The company's benefit design is done very well, since the employees show quite high satisfaction with it. Also the jobs that are offered to its employees quite satisfy their expectations except for the possibility to be promoted.

Also Riley (2009), did a study on Employee Retention, the general objective of the study was to overview employee retention. In order to identify the issues associated with employee retention, survey of all agency employees was conducted, examining three dimensions of employee satisfaction. The three aspects of employee satisfaction include: the relationship dimension, the personal growth dimension, and the system maintenance dimension. The study found that, staff encouragement is an inexpensive way to boost employee morale and motivation. Larson and Hewitt (2005) state that it is important to recognize good work both verbally and formally. The literature indicates that while it is important to correct negative behaviour it is equally important to point out good work. A simple verbal praise or note from a Supervisor can make a big difference in an employee's morale and sense of belonging to the agency. Finally Riley (2009) concluded that, employee retention is one of the principal problems that company's currently faces. In order to provide high quality services to clients, a company must retain an adequate number of well trained employees. Turnover rates for residential services in 2008 measured 34.5% meaning that one in every three employees in the residential program area left the agency in 2008. The high cost of training new staff, as well as service diminishment, make turnover one of the most pressing issues for the company.

Samba (2007) who did a study on Evaluation of Motivational Packages in Tanzanian Public Organizations, found that inadequate payment including fringe benefits affects retention as it causes employees to consider leaving the organizations they work in for better jobs elsewhere. Manase (2008) did a study on Assessment of the

Role of Fringe Benefits Scheme in Human Resource Retention. The general objective was to assess the contribution of fringe benefits to human resource retention. Fringe benefits consist of a broad range of special payments or benefits in kinds that are made available to workers. They may include occupational sick pay, maternity pay, pensions, company cars, company canteens, housing, welfare recreation services, access to education and opportunity for personal development. Finally Manase (2008), concluded that despite the fact that adequate fringe benefits schemes contribute to retention, their effectiveness in retaining employees depends on other factors like salary schemes, good working environment, industrial relations and career development schemes

Kuvaas and Dysvik (2009) studied the perceived investment in employee development, intrinsic motivation and work performance. Intrinsic motivation was found to moderate the relationship between perceived investment in employee development and organisational citizenship behaviour. The form of the moderation revealed a positive relationship only for employees with high levels of intrinsic motivation.

Parkin, *et al.* (2009) examined the motivation among construction workers in Turkey. As a result it is suggested that workers on Turkish construction sites are managed in a way which limits their opportunities to fulfil higher level needs, and in order to increase worker motivation, and therefore productivity, the management of such workers should move away from control through external means and towards control through internal and cultural forces.

Baek, *et al.* (2010) has investigated the influences of core self- evaluations, job autonomy and intrinsic motivation on in-role job performance. The results suggest that employees perceived higher in-role job performance when they had higher core self-evaluations and intrinsic motivation. Intrinsic motivation partially mediated the relationship between core self-evaluations and job performance, and it also fully mediated the relationship from job autonomy to job performance.

Masoud and Camal (2010) studied the effect of motivation on the productivity of the employees of sport departments of Ardabil province. It is concluded that there is a significant and positive relationship between the motivation and the environmental factors and the degree of productivity of employees of sport departments of Ardabil province. The case studies in this review expand upon the work of Maslow, Taylor, and Herzberg. In 'Beyond the Fringe', Simms discusses how various organizations utilize tailored versions of "non-cash rewards" as employee incentives. Simms suggests that Herzberg's view of salary as not being a motivator holds. The ability to hold up an incentive that doesn't get absorbed by the employee's monthly bills

has a larger effect on employee motivation. He also suggests it may be more acceptable to boast about a special award or party rather than an employee's salary raise. Simms then goes on to expand the discussion of non-cash rewards such as flex time, employee of the month, and tailored goal incentives. Simms argues it is important for employers to communicate these benefits to employees because many employees don't understand their total compensation package Forson, (2012).

By communicating the total package, the employer reinforces their commitment to the employees and helps to motivate the employee. This motivation leads to greater employee satisfaction and performance (Simms, 2007). The case study of the Harrah's Entertainment sales teams lays out the use of team incentives to increase sales across the various branches of the Harrah's Entertainment family of products. However, the core to the incentive packages, that Jakobson discusses, is the use of Merchandise Awards. Jakobson states that Merchandise Awards are even more effective than Top Seller Trips. Harrah's also uses simple employee motivation tactics such as recognition at weekly and monthly sales meetings of the top sales teams (Jakobson, 2007). Whiting (2007) looks at the cases of Reuters and supermarket giant Sainsbury's to show how important it is to create a culture where employees become directly involved in suggestions for change. By creating a culture where employee input is valued and utilized, the changes faced by the organization are better understood and receive the support of the employees. This also has the side effect of creating employee motivation to support and accomplish the organizations goals and change efforts (Whiting, 2007).

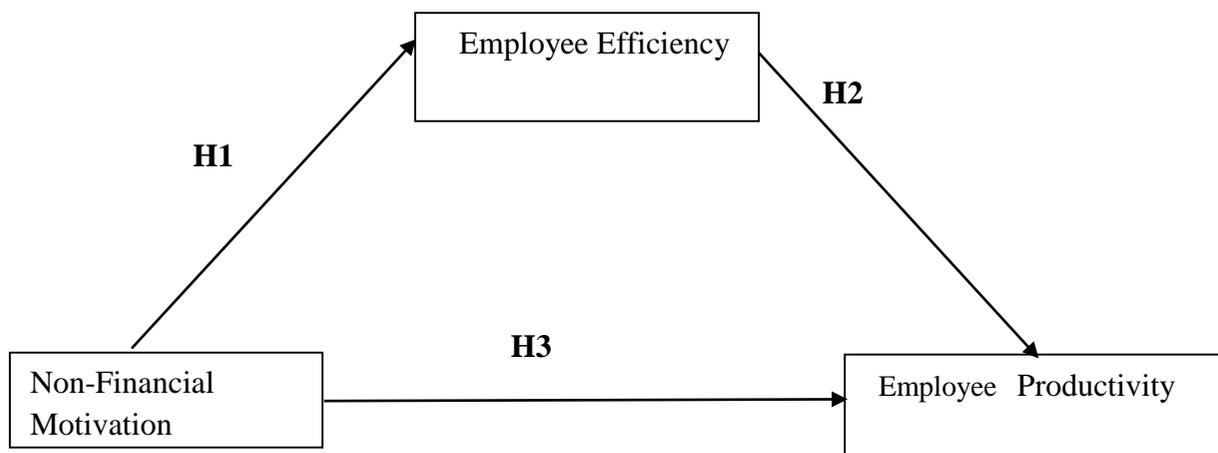
Silverman utilizes a similar strategy to create a high-performance workforce. Silverman suggests keeping employees engaged by working with storytelling. Employers can systematically ask employee's to tell their story for good or not-so good situations. In this way, an employee/employer relationship can be forged which can help foster mutual support and idea sharing (Silverman, 2006). Similar to Whiting, Silverman suggests that the organizations culture needs to be developed around the concept of storytelling. Employees need to feel their stories are being heard, understood, and valued by those requesting the stories. By forging these relationships, the employee feels valued by the employer, supervisor, and organization as a contributor Forson, (2012)

This value translates into higher work performance and stake within the organization (Silverman, 2006; Whiting, 2007). Sharbrough's (2006) study looks at the correlations between leader's use of Motivating Language (ML) and employee job satisfaction and the perception of a supervisor's effectiveness. In both cases, there was a statistically significant correlation in this study between a leader's use of ML and employee job satisfaction and the perception of a supervisor's effectiveness.

This correlation can be utilized by organizations to measure a leader's use of ML and determine levels of employee satisfaction as well as determine the perceived effectiveness of a supervisor. Kellerman, (2007) has expanded the work of Zaleznik, Kelley, and Chaleff to create what he calls a level of engagement to classify the followers of an organization. This employee continuum ranges from "feeling and doing absolutely nothing" to "being passionately committed and deeply involved." In this way, a leader can assess their subordinates and tailor a leadership approach to maximize the affect a particular effort will have on employee motivation.

A common thread of communication between employers and employees emerges as a requirement for employee motivation (Simms, 2007; Jakobson, 2007; Whiting, 2007; Silverman, 2006; & Sharbrough, 2006). Many of these case studies link high employee motivation with increased employee performance (Simms, 2007; Jakobson, 2007; Whiting, 2007; Silverman, 2006; & Sharbrough, 2006). By first utilizing Kellerman's "level of engagement" classification, an organization can tailor the use of ML and motivational techniques in the organization. In this way, employee motivation can be maximized to increase employee performance by focusing the use of ML and motivational techniques.

Figure 1 below indicates the framework for the study based on the theoretical model of related study. The framework shows the relationship between the independent variable and dependent variables.



**Figure 1:** Conceptual Framework

### **3. METHODOLOGY**

A cross section of the staff of GT Bank, UBA, and First Bank Plc Yola Branch, Adamawa state was drawn from every class and cadre of the employee to make up the population of the study. For the purpose of this study, the employee's was divided into three major groups namely: Careful analyses of the above data revealed that the GT Bank, UBA and First Bank Yola Branch staff strength is put at 480 employees. This population size is obtained in from the bank branch.

**Table 1: Population of the study**

S/NO.	Banks	Population
1.	GT Bank	160
2.	UBA	160
3.	First Bank	160
Total	3	480

Source: Filed Survey, 2018

In order to have a more effective sampling of the various groups and cadres, a total of 214 staff was sampled using random sampling technique. The study used primary data through questionnaire. Linear regression was used for data analysis.

### **4. RESULTS AND DISCUSSION**

This section entails reliability and data analysis and findings of the study with the guidance of the research objectives.

#### **Reliability Analysis**

Reliability analysis allows examination of the properties of measurement scales and the variables making them up. The reliability analysis procedure calculates a number of commonly used measures of scale reliability and provides information on the relationship between individual variables in the scale. This study carried out a reliability analysis to establish the reliability of the independent variables in the study. As indicated in table 2. Cronbach's Alpha value of the variables on table 2 are as follow; non-financial motivation = 0.827, Employee efficiency = 0.814 and employee productivity = 0.814. The Variable-Total statistics in table 2, reveal that all the variables had a measure of over 0.6, that means all the variables are reliable.

**Table 2: Reliability Result**

S/N	Variables	Number of items	Cronbach alpha
1	Non financial motivation	7	0.827
2	Employee efficiency	5	0.814
3	Employee productivity	7	0.814

Source: Filed Survey, 2018

The ANOVA report or F statistics on table 3 indicated that the overall significance of the regression model applied in this study indicates that,  $p < 0.05$  (Sig. = 0.00) and therefore our model is significant. The F value is 97.212 and the significant level is 0.000.

**Table 3: ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1465.936	1	1465.936	97.212	0.000 <sup>b</sup>
	Residual	3196.928	212	15.080		
	Total	4662.864	213			

a. Dependent Variable: EEFS

b. Predictors: (Constant), NFM

Source; Filed Survey, 2018

Table 4 shows the coefficient of the variables which indicated that non financial motivation has  $\beta = 0.561$ ,  $t = 9.860$ ,  $P = 0.000$ , this means non financial motivation

has significant effect on employee efficiency, null hypothesis rejected and accept alternate since the calculated value is less 0.005 significance level.

**Table 4: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	5.628	0.865		6.509	0.000		
	NFM	0.419	0.042	0.561	9.860	0.000	1.000	1.000

Dependent Variable: EEFS

Source; Filed Survey, 2018

### **Non-Financial Motivation and Employee Productivity**

According to the regression model applied in this study on table 5, R value was 0.557 implies that the independent variables studied explain 55.7% of the effect of non-financial motivation on employee productivity. This implies that the other variables not studied in this research contributed 44.3% variability in employee productivity. Durbin Watson is between 1.5 and 2.5, for this study it can be assume that the value is within the range of critical criterion that is 2.161 as shown in table 5 below, which indicates that there is no violation of auto-correlation in this study.

**Table 5: Model Summary<sup>b</sup>**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.557 <sup>a</sup>	0.310	0.307	4.15060	1.614

a. Predictors: (Constant), NFM

b. Dependent Variable: EMP

Source: Filed Survey, 2018

The ANOVA report or F statistics on table 6 indicated that the overall significance of the regression model applied in this study indicates that,  $p < 0.05$  (Sig. = 0.00) and therefore our model is significant. The F value is 95.179 and the significant level is 0.000.

**Table 6: ANOVA**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1639.694	1	1639.694	95.179	.000 <sup>b</sup>
	Residual	3652.231	212	17.228		
	Total	5291.925	213			

a. Dependent Variable: EMP

b. Predictors: (Constant), NFM

Source; Filed Survey, 2018

Table 7 shows the coefficient of the variables which indicated that non-financial motivation has  $\beta = 0.557$ ,  $t = 9.756$ ,  $P = 0.000$ , this means non-financial motivation has significant effect on employee productivity, null hypothesis rejected and accept alternate since the calculated value is less 0.005 significance level.

**Table 7: Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	7.437	0.924		8.046	0.000		
	NFM	0.443	0.045	0.557	9.756	0.000	1.000	1.000

a. Dependent Variable: EMP

Source; Filed Survey, 2018

## **Employee Efficiency and Employee Productivity**

Coefficient of determination explains the extent to which changes in dependent variable can be explained by the change in the independent variables or the percentage of the variation in the dependent variable (employee productise) that is explained by all the four independent variables (employee efficiency).

According to the regression model applied in this study on table 8, R value was 0.622 implies that the independent variables studied explain 62.1% of the effect of employee efficiency on employee productivity. This implies that the other variables not studied in this research contributed 37.9% variability in employee efficiency. Durbin Watson is between 1.5 and 2.5, for this study it can be assume that the value is within the range of critical criterion that is 2.161 as shown in table 8 below, which indicates that there is no violation of auto-correlation in this study

**Table 8: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.622 <sup>a</sup>	0.387	0.385	3.44221	1.840

a. Predictors: (Constant), EEFS

b. Dependent Variable: EMP

Source; Filed Survey, 2018

The ANOVA report or F statistics on table 9 indicated that the overall significance of the regression model applied in this study indicates that,  $p < 0.05$  (Sig. =0.00) and therefore our model is significant. The F value is 151.849 and the significant level is 0.000.

**Table 8: ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1798.419	1	1798.419	151.781	0.000 <sup>b</sup>
	Residual	2843.713	240	11.849		

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Total	4642.132	241
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- a. Dependent Variable: EMP  
 b. Predictors: (Constant), EEFS

Source; Filed Survey, 2018

Table 9 shows the coefficient of the variables which indicated that non financial motivation has  $\beta = 0.622$ ,  $t = 12.320$ ,  $P=0.000$ , this means non financial motivation has significant effect on employee productivity, null hypothesis rejected and accept alternate since the calculated value is less 0.005 significance level.

Table 9: Coefficients<sup>a</sup>

Model	Coefficients <sup>a</sup>						
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	4.693	1.048		4.478	0.000		
EEFS	0.181	0.015	0.622	12.320	0.000	1.000	1.000

a. Dependent Variable: EMP

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- a. Dependent Variable: EMP  
 Source; Filed Survey, 2018

## 5. CONCLUSION AND RECOMMENDATIONS

The findings of the study indicate that the work security is seen as sacrosanct in the past and the continuous juggling with this security is gradually breeding a new attitude in the workers, resulting in fear, tension, anxiety and frustration with their attendant effect – low productivity. The rate at which workers are changing job is alarming. Even if the bank is able to pay salaries regularly, it is not enough to ginger the high spirit expected for effective implementation of the newly introduced

programmes. The management will need to pay some attention to these other factor, which the data of this study have shown to be important.

This study revealed that the workers motivational processes in selected Bank have undergone tremendous change. The seeming loss of one of the most cherished and envied hallmarks of the organization job security and the uncertainties about wages and salaries would appear to have greatly affected the workers morale in the selected banks. Under such a condition, workers cannot give their best and expected return or output from the job. The management would now need to take an urgent step to look into the problem if the employee is to achieve her stated objectives.

From this study it is obvious that most workers in the industry are not satisfied and motivated in their jobs, especially those in the junior cadre. Significant relationship was found between motivation and job commitment on one hand, and satisfaction with job and job commitment on the other hand. It is found that individuals are motivated to perform well when the work is meaningful and individuals believe they have responsibility for the outcomes of their assigned tasks.

Staff development to enhance productivity and promote self fulfilment should be encouraged as a matter of deliberate policy; Efforts should also be geared at work enrichment for the staff in the various cadres, and more opportunity for decision-making should be given to supervisors; there is need to fish out talents for reward to serve as incentive to them. The management should strive at introducing staff bus; cafeteria building so as to provide better and suitable relax environment, and create a work climate that can promote efficiency and productivity. The self-esteem will be heightened and the workers will work with a strong sense of mission and dedication to duty so that they can effectively assist in the management of our scarce resources for the attainment of organizational policies, objectives and programmes.

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