

MOTIVATION FACTORS AFFECTING EMPLOYEES JOB PERFORMANCE IN SELECTED AGRICULTURAL OIL PALM INDUSTRIES IN EDO STATE, NIGERIA

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ABSTRACT

Motivation is the combination of a person's desire and energy directed at achieving a goal. It is the cause of action. Motivation can be intrinsic, such as satisfaction and feelings of achievement; or extrinsic, such as rewards, punishment, and goal obtainment. The study assessed the motivating factors affecting the job performance of two oil palm companies' employees, in Edo State, Nigeria. The specific objectives of this study were to; ascertain the socio-economic characteristics of employees, the challenges faced by both employees and management of selected companies; and determine motivating factors affecting employees' job performance in selected oil palm companies in Edo state.

Using proportional and simple random sampling techniques, 83 respondents were selected for the study. The findings of the study revealed that majority (72%) of Presco employees were males compared to (27%) of Okomu. A large proportion of the respondents (59%) and (67.6%) were married for Presco and Okomu respectively. Majority (82%) and (100%) of Presco and Okomu employees were between ages 31 and 50 years respectively. The most important motivating factors for respondents' job performance are annual leave granted ($\bar{x} = 4.21$), leave bonus given ($\bar{x} = 4.10$), and free medical care ($\bar{x} = 3.79$). The major challenges to the employees are lack of appreciation for hard work ($\bar{x} = 4.8, 9$), delayed promotion ($\bar{x} = 4.86$), random sack of workers ($\bar{x} = 4.40$) and absence of staff training ($\bar{x} = 4.07$). There was a significant relationship between income of respondents and challenges they face ($r = -0.266$; $P < 0.05$). The study suggested that employers should compensate hard work and provide avenue for job security. In addition, management should create a certain level of informal relationship that would enable them share a cordial relationship with their employees. This would give management an insight into the appropriate and specific factors that motivate workers.

KEY WORDS: Motivating Factors, Employees, Oil palm Companies, Job performance

INTRODUCTION

The national drive for increased productivity growth is predicated upon the fact that efficient use of nation's resources would generate economic growth and ensure a better standard of living for citizens (Onyindo, 2006). The Oil Palm (*Elaeis guineensis*), was one of the mainstay of Nigeria's economy until the late 60's when emphasis shifted to the Petroleum Industry. The crop then served as a major cash crop and foreign exchange earner for the country. (Omoti, 2003). Agricultural work force in oil palm production includes farm labourers, official employees, and management staff. There is the need to manage those employed in oil palm companies, so that productivity could be enhanced. One of the effective ways to do this is to positively influence the labour component of productivity.

Motivation could be viewed as anything done by management to arouse, induce, stimulate, tickle, and energize the enthusiasm of a worker or a group of

workers to perform a given task or achieve a given goal without intimidation or use of force (Agbonifoh et al, 2005). Motivation may also be defined as the natural tendency of a person drawn towards another person, situation or event without being forced. In the context of work, motivation may be defined as the natural tendency for a person to develop the will to work and improve productivity without any element of force or coercion (Akinmayowa, 2006). It has now been realized that constant motivation of workers is necessary to get out the best results from them. The success of any organization depends on effective mobilization of all human efforts in the organization (Okoh, 1998).

Motivation could vary with environment and decisions of life. In some environments, a congenial work group, freedom for decision making, security of tenure, fairness and equal opportunity for advancement in the organization as well as quality of supervision contribute enormously to motivating staff for higher

productivity than attractive salary scales. In some environment, high salaries could serve as a major motivating factor to productivity (Agbonifoh *et al*, 2005)

The study of motivation - the reason why people behave the way they do - is of fundamental importance in the management of human resources (Graham, 1991). The first step in the process of motivation of workers is to know their needs at the various stages of their development. For instance, the need for a young bachelor fresh from the university who has just secured a job will not be the same with a manager who has been in employment for over 20 years. Hence understanding human motivation is a complex matter (Okoh, 1998). According to Wehrich and Koontz (2001), managers of human resources should provide an environment conducive for effective performance of individuals' employee for self motivation. Akimanyowa (2006) suggested that human resource managers should provide adequate salaries, good working environment, social participation and freedom for individual talents for their employees.

Conceptual Framework

One of the most influential theories of motivation has been the hierarchy of needs theory of Abraham Maslow. Maslow pointed out that man is always attempting to fulfill a variety of needs or wants, and that these needs could be organized in a hierarchy of self actualization (Akinmayowa, 2006). He further postulated that to understand the theory of motivation, one has to understand human needs and he classified human needs into 5 categories: Physiological needs: needs to stay alive e.g. foods, clothes, shelter, Safety needs: needs for self protection; Belonging and love needs, Self esteem and the esteem of others and Self actualization needs.

According to Akinmayowa (2006), Maslow's hierarchy of needs has some implications for managers:

- i) The theory suggests that managers should recognize that different categories of employees may be at different levels of need satisfaction.
- ii) As a result of (i) above, different factors may motivate individual employees and different categories of employees
- iii) Following from (ii), in view of ii above, it therefore important to find out what needs are current in each employee so as to know how best to motivate him/her.
- iv) A motivational package should consist of financial and non-financial incentives.
- v) Managers need to recognize that money is not everything and so should consider other incentives to motivate his/her employees.

In the Nigerian work environment and organizations, many workers are dissatisfied and frustrated while a few in the minority are satisfied. The economic depression since the 1980's has aggravated

among their workers. For example, salaries are not forthcoming, lack of promotion, retrenchment and lack of progress. All these cause frustration in the work environment. Okoh (1998), outlined certain things managers and management can do to motivate workers, which include financial reward; that is regular payment of wages, salaries, incentives, and the likes. Inadequate pay can have a negative impact on an organization and employees' performance. According to Ojaide (1998), an average Nigerian measures job satisfaction in monetary terms. Pay dissatisfaction can influence employees' feelings about their job in two ways; desire for more money and lower the attractiveness of the job. These are regarded as undesirable to management, thereby exposing the employees to more problems.

The organizational reward system often has a significant impact on the level of employee job satisfaction. So, if management could keep all employees happy, good performance would automatically follow (Byars and Leslie 2000). Maslow identified many motivational factors that influence employee job performance. These include:

- i) **Integration of organizational goals:** Motivation can be secured through the job itself by developing employees' commitment to the objectives of the organization. This approach holds that people who are committed to their jobs will exercise self control, self direction in working to achieve organizational objective.
- ii) **Participation in decision making:** The involvement of employees in decision making is a strong motivational tool which managers can use to enhance productivity. Participation means the physical and mental involvement of people in an activity.
- iii) **Training programmes:** Training gives the employees more utility, more competitiveness, acquisition of new skills, less prone to redundancy, and more versatile in many tasks, while to the organization it increases efficiency and productivity.
- iv) **The leadership style:** The two major leadership styles are:
 - (i) Autocratic – involving the use of authority to compel workers to do what they are told to do
 - (ii) Democratic – this encourages people to participate and involving them in decision making. Okoh (1998) suggested that for the purpose of motivation, the democratic leadership style is suggested.
- v) **Work environment:** Business does not operate in a vacuum. Generally, business operates in a multifaceted environment, which is of itself subject to a large measure of change. The relationship between business and its environment is one of mutuality; that is, the environment exerts pressure on business, while business in turn influences various aspects of

neither the employee nor the organization can solely determine organization or management process. According to them, the behaviors of the employee and the organization itself is determined by forces outside it that are beyond its control; such as prevailing political climate, economic condition, the legal environment and the society's level of technology (Unugbro, 2007). In this regard, management should put in place factors that can enrich the work environment for success, such as, security of the organization in relation to social forces in the environment and stability of mutual relationship within the organization.

Statement of problem

The significance of motivation has been proved beyond doubt by many authors. For employees of an organization to perform optimally, the management must ensure that they are motivated adequately. Agriculture has remained the largest sector of the Nigerian economy, which generates employment for about 70% of Nigerian population, contributes 40% to the Gross Domestic Product, with crop accounting for 80% livestock, 13% forestry, and 4% fisheries (Alegre, 2006). Small Scale oil palm farmers face many challenges in their efforts to increase their income and overcome food insecurity (Ortmann & Machethe, 2003). Hence, there is recourse to large scale oil palm industries. However, most studies on motivation of employees have been concentrated on extension staff. Only very few empirical studies if any on motivation of employees of large scale agricultural companies are available, despite the fact that the sector employ substantial number of workers and has been contributing to the nation's food security and overall economic development and hence the justification for this study.

Objective of the study

The study assessed the motivating factors affecting employees' job performance in selected oil palm companies of Edo state. The specific objectives were to:

1. Ascertain the socio-economic characteristics of personnel in selected oil palm companies in Edo - state;
2. Identify the challenges faced by both employees and management of selected companies; and
3. Determine motivating factors affecting employees' job performance in selected oil palm companies in Edo state.

Hypothesis

There is no significant relationship between respondents' socio-economic characteristics and factors affecting employees' job performance.

Methodology

This study was conducted in Okomu and Presco Oil Palm companies, located in Ovia South-west and Ikpoba-Okha Local Government Areas of Edo State, Nigeria. The area has two varying seasons; Dry season from November to March and Rainy season from April to October. The state has evergreen vegetation mostly dominated by trees, which also supports the cultivation of oil palm and other food and cash crops. The major occupation is farming, trading, and civil - service.

Okomu and Presco Oil Palm companies were purposely selected for the study because they are the two main palm oil processing companies in Edo State and they employ substantial number of employees. The respondents for this study were selected using both proportional and simple random sampling techniques. A proportional sampling of 40% of registered employees of the two companies were randomly selected to give 45 employees from Presco and 38 employees from Okomu making a total sample size of 83 respondents from the study.

The data for the study were obtained with the aid of a structured questionnaire. The questionnaire was structured into sections to generate information about socio-economic characteristics of the respondents, motivational factors and challenges faced by respondents. A five-point Likert scale of [strongly agreed (5), agreed (4), no response (3), disagree (2), strongly disagree (1)] was used for estimating the motivational factors. Motivational factors with Mean ≥ 3.50 are the important factors that motivate employees. Similarly, a 5-point Likert scale was also used for measuring the challenges faced by respondents (5=very serious, 4=serious, 3=undecided, 2=not serious, 1=not very serious). Challenges with mean ≥ 3.50 are the serious challenges facing workers. Descriptive statistics such as frequency count, percentages, mean, and standard deviation and inferential statistics such as correlation coefficient were used for analyzing the data collected.

RESULTS AND DISCUSSION

Personal Characteristics of Respondents Marital Status of Respondents

Figure 1 shows that majority (59.0% and 67.6%) for Presco and Okomu Oil Palm Companies respectively are married. The percentage of married workers in Presco (67.6%) is more than the percentage of married workers in Okomu Oil Palm Company (59.0%). This result implies that employees have other responsibilities aside official work since married people have more responsibilities than the singles. This further shows that workers in Presco may need more motivation in terms of salary enhancement than the Okomu workers.

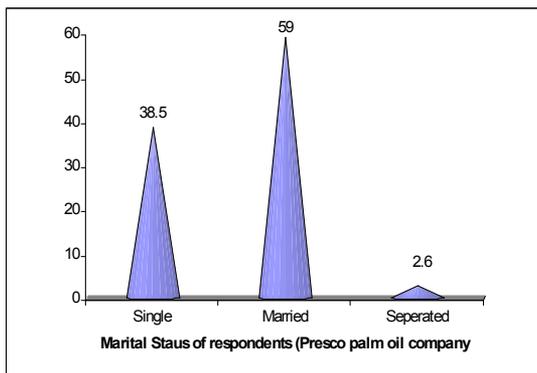


Fig 1

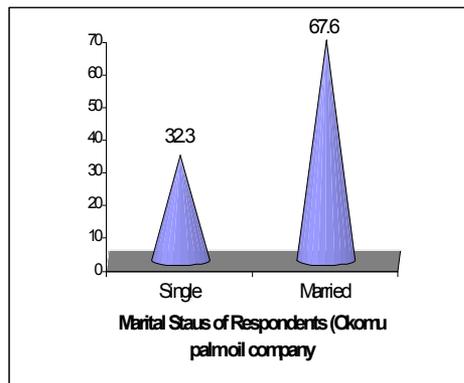


Fig 2

Figures 1 and 2: Conical chart showing the marital status of respondents

Gender Distribution of Respondents

Figures 3 and 4 show that in Presco oil palm Company, males dominate with a percentage of 72.0%, while females are the majority in Okomu (73.0%). The result therefore suggests that both males and females work in oil palm industry. A possible reason of having more males in Presco than in Okomu may be that Presco industry is more mechanized than Okomu oil palm industry in which case Okomu employs more female to do the manual works.

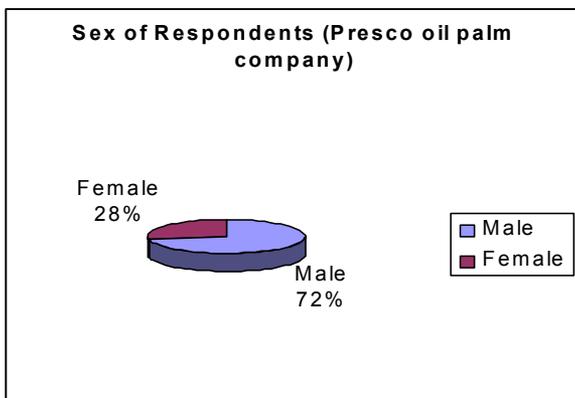


Fig. 3

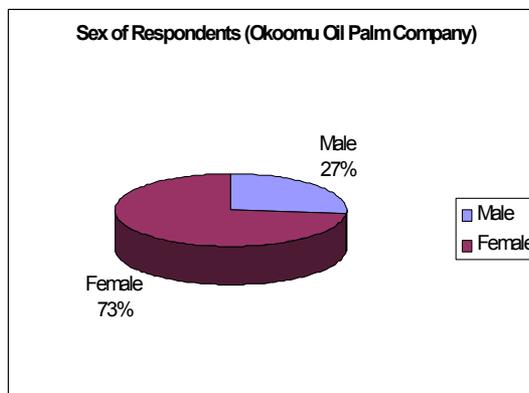


Fig. 4

Figures 3 and 4: Pie chart showing the respondents gender distribution

Age of Respondents

Results in Figures 5 and 6 showed that, the dominating age bracket (31-40 years) for both companies are the same, with Presco having a percentage of 56.4 and Okomu, 97.1%. This result suggests that most workers in palm oil industries are young and energetic. This could be attributed to the strenuous nature of oil palm processing and the need to engage more workers at their productive ages.

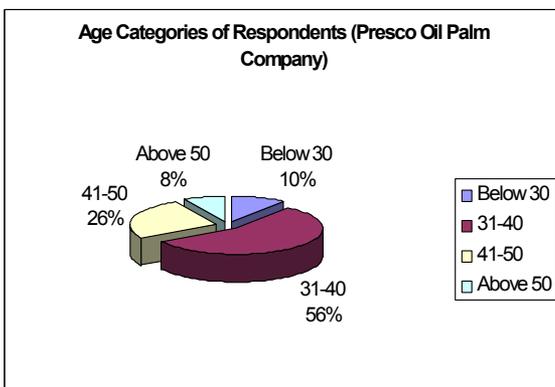


Fig. 5

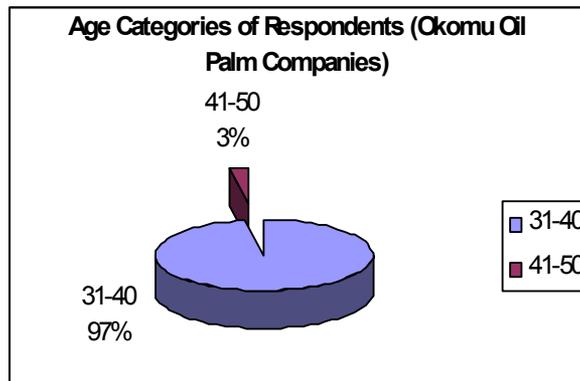


Fig. 6

Figures 5 and 6: Pie Chart Showing the Age Categories of Respondents

Motivational factors affecting employees job performance

Table 1 shows the factors that motivate employees' job performance in both companies. The result shows that the major motivational factors are granting of; annual leave ($\bar{x}=4.19$), leave bonus ($\bar{x}=4.07$), free medical care ($\bar{x}=3.92$), sick leave ($\bar{x}=3.88$) and delegation of responsibilities ($\bar{x}=3.56$). However, in Okomu, good work environment ($\bar{x}=3.62$), and presence of staff bus ($\bar{x}=3.62$) are important motivational factors. This result agrees with the view of Inegbenebor & Osaze, (1999), that the environment exerts pressure on business, while business, in turn, influences various aspects of its environment. It is interesting to note that factors such as salary and opportunity for advancement/promotion were not rated as motivating factors by the respondents which agrees with the findings of Fabusoro *et al* (2008), where only 9.0% of the extension agents rated promotion as a motivating factor. This might be that these factors are normally taken care in the companies and therefore cannot be motivating factors. This result therefore implies that there are several factors that motivate employees to perform well.

Challenges facing employees in Okomu and Presco companies

Table 2 shows the challenges facing respondents. The results from both companies shows that the major challenges facing the employees of the oil palm companies are; random sack of workers ($\bar{x}=4.40$), delayed promotion ($\bar{x}=4.86$), absence of staff training ($\bar{x}=4.07$), lack of appreciation for hard work ($\bar{x}=4.89$), shortage of transportation ($\bar{x}=3.89$), job

workers being sacked at random. However in Presco, inadequate health care services ($\bar{x}=3.64$) and unfriendly environment ($\bar{x}=4.38$) are serious challenges, but it is not so in Okomu. Delayed salary is a problem in Okomu ($\bar{x}=3.06$).

Relationship between respondents' socio-economic characteristics and challenges faced.

Table 3 shows the relationship between respondents' socioeconomic characteristics and challenges faced. Result from the table shows that there is a significant relationship between income of respondents and challenges they face ($r=-0.266$: $P<0.05$). The correlation coefficient is negative implying that the lower the income, the more challenges encountered by workers. This result corresponds with the result of Byars and Leslie (2000) that inadequate pay can have a negative impact on employees' performance. Result from Table 5 also shows that there is no significant relationship between sex ($r=0.088$: $P>0.05$), age ($r=0.103$: $P>0.05$), educational level ($r=-0.123$: $P>0.05$), work experience ($r=0.051$: $P>0.05$) and challenges faced by employees. It is however logical for work experience to have a relationship with challenges faced as those who have spent more years would have fewer challenges than those that are new in the company, but this result did not confirm that.

CONCLUSION

This study has established that employees of private agricultural organizations see some other factors that motivate them to improve their job performance other than salary and promotion which have been reported by studies on motivation of extension agents. They include provision of annual leave, leave bonus, free medical care, sick leave and delegation of responsibilities. The study also established that a major

- * Employers should appreciate hard work either through increase in salary, certificate for achievement and bonus payment.
- * Employers should provide conducive environment for job security
- * Provision should be made for training and re-training of members of staff as it will develop them both mentally and physically and also keep them abreast with recent technologies.
- * Management should create a certain level of informal relationship that would enable them share a cordial relationship with their employees. This would give management an insight into the appropriate and specific factors that motivate workers.
- * High staff moral to enhance productivity

Table 1: Motivational factors affecting employees job performance in Presco and Okomu Palm Oil companies

Motivational factors	Presco		Okomu		Total	
	Mean	Standard Deviation	Mean	Standard Deviation	Mean	Standard Deviation
Annual Leave are Granted	4.21*	0.9	4.18*	0.6	4.19*	0.7
Leave Bonus are Given	4.10*	1.0	4.03*	0.6	4.07*	0.9
Free Medical Care	3.79*	1.2	4.06*	0.6	3.92*	1.0
Sick Leave are Granted	3.82*	1.1	3.94*	0.5	3.88*	0.9
Responsibilities are Delegated	3.79*	1.2	3.29*	1.5	3.56*	1.4
Good work Environment	2.26	1.1	3.62*	1.2	2.89	1.3
Presence of Staff Bus	2.05	1.5	3.62*	0.9	2.78	1.4
Opportunities for Advancement	2.18	1.3	2.53	1.2	2.34	1.2
Existence of Staff Canteen	1.67	1.2	2.82	1.1	2.21	1.3
Salary	2.23	1.4	2.15	1.2	2.19	1.3
Workers are Rewarded	2.13	1.3	2.03	1.0	2.08	1.2
Workers are commended officially	2.26	1.4	1.85	0.7	2.07	1.2
Presence of Good Pension Scheme	1.90	1.3	2.03	1.3	1.96	1.3
Un- delayed Promotion	1.79	1.1	2.06	1.0	1.92	1.1

* Important mean

Likert scale: Strongly agree=5, Agree=4, No response=3, Disagree=2, strongly disagree=1.

Table 2: Challenges facing employees in Okomu and Presco companies

Challenges	Presco		Okomu		Total	
	Mean	Standard Deviation	Mean	Standard Deviation	Mean	Standard Deviation
Lack of Appreciation for Hard Work/Merit	4.21*	1.2	5.68*	8.6	4.89*	5.9
Delayed Promotion	4.79*	0.6	4.94*	.2	4.86*	0.5
Random Sack of Workers	4.74*	0.8	4.00*	1.3	4.40*	1.1
Job Insecurity	4.00*	1.6	4.21*	1.5	4.10*	1.6
Absence of Staff Training	4.36*	1.2	3.74*	1.8	4.07*	1.5
Low Pension Scheme	4.03*	1.3	3.97*	1.8	4.00*	1.6
Shortage of Transportation	4.59*	.9	3.09*	1.4	3.89*	1.4
Unfriendly Environment	4.38*	1.2	2.62	1.3	3.56*	1.6
Inadequate Health Care Services	3.64*	1.2	2.21	1.2	2.97	1.4

Table 3: Relationship between respondents' socio-economic characteristics and challenges faced in the organization

Variables	Correlation (r)	Coefficient	Sig. Level
Sex	0.088		0.461
Age (years)	0.103		0.385
Educational level	-0.123		0.301
Working experience (years)	0.051		0.671
Income (N)	-0.226		0.045*

*Correlation is significant at the 0.05 level (2-tailed).

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