



Employee Motivation and Performance of Savings and Credit Cooperatives (SACCOS). A Case of Umwalimu SACCO, Rwanda

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Abstract

Lack of motivation among employees is the main problem which hinder the high performance of Umwalimu SACCO, some of its employees are shifting from Umwalimu SACCO to other financial institutions for examples with high performance and profitability. Therefore, the research aimed at investigating the impact of employee motivation and performance of Saving and Credit Cooperatives (SACCOS). The specific objectives were to analyze the effect of employee job satisfaction on performance of Umwalimu SACCO; to examine effect of employee training on performance of Umwalimu SACCO and to establish the effects of employee job security on performance of Umwalimu SACCO. Both qualitative and quantitative research designs were used by this study. The targeted population of the study was 199 selected from different department of Umwalimu SACCO and the research used the census where sample size was 133 respondents. The study employed a structured questionnaires as the data collection tools. The multiple regression and model summary were used to measure the relationship between variables. The findings indicated that the employee job satisfaction increases the performance of Umwalimu SACCO. There was a significant and high positive correlation between employees' job satisfaction, training, job security and performance of Savings and Credit Cooperatives (SACCOS) ($r = .762, p = 0.000$; $r = .740, p = 0.000$; $r = .692, p = 0.000$) respectively. Moreover, the regression results showed that employees' job satisfaction, employees' training and job security are positively and significantly related with Performance

($B=.349$, $p=0.001$; $B=.234$, $p=0.000$; $B=.240$, $p=0.000$) respectively. The study concluded that employee motivation is fundamental element of high performance of many organizations. The study recommended managers or head of institutions have to motivate employees and attempt to increase techniques of motivation to the employees towards their tasks. The financial institutions should give the training opportunities to the employees for acquiring new information, skills, knowledge in relation to their works. The financial institutions management should ensure that its employees are working in good conditions without stressors. Employees should be involved in decision making and the working need to be flexible. The study suggested that the team working spirit and commitment to achieve at organization objective and goals must keep in mind by manager of organizations.

Keywords: *Employee motivation, performance, Savings and Credits Cooperatives (SACCOs), Rwanda.*

1.0 INTRODUCTION

Motivation of employees of Savings and Credit Cooperatives play important roles on the employees' welfare which in turn leads to the achievement of cooperatives. Worldwide economics, the employees are best sources of offering good services to customers. The managers who realize the relevance of employees in their companies usually compete fairly in the present global business economy. The achievement of their workers goes a long way in highlighting the performance of companies. Globalization of organizations progressively attempt to improve and motivate their workers to increase the performance with different Human Resources practices and applications, (Gungor, 2011). Other side, employees' performance within organizations is fundamental element, not only for profitability and performance, but also for individual performance. The term motivation could be defined as process of stimulating individuals to perform their duty for achieving set objectives, (Kalimullah; 2010).

In Africa, the employee' motivation is one of the best contributors to the organizational performance and productivity. The employees' job satisfaction is the essential factors of employees' motivation because the employees want to satisfy their needs from lower to higher level. Motivation of employees within organizations was one of the fundamental factors for enhancing the productivity, profitability and performance through physical, human resources and financial interaction, (Gutsy, 2012). Many researches on motivation have been conducted by many scholars yet I can suggest to future this research is not exhaustive. Several issues, concerned with the constraints inherent in this study, required to consider further research. The same study could be conducted in other financial areas in Rwanda in order to augment the findings (Researcher, 2021).

In Rwanda, the motivation among employees was the successful key within financial organization compared to other sectors, many private companies were owned by single person and its employees were motivated at lower level. They were likely to employ their family relatives in their companies for their personal interest. The employees who were naturally motivated, were also likely to accomplish their tasks, to manage the time, resources and money, (Mla, 2010). The leadership and Management of the companies have to motivate employees through rewards, participation in leadership, work satisfaction to enhance the work environment. Income as generated money from activities of the business and expenses are used

to measure employees' retention. However, the source of money such as credit, loan, are likely to bring incoming into a business or transaction of cash from the lender to Brower to generate cash flow, (Don; 2000). Umwalimu Savings and Credit Cooperative is an organization for teachers in Rwanda which is mandated to empower its clients through promoting of clients' social –economic development welfare of the community where the live in Umwalimu SACCO was established in June 2006 under Ministerial Order No 43/15.00/06 dated 21st June 2006 and confirmed by National Bank of Rwanda for its operation as financial institution on 22nd /02/2008, it was recognized by Rwanda Cooperative Agency (RCA), It has also Microfinance license No 698 issued on 24th/ 11/ 2009 by BNR. The creation of SACCO was the initiate from H.E Paul KAGAME and Ministry of Education were charged with responsibility of having the implemented idea. The main wish was the teachers' economic status that would not satisfy their needs, the financial constraints and low salary (Umwalimu SACCO annual External audit report, 2018).

1.1 Problem Statement

Today, many employees shift from an organization to another because of the low motivation level. The managers of Umwalimu SACCOS revealed that their workers were no longer motivated to perform their tasks due to managers' organizational problem not workers. Lack of motivation among employees is the main problem which hinder the high performance of Umwalimu SACCO, some of its employees are shifting from Umwalimu SACCO to other financial institutions for examples with high performance and profitability. Umwalimu SACCO have been unable to retain good, qualified and experienced workers leading to a high employee turnover for example 25.9% of the total employees of Umwalimu SACCO have resigned and gone to other organizations, this included 10 employees in the year 2019 and 3 employees in year 2020 according to Umwalimu SACCO statistics information 2021. The information showed that employees leave the Umwalimu SACCO and go to look for other jobs. It is very curcial to balance motivation of employee and the performance of industry by identifying what motivate the employees to keep them shifting to the other institutions. Therefore, the research aim to investigate the impact of employee motivation and performance of Saving and Credit Cooperatives (SACCOS) Umwalimu Savings and Credit Cooperatives that will help to ensure the employees were working in good conditions with the characteristics of work known to be linked to motivation and the performance in Rwanda.

1.2 Research Objectives

- i) To analyse how employees' job satisfaction affects the performance of Umwalimu SACCO
- ii) To examine how the employees' training increase the performance of Umwalimu SACCO
- iii) To establish the effects of job security on the performance of Umwalimu SACCO.

2.0 LITERATURE REVIEW

2.1 Empirical Literature

2.1.1 The employees' job satisfaction and the performance of Umwalimu SACCO

Mohammed (2013). Work satisfaction the way in which individual fulfill her/his needs to perform her/his tasks. The job satisfaction has strong relationship to higher organizational achievement, employees' mental/physical health, reduce employees' absenteeism (Saleem, 2011). Many researchers indicated that job satisfaction has a positive relationship to work performance, employees' retention and behaviors (Storey, 2013). Motivation theories of Herzberg emphasizes that the job satisfaction is only raised by motivation factors. Compared to hygiene factors and motivational factors where hygiene factors could be only used to preclude and not being used like incentives to enhance individual satisfaction (Steers & Porter, 2011). An employee might be well satisfied to the working conditions but not specifically motivated to operate by his/her power (Story, 2013).

Farhanabanana (2013) conducted the researches on the effects of motivation of employees on job achievement. He discovered the motivation plays a big impact in enhancing employees' job satisfaction at job. It showed in increasing the performance of organizations. Employees' motivation is an important asset which strengths and enhances the performance of organization. Motivation provides a good work output if it is used by suitable employee with right skills and responsibility related to job. The workers were satisfied if an organization gives the training opportunities to complete the needs such psychological and physiological needs. The employees will work in cooperative willingly with management and it will help them to maximize their potential towards the organizational goals, worker will attempt to become effective and efficient by developing their knowledge and skills to contribute the development of organization; the level of employment, employee's turnover and absenteeism among workers and management will reduce the number of issues and grievances will reduce an accident will also be reduced; the products will be raised in terms of quantity and quality (Chavakkad, 2012). According to (2017) stated that individual satisfaction, personal commitment and goals which last too long are the one of satisfaction of workers factors which increase the image and experience of organization and retention of employees (Kabir, 2011).

2.1.2 The employees training and performance of Umwalimu SACCO

All over the world, the training and development of public and private sectors, trainig of workers is essential element to any country. It affects the quality of policy making and bureaucracy and the representativeness of its systems of administration (Steven, 2011). The training builds a group that well motivated employees are gathered to produce a good performance. Training is very crucial to increase organizational performance and productivity. Worker who were well trained were able to put what he/she has learnt into practice to enhance the company performance (Emenike, 2013). Training is considered as the fundamental element needed management procedures. Concerning to these problems, it shows that the training plays a great role on organizational performance and human resource development. Many governmental and private organizations have a training service classes in and out for example in Country of Iran. Mangers have to know that the workers are given quality training opportunities about their positions within institutions for high performance and productivity (Parhan, 2014). According to Coetzee and Schreuder (2013), stated employees were mainly identify with the institution if their individual goals are being matched by the institution. This

affective commitment often prompts employee's retention. Therefore, it is very crucial for any institution to provide proper training to its employees, this will help their employees to be satisfied and its productivity will also be increased through empowerment of employee, support of organization, culture of organization, organizational structure and innovation (Godazgar, 2012).

Employee training indicates the discrepancies and a gap between and optimal and ideal phase. Training is delivered in the following ways such as conference, seminars, workshops, job training etc. Training programs not only aim to develop the employees 'skills and knowledge to work well their jobs and it is also used in their competitive advantages. Thus, planning and conducting employee training is mandatory because it increase their competencies and abilities to perform their jobs (Hamid,2011). Training sharper also the employee creativity and thinking ability in order to take better timely and productive decision in good manner (Ezigbo). It plays a vital role to both employees, organizations and employers through enhancing their skills, knowledge, abilities, and competencies among population. Rwanda lost many employees during 1994 Genocide against Tutsi, this implied the gaps in its human resources and affects negatively the performance of various organizations. Training deals with education given to workers for acquiring new knowledge, techniques and skills to perform their works in effective and efficient way. The main resources of Rwanda are its population that is why the employee's knowledge and skills are fundamental elements in human resources therefore Rwanda has to sustain the development of employees because the people are its main assets for its development. The training course affect the performance of employee. It is also one of the motivational factors used by many companies to improve employees' motivation (Ahmad, 2015).

2.1.3 The effects of job security on the performance of Umwalimu SACCO.

According to Job security such labour law, job contract, has a great impact on the performance of organization (James, 2012). He stated that when organization has employees with low security may affect negatively the faith in the future and performance. It is a worker's assurance and confidence from organization which will retain them to their present work for a longer period as they want (Adebayo & Lucky, 2012). Government jobs are mostly secured than private jobs, the jobs security helps employees to measure job and their personal lives, to minimize the stress level of employees, to increase freedom at work. Employee's job performance is measured through individual performance therefore the low job security occurred where the situation of specific workers' ethnic team likely to influence other group of ethnic in some companies or organizations. In this situation, the junior works who will feel insecurity will not be able to perform their tasks effectively and efficiently and effectively within organizations. It was indicated that the pressure of economic has prioritized the security of work among employees is a key of organizational performance so that each organization has to seek the balancing way to both job security of workers and the performance of organization. (Bumi, 2001, Hassan, 2010). Workers will be more satisfied with their works if the job working conditions is conducive. An unfavourable job environment lead to the low performance of organization because it brings about fear of bad health among employees. The overall goals of security of job is to enhance the assurance level of the employees on his /her current and future career and finishing all types of future worries (Hassan, 2010).

2.2 Theoretical Framework

2.2.1 Equity theory

The Equity theory is formulated by Adams (1963) dealt with people's perceptions about the way they are being managed comparing to others. The theory equity stated that the employees are well motivated when they are being treated equitably (treat everyone at the same level) and inequitable employees' treatment leads to de-motivation. The equity theory is divide into two forms: Distributive equity which deals with fairness of employees who feels to be rewarded based on about fairness organization procedures in such fields as promotion, discipline, and performance appraisal. The employees are well- motivated if they are treated on the same level by the employers and inequitable treatment among employees leads to de-motivation within organizations. According to Konopaske & Werner, 2002, the comparisons can direct towards work turnover when workers perceive not to be kept fairly. The Equity theory has two assumptions which are: The equity theory assumed that when employees want to balance what perceive to be the exchange to get with employers. The theory assumes that when employees believe they are personally treated inequitable, relatively to theory exchange perceive others to make and the employees will be motivating to catch actions they belong correctly. The term of equity theory is mostly used in work organizations a good relationship between an effort of employees and organizational performance at work and personal payment receives (Armstrong, 2010).

2.2.2 Expectancy theory

Vroom formulated expectancy theory which revealed the term motivation is increased when the employees understand their tasks, they ought to perform in order to be rewarded as the expectation, (Vroom 1964) its concept was purely covered in the Valence Instrumentally Expectancy (VIE) as key factors where effort and motivation level were considered. It assumes that the job performance is a chain, when employees perform her/his tasks, if affect the performance of his/her co-workers in the organization, (Vroom, 1994). Motivation occurred when the workers are satisfied and well –motivated intrinsically and extrinsically. Therefore the performance related automatically to outcome, (Perter &, 1968). The theory of expectancy revealed that job effort will lead to the goals achievement within organizations. Motivation is the factor which tend to be accomplished if a worker feels that they have to be hard working team and gather their effort to achieve at employee's performance through employee's rewards etc. Instrumentality is a second factor where employees should also believe that good performance accomplished from reward for the associated profit. Lastly Valence is factors which is the value of this reward to employees, (Vroom, 1994).

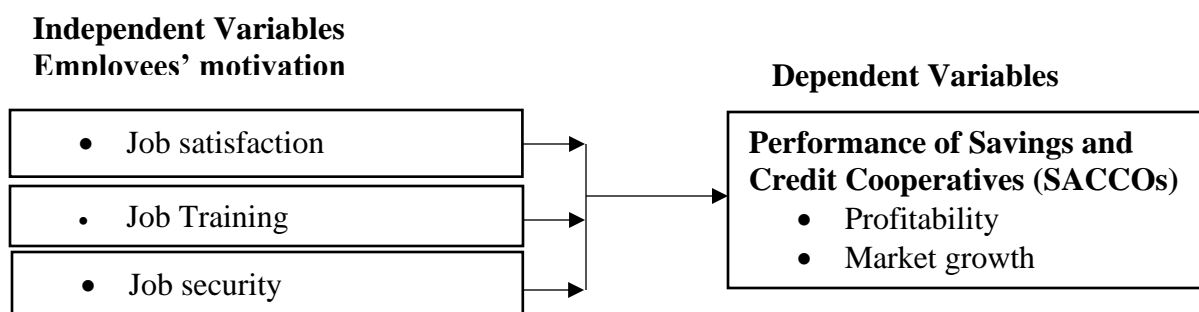
2.2.3 Two factor theories (Motivation and hygiene theory)

Two theories of motivation factors which were in form of satisfiers and dissatisfies (Herzberg, 1959). Hygiene factors was taken as dissatisfies, dissatisfies occurred when the employees are not paid their salaries, company is unfair policy, working environment conditions and workers' relations. The satisfiers are taken as motivators which are the elements which enable employees to be satisfied and motivated at their tasks, its absence results the low productivity and employee's rotation within a company (Levy, 2013). The satisfiers such achievement, self-responsibility, advancement, opportunities, and recognition increase the employees' motivation (Riggio, 2014). Work needs, higher performance, self-awareness, recognition promotion, are the one of motivators which used only to improve work satisfaction, Hygiene

factors is concerned with the way in which employees perform their works as it results, e.g. problems, low salary, and unfair working environment conditions, unfair company policies (Hansen, 2012). Lastly the theory doesn't clearly establish the relationship between motivation and satisfaction (Rukhmani, 2010).

2.3 Conceptual Framework

The conceptual framework is a diagrammatical representation that shows the relationship between dependent and independent variables. Figure 1 shows the conceptual framework illustrating the relationship between employees' job satisfaction, employees' training, job security and performance



Source: Primary data, 2021

Figure 1: Conceptual Framework

3.0 RESEARCH METHODOLOGY

The research was designed to collect data that could be applied to a population of the study in order to investigate the relationship between variables related to effects of employee motivation and performance of Umwalimu Saving and Credit Cooperatives (SACCOs). The researcher considered both descriptive where quantitative and qualitative data were interpreted to reach its objectives, analytical and correlation designs to get reliable information for relevant conclusions. Concerning to correlation design, the variables were measured without manipulation and the correlation coefficients was used during data analysis to explore the direction and strength of the relationship (Kumar, 2011). A sample size of 133 was obtained from target population of 199 from Umwalimu SACCO using Census. The researcher used the techniques of convenience sampling where the information was collected from the members of the population who were conveniently or readily available to provide it. The questionnaire, interview and observation were used as data collection instruments of this study. Both primary data and the secondary data were used to collect the data of this study.

4.0 RESEARCH FINDINGS AND DISCUSSIONS

In this part the research finds and discussions were interpreted based on the information collected from the field in regard with “employees’ motivation and the performance of Savings and Credit Cooperatives (SACCOs), where Umwalimu SACCO was taken as case of study. Data were analyzed based on the study objectives where data were showed in the tables, frequencies and figures using statistical analysis such as mean, percentages which was made on the responses of 133 respondents from Umwalimu SACCO.

4.1 Response rate

Table 1 presents the response rate.

Table 1: Response Rate

| Response | Frequency | Percentage |
|---------------------------------------|-----------|------------|
| Questionnaire returned | 133 | 66.84% |
| Not Returned/incomplete questionnaire | 66 | 33.16% |
| Total administered questionnaire | 199 | 100 |

Source: Primary data, 2021

The findings from the Table 1 indicated the total number of administered questionnaires were 199 from Umwalimu SACCO. The 133 questionnaires were filled properly which equal to 66.84% and it good for this study to be published and analysed. When a response rate of returned questionnaire was above 50% is adequate for a descriptive study stated by (Mugenda, 2003 & Kothali, 2011). According to Babbie (2004) also revealed that when the returned questionnaire was at 60%, is good and 70% is very good (Babbie, 2004).

4.2 Descriptive Analysis/Statistics

This subsection identified and explored the research findings through interviews of respondents and objectives of the study so as to draw the reliable conclusions.

4.2.1 To analyze the how employees’ job satisfaction affects the performance of Umwalimu SACCO

The following statements were about employees’ job satisfaction influence performance of Umwalimu SACCO. Table 2 presents the descriptive analysis of employees’ job satisfaction on performance of Umwalimu SACCO

Table 2: Employees' job satisfaction on performance of Umwalimu SACCO

| Statements | V.G.E | G.E | M.E | E | N.E | Mean | Std. Deviation |
|--|-------|-------|-------|-------|-------|------|-------------------|
| Job satisfaction increases the financial performance and profitability of Umwalimu SACCO | 32.3% | 27.8% | 7.5% | 16.5% | 15.8% | 2.56 | 1.479 |
| Job satisfaction handles personal financial problem of employees at Umwalimu SACCO | 27.8% | 0.8% | 53.4% | 1.5% | 16.5% | 2.78 | 1.328 |
| Job satisfaction increases team work spirit among employees at Umwalimu SACCO | 30.1% | 2.3% | 9.0% | 54.9% | 3.8% | 3.00 | 1.393 |
| Job satisfaction enhances employees 'retention at work by reducing absenteeism at Umwalimu SACCO | 15% | 14.3% | 60.9% | 7.5% | 2.3% | 2.68 | 0.901 |

Source: Primary data, 2021

The study findings of this Table 2 showed that 32.3% as very great extent; 27.8% great extent; 7.5% moderate extent; 16.5% extent, confirmed that employee's job satisfaction played a great influence to retain employees by increasing financial performance and profitability of Umwalimu SACCO and 15.8% responded that they were not extent to job satisfaction increases the performance and Profitability of Umwalimu SACCO. The respondents with 27.8% very great extent, 0.8% great extent, 53.4% moderate extent, 1.5% extent accepted employee' job satisfaction played a great role in handling personal and financial problem of employees at Umwalimu SACCO and 16.5% of the respondents said that there was no important role of job satisfaction in handling personal and financial problem of employee at Umwalimu SACCO and that the respondents with 30.1% Very Great Extent, 2.3% great extent, 9% Moderate extent; 54.9% extent percentages said that the job satisfaction increases the team working spirit among employees at Umwalimu SACCO and 3.8% said that there was no influence of employee's job satisfaction on team working spirit among employees at Umwalimu SACCO. The respondents who responded at these percentages 15% very great extent, 14.3% great extent, 60.9% moderate extent, 7.5% extent confirmed that employee's job satisfaction enhances employees' retention by reducing unnecessary absenteeism at work of employees in Umwalimu SACCO and 2.3% of respondents said that there was no influence of job satisfaction in retaining employee at Umwalimu SACCO. The results from respondents showed that there was a great influence of employee's job satisfaction on the employee's retention at Umwalimu SACCO, proven low standard deviation put out with low level shows perception homogeneity of respondent's confirmation on this study objectives.

4.2.2 To examine how the employees' training increases the performance of Umwalimu SACCO

The following statements were about training and the performance increase of Umwalimu SACCO. Table 3 illustrates the findings on the employees' training on performance of Umwalimu SACCO

Table 3: The employees' training and the performance of Umwalimu SACCO

| Statements | VGE | G.E | M.E | E | N.E | Mean | Std. Deviation |
|---|-------|-------|-------|-------|-------|------|----------------|
| Job training helps the employees to stay a long period at work increases employees' commitment, maximizing potential and learning work related-competencies of employee | 29.3% | 15.8% | 24.8% | 12.8% | 17.3% | 2.73 | 1.447 |
| Job training enhances the employee's knowledge, skills, technical abilities, job confidence, good service delivery to clients and job motivation for high productivity of Umwalimu SACCO. | 39.8% | 9% | 8.3% | 33.1% | 9.8% | 2.64 | 1.514 |
| Job training is fundamental element which affects Umwalimu SACCO to reach at its goals, objectives and financial performance | 30.8% | 6.8% | 45.1% | 10.5% | 6.8% | 2.56 | 1.221 |

Source: Primary data, 2021

The findings from Table 3, the respondents showed the influence of employee's job training to increase the profitability of Umwalimu SACCO. The respondents with 29.3%; very great extent, the 15.8% great extent, 24.8% moderate extent, 12.8% extent showed job training had effects on Umwalimu SACCO productivity by increasing employee's commitment, maximizing potential and learning work related-competencies of employee and 17.3% of the respondents were not apart from this statement. The 39.8% very great extent; 9% great extent, 8.3% moderate extent, 33.1% extent of the respondents of this study confirmed that the employee' job training played a great importance to increase profitability of Umwalimu SACCO through enhancing the employees' knowledge, skills, technical abilities, job confidence, quality service delivery to clients, and job motivation and 9.8% of the respondents did not accept this statements about influence of training on profitability of Umwalimu SACCO. The 30.1% very great extent, 6.8% great extent, 45.1% moderate extent, 10.5% extent of the respondents confirmed that employee's job training is fundamental element which affects Umwalimu SACCO to reach at its goals, objectives and financial performance. The 9.8% of respondents indicated that training had no effects on Umwalimu SACCO goals, and objectives achievement.

4.2.3 Job security on the performance of Umwalimu SACCO

The third specific objective was to establish the effects of job security on performance of Umwalimu SACCO. The results depicted in Table 4 illustrates the effects of job security on the performance of Umwalimu SACCO

Table 4: The effects of job security on the performance of Umwalimu SACCO

| Statements | VGE | G.E | M.E | E | N.E | Mean | Std. |
|--|-------|-------|-------|-------|------|------|-----------|
| | | | | | | | Deviation |
| Job security helps employees to stay a long period at work. | 39.1% | 15.8% | 24.8% | 12.8% | 7.5% | 2.34 | 1.314 |
| Job security minimize level of stress among employees at Umwalimu SACCO. | 33.8% | 15% | 8.3% | 33.1% | 9.8% | 2.70 | 1.467 |
| Job security increase freedom in employees' works | 45.1% | 6.8% | 26.3% | 6.8% | 15% | 2.40 | 1.482 |

Source: Primary data, 2021

The findings from Table 4 showed the most respondents showed that there was influence of. The respondents with 39.1% very great extent, the 15.8% great extent; the 24.8% moderate extent, 2.8% extent showed job security had effects on performance of Umwalimu SACCO by helping employees to stay a long period at work and 17.3% of the respondents were not apart from this statement. The 33.8% very great extent, 15% great extent; 8.3% moderate extent, 33.1% extent of the respondents of this study confirmed that the employee' job security played a great importance to minimize stress in their work at Umwalimu SACCO and 9.8% of the respondents did not accept this statement. The 45.1% Very great extent, 6.8% great extent, 26.3% Moderate extent, 6.8% extent of the respondents confirmed that employee's job security increase freedom in employees' works at Umwalimu SACCO to reach at its goals and financial performance. The 15% of respondents indicated that employees' job security had no effects on Umwalimu SACCO goals, and objectives achievement.

4.3 Correlation analysis

The researcher used Correlation analysis known as Karl Pearson coefficient in order to establish whether employees' motivation affects positively the performance of Savings and Credit Cooperatives (SACCOs). The results of the correlation analysis are presented in Table 5

Table 5: Correlation analysis

| | | Job satisfaction | Job training | Job security | Performance of SACCOs |
|-----------------------|-----------------|------------------|--------------|--------------|-----------------------|
| Job satisfaction | Pearson | .762** | .740** | .696** | .981** |
| | Correlation | | | | |
| | Sig. (2-tailed) | | .000 | .000 | .000 |
| | N | 133 | 133 | 133 | 133 |
| Job training | Pearson | .740** | .762** | .871** | .723** |
| | Correlation | | | | |
| | Sig. (2-tailed) | .000 | | .000 | .000 |
| | N | 133 | 133 | 133 | 133 |
| Job security | Pearson | .696** | .871** | 1.000 | .630** |
| | Correlation | | | | |
| | Sig. (2-tailed) | .000 | .000 | | .000 |
| | N | 133 | 133 | 133 | 133 |
| Performance of SACCOs | Pearson | .981** | .740** | .630** | 1.000 |
| | Correlation | | | | |
| | Sig. (2-tailed) | .000 | .000 | .000 | |
| | N | 133 | 133 | 133 | 133 |

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

The results presented in Table 5 showed there is a significant and high positive correlation between employees' job satisfaction, training, job security and performance of Savings and Credit Cooperatives (SACCOs) as ($r=0.762$ and 0.740 , 0.696 and 0.981 $P=0.000$). The Karl Pearson coefficient of correlation is low positive if it ranges between 0 and 0.5 and it is high positive if the correlation lies between 0.5 and 1. The results revealed that employee's job satisfaction; employees' training and job security had positive and significance with ($r=0.762$, $p=0.000$). this table showed that employees' job satisfaction and performance of Savings and Credit Cooperatives (SACCOs) had positive significance with ($r=0.762$, $p=0.000$), this table showed that employees' job security and performance of Savings and Credit Cooperatives (SACCOs) had positive relationship and significance ($r=0.740$, $p=0.000$). The findings of study showed also there was a positive and significant association between job security and performance of Savings and Credit Cooperatives (SACCOs) were positively and significantly related ($r=0.696$, $p=0.000$). This means that employees' motivation on performance of Savings and Credit Cooperatives (SACCOs) was statistically significant ($r=0.981$, P Value: 0.000) is less than 0.05. This indicated that an increase of job satisfaction, job training and job security leads to the increase of performance of Umwalimu SACCO.

4.4 Regression analysis

This study used the regression analysis determine the significance of two variables of (employees' motivation on the performance of Savings and Credit Cooperatives (SACCOs). The Model summary, Analysis of Variance and Coefficient model for all dependent variables were produced by using a multiple regression in this study. The equation model was $Y=b_0+b_1X_1+b_2X_2+b_3X_3+e$ Where Y =Performance of Umwalimu SACCO; b_0 =Constant, b_1 , b_2 , b_3 , = factors of motivation: employee's job satisfaction, training opportunity and job security.

4.4.1 Model Summary

The model summary was used to describe how far the independent variables as shown in Table 6.

Table 6: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .516 ^a | .266 | .249 | .2752 |

Primary data: 2021

a. Predictors: (Constant), Job security, Job satisfaction, Job training

The model was significant when P-Value <0.01. Study findings presented in Table 6 demonstrated a significant effect of independent to dependent variables as indicated by 0.516. The increasing of Performance of Savings and Credit Cooperatives is subjected to increase of job satisfaction, training and job security among employees. The model reveals a change of 51.6% on the increase of job security, employees' job satisfaction and employees' training to increase the performance of Savings and Credit Cooperatives at 78.2% interval of confidence. R 0.516 is the correlation coefficient which shows the relationship between the study variable. The results indicated in the table 4.8 there was a good relationship between the two variables of the study as shown by 0.51.

4.4.2 Results of Analysis of Variance (ANOVA)

The ANOVA of the regression was used to measure the goodness of fit and the results are presented in Table 7

Table 7: ANOVA of the regression

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 3.541 | 3 | 4.432 | 30.358 | .000 ^b |
| | Residual | 9.767 | 129 | .076 | | |
| | Total | 13.308 | 132 | | | |

Source: Primary data 2021

a. Dependent Variable: the performance of Credit and Saving Cooperatives(SACCOs)

b. Predictors: (Constant), Job satisfaction , Job training, job security,

As Analysis of Variance in Table 7 indicates that the significance value (F) is 30.358 with significance equal to 0.000 inferior to 0.05 then the summary model was significant to how motivation affect performance Credit and Saving Cooperatives (SACCOs). The F is critically at 3% significance level was 4.432, since F calculation was greater than F critical (= 4.432), this means that total model was significant and good for prediction based on its value of 0.000.

It showed that employees' motivational factors such as job satisfaction, employees' training and job security are very significant in increasing the performance of Savings and Credit Cooperatives, contradicting the null hypothesis. It implies that the motivation should be taken into consideration in increasing the performance since it has significant to the performance of Savings and Credit Cooperatives (SACCOs).

4.4.3 Regression Coefficients

The multiple regression coefficients from the study findings are depicted in Table 8

Table 8: Regression Coefficients

| | | Unstandardized Coefficients | | Standardized Coefficients | |
|-------|-----------------------------|-----------------------------|------------|---------------------------|-------|
| Model | | B | Std. Error | Beta | t |
| 1 | (Constant) | .651 | .079 | | 8.216 |
| | employees' job satisfaction | .349 | .076 | .516 | 4.602 |
| | employees' training | .234 | .056 | .365 | 4.168 |
| | job security | .240 | .034 | .322 | .000 |

Source: Primary Data 2021

a. Dependent Variable: Performance of Credit and Saving Cooperatives (SACCOs)

In the Table 8, it was indicated that employees' motivation is more likely to affect performance of Savings and Credit Cooperatives (SACCOs) with a p value of 0.000. A specific objective one showed that an increase of employees' job satisfaction affected positively the performance of Savings and Credit Cooperatives (SACCOs) by a factor of 0.76, the specific objective two showed that an increase in employees' training opportunity would lead to the performance of Umwalimu SACCO by factor by factors of 0.56, Specific objective three, when employees' job security increases, the performance of Savings and Credit Cooperatives (SACCOs) also increases by the factor of 0.34.

5.0 CONCLUSIONS

The first question aimed to assess impact of job satisfaction on the performance of Umwalimu SACCO, employees' job satisfaction is very crucial attribute which always measured the use of rating scales where workers reported their comments to their works. The results from table 4.4 indicated that employee job satisfaction was positively significant to retain employees and achievement organizations. Therefore, it is commonly known that the employees were valuable asset who strength the business and increase the revenues within organization, more productive and easily be retained in organizations for a longtime, in other hand to dissatisfied employees who were less productive and they always had tendency to shift from their jobs to other organizations. Addition to that, satisfied employees not on to produce good performance but

also deliver quality and good service to clients to enhance clients' satisfaction. The Karl Pearson correlation coefficient ($r = 0.762$ and P-Value 0.01 less than 0.05) which was confirmed. This implies that motivation factors such employees' job satisfaction used to motivate employees in Umwalimu SACCO has a significance on its performance.

The second question aimed to examine how the employees' trainings increase the performance of Umwalimu SACCO. The results from table 4.5 showed that the employees' training opportunities increase the performance because all organization success and performance depend on the employees' skills, knowledge, and technical ability to perform the tasks given and the training enhances also the employees' commitment, and it affects positive the employees' behaviour change and it enable organization to achieve at its goals and objectives through employee's performance. Therefore, in order to maintain and increase productivity and performance, Umwalimu SACCO must provide continuous employees training related to the work or positions. The Karl Pearson correlation coefficient ($r = 0.740$ and P- Value 0.000 less than 0.05) which was confirmed. This implies that training as a technique of motivation used for employees in Umwalimu SACCO has a significance on its performance.

The third question aimed to determine the effects of employees' job security and performance of Savings and Credit Cooperatives (SACCOs). The findings from table 4.6 indicated that the employee motivation such as job security has positive relationship with performance of Savings and Credit Cooperatives (SACCOs). The Karl Pearson correlation coefficient ($r = 0.696$ and P-Value 0.000 less than 0.05) which was confirmed. This implies that employees' job security as a technique of motivation used for employees in Umwalimu SACCO has a significance on its performance.

6.0 RECOMMENDATIONS OF THE STUDY

The employee motivation is fundamental element of high performance of many organizations. So the managers or head of institutions have to motivate employees and attempt to increase techniques of motivation to the employees towards their tasks; the financial institutions should give the training opportunities to the employees for acquiring new information, skills, knowledge in relation to their works; managers of financial institutions should understand well various strategies and techniques of motivating their employees; Paying salary in time, employees' job training, employees' job satisfaction, wages, insurance, promotion and advancement, employees' job security, might be considered by employers when they are motivating their employees, the financial institutions must establish its working structure and regulations which govern its employees;

The financial institutions management should ensure that its employees are working in good conditions without stressors, also if they have work equipment such as office equipment; it should also ensure if its employees involved in decision making; they are working in flexible hours with extra hours at work; It is very crucial to improve working environment where workers are well satisfied with their jobs and work as team, then the employees will perform their tasks accordingly; the study suggested that the team working spirit and commitment to achieve at organization objective and goals must keep in mind by manager of organizations, the recommendations were given to the head of institutions was to ensure if there was an effective communication among employers and employees.

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